



Lori A. Shibinette
Commissioner

Lori A. Weaver
Deputy Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

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May 25, 2022

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court and

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services, Office of the Commissioner, to accept and expend Agency Income (patient revenue), in the amount of \$3,000,000 effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023, and further authorize the allocation of these funds in the accounts below. These funds will be used for managing the Accounts Receivable and Accounts Payable that is attributable to the time prior to the closing of the purchase of Hampstead Hospital, a 111-bed licensed and accredited hospital in Hampstead, New Hampshire. 100% Agency Income.

05-95-98-980010-XXXX0000 HHS: HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HAMPSTEAD HOSPITAL, WORKING CAPITAL AP-AR

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
009-405921-68	Agency Income	\$ -	\$ 3,000,000	\$ 3,000,000
	Total Revenue:	\$ -	\$ 3,000,000	\$ 3,000,000
Expense				
020-500200	Current Expenses	\$ -	\$ 3,000,000	\$ 3,000,000
	Total Expense:	\$ -	\$ 3,000,000	\$ 3,000,000

EXPLANATION

The Asset Purchase Agreement of Hampstead Hospital approved at the January 26, 2022, Governor and Council meeting (Item #8) included a provision regarding the management of the Accounts Receivable and Accounts Payable that is attributable to the time prior to the closing of the purchase of Hampstead Hospital. For a period of 150 days the State must segregate any funds received or bills paid that are for the time period prior to the closing. At the end of the 150 days there must be a Working Capital Statement prepared (Section 2.06(a)) and a Post-Closing Adjustment made to close the account. This means that a payment will be made either by the buyer (State) or the Seller (Hampstead Outlook, Inc.), to bring this accounting unit to zero. There will be no net gain or loss to the State as a result of the action.

FIS 21-314, approved on October 22, 2021 by Fiscal Committee and Item #7B, approved by Governor and Council on October 27, 2021, was for the purchase of Hampstead Hospital and included ARPA funds to be used for cash management during the 150 day Post-Closing Adjustment. After discussions with Treasury and the Department of Administrative Services, it was determined that the most appropriate method to accomplish this requirement of the Asset Purchase Agreement is within its own accounting unit and without using ARPA funds.

The funds are to be budgeted as follows:

Class 020-These funds will be used as described above.

Area served: Statewide

Source of funds: These funds are 100% Agency Income

Respectfully submitted,



Lori A. Shibinette
Commissioner