



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
Commissioner

Kathleen A. Dunn
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
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January 9, 2015

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1) Pursuant to RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Office of Medicaid Business and Policy, to accept and expend additional federal funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services in the amount of \$2,932,930.00 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2015, and further authorize the allocation of these funds in the account below. 100% Federal Funds.

2) Pursuant to Chapter 3:7, II, Laws of 2014, Transfer Among Accounts, authorize the Department of Health and Human Services, Office of the Commissioner, to transfer \$301,672.86 within federal grants entitled "Adult Medicaid Quality Grant," from the United States Department of Health and Human Services, Center for Medicare and Medicaid Services. This request for transfer of funds is to re-align appropriated funds for the purpose of executing the mission of the Medicaid Quality Program at the state level, effective upon Fiscal Committee, and Governor and Executive Council, approvals through June 30, 2015, and further authorize the allocation of these funds in the account below. 100% Federal Funds.

05-95-47-470010-7946, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS POLICY, AFFORDABLE CARE ACT

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ DECREASE	REVISED MODIFIED BUDGET
000-400146	Federal Funds	\$8,445.00	\$0.00	\$8,445.00
000-400388	Federal Funds	\$663,458.24	\$0.00	\$663,458.24
000-403978	Federal Funds	\$10,962,735.25	\$2,932,930.00	\$13,895,665.25
	General Funds	\$111,380.61	\$0.00	\$111,380.61
	Total Revenue	\$11,746,019.10	\$2,932,930.00	\$14,678,949.10

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ DECREASE	REVISED MODIFIED BUDGET
010-500100	Personal Services - Perm. Class	\$743,139.25	(\$301,672.86)	\$441,466.39
020-500200	Current Expenses	\$46,879.09	\$0.00	\$46,879.09
030-500300	Equipment	\$6,455.71	\$0.00	\$6,455.71
041-500801	Audit Set Aside	\$18,448.40	\$2,930.00	\$21,378.40
060-500600	Benefits	\$426,169.40	\$0.00	\$426,169.40
070-500705	In-State Travel Reimbursement	\$1,571.00	\$0.00	\$1,571.00
101-500729	Medical Payments to Providers	\$9,716,598.00	\$2,930,000.00	\$12,646,598.00
102-500731	Contracts for Program Services	\$786,758.25	\$301,672.86	\$1,088,431.11
Total Expenditures		\$11,746,019.10	\$2,932,930.00	\$14,678,949.10

EXPLANATION

Requested Action #1

The NH Department of Health and Human Services, Medicaid Program, under Section 1202 of the Affordable Care Act, is required to increase primary care reimbursement to parity with Medicare for calendar years 2013 and 2014. The Affordable Care Act implements Medicaid payment for primary care services furnished by certain physicians in calendar years 2013 and 2014 at rates not less than the Medicare rates in effect in those calendar years. This minimum payment level applies to specified primary care services furnished by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine, and also applies to services paid through Medicaid managed care plans. It is a 100 percent federal matching rate for any increase in payment above the amounts that would be due for these services under the provisions of the State plan as of July 1, 2009. The rate increase is the difference between the enhanced rate and the 2009 NH fee for service rate.

Acceptance of these additional federal funds is needed in order to process payment for the final quarterly payment ending December 31, 2014.

- Class 041 The funds will be used to pay audit fund set aside expense.
- Class 101 The funds will be used to make the primary care reimbursement as referenced herein.

In response to the anticipated two-part question, "Can these funds be used to offset general funds?" and "What is the compelling reason for not offsetting general funds?" The Department offers the following information: These 100% federal cannot be used to offset general funds, as they are restricted to the activities referenced herein. Should the request be denied, the funds in question must be returned to the Federal Government and the State of New Hampshire will be out of compliance with Federal requirements.

Requested Action #2

The Department of Health and Human Services seeks approval to transfer funds between class codes to continue building a quality oversight program, under the Adult Medicaid Quality grant project, to manage the Department's Medicaid Programs. The Centers for Medicare and Medicaid Services originally awarded the Adult Medicaid Quality grant to the Department for the period of December 2012 through December 2014. The Department received approval from the Centers of Medicare and

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Medicaid Services Office of Acquisition and Grants Management on December 4, 2014 for a twelve month no cost extension through December 20, 2015. See attached grant award.

The Department was unable to hire all the projected staff within the original timeframes of the grant resulting in unspent funding on salaries and benefits. With the extension of the grant period, the Department is requesting the unspent grant funds to be transferred to the contract class code (Class 102) in State Fiscal Year 2015 to continue the Quality Oversight project by:

- 1) Completing the Medicaid Quality Information System, a web-based application allowing transparent reporting of Medicaid data. When fully operational, this system will be used by internal and external stakeholders to inform policy decisions and program management to assure the quality and efficiency of the New Hampshire Medicaid Programs; and
- 2) Calculating the quality measures required by the Centers for Medicare and Medicaid Services.

The following information is provided in accordance with the Budget Officer's instructional memorandum dated April 17, 1985 to support the above requested actions:

- A. Justification: As noted above, this transfer of existing funds is necessary to continue the data consolidation service efforts.
 - B. Does transfer involve continuing programs or one-time projects? This transfer involves the continuation of a one-time project of completing the work of the grant, to include the completion of the data system to be used to monitor the quality of the Medicaid programs, and to calculate the quality measures required by Centers for Medicare and Medicaid Services.
 - C. Is this transfer required to maintain existing program level or will it increase the program level? This transfer is required to maintain and complete the work of an existing grant.
 - D. Cite any requirements which make this program mandatory. There are no requirements that make this grant mandatory. However, this program has been federally approved by enabling Congressional language and is being 100% funded by a federal award.
 - E. Identify the source of funds on all accounts listed on this transfer. 100% federal funds.
 - F. Will there be any effect on revenue if this transfer is approved or disapproved? There will be no impact on revenue.
 - G. Are funds expected to lapse if this transfer is not approved? Yes, funds will lapse if this transfer is not approved.
 - H. Are personnel services involved? No personnel services are impacted by this transfer.
- H-1: Number of positions budgeted in each account: Not applicable
- H-2: Number of positions filled in each account. Not applicable
- H-3: Reason for vacant positions: Not applicable
- H-4: Have any positions been transferred previously in these accounts? Not applicable
- H-5: Will any positions be transferred as a result of this request? Not applicable

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Geographic area served: Statewide

Source of Funds:

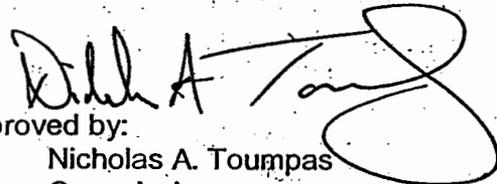
Requested Action #1: 100% Federal Funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

Requested Action #2: 100% Federal Funds from the United States Department of Health and Human Services, Center for Medicare and Medicaid Services, Adult Medicaid Quality Grant.

Respectfully submitted,



for Kathleen A. Dunn, MPH
Associate Commissioner



Approved by:
Nicholas A. Toumpas
Commissioner

1. DATE ISSUED MM/DD/YYYY 12/04/2014
 2. CFDA NO. 93.609
 3. ASSISTANCE TYPE Project Grant

Department of Health and Human Services
 Centers for Medicare & Medicaid Services
 Office of Acquisitions and Grants Management
 7500 Security Boulevard
 Baltimore, MD 21244

12. SUPERSEDES AWARD NOTICE dated 12/20/2013
 except that any additions or restrictions previously imposed remain
 in effect unless specifically rescinded

4. GRANT NO. 1F1CMS331103-01-02
 Formerly
 5. ACTION TYPE Post Award Amendment
 6. PROJECT PERIOD MM/DD/YYYY
 From 12/21/2012 Through 12/20/2015
 7. BUDGET PERIOD MM/DD/YYYY
 From 12/21/2012 Through 12/20/2015

NOTICE OF AWARD
 AUTHORIZATION (Legislation/Regulations)
 Affordable Care Act, Section 2701, Adult Health Quality Measures

8. TITLE OF PROJECT (OR PROGRAM)
 Adult Medicaid Quality

9a. GRANTEE NAME AND ADDRESS
 New Hampshire Dept of Health & Human Services
 129 Pleasant St
 Medicaid Business and Policy
 Concord, NH 03301-3852

9b. GRANTEE PROJECT DIRECTOR
 Mr. Patrick McGowan
 129 Pleasant St
 Concord, NH 03301-3852
 Phone: 603-271-9534

10a. GRANTEE AUTHORIZING OFFICIAL
 Valerie Brown
 129 Pleasant Street
 Medicaid Business and Policy
 Concord, NH 03301
 Phone: (603) 271-9434

10b. FEDERAL PROJECT OFFICER
 Virginia Raney
 7500 Security Boulevard
 Baltimore, MD 21244-null
 Phone: 410-786-6117

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)

I Financial Assistance from the Federal Awarding Agency Only		II
II Total project costs including grant funds and all other financial participation		
a. Salaries and Wages	114,673.14	
b. Fringe Benefits	59,631.00	
c. Total Personnel Costs	174,304.14	
d. Equipment	15,000.00	
e. Supplies	7,400.00	
f. Travel	13,272.00	
g. Construction	0.00	
h. Other	87,080.00	
i. Contractual	1,685,887.86	
j. TOTAL DIRECT COSTS →	1,982,944.00	
k. INDIRECT COSTS	0.00	
l. TOTAL APPROVED BUDGET	1,982,944.00	
m. Federal Share	1,982,944.00	
n. Non-Federal Share	0.00	

12. AWARD COMPUTATION

a. Amount of Federal Financial Assistance (from item 11m)	1,982,944.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	1,982,944.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
13. Total Federal Funds Awarded to Date for Project Period	1,982,944.00

14. RECOMMENDED FUTURE SUPPORT
 (Subject to the availability of funds and satisfactory progress of the project):

YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:

- a. DEDUCTION
- b. ADDITIONAL COSTS
- c. MATCHING
- d. OTHER RESEARCH (Add / Deduct Option)
- e. OTHER (See REMARKS)

b

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDING AGENCY OR THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:

- a. The grant program legislation
- b. The grant program regulations
- c. This award notice including terms and conditions, if any, noted below under REMARKS.
- d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.

In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

REMARKS (Other Terms and Conditions Attached - Yes No)

This Notice of Award approves the Key Personnel staff changes, the revised budget narrative, and the 12 month No cost extension per the grantee's request. Please feel free to contact our office with any questions or concerns.

GRANTS MANAGEMENT OFFICER: Michelle Peagins, Grants Management Officer

17. OBJ CLASS 41405	18a. VENDOR CODE 1026000618E5	18b. EIN 026000618	19. DUNS 011040545	20. CONG. DIST. 02
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION
21. a. 4-5991064	b. AMQG131103	c. AMQG	d. \$0.00	e. 7530509
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.