



Lori A. Shibinette  
Commissioner

Patricia M. Tilley  
Interim Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF PUBLIC HEALTH SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301  
603-271-4501 1-800-852-3345 Ext. 4501  
Fax: 603-271-4827 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

June 11, 2021

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Public Health Services, to enter into a **Sole Source** amendment to an existing contract with Mary Hitchcock Memorial Hospital (VC#177157-B013), Lebanon, NH for senior-level infectious disease medical epidemiology support, by increasing the price limitation by \$650,000 from \$1,126,679 to \$1,776,679 and by extending the completion date from June 30, 2021 to June 30, 2023, effective upon Governor and Council approval. 68% Federal Funds, 22% Other Funds (Pharmaceutical Rebates), and 10% General Funds.

The original contract was approved by Governor and Council on June 7, 2017, item #22. It was subsequently amended with Governor and Council approval on October 2, 2019, item #15A, and most recently amended with Governor approval on August 19, 2020 and presented to the Executive Council on September 11, 2020 (Informational Item #E).

Funds are anticipated to be available in State Fiscal Years 2022 and 2023, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

**See attached fiscal details.**

**EXPLANATION**

This request is **Sole Source** because the Department is seeking to extend the contract beyond the completion date and there are no renewal options available. The Department is requesting an extension of contract services because the Contractor is the only academic medical center in New Hampshire with a team of infectious disease specialists who can fulfill the scope of services; provide the necessary expertise within New Hampshire; and guarantee 24/7/365 coverage.

The purpose of this request is to ensure continued access to a team of infectious disease medical and epidemiology experts who provide consultation in infectious disease case and outbreak management; infectious disease prevention; and healthcare system preparedness. During the COVID-19 Pandemic, the Contractor provided valuable support that assisted the State with its outbreak management. The Contractor continues to assist with strengthening the Department's infectious disease prevention and response capacity; the public health emergency preparedness; and the healthcare system's preparedness capacity.

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The Contractor provides the Department with a physician who provides consultation services to rapidly respond to all potential infectious disease threats in order to protect the public. Additionally, the physician works with staff to develop strategies and educational materials to prevent infectious diseases from occurring, and to educate and inform healthcare providers, and the healthcare system overall, to enhance preparedness and response capacity for infectious disease-related public health threats.

The Department will monitor contracted services using the following performance measures:

- Completes 90% of infectious disease consultation requests made by the Department within a 24 hour time period.
- Completes 100% of high-priority infectious disease consultation requests made by the Department within one hour.
- Participates in 90% of the Department's Incident Management Team drills.
- Participates in 100% of actual DPHS infectious disease-related Incident Management Team activations.
- Participates in 75% of the Outbreak Team meetings.
- Participates in 75% of the HIV Medical Advisory Board meetings.
- Participates in 75% of the Healthcare-Associated Infections Technical Advisory Workgroup Meetings.
- Participates in 75% of the Healthcare-Associated Infections Antimicrobial Resistance Advisory Workgroup meetings.

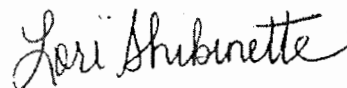
Should the Governor and Council not authorize this request, the Department will not have access to a team of infectious disease medical and epidemiology experts that provide consultation in infectious disease case and outbreak management, infectious disease prevention, and healthcare system preparedness.

Area served: Statewide

Source of Funds: CFDA #93.323, FAIN # NU50CK000522; CFDA # 93.889, FAIN # U3REP190580; CFDA # 93.069, FAIN # NU90TP922018; Other Funds (Pharmaceutical Rebates); General Funds.

In the event that the Federal or Other Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,



Lori A. Shubinette  
Commissioner

### Mary Hitchcock Fiscal Details

**05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077700	\$58,858.78	\$0.00	\$58,858.78
2019	102-500731	Contracts for Prog Svcs	90077700	\$59,983.22	\$0.00	\$59,983.22
2020	102-500731	Contracts for Prog Svcs	90077700	\$60,000.00	\$0.00	\$60,000.00
2021	102-500731	Contracts for Prog Svcs	90077700	\$60,000.00	\$0.00	\$60,000.00
			<b>Sub Total</b>	<b>\$238,842.00</b>	<b>\$0.00</b>	<b>\$238,842.00</b>

**05-95-90-902510-7545 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, EMERGENCY PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2019	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2020	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2021	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
			<b>Sub Total</b>	<b>\$280,000.00</b>	<b>\$0.00</b>	<b>\$280,000.00</b>

**05-95-90-903010-1835 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF LABORATORY SERVICES, NH ELC**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2019	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2020	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00

### Mary Hitchcock Fiscal Details

		Svcs				
2021	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2022	102-500731	Contracts for Prog Svcs	90183524	\$0.00	\$45,000.00	\$45,000.00
2023	102-500731	Contracts for Prog Svcs	90183524	\$0.00	\$45,000.00	\$45,000.00
			<b>Sub Total</b>	<b>\$180,000.00</b>	<b>\$90,000.00</b>	<b>\$270,000.00</b>

**05-95-90-902510-2229 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, PHARMACEUTICAL REBATES**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2019	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2020	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2021	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2022	102-500731	Contracts for Prog Svcs	90024600	\$0.00	\$50,000.00	\$50,000.00
2023	102-500731	Contracts for Prog Svcs	90024600	\$0.00	\$50,000.00	\$50,000.00
			<b>Sub Total</b>	<b>\$200,000.00</b>	<b>\$100,000.00</b>	<b>\$300,000.00</b>

**05-95-90-903010-1901 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: PUBLIC HEALTH DIVISION, BUREAU OF LABORATORY SERVICES, ELC CARES COVID-19**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2020	102-500731	Contracts for Prog Svcs	90183518	\$98,908.00	\$0.00	\$98,908.00
2021	102-500731	Contracts for Prog Svcs	90183518	\$128,929.00	0.00	\$128,929.00
2022	102-500731	Contracts for Prog Svcs	90183518	\$0.00	\$100,000.00	\$100,000.00

### Mary Hitchcock Fiscal Details

2023	102-500731	Contracts for Prog Svcs	90183518	\$0.00	\$100,000.00	\$100,000.00
			<b>Sub Total</b>	<b>\$227,837.00</b>	<b>\$200,000.00</b>	<b>\$427,837.00</b>

**05-95-90-903510-1113 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF EMERGENCY PREP & RESPONSE, HOSPITAL PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2022	102-500731	Contracts for Prog Svcs	90077700	\$0.00	\$60,000.00	\$60,000.00
2023	102-500731	Contracts for Prog Svcs	90077700	\$0.00	\$60,000.00	\$60,000.00
			<b>Sub Total</b>	<b>\$0.00</b>	<b>\$120,000.00</b>	<b>\$120,000.00</b>

**05-95-90-903510-1114 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF EMERGENCY PREP & RESPONSE, EMERGENCY PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2022	102-500731	Contracts for Prog Svcs	90077410	\$0.00	\$70,000.00	\$70,000.00
2023	102-500731	Contracts for Prog Svcs	90077410	\$0.00	\$70,000.00	\$70,000.00
			<b>Sub Total</b>	<b>\$0.00</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>
			<b>Totals</b>	<b>\$1,126,679.00</b>	<b>\$650,000.00</b>	<b>\$1,776,679.00</b>

**State of New Hampshire  
Department of Health and Human Services  
Amendment #3**

This Amendment to the Infectious Disease Medical & Epidemiology Consultant Services contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Mary Hitchcock Memorial Hospital ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 07, 2017, (Item # 22), as amended on October 2, 2019, (Item # 15A), and as approved by the Governor on August 19, 2020 and presented to the Executive Council on September 11, 2020 (Informational Item #E), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1 Revisions to General Provisions Paragraph 3, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:  
June 30, 2023.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,776,679.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 2, Subsection 2.1 to read:  
2.1 Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line items as specified in Exhibit B-1 Budget through Exhibit B-6 Amendment #3 Budget.
4. Add Exhibit B-5 Amendment #3 Budget, which is attached hereto and incorporated by reference herein.
5. Add Exhibit B-6 Amendment #3 Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not modified by this Amendment #3 remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

6/13/2021  
\_\_\_\_\_  
Date

State of New Hampshire  
Department of Health and Human Services

DocuSigned by:  
*Patricia M. Tilley*  
848FB38F55FD4C8...

\_\_\_\_\_  
Name: Patricia M. Tilley  
Title: Director

6/1/2021  
\_\_\_\_\_  
Date

Mary Hitchcock Memorial Hospital

DocuSigned by:  
*Jennifer Lopez*  
0905364B233D4D8...

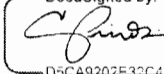
\_\_\_\_\_  
Name: Jennifer Lopez  
Title: Director of Research Operations Finance

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

6/14/2021

\_\_\_\_\_  
Date

DocuSigned by:  
  
D5CA9202E30C4AE

\_\_\_\_\_  
Name: Catherine Pinos  
Title:  
Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:



Exhibit B-5 Amendment #3 Budget

New Hampshire Department of Health and Human Services

Contractor Name: Mary Hitchcock Memorial Hospital

Budget Request for: Infectious Disease Epidemiology Support

Project Title

Budget Period: 07/01/2021-06/30/2022

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 223,505.95	\$ 69,286.84	\$ 292,792.79	\$ -	\$ -	\$ -	\$ 223,505.95	\$ 69,286.84	\$ 292,792.79
2. Employee Benefits	\$ 24,585.65	\$ 7,621.55	\$ 32,207.20	\$ -	\$ -	\$ -	\$ 24,585.65	\$ 7,621.55	\$ 32,207.20
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (x) (include details mandatory)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 248,091.60	\$ 76,908.40	\$ 325,000.00	\$ -	\$ -	\$ -	\$ 248,091.60	\$ 76,908.40	\$ 325,000.00

Indirect As A Percent of Direct 31.0%

DS  
*JS*

Contractor Initials

Date 6/1/2021

Exhibit B-6 Amendment #3 Budget

New Hampshire Department of Health and Human Services

Contractor Name: Mary Hitchcock Memorial Hospital

Budget Request for: Infectious Disease Epidemiology Support

Project Title

Budget Period: 07/01/2022-06/30/2023

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 221,510.30	\$ 68,668.21	\$ 290,178.57	\$ -	\$ -	\$ -	\$ 221,510.30	\$ 68,668.21	\$ 290,178.57
2. Employee Benefits	\$ 26,581.24	\$ 8,240.18	\$ 34,821.42	\$ -	\$ -	\$ -	\$ 26,581.24	\$ 8,240.18	\$ 34,821.42
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (provide details in addendum)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 248,091.60	\$ 76,908.40	\$ 325,000.00	\$ -	\$ -	\$ -	\$ 248,091.60	\$ 76,908.40	\$ 325,000.00

Indirect As A Percent of Direct 31.0%

DS  
*JL*

Contractor Initials \_\_\_\_\_  
Date 6/1/2021

# State of New Hampshire

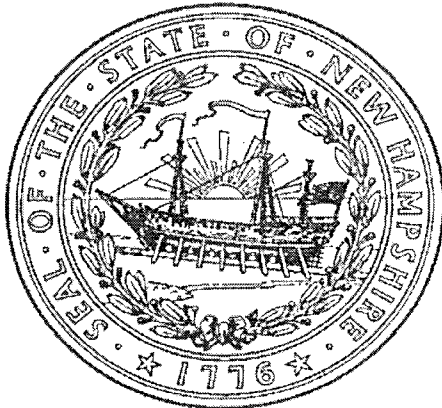
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that DARTMOUTH-HITCHCOCK CLINIC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 01, 1983. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **69168**

Certificate Number: **0005357409**

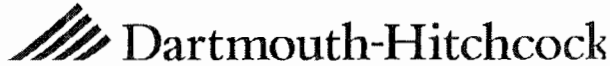


IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 26th day of April A.D. 2021.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



Dartmouth-Hitchcock  
Dartmouth-Hitchcock Medical Center  
1 Medical Center Drive  
Lebanon, NH 03756  
Dartmouth-Hitchcock.org

**CERTIFICATE OF VOTE/AUTHORITY**

I, Edward H. Stansfield, III, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital, do hereby certify that:

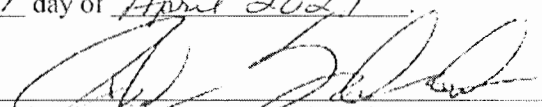
1. I am the duly elected Chair of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital;
2. The following is a true and accurate excerpt from the December 7<sup>th</sup>, 2012 Bylaws of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital:

**ARTICLE I – Section A. Fiduciary Duty. Stewardship over Corporate Assets**

“In exercising this [fiduciary] duty, the Board may, consistent with the Corporation’s Articles of Agreement and these Bylaws, delegate authority to the Board of Governors, Board Committees and various officers the right to give input with respect to issues and strategies, incur indebtedness, make expenditures, enter into contracts and agreements and take such other binding actions on behalf of the Corporation as may be necessary or desirable.”

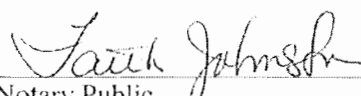
3. Article I – Section A, as referenced above, provides authority for the chief officers, including the Chief Executive Officer, the Chief Clinical Officer, and other officers, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital to sign and deliver, either individually or collectively, on behalf of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital.
4. Edward J. Merrens, MD is the Chief Clinical Officer of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital and therefore has the authority to enter into contracts and agreements on behalf of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital.

IN WITNESS WHEREOF, I have hereunto set my hand as the Chair of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital this 21<sup>st</sup> day of April 2021.

  
Edward H. Stansfield, III, Board Chair

STATE OF NH  
COUNTY OF GRAFTON

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of April, 2021 by Edward Stansfield.

  
Notary Public  
My Commission Expires: 9-21-20





Susan Reeves, EdD, RN, CENP

Executive Vice President, Dartmouth-Hitchcock Medical Center  
System Chief Nursing Executive, Dartmouth-Hitchcock Health  
Chief Nurse, Dartmouth-Hitchcock Health

**Dartmouth-Hitchcock Medical Center**

One Medical Center Drive  
Lebanon, NH 03756-0001

Phone (603) 650-5606

Dartmouth-Hitchcock.org

April 28, 2021

Attorney General  
State of New Hampshire  
129 Pleasant Street  
Concord, NH 03301

Dear Attorney General:

At the request of the State of New Hampshire, I am writing to notify you that, as noted in the attached Delegation of Signature Authority from August 25, 2020, in her role as Director of Research Operations and Finance, Jennifer J. Lopez, CSSBB, continues to have authority to sign contracts on behalf of Dartmouth-Hitchcock which have a funding amount not to exceed \$1,000,000 and which have a term of less than five (5) years.

Please do not hesitate to reach out should you require further documentation.

Sincerely,

A handwritten signature in black ink that reads "Susan A. Reeves RN".

Susan A. Reeves, EdD, RN, CENP  
Executive Vice President, Dartmouth-Hitchcock Medical Center  
System Chief Nursing Executive, Dartmouth-Hitchcock Health

**CERTIFICATE OF INSURANCE****DATE: July 1, 2020****COMPANY AFFORDING COVERAGE**

Hamden Assurance Risk Retention Group, Inc.  
P.O. Box 1687  
30 Main Street, Suite 330  
Burlington, VT 05401

This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policies below.

**INSURED**

Dartmouth-Hitchcock Clinic  
One Medical Center Drive  
Lebanon, NH 03756  
(603)653-6850

**COVERAGES**

The Policy listed below has been issued to the Named Insured above for the Policy Period notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued. The insurance afforded by the policy is subject to all the terms, exclusions and conditions of the policy. Limits shown may have been reduced by paid claims.

TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS		
<b>GENERAL LIABILITY</b>		0002020-A	07/01/2020	07/01/2021	EACH OCCURRENCE	\$1,000,000	
					DAMAGE TO RENTED PREMISES	\$100,000	
	<b>X</b>				CLAIMS MADE	MEDICAL EXPENSES	N/A
					OCCURRENCE	PERSONAL & ADV INJURY	\$1,000,000
					<b>OTHER</b>	GENERAL AGGREGATE	
					PRODUCTS-COMP/OP AGG	\$1,000,000	
<b>PROFESSIONAL LIABILITY</b>					EACH CLAIM		
					ANNUAL AGGREGATE		
<b>OTHER</b>							

**DESCRIPTION OF OPERATIONS/ LOCATIONS/ VEHICLES/ SPECIAL ITEMS (LIMITS MAY BE SUBJECT TO RETENTIONS)**

Certificate is issued as evidence of insurance only.

**CERTIFICATE HOLDER**

NH Dept of Health & Human Services  
129 Pleasant Street  
Concord, NH 03301

**CANCELLATION**

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 DAYS written notice to the certificate holder named below, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

**AUTHORIZED REPRESENTATIVES**





## Dartmouth-Hitchcock

Dartmouth-Hitchcock (D-H) is comprised of the Dartmouth-Hitchcock Medical Center and several clinics throughout New Hampshire and Vermont. Our physicians and researchers collaborate with Geisel School of Medicine scientists and faculty as well as other leading health care organizations to develop new treatments at the cutting edge of medical practice bringing the latest medical discoveries to the patient.

Dartmouth-Hitchcock includes:



### **Dartmouth-Hitchcock Medical Center (DHMC)**

DHMC is the state's only academic medical center, and the only Level I Adult and Pediatric Trauma Center in New Hampshire. The Dartmouth-Hitchcock Advanced Response Team (DHART), based in Lebanon and Manchester, provides ground and air medical transportation to communities throughout northern New England. DHMC was named in 2020 as the #1 hospital in New Hampshire by **U.S. News & World Report** (<https://health.usnews.com/best-hospitals/area/nh>), and recognized for high performance in nine clinical specialties, procedures, and conditions.





### **The Dartmouth-Hitchcock Clinic**

The Dartmouth-Hitchcock Clinic is a network of primary and speciality care physicians located throughout New Hampshire and Vermont, with major community group practices in Lebanon, Concord, Manchester, Nashua, and Keene, NH, and Bennington, VT.



### **Mary Hitchcock Memorial Hospital**

Mary Hitchcock Memorial Hospital is New Hampshire's only teaching hospital, with an inpatient capacity of 396 beds.



### **Children's Hospital at Dartmouth-Hitchcock (CHaD)**

CHaD is New Hampshire's only children's hospital and a member of the Children's Hospital Association, providing advanced pediatric inpatient, outpatient and surgical services at DHMC in Lebanon as well as in Bedford, Concord, Manchester, Nashua, and Dover, NH.



## **Norris Cotton Cancer Center (NCCC)**

NCCC is a designated Comprehensive Cancer Center by the National Cancer Institute, and is one of the premier facilities for cancer treatment, research, prevention, and education. Interdisciplinary teams, devoted to the treatment of specific types of cancer, work together to care for patients of all ages in Lebanon, Manchester, Nashua, Keene, NH, and St. Johnsbury, VT.

## **Our mission, vision, and values**

### **Our mission**

We advance health through research, education, clinical practice and community partnerships, providing each person the best care, in the right place, at the right time, every time.

### **Our vision**

Achieve the healthiest population possible, leading the transformation of health care in our region and setting the standard for our nation.

### **Our values**

- Respect
- Integrity
- Commitment
- Transparency
- Trust
- Teamwork
- Stewardship
- Community

## Learn more about us

- Facts and Figures
- Community Outreach
- Collaborations
- Population Health
- Awards and Honors
- History

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# **Dartmouth-Hitchcock Health and Subsidiaries**

**Report on Federal Awards in Accordance With the  
Uniform Guidance**

**June 30, 2019**

**EIN #02-0222140**

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Index**  
**June 30, 2019**

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**Part I**  
**Financial Statements and**  
**Schedule of Expenditures of Federal Awards**



## Report of Independent Auditors

To the Board of Trustees of  
Dartmouth-Hitchcock Health and subsidiaries

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Dartmouth-Hitchcock Health and its subsidiaries (the "Health System"), which comprise the consolidated balance sheets as of June 30, 2019 and 2018, and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended, and the related notes to the financial statements.

#### ***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Health System's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Dartmouth-Hitchcock Health and its subsidiaries as of June 30, 2019 and 2018, and the results of their operations, changes in net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2 to the consolidated financial statements, the Health System changed the manner in which it accounts for revenue recognition from contracts with customers and the manner in which it presents net assets and reports certain aspects of its financial statements as a not-for-profit entity in 2019. Our opinion is not modified with respect to this matter.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of its operations, changes in net assets and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, results of operations, changes in net assets and cash flows of the individual companies.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2019 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In





our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019 on our consideration of the Health System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2019. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health System's internal control over financial reporting and compliance.

*Principals/Signatory LLP*

Boston, Massachusetts  
November 26, 2019

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidated Balance Sheets

#### June 30, 2019 and 2018

<i>(in thousands of dollars)</i>	2019	2018
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 143,587	\$ 200,169
Patient accounts receivable, net of estimated uncollectible of \$132,228 at June 30, 2018 (Note 4)	221,125	219,228
Prepaid expenses and other current assets	95,495	97,502
Total current assets	460,207	516,899
Assets limited as to use (Notes 5 and 7)	876,249	706,124
Other investments for restricted activities (Notes 5 and 7)	134,119	130,896
Property, plant, and equipment, net (Note 6)	621,256	607,321
Other assets	124,471	108,785
Total assets	\$ 2,216,302	\$ 2,070,025
<b>Liabilities and Net Assets</b>		
Current liabilities		
Current portion of long-term debt (Note 10)	\$ 10,914	\$ 3,464
Current portion of liability for pension and other postretirement plan benefits (Note 11)	3,468	3,311
Accounts payable and accrued expenses (Note 13)	113,817	95,753
Accrued compensation and related benefits	128,408	125,576
Estimated third-party settlements (Note 4)	41,570	41,141
Total current liabilities	298,177	269,245
Long-term debt, excluding current portion (Note 10)	752,180	752,975
Insurance deposits and related liabilities (Note 12)	58,407	55,516
Liability for pension and other postretirement plan benefits, excluding current portion (Note 11)	281,009	242,227
Other liabilities	124,136	88,127
Total liabilities	1,513,909	1,408,090
Commitments and contingencies (Notes 4, 6, 7, 10, and 13)		
Net assets		
Net assets without donor restrictions (Note 9)	559,933	524,102
Net assets with donor restrictions (Notes 8 and 9)	142,460	137,833
Total net assets	702,393	661,935
Total liabilities and net assets	\$ 2,216,302	\$ 2,070,025

The accompanying notes are an integral part of these consolidated financial statements.

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Consolidated Statements of Operations and Changes in Net Assets**  
**Years Ended June 30, 2019 and 2018**

<i>(in thousands of dollars)</i>	<b>2019</b>	<b>2018</b>
<b>Operating revenue and other support</b>		
Patient service revenue	\$ 1,999,323	\$ 1,899,095
Provision for bad debts (Notes 2 and 4)	-	47,367
Net patient service revenue	1,999,323	1,851,728
Contracted revenue (Note 2)	75,017	54,969
Other operating revenue (Notes 2 and 5)	210,698	148,946
Net assets released from restrictions	14,105	13,461
Total operating revenue and other support	<u>2,299,143</u>	<u>2,069,104</u>
<b>Operating expenses</b>		
Salaries	1,062,551	989,263
Employee benefits	251,591	229,683
Medical supplies and medications	407,875	340,031
Purchased services and other	323,435	291,372
Medicaid enhancement tax (Note 4)	70,061	67,692
Depreciation and amortization	88,414	84,778
Interest (Note 10)	25,514	18,822
Total operating expenses	<u>2,229,441</u>	<u>2,021,641</u>
Operating income (loss)	<u>69,702</u>	<u>47,463</u>
<b>Nonoperating gains (losses)</b>		
Investment income, net (Note 5)	40,052	40,387
Other losses, net (Note 10)	(3,562)	(2,908)
Loss on early extinguishment of debt	(87)	(14,214)
Loss due to swap termination	-	(14,247)
Total nonoperating gains, net	<u>36,403</u>	<u>9,018</u>
Excess of revenue over expenses	<u>\$ 106,105</u>	<u>\$ 56,481</u>

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Consolidated Statements of Operations and Changes in Net Assets**  
**Years Ended June 30, 2019 and 2018**

<i>(in thousands of dollars)</i>	<b>2019</b>	<b>2018</b>
<b>Net assets without donor restrictions</b>		
Excess of revenue over expenses	\$ 106,105	\$ 56,481
Net assets released from restrictions	1,769	16,313
Change in funded status of pension and other postretirement benefits (Note 11)	(72,043)	8,254
Other changes in net assets	-	(185)
Change in fair value of interest rate swaps (Note 10)	-	4,190
Change in interest rate swap effectiveness	-	14,102
Increase in net assets without donor restrictions	<u>35,831</u>	<u>99,155</u>
<b>Net assets with donor restrictions</b>		
Gifts, bequests, sponsored activities	17,436	14,171
Investment income, net	2,682	4,354
Net assets released from restrictions	(15,874)	(29,774)
Contribution of assets with donor restrictions from acquisition	383	-
Increase (decrease) in net assets with donor restrictions	<u>4,627</u>	<u>(11,249)</u>
Change in net assets	40,458	87,906
<b>Net assets</b>		
Beginning of year	<u>661,935</u>	<u>574,029</u>
End of year	<u>\$ 702,393</u>	<u>\$ 661,935</u>

The accompanying notes are an integral part of these consolidated financial statements.

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidated Statements of Cash Flows

#### Years Ended June 30, 2019 and 2018

<i>(in thousands of dollars)</i>	2019	2018
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 40,458	\$ 87,906
Adjustments to reconcile change in net assets to net cash provided by operating and nonoperating activities		
Change in fair value of interest rate swaps	-	(4,897)
Provision for bad debt	-	47,367
Depreciation and amortization	88,770	84,947
Change in funded status of pension and other postretirement benefits	72,043	(8,254)
(Gain) on disposal of fixed assets	(1,101)	(125)
Net realized gains and change in net unrealized gains on investments	(31,397)	(45,701)
Restricted contributions and investment earnings	(2,292)	(5,460)
Proceeds from sales of securities	1,167	1,531
Loss from debt defeasance	-	14,214
Changes in assets and liabilities		
Patient accounts receivable, net	(1,803)	(29,335)
Prepaid expenses and other current assets	2,149	(8,299)
Other assets, net	(9,052)	(11,665)
Accounts payable and accrued expenses	17,898	19,693
Accrued compensation and related benefits	2,335	10,665
Estimated third-party settlements	429	13,708
Insurance deposits and related liabilities	2,378	4,556
Liability for pension and other postretirement benefits	(33,104)	(32,399)
Other liabilities	12,267	(2,421)
Net cash provided by operating and nonoperating activities	161,145	136,031
<b>Cash flows from investing activities</b>		
Purchase of property, plant, and equipment	(82,279)	(77,598)
Proceeds from sale of property, plant, and equipment	2,188	-
Purchases of investments	(361,407)	(279,407)
Proceeds from maturities and sales of investments	219,996	273,409
Cash received through acquisition	4,863	-
Net cash used in investing activities	(216,639)	(83,596)
<b>Cash flows from financing activities</b>		
Proceeds from line of credit	30,000	50,000
Payments on line of credit	(30,000)	(50,000)
Repayment of long-term debt	(29,490)	(413,104)
Proceeds from issuance of debt	26,338	507,791
Repayment of interest rate swap	-	(16,019)
Payment of debt issuance costs	(228)	(4,892)
Restricted contributions and investment earnings	2,292	5,460
Net cash (used in) provided by financing activities	(1,088)	79,236
(Decrease) increase in cash and cash equivalents	(56,582)	131,671
<b>Cash and cash equivalents</b>		
Beginning of year	200,169	68,498
End of year	\$ 143,587	\$ 200,169
<b>Supplemental cash flow information</b>		
Interest paid	\$ 23,977	\$ 18,029
Net assets acquired as part of acquisition, net of cash acquired	(4,863)	-
Noncash proceeds from issuance of debt	-	137,281
Use of noncash proceeds to refinance debt	-	137,281
Construction in progress included in accounts payable and accrued expenses	1,546	1,569
Equipment acquired through issuance of capital lease obligations	-	17,670
Donated securities	1,167	1,531

The accompanying notes are an integral part of these consolidated financial statements.

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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#### **1. Organization and Community Benefit Commitments**

Dartmouth-Hitchcock Health (D-HH) serves as the sole corporate member of the following entities: Dartmouth-Hitchcock Clinic and Subsidiaries (DHC), Mary Hitchcock Memorial Hospital and Subsidiaries (MHMH), (DHC and MHMH together are referred to as D-H), The New London Hospital Association and Subsidiaries (NLH), Windsor Hospital Corporation (d/b/a Mt. Ascutney Hospital and Health Center) and Subsidiaries (MAHHC), Cheshire Medical Center and Subsidiaries (Cheshire), Alice Peck Day Memorial Hospital and, effective July 1, 2018, Subsidiary (APD), and the Visiting Nurse and Hospice for Vermont and New Hampshire and Subsidiaries (VNH). The "Health System" consists of D-HH, its members and their subsidiaries.

The Health System currently operates one tertiary, one community and three acute care (critical access) hospitals in New Hampshire (NH) and Vermont (VT). One facility provides inpatient and outpatient rehabilitation medicine and long-term care. The Health System also operates multiple physician practices, a nursing home, a continuing care retirement community, and a home health and hospice service. The Health System operates a graduate level program for health professions and is the principal teaching affiliate of the Geisel School of Medicine (Geisel), a component of Dartmouth College.

D-HH, Dartmouth-Hitchcock Clinic, Mary Hitchcock Memorial Hospital, The New London Hospital Association, Cheshire Medical Center, and Alice Peck Day Memorial Hospital are NH not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). Windsor Hospital Corporation and the Visiting Nurse and Hospice of VT and NH are VT not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the IRC.

#### **Community Benefits**

The mission of the Health System is to advance health through clinical practice and community partnerships, research and education, providing each person the best care, in the right place, at the right time, every time.

Consistent with this mission, the Health System provides high quality, cost effective, comprehensive, and integrated healthcare to individuals, families, and the communities it serves regardless of a patient's ability to pay. The Health System actively supports community-based healthcare and promotes the coordination of services among healthcare providers and social services organizations. In addition, the Health System also seeks to work collaboratively with other area healthcare providers to improve the health status of the region. As a component of an integrated academic medical center, the Health System provides significant support for academic and research programs.

Certain member hospitals of the Health System file annual Community Benefits Reports with the State of NH which outline the community and charitable benefits each provides. VT hospitals are not required by law to file a state community benefit report. The categories used in the Community Benefit Reports to summarize these benefits are as follows:

- *Community Health Services* include activities carried out to improve community health and could include community health education (such as classes, programs, support groups, and materials that promote wellness and prevent illness), community-based clinical services (such as free clinics and health screenings), and healthcare support services (enrollment assistance in public programs, assistance in obtaining free or reduced costs medications, telephone information services, or transportation programs to enhance access to care, etc.).

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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- *Health Professions Education* includes uncompensated costs of training medical students, Residents, nurses, and other health care professionals.
- *Subsidized health services* are services provided by the Health System, resulting in financial losses that meet the needs of the community and would not otherwise be available unless the responsibility was assumed by the government.
- *Research support and other grants* represent costs in excess of awards for numerous health research and service initiatives awarded to the organizations within the Health System.
- *Financial Contributions* include financial contributions of cash, as well as in-kind contributions such as time, supplies, and expertise to local organizations to address community health needs.
- *Community-Building Activities* include expenses incurred to support the development of programs and partnerships intended to address public health challenges as well as social and economic determinants of health. Examples include physical improvements and housing, economic development, support system enhancements, environmental improvements, leadership development and training for community members, community health improvement advocacy, and workforce enhancement.
- *Community Benefit Operations* includes costs associated with staff dedicated to administering benefit programs, community health needs assessment costs, and other costs associated with community benefit planning and operations.
- *Charity Care and Costs of Government Sponsored Health Care* includes losses, at-cost, incurred by providing health care services to persons qualifying for hospital financial assistance programs, and uncompensated costs of providing health care services to patients who are Medicaid Beneficiaries.
- *The uncompensated cost of care for Medicaid patients* reported in the unaudited Community Benefits Reports for 2018 was approximately \$139,683,000. The 2019 Community Benefits Reports are expected to be filed in February 2020.

The following table summarizes the value of the community benefit initiatives outlined in the Health System's most recently filed Community Benefit Reports for the year ended June 30, 2018:

*(in thousands of dollars)*

Government-sponsored healthcare services	\$ 246,064
Health professional education	33,067
Charity care	13,243
Subsidized health services	11,993
Community health services	6,570
Research	5,969
Community building activities	2,540
Financial contributions	2,360
Community benefit operations	1,153
Total community benefit value	\$ 322,959

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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## **2. Summary of Significant Accounting Policies**

### **Basis of Presentation**

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and have been prepared consistent with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 954, *Healthcare Entities*, which addresses the accounting for healthcare entities. The net assets, revenue, expenses, and gains and losses of healthcare entities are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets without donor restrictions are amounts not subject to donor-imposed stipulations and are available for operations. Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose, or whose use has been restricted by donors to be maintained in perpetuity. All significant intercompany transactions have been eliminated upon consolidation.

### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The most significant areas that are affected by the use of estimates include implicit and explicit pricing concessions, valuation of certain investments, estimated third-party settlements, insurance reserves, and pension obligations. Actual results may differ from those estimates.

### **Excess of Revenue Over Expenses**

The consolidated statements of operations and changes in net assets include the excess of revenue over expenses. Operating revenues consist of those items attributable to the care of patients, including contributions and investment income on investments of net assets without donor restrictions, which are utilized to provide charity and other operational support. Peripheral activities, including contribution of net assets without donor restrictions from acquisitions, loss on early extinguishment of debt, loss due to swap termination, realized gains/losses on sales of investment securities and changes in unrealized gains/losses in investments are reported as nonoperating gains (losses).

Changes in net assets without donor restrictions which are excluded from the excess of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets), change in funded status of pension and other postretirement benefit plans, and the effective portion of the change in fair value of interest rate swaps.

### **Charity Care**

The Health System provides care to patients who meet certain criteria under their financial assistance policies without charge or at amounts less than their established rates. Because the Health System does not anticipate collection of amounts determined to qualify as charity care, they are not reported as revenue.



## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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The Health System grants credit without collateral to patients. Most are local residents and are insured under third-party arrangements. The amount of charges for implicit price concessions is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in federal and state governmental healthcare coverage, and other collection indicators (Notes 1 and 4).

#### **Patient Service Revenue**

The Health System applies the accounting provisions of ASC 606, *Revenue from Contracts with Customers* (ASC 606). Patient service revenue is reported at the amount of consideration to which the Health System expects to be entitled from patients, third party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and implicit pricing concessions. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as estimates change or final settlements are determined (Note 4).

#### **Contracted Revenue**

The Health System has various Professional Service Agreements (PSAs), pursuant to which certain organizations purchase services of personnel employed by the Health System and also lease space and equipment. Revenue pursuant to these PSAs and certain facility and equipment leases and other professional service contracts have been classified as contracted revenue in the accompanying consolidated statements of operations and changes in net assets.

#### **Other Revenue**

The Health System recognizes other revenue which is not related to patient medical care but is central to the day-to-day operations of the Health System. Other revenue primarily consists of revenue from retail pharmacy, which the Health System records as customer revenues in the amounts that reflect the consideration to which it expects to be entitled in exchange for the prescription. Other revenue also includes joint operating agreements, grant revenue, cafeteria sales and other support service revenue.

#### **Cash Equivalents**

Cash equivalents include investments in highly liquid investments with maturities of three months or less when purchased, excluding amounts where use is limited by internal designation or other arrangements under trust agreements or by donors.

#### **Investments and Investment Income**

Investments in equity securities with readily determinable fair values, mutual funds and pooled/commingled funds, and all investments in debt securities are considered to be trading securities reported at fair value with changes in fair value included in the excess of revenues over expenses. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (Note 7).

Investments in pooled/commingled investment funds, private equity funds and hedge funds that represent investments where the Health System owns shares or units of funds rather than the underlying securities in that fund are valued using the equity method of accounting with changes in value recorded in the excess of revenues over expenses. All investments, whether held at fair value or under the equity method of accounting, are reported at what the Health System believes to be the amount they would expect to receive if it liquidated its investments at the balance sheet dates on a nondistressed basis.

## Dartmouth-Hitchcock Health and Subsidiaries

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Certain members of the Health System are partners in a NH general partnership established for the purpose of operating a master investment program of pooled investment accounts. Substantially all of the Health System's board-designated and assets with donor restrictions, such as endowment funds, were invested in these pooled funds by purchasing units based on the market value of the pooled funds at the end of the month prior to receipt of any new additions to the funds. Interest, dividends, and realized and unrealized gains and losses earned on pooled funds are allocated monthly based on the weighted average units outstanding at the prior month-end.

Investment income or losses (including change in unrealized and realized gains and losses on investments, change in value of equity method investments, interest, and dividends) are included in the excess of revenue over expenses and classified as nonoperating gains and losses, unless the income or loss is restricted by donor or law (Note 9).

#### **Fair Value Measurement of Financial Instruments**

The Health System estimates fair value based on a valuation framework that uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy, as defined by ASC 820, *Fair Value Measurements and Disclosures*, are described below:

- |         |  |
|---------|--|
| Level 1 | Unadjusted quoted prices in active markets that are accessible at the measurement date for assets or liabilities.                  |
| Level 2 | Prices other than quoted prices in active markets that are either directly or indirectly observable as of the date of measurement. |
| Level 3 | Prices or valuation techniques that are both significant to the fair value measurement and unobservable.                           |

The Health System applies the accounting provisions of Accounting Standards Update (ASU) 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)* (ASU 2009-12). ASU 2009-12 allows for the estimation of fair value of investments for which the investment does not have a readily determinable fair value, to use net asset value (NAV) per share or its equivalent as a practical expedient, subject to the Health System's ability to redeem its investment.

The carrying amount of patient accounts receivable, prepaid and other current assets, accounts payable and accrued expenses approximates fair value due to the short maturity of these instruments.

#### **Property, Plant, and Equipment**

Property, plant, and equipment, and other real estate are stated at cost at the time of purchase or fair value at the time of donation, less accumulated depreciation. The Health System's policy is to capitalize expenditures for major improvements and to charge expense for maintenance and repair expenditures which do not extend the lives of the related assets. The provision for depreciation has been determined using the straight-line method at rates which are intended to amortize the cost of assets over their estimated useful lives which range from 10 to 40 years for buildings and improvements, 2 to 20 years for equipment, and the shorter of the lease term, or 5 to 12 years, for leasehold improvements. Certain software development costs are amortized using the straight-line method over a period of up to 10 years. Net interest cost incurred on borrowed funds during the

## **Dartmouth-Hitchcock Health and Subsidiaries**

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period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

The fair value of a liability for legal obligations associated with asset retirements is recognized in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. When a liability is initially recorded, the cost of the asset retirement obligation is capitalized by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period and the capitalized cost associated with the retirement is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the actual cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations and changes in net assets.

Gifts of capital assets such as land, buildings, or equipment are reported as support, and excluded from the excess of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of capital assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire capital assets are reported as restricted support. Absent explicit donor stipulations about how long those capital assets must be maintained, expirations of donor restrictions are reported when the donated or acquired capital assets are placed in service.

#### **Bond Issuance Costs**

Bond issuance costs, classified on the consolidated balance sheets within long-term debt, are amortized over the term of the related bonds. Amortization is recorded within interest expense in the consolidated statements of operations and changes in net assets using the straight-line method which approximates the effective interest method.

#### **Intangible Assets and Goodwill**

The Health System records within other assets on the consolidated balance sheets goodwill and intangible assets such as trade names and leases-in-place. The Health System considers trade names and goodwill to be indefinite-lived assets, assesses them at least annually for impairment or more frequently if certain events or circumstances warrant and recognizes impairment charges for amounts by which the carrying values exceed their fair values. The Health System has recorded \$10,524,000 and \$2,462,000 as intangible assets associated with its affiliations as of June 30, 2019 and 2018, respectively.

#### **Derivative Instruments and Hedging Activities**

The Health System applies the provisions of ASC 815, *Derivatives and Hedging*, to its derivative instruments, which require that all derivative instruments be recorded at their respective fair values in the consolidated balance sheets.

On the date a derivative contract is entered into, the Health System designates the derivative as a cash-flow hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability. For all hedge relationships, the Health System formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed, and a description of the method of measuring ineffectiveness. This process includes linking cash-flow hedges to specific assets and liabilities on the consolidated balance sheets, specific firm commitments or forecasted transactions. The Health System also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly

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effective in offsetting changes in variability of cash flows of hedged items. Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash-flow hedge are recorded in net assets without donor restrictions until earnings are affected by the variability in cash flows of the designated hedged item. The ineffective portion of the change in fair value of a cash flow hedge is reported in excess of revenue over expenses in the consolidated statements of operations and changes in net assets.

The Health System discontinues hedge accounting prospectively when it is determined: (a) the derivative is no longer effective in offsetting changes in the cash flows of the hedged item; (b) the derivative expires or is sold, terminated, or exercised; (c) the derivative is undesignated as a hedging instrument because it is unlikely that a forecasted transaction will occur; (d) a hedged firm commitment no longer meets the definition of a firm commitment; and (e) management determines that designation of the derivative as a hedging instrument is no longer appropriate.

In all situations in which hedge accounting is discontinued, the Health System continues to carry the derivative at its fair value on the consolidated balance sheets and recognizes any subsequent changes in its fair value in excess of revenue over expenses.

#### **Gifts**

Gifts without donor restrictions are recorded net of related expenses as nonoperating gains. Conditional promises to give and indications of intentions to give to the Health System are reported at fair value at the date the gift is received. Gifts are reported with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions.

#### **Recently Issued Accounting Pronouncements**

In May 2014, the FASB issued ASU 2014-09 - *Revenue from Contracts with Customers (ASC 606)* and in August 2015, the FASB amended the guidance to defer the effective date of this standard by one year. ASU 2014-09 affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Health System adopted ASU 2014-09 effective July 1, 2018 under the modified retrospective method, and has provided the new disclosures required post implementation. For example, patient accounts receivable are shown net of the allowance for doubtful accounts of approximately \$132,228,000 as of June 30, 2018 on the consolidated balance sheet. If an allowance for doubtful accounts had been presented as of June 30, 2019, it would have been approximately \$121,544,000. While the adoption of ASU 2014-09 has had a material effect on the presentation of revenues in the Health System's consolidated statements of operations and changes in net assets, and has had an impact on certain disclosures, it has not materially impacted the financial position, results of operations or cash flows. Refer to Note 4, Patient Service Revenue and Accounts Receivable, for further details.

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In February 2016, the FASB issued ASU 2016-02 – *Leases (Topic 842)*, which requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. The guidance also expands the required quantitative and qualitative disclosures surrounding leases. The ASU is effective for fiscal years beginning after December 15, 2018, or fiscal year 2020 for the Health System. The Health System is evaluating the impact of the new guidance on the consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01- *Recognition and Measurement of Financial Assets and Financial Liabilities*, which address certain aspects of recognition, measurement, presentation and disclosure of financial instruments. This guidance allows an entity to choose, investment-by-investment, to report an equity investment that neither has a readily determinable fair value, nor qualifies for the practical expedient for fair value estimation using NAV, at its cost minus impairment (if any), plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment of the same issue. Impairment of such investments must be assessed qualitatively at each reporting period. Entities must disclose their financial assets and liabilities by measurement category and form of asset either on the face of the balance sheet or in the accompanying notes. The ASU is effective for annual reporting periods beginning after December 15, 2018 or fiscal year 2020 for the Health System. The provision to eliminate the requirement to disclose the fair value of financial instruments measured at cost (such as the fair value of debt) was early adopted during the year ended June 30, 2017.

In August 2016, the FASB issued ASU 2016-14 - *Presentation of Financial Statements for Not-for-Profit Entities*. The new pronouncement amends certain financial reporting requirements for not-for-profit entities. It reduces the number of classes of net assets from three to two: net assets with donor restrictions includes amount previously disclosed as both temporarily and permanently restricted net assets, net assets without donor restrictions includes amounts previously disclosed as unrestricted net assets. It expands the disclosure of expenses by both natural and functional classification. It adds quantitative and qualitative disclosures about liquidity and availability of resources. The ASU is effective for the Health System for the year ending June 30, 2019. The Health System has adopted this ASU on a retrospective basis, except for the presentation of expenses based on natural and functional classification and the discussion of liquidity, as permitted in the ASU. Please refer to Note 14, Functional Expenses, and Note 15, Liquidity.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new pronouncement was intended to assist entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and whether a contribution is conditional. This ASU was effective for the Health System on July 1, 2018 on a modified prospective basis and did not have a significant impact on the consolidated financial statements of the Health System.

### 3. Acquisitions

Effective July 1, 2018, Alice Peck Day Memorial Hospital became the sole corporate member of APD LifeCare Center Inc. (LifeCare). LifeCare owns and operates Harvest Hill, an assisted living facility, the Woodlands, a residential living community and the Elizabeth S. Hughes Care Unit, which provides hospice care.

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In accordance with applicable accounting guidance on not-for-profit mergers and acquisitions, Alice Peck Day Memorial Hospital recorded goodwill related to the acquisition of LifeCare of approximately \$5,131,000. Restricted contribution income of \$383,000 was recorded within net assets with donor restrictions in the accompanying consolidated statement of changes in net assets. Included in the transaction was LifeCare's cash balance of \$4,863,000. No consideration was exchanged for the net assets assumed and acquisition costs were expensed as incurred. LifeCare's financial position, results of operations and changes in net assets are included in the consolidated financial statements as of and for the year ended June 30, 2019.

#### **4. Patient Service Revenue and Accounts Receivable**

The Health System reports patient service revenue at amounts that reflect the consideration to which it expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including managed care payers and government programs), and others; and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Health System bills patients and third-party payers several days after the services were performed or shortly after discharge. Revenue is recognized as performance obligations are satisfied under contracts by providing healthcare services to patients.

The Health System determines performance obligations based on the nature of the services provided. Revenues for performance obligations satisfied over time are recognized based on actual charges incurred in relation to total expected charges as this method provides a reasonable estimate of the transfer of services over the term of performance obligations based on inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. For inpatient services, performance obligations are measured from admission to the point when there are no further services required for the patient, which is generally the time of discharge. For outpatient services and physician services, performance obligations are recognized at a point in time when the services are provided and no further patient services are deemed necessary.

Generally, the Health System's patient service performance obligations relate to contracts with a duration of less than one year, therefore the Health System has elected to apply the optional exemption provided in ASC 606-10-50-14a and, therefore, we are not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. This generally refers to inpatient services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Established charges represent gross charges. They are not the same as actual pricing, and they generally do not reflect what a hospital is ultimately entitled to for services it provides. Therefore, they are not displayed in the Health System's consolidated statements of operations and changes in net assets.

Hospitals are paid amounts negotiated with insurance companies or set by government entities, which are typically less than established or standard charges. Gross charges are used to calculate Medicare outlier payments and to determine certain elements of payment under managed care contracts. Gross charges are what hospitals charge all patients prior to the application of contractual adjustments and implicit price concessions.

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#### **Explicit Pricing Concessions**

Revenues for the Health System under the traditional fee-for service Medicare and Medicaid programs are based on prospectively determined rates per discharge or visit, reasonable (allowable) cost, or prospective rates per episodic period, depending on the type of provider.

- Inpatient acute care services provided to Medicare program beneficiaries are paid using the prospective payment system ("PPS") to determine rates-per-discharge. These rates vary according to a patient classification system ("DRG"), based on diagnostic, clinical and other factors. In addition, inpatient capital costs (depreciation and interest) are reimbursed by Medicare on the basis of a prospectively determined rate per discharge. Medicare outpatient services are paid on a prospective payment system, based on a pre-determined amount for each outpatient procedure (APC), subject to various mandated modifications. Retrospectively determined cost-based revenues under these programs, such as indirect medical education, direct graduate medical education, disproportionate share hospital, transplant services, and bad debt reimbursement are based on the hospital's cost reports and are estimated using historical trends and current factors. The Health System's payments for inpatient services rendered to New Hampshire ("NH") and Vermont ("VT") Medicaid beneficiaries are based on PPS, while outpatient services are reimbursed on a retrospective cost basis or fee schedules for NH beneficiaries. VT outpatient beneficiaries are paid on a prospective basis per outpatient procedure.
- Inpatient acute, swing, and outpatient services furnished by critical access hospitals ("CAH") are reimbursed by Medicare at 101% of reasonable costs, subject to 2% sequestration, excluding ambulance services and inpatient hospice care.
- Providers of home health services to patients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the patient at a rate determined by federal guidelines.
- Hospice services to patients eligible for Medicare hospice benefits are paid on a per diem basis, with no retrospective settlement, provided the aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate.
- The Health System's cost based services to Medicare and Medicaid are reimbursed during the year based on varying interim payment methodologies. Final settlement is determined after the submission of an annual cost report and subject to audit of this report by Medicare and Medicaid auditors, as well as administrative and judicial review. Because the laws, regulations, and rule interpretations, governing Medicare and Medicaid reimbursement are complex and change frequently, the estimates recorded could change over time by material amounts.
- Revenues under Managed Care Plans (Plans) consist primarily of payment terms involving mutually agreed upon rates per diagnosis, discounted fee-for service rates, or similar contractual arrangements. These revenues are also subject to review and possible audit. The Plans are billed for patient services on an individual patient basis. An individual patient's bill is subject to adjustments in accordance with contractual terms in place with the Plans following their review and adjudication of each bill.



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The Health System is not aware of any claims, disputes, or unsettled matters with any payer that would materially affect its revenues for which it has not adequately provided in the accompanying Health System's consolidated financial statements.

The Health System provides charity care to patients who are unable to pay for healthcare services they receive as determined by financial conditions. Patients who qualify receive partial or full adjustments to charges for services rendered. The Health System's policy is to treat amounts qualified as charity care as explicit price concessions and as such are not reported in net patient service revenue.

During fiscal year 2016, Vermont state legislation passed changes to the tax base for home health providers from 19.30% of core home health care services (primarily Medicaid services) with a cap of 6% of net patient service revenue to 3.63% of net patient revenue for fiscal year 2017 and fiscal year 2018. Home health provider tax paid, which is included in other operating expenses, was \$628,000 and \$737,000 in 2019 and 2018, respectively.

On June 30, 2014, the NH Governor signed into law a bi-partisan legislation reflecting an agreement between the State of NH and 25 NH hospitals on the Medicaid Enhancement Tax (MET) Senate Bill 369. As part of the agreement, the parties have agreed to resolve all pending litigation related to MET and Medicaid Rates, including the Catholic Medical Center Litigation, the Northeast Rehabilitation Litigation, 2014 DRA Refund Requests, and the State Rate Litigation. As part of the MET Agreement Effective July 1, 2014, a "Trust / Lock Box" dedicated funding mechanism will be established for receipt and distribution of all MET proceeds with all monies used exclusively to support Medicaid services.

On May 22, 2018, the State of New Hampshire and all New Hampshire hospitals (NH Hospitals) signed a new settlement agreement and multi-year plan for Disproportionate Share Hospital (DSH) payments, with provisions to create alternative payments should there be federal changes to the DSH program by the United States Congress. The agreement may change or limit federal matching funds for MET when used to support DSH payments to hospitals and the Medicaid program, or change the definition of Uncompensated Care (UCC) for purposes of calculating DSH or other allowable uncompensated care payments. The term of the agreement is through state fiscal year (SFY) 2024. Under the agreement, the NH Hospitals forgo approximately \$28,000,000 of DSH payment for SFY 2018 and 2019, in consideration of the State agreeing to form a pool of funds to make directed payments or otherwise increase rates to hospitals for SFY 2020 through 2024. The Federal share of payments to NH Hospitals are contingent upon the receipt of matching funds from Centers for Medicare & Medicaid Services (CMS) in the covered years. In the event that, due to changes in federal law, the State is unable to make payments in a way that ensures the federal matching funds are available, the Parties will meet and confer to negotiate in good faith an appropriate amendment to this agreement consistent with the intent of this agreement. The State is required to maintain the UCC Dedicated Fund pursuant to earlier agreements. The agreement prioritizes payments of funds to critical access hospitals at 75% of allowable UCC, the remainder thereafter is distributed to other NH Hospitals in proportion to their allowable uncompensated care amounts. During the term of this agreement, the NH Hospitals are barred from bringing a new claim in federal or state court or at Department of Revenue Administration (DRA) related to the constitutionality of MET.



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During the years ended June 30, 2019 and 2018, the Health System received DSH payments of approximately, \$69,179,000 and \$66,383,000, respectively. DSH payments are subject to audit pursuant to the agreement with the state and therefore, for the years ended June 30, 2019 and 2018, the Health System recognized as revenue DSH receipts of approximately \$64,864,000 and approximately \$54,469,000, respectively.

During the years ended June 30, 2019 and 2018, the Health System recorded State of NH Medicaid Enhancement Tax ("MET") and State of VT Provider tax of \$70,061,000 and \$67,692,000, respectively. The taxes are calculated at 5.5% for NH and 6% for VT of certain net patient service revenues in accordance with instructions received from the States. The Provider taxes are included in operating expenses in the consolidated statements of operations and changes in net assets.

#### **Implicit Price Concessions**

Generally, patients who are covered by third-party payer contracts are responsible for related co-pays, co-insurance and deductibles, which vary depending on the contractual obligations of patients. The Health System also provides services to uninsured patients and offers those patients a discount from standard charges. The Health System estimates the transaction price for patients with co-pays, co-insurance, and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to uninsured patients reduces the transaction price at the time of billing. The uninsured and patient responsible accounts, net of discounts recorded, are further reduced through implicit price concessions based on historical collection trends for similar accounts and other known factors that impact the estimation process. Subsequent changes to the estimate of transaction price are generally recorded as adjustments to net patient service revenue in the period of change.

The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Health System expects to collect based on collection history with similar patients. Although outcomes vary, the Health System's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from insurance at the time of service while complying with all federal and state statutes and regulations, including but not limited to, the Emergency Medical Treatment and Active Labor Act (EMTALA). Through various systems and processes the Health System estimates Medicare and Medicaid net patient service revenue and cost report settlements and accrues final expected settlements. For filed cost reports, the accrual is recorded based on those filings, subsequent activity, and on historical trends and other relevant evidence. For periods in which a cost report is yet to be filed, accruals are based on estimates of what is expected to be reported, and any trends and relevant evidence. Cost reports generally must be filed within five months of the closing period.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely amount. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and historical settlement activity, including assessments to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews or investigations. As of June 30, 2019 and 2018, the Health System had \$52,470,000 and \$52,041,000, respectively, reserved for estimated third-party settlements.

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For the years ended June 30, 2019 and 2018, additional increases (decreases) in revenue of \$1,800,000 and (\$5,604,000), respectively, was recognized due to changes in its prior years related to estimated third-party settlements.

Net operating revenues for the hospital operations of the PPS and CAH, and other business segments consist primarily of patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans as well as patients covered under the Health System's uninsured discount and charity care programs.

The table below shows the Health System's sources of net operating revenues presented at the net transaction price for the years ended June 30, 2019 and 2018.

<i>(in thousands of dollars)</i>	<b>2019</b>		
	<b>PPS</b>	<b>CAH</b>	<b>Total</b>
<b>Hospital</b>			
Medicare	\$ 456,197	\$ 72,193	\$ 528,390
Medicaid	134,727	12,794	147,521
Commercial	746,647	64,981	811,628
Self pay	8,811	2,313	11,124
	<u>1,346,382</u>	<u>152,281</u>	<u>1,498,663</u>
<b>Professional</b>			
Professional	454,425	23,707	478,132
VNH			22,528
Other revenue			285,715
Total operating revenue and other support	<u>\$ 1,800,807</u>	<u>\$ 175,988</u>	<u>\$ 2,285,038</u>
<i>(in thousands of dollars)</i>	<b>2018</b>		
	<b>PPS</b>	<b>CAH</b>	<b>Total</b>
<b>Hospital</b>			
Medicare	\$ 432,251	\$ 76,522	\$ 508,773
Medicaid	117,019	10,017	127,036
Commercial	677,162	65,916	743,078
Self pay	10,687	2,127	12,814
	<u>1,237,119</u>	<u>154,582</u>	<u>1,391,701</u>
<b>Professional</b>			
Professional	412,605	24,703	437,308
VNH			22,719
Other revenue			203,915
Total operating revenue and other support	<u>\$ 1,649,724</u>	<u>\$ 179,285</u>	<u>\$ 2,055,643</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Accounts Receivable

The principal components of patient accounts receivable as of June 30, 2019 and 2018 are as follows:

<i>(in thousands of dollars)</i>	2019	2018
Patient accounts receivable	\$ 221,125	\$ 351,456
Less: Allowance for doubtful accounts	<u>-</u>	<u>(132,228)</u>
Patient accounts receivable	<u>\$ 221,125</u>	<u>\$ 219,228</u>

The following table categorizes payors into four groups based on their respective percentages of gross patient accounts receivable as of June 30, 2019 and 2018:

	2019	2018
Medicare	34 %	34 %
Medicaid	12	14
Commercial	41	40
Self pay	<u>13</u>	<u>12</u>
Patient accounts receivable	<u>100 %</u>	<u>100 %</u>

## Dartmouth-Hitchcock Health and Subsidiaries

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#### June 30, 2019 and 2018

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#### 5. Investments

The composition of investments at June 30, 2019 and 2018 is set forth in the following table:

*(in thousands of dollars)*

	<b>2019</b>	<b>2018</b>
<b>Assets limited as to use</b>		
Internally designated by board		
Cash and short-term investments	\$ 21,890	\$ 8,558
U.S. government securities	91,492	50,484
Domestic corporate debt securities	196,132	109,240
Global debt securities	83,580	110,944
Domestic equities	167,384	142,796
International equities	128,909	106,668
Emerging markets equities	23,086	23,562
Real estate investment trust	213	816
Private equity funds	64,563	50,415
Hedge funds	32,287	32,831
	<u>809,536</u>	<u>636,314</u>
<b>Investments held by captive insurance companies (Note 12)</b>		
U.S. government securities	23,241	30,581
Domestic corporate debt securities	11,378	16,764
Global debt securities	10,080	4,513
Domestic equities	14,617	8,109
International equities	6,766	7,971
	<u>66,082</u>	<u>67,938</u>
<b>Held by trustee under indenture agreement (Note 10)</b>		
Cash and short-term investments	631	1,872
Total assets limited as to use	<u>876,249</u>	<u>706,124</u>
<b>Other investments for restricted activities</b>		
Cash and short-term investments	6,113	4,952
U.S. government securities	32,479	28,220
Domestic corporate debt securities	29,089	29,031
Global debt securities	11,263	14,641
Domestic equities	20,981	20,509
International equities	15,531	17,521
Emerging markets equities	2,578	2,155
Real estate investment trust	-	954
Private equity funds	7,638	4,878
Hedge funds	8,414	8,004
Other	33	31
Total other investments for restricted activities	<u>134,119</u>	<u>130,896</u>
Total investments	<u>\$ 1,010,368</u>	<u>\$ 837,020</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

Investments are accounted for using either the fair value method or equity method of accounting, as appropriate on a case by case basis. The fair value method is used for all debt securities and equity securities that are traded on active markets and are valued at prices that are readily available in those markets. The equity method is used when investments are made in pooled/commingled investment funds that represent investments where shares or units are owned of pooled funds rather than the underlying securities in that fund. These pooled/commingled funds make underlying investments in securities from the asset classes listed above. All investments, whether the fair value or equity method of accounting is used, are reported at what the Health System believes to be the amount that the Health System would expect to receive if it liquidated its investments at the balance sheets date on a nondistressed basis.

The following tables summarize the investments by the accounting method utilized, as of June 30, 2019 and 2018. Accounting standards require disclosure of additional information for those securities accounted for using the fair value method, as shown in Note 7.

<i>(in thousands of dollars)</i>	<b>2019</b>		
	<b>Fair Value</b>	<b>Equity</b>	<b>Total</b>
Cash and short-term investments	\$ 28,634	\$ -	\$ 28,634
U.S. government securities	147,212	-	147,212
Domestic corporate debt securities	164,996	71,603	236,599
Global debt securities	55,520	49,403	104,923
Domestic equities	178,720	24,262	202,982
International equities	76,328	74,878	151,206
Emerging markets equities	1,295	24,369	25,664
Real estate investment trust	213	-	213
Private equity funds	-	72,201	72,201
Hedge funds	-	40,701	40,701
Other	33	-	33
	<u>\$ 652,951</u>	<u>\$ 357,417</u>	<u>\$ 1,010,368</u>

<i>(in thousands of dollars)</i>	<b>2018</b>		
	<b>Fair Value</b>	<b>Equity</b>	<b>Total</b>
Cash and short-term investments	\$ 15,382	\$ -	\$ 15,382
U.S. government securities	109,285	-	109,285
Domestic corporate debt securities	95,481	59,554	155,035
Global debt securities	49,104	80,994	130,098
Domestic equities	157,011	14,403	171,414
International equities	60,002	72,158	132,160
Emerging markets equities	1,296	24,421	25,717
Real estate investment trust	222	1,548	1,770
Private equity funds	-	55,293	55,293
Hedge funds	-	40,835	40,835
Other	31	-	31
	<u>\$ 487,814</u>	<u>\$ 349,206</u>	<u>\$ 837,020</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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Investment income is comprised of the following for the years ended June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	<b>2019</b>	<b>2018</b>
<b>Net assets without donor restrictions</b>		
Interest and dividend income, net	\$ 11,333	\$ 12,324
Net realized gains on sales of securities	17,419	24,411
Change in net unrealized gains on investments	12,283	4,612
	<u>41,035</u>	<u>41,347</u>
<b>Net assets with donor restrictions</b>		
Interest and dividend income, net	987	1,526
Net realized gains on sales of securities	2,603	1,438
Change in net unrealized gains on investments	(908)	1,390
	<u>2,682</u>	<u>4,354</u>
	<u>\$ 43,717</u>	<u>\$ 45,701</u>

For the years ended June 30, 2019 and 2018 investment income is reflected in the accompanying consolidated statements of operations and changes in net assets as operating revenue of approximately \$983,000 and \$960,000 and as nonoperating gains of approximately \$40,052,000 and \$40,387,000, respectively.

Private equity limited partnership shares are not eligible for redemption from the fund or general partner, but can be sold to third party buyers in private transactions that typically can be completed in approximately 90 days. It is the intent of the Health System to hold these investments until the fund has fully distributed all proceeds to the limited partners and the term of the partnership agreement expires. Under the terms of these agreements, the Health System has committed to contribute a specified level of capital over a defined period of time. Through June 30, 2019 and 2018, the Health System has committed to contribute approximately \$164,319,000 and \$137,219,000 to such funds, of which the Health System has contributed approximately \$109,584,000 and \$91,942,000 and has outstanding commitments of \$54,735,000 and \$45,277,000, respectively.

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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#### 6. Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows at June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	2019	2018
Land	\$ 38,232	\$ 38,058
Land improvements	42,607	42,295
Buildings and improvements	898,050	876,537
Equipment	888,138	818,902
Equipment under capital leases	15,809	20,966
	<u>1,882,836</u>	<u>1,796,758</u>
Less: Accumulated depreciation and amortization	<u>1,276,746</u>	<u>1,200,549</u>
Total depreciable assets, net	606,090	596,209
Construction in progress	<u>15,166</u>	<u>11,112</u>
	<u>\$ 621,256</u>	<u>\$ 607,321</u>

As of June 30, 2019, construction in progress primarily consists of an addition to the ambulatory surgical center located in Manchester, NH as well as renovations taking place at the various pharmacy locations to bring their facilities compliant with Regulation USP800. The estimated cost to complete the ambulatory surgical center at June 30, 2019 is approximately \$59,000,000 over the next two fiscal years while the pharmacy renovation is estimated to cost approximately \$6,300,000 over the next fiscal year.

The construction in progress reported as of June 30, 2018 for the building renovations taking place at the birthing pavilion in Lebanon, NH was completed during the first quarter of fiscal year 2019 and the information systems PeopleSoft project for Alice Peck Day Memorial Hospital and Cheshire was completed in the fourth quarter of fiscal year 2019.

Depreciation and amortization expense included in operating and nonoperating activities was approximately \$88,496,000 and \$84,729,000 for 2019 and 2018, respectively.

#### 7. Fair Value Measurements

The following is a description of the valuation methodologies for assets and liabilities measured at fair value on a recurring basis:

##### **Cash and Short-Term Investments**

Consists of money market funds and are valued at net asset value (NAV) reported by the financial institution.

##### **Domestic, Emerging Markets and International Equities**

Consists of actively traded equity securities and mutual funds which are valued at the closing price reported on an active market on which the individual securities are traded (Level 1 measurements).

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

#### U.S. Government Securities, Domestic Corporate and Global Debt Securities

Consists of U.S. government securities, domestic corporate and global debt securities, mutual funds and pooled/commingled funds that invest in U.S. government securities, domestic corporate and global debt securities. Securities are valued based on quoted market prices or dealer quotes where available (Level 1 measurement). If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments or, if necessary, matrix pricing from a third party pricing vendor to determine fair value (Level 2 measurements). Matrix prices are based on quoted prices for securities with similar coupons, ratings and maturities, rather than on specific bids and offers for a designated security. Investments in mutual funds are measured based on the quoted NAV as of the close of business in the respective active market (Level 1 measurements).

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Health System believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth the consolidated financial assets and liabilities that were accounted for at fair value on a recurring basis as of June 30, 2019 and 2018:

	2019				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
<i>(in thousands of dollars)</i>						
<b>Assets</b>						
<b>Investments</b>						
Cash and short term investments	\$ 28,634	\$ -	\$ -	\$ 28,634	Daily	1
U.S. government securities	147,212	-	-	147,212	Daily	1
Domestic corporate debt securities	34,723	130,273	-	164,996	Daily-Monthly	1-15
Global debt securities	28,412	27,108	-	55,520	Daily-Monthly	1-15
Domestic equities	171,318	7,402	-	178,720	Daily-Monthly	1-10
International equities	76,295	33	-	76,328	Daily-Monthly	1-11
Emerging market equities	1,295	-	-	1,295	Daily-Monthly	1-7
Real estate investment trust	213	-	-	213	Daily-Monthly	1-7
Other	-	33	-	33	Not applicable	Not applicable
<b>Total investments</b>	<b>488,102</b>	<b>164,849</b>	<b>-</b>	<b>652,951</b>		
<b>Deferred compensation plan assets</b>						
Cash and short-term investments	2,952	-	-	2,952		
U.S. government securities	45	-	-	45		
Domestic corporate debt securities	4,932	-	-	4,932		
Global debt securities	1,300	-	-	1,300		
Domestic equities	22,403	-	-	22,403		
International equities	3,576	-	-	3,576		
Emerging market equities	27	-	-	27		
Real estate	11	-	-	11		
Multi strategy fund	49,941	-	-	49,941		
Guaranteed contract	-	-	89	89		
<b>Total deferred compensation plan assets</b>	<b>84,187</b>	<b>-</b>	<b>89</b>	<b>84,276</b>	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,301	9,301	Not applicable	Not applicable
<b>Total assets</b>	<b>\$ 572,289</b>	<b>\$ 164,849</b>	<b>\$ 9,390</b>	<b>\$ 746,528</b>		



## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

<i>(in thousands of dollars)</i>	2018				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
<b>Assets</b>						
<b>Investments</b>						
Cash and short term investments	\$ 15,382	\$ -	\$ -	\$ 15,382	Daily	1
U.S. government securities	109,285	-	-	109,285	Daily	1
Domestic corporate debt securities	41,488	53,993	-	95,481	Daily-Monthly	1-15
Global debt securities	32,874	16,230	-	49,104	Daily-Monthly	1-15
Domestic equities	157,011	-	-	157,011	Daily-Monthly	1-10
International equities	59,924	78	-	60,002	Daily-Monthly	1-11
Emerging market equities	1,296	-	-	1,296	Daily-Monthly	1-7
Real estate investment trust	222	-	-	222	Daily-Monthly	1-7
Other	-	31	-	31	Not applicable	Not applicable
Total investments	<u>417,482</u>	<u>70,332</u>	<u>-</u>	<u>487,814</u>		
<b>Deferred compensation plan assets</b>						
Cash and short-term investments	2,637	-	-	2,637		
U.S. government securities	38	-	-	38		
Domestic corporate debt securities	3,749	-	-	3,749		
Global debt securities	1,089	-	-	1,089		
Domestic equities	18,470	-	-	18,470		
International equities	3,584	-	-	3,584		
Emerging market equities	28	-	-	28		
Real estate	9	-	-	9		
Multi strategy fund	46,680	-	-	46,680		
Guaranteed contract	-	-	86	86		
Total deferred compensation plan assets	<u>76,284</u>	<u>-</u>	<u>86</u>	<u>76,370</u>	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,374	9,374	Not applicable	Not applicable
Total assets	<u>\$ 493,766</u>	<u>\$ 70,332</u>	<u>\$ 9,460</u>	<u>\$ 573,558</u>		

The following table is a rollforward of financial instruments classified by the Health System within Level 3 of the fair value hierarchy defined above.

<i>(in thousands of dollars)</i>	2019		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
<b>Balances at beginning of year</b>	\$ 9,374	\$ 86	\$ 9,460
Net unrealized gains (losses)	<u>(73)</u>	<u>3</u>	<u>(70)</u>
<b>Balances at end of year</b>	<u>\$ 9,301</u>	<u>\$ 89</u>	<u>\$ 9,390</u>

<i>(in thousands of dollars)</i>	2018		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
<b>Balances at beginning of year</b>	\$ 9,244	\$ 83	\$ 9,327
Net unrealized gains	<u>130</u>	<u>3</u>	<u>133</u>
<b>Balances at end of year</b>	<u>\$ 9,374</u>	<u>\$ 86</u>	<u>\$ 9,460</u>

There were no transfers into and out of Level 1 and 2 measurements due to changes in valuation methodologies during the years ended June 30, 2019 and 2018.

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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#### 8. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	2019	2018
Healthcare services	\$ 20,140	\$ 19,570
Research	26,496	24,732
Purchase of equipment	3,273	3,068
Charity care	12,494	13,667
Health education	19,833	18,429
Other	3,841	2,973
Investments held in perpetuity	56,383	55,394
	<u>\$ 142,460</u>	<u>\$ 137,833</u>

Income earned on donor restricted net assets held in perpetuity is available for these purposes.

#### 9. Board Designated and Endowment Funds

Net assets include numerous funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees has interpreted the NH and VT Uniform Prudent Management of Institutional Funds Acts (UPMIFA or Act) for donor-restricted endowment funds as requiring the preservation of the original value of gifts, as of the gift date, to donor-restricted endowment funds, absent explicit donor stipulations to the contrary. The Health System's net assets with donor restrictions which are to be held in perpetuity consist of (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to be held in perpetuity, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, if any. Collectively these amounts are referred to as the historic dollar value of the fund.

Net assets without donor restrictions include funds designated by the Board of Trustees to function as endowments and the income from certain donor-restricted endowment funds, and any accumulated investment return thereon, which pursuant to donor intent may be expended based on trustee or management designation. Net assets with donor restrictions that are temporary in nature, either restricted by time or purpose, include funds appropriated for expenditure pursuant to endowment and investment spending policies, certain expendable endowment gifts from donors, and any retained income and appreciation on donor-restricted endowment funds, which are restricted by the donor to a specific purpose or by law. When the restrictions on these funds have been met, the funds are reclassified to net assets without donor restrictions.

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

In accordance with the Act, the Health System considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources available; and investment policies.

The Health System has endowment investment and spending policies that attempt to provide a predictable stream of funding for programs supported by its endowment while ensuring that the purchasing power does not decline over time. The Health System targets a diversified asset allocation that places emphasis on investments in domestic and international equities, fixed income, private equity, and hedge fund strategies to achieve its long-term return objectives within prudent risk constraints. The Health System's Investment Committee reviews the policy portfolio asset allocations, exposures, and risk profile on an ongoing basis.

The Health System, as a policy, may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established, subject to donor intent expressed in the gift instrument and the standard of prudence prescribed by the Act.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below their original contributed value. Such market losses were not material as of June 30, 2019 and 2018.

Endowment net asset composition by type of fund consists of the following at June 30, 2019 and 2018:

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 78,268	\$ 78,268
Board-designated endowment funds	31,421	-	31,421
Total endowed net assets	<u>\$ 31,421</u>	<u>\$ 78,268</u>	<u>\$ 109,689</u>
	<b>2018</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 78,197	\$ 78,197
Board-designated endowment funds	29,506	-	29,506
Total endowed net assets	<u>\$ 29,506</u>	<u>\$ 78,197</u>	<u>\$ 107,703</u>

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**June 30, 2019 and 2018**

Changes in endowment net assets for the years ended June 30, 2019 and 2018 are as follows:

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<i>(in thousands of dollars)</i>			
<b>Balances at beginning of year</b>	\$ 29,506	\$ 78,197	\$ 107,703
Net investment return	1,184	2,491	3,675
Contributions	804	1,222	2,026
Transfers	(73)	(1,287)	(1,360)
Release of appropriated funds	-	(2,355)	(2,355)
<b>Balances at end of year</b>	<b>\$ 31,421</b>	<b>\$ 78,268</b>	<b>\$ 109,689</b>
	<b>2018</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<i>(in thousands of dollars)</i>			
<b>Balances at beginning of year</b>	\$ 26,389	\$ 75,457	\$ 101,846
Net investment return	3,112	4,246	7,358
Contributions	-	1,121	1,121
Transfers	5	(35)	(30)
Release of appropriated funds	-	(2,592)	(2,592)
<b>Balances at end of year</b>	<b>\$ 29,506</b>	<b>\$ 78,197</b>	<b>\$ 107,703</b>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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#### 10. Long-Term Debt

A summary of long-term debt at June 30, 2019 and 2018 is as follows:

<i>(in thousands of dollars)</i>	2019	2018
<b>Variable rate issues</b>		
New Hampshire Health and Education facilities		
Authority (NHHEFA) revenue bonds		
Series 2018A, principal maturing in varying annual amounts, through August 2037 (1)	\$ 83,355	\$ 83,355
<b>Fixed rate issues</b>		
New Hampshire Health and Education facilities		
Authority revenue bonds		
Series 2018B, principal maturing in varying annual amounts, through August 2048 (1)	303,102	303,102
Series 2017A, principal maturing in varying annual amounts, through August 2040 (2)	122,435	122,435
Series 2017B, principal maturing in varying annual amounts, through August 2031 (2)	109,800	109,800
Series 2014A, principal maturing in varying annual amounts, through August 2022 (3)	26,960	26,960
Series 2018C, principal maturing in varying annual amounts, through August 2030 (4)	25,865	-
Series 2012, principal maturing in varying annual amounts, through July 2039 (5)	25,145	25,955
Series 2014B, principal maturing in varying annual amounts, through August 2033 (3)	14,530	14,530
Series 2016B, principal maturing in varying annual amounts, through August 2045 (6)	10,970	10,970
Total variable and fixed rate debt	<u>\$ 722,162</u>	<u>\$ 697,107</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

A summary of long-term debt at June 30, 2019 and 2018 is as follows:

<i>(in thousands of dollars)</i>	2019	2018
<b>Other</b>		
Series 2010, principal maturing in varying annual amounts, through August 2040 (7)*	\$ -	\$ 15,498
Note payable to a financial institution payable in interest free monthly installments through July 2015; collateralized by associated equipment*	445	646
Note payable to a financial institution with entire principal due June 2029 that is collateralized by land and building. The note payable is interest free*	323	380
Mortgage note payable to the US Dept of Agriculture; monthly payments of \$10,892 include interest of 2.375% through November 2046*	2,629	2,697
Obligations under capital leases	17,526	18,965
Total other debt	20,923	38,186
Total variable and fixed rate debt	722,162	697,107
Total long-term debt	743,085	735,293
Less: Original issue discounts and premiums, net	(25,542)	(26,862)
Bond issuance costs, net	5,533	5,716
Current portion	10,914	3,464
	<u>\$ 752,180</u>	<u>\$ 752,975</u>

\* Represents nonobligated group bonds

Aggregate annual principal payments required under revenue bond agreements and capital lease obligations for the next five years ending June 30 and thereafter are as follows:

<i>(in thousands of dollars)</i>	
2020	\$ 10,914
2021	10,693
2022	10,843
2023	7,980
2024	3,016
Thereafter	699,639
	<u>\$ 743,085</u>

#### **Dartmouth-Hitchcock Obligated Group (DHOG) Bonds**

MHMH established the DHOG in 1993 for the original purpose of issuing bonds financed through NHHEFA or the "Authority". The members of the obligated group consist of D-HH, MHMH, DHC, Cheshire, NLH, MAHHC, and, effective August 15, 2018, APD. D-HH is designated as the obligated group agent.

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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Revenue Bonds issued by members of the DHOG are administered through notes registered in the name of the Bond Trustee and in accordance with the terms of a Master Trust Indenture. The Master Trust Indenture contains provisions permitting the addition, withdrawal, or consolidation of members of the DHOG under certain conditions. The notes constitute a joint and several obligation of the members of the DHOG (and any other future members of the DHOG) and are equally and ratably collateralized by a pledge of the members' gross receipts. The DHOG is also subject to certain annual covenants under the Master Trust Indenture, the most restrictive is the Annual Debt Service Coverage Ratio (1.10x).

#### **(1) Series 2018A and Series 2018B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2018A and Series 2018B in February 2018. The Series 2018A Revenue Bonds were primarily used to refund a portion of Series 2015A and Series 2016A. The Series 2018B were primarily used to refund a portion of Series 2015A and Series 2016A, Revolving Line of Credit, Series 2012 Bank Loan and the Series 2015A and Series 2016A Swap terminations. A loss on the extinguishment of debt of approximately \$578,000 was recognized in nonoperating gains (losses) on the statement of operations and changes in net assets, as a result of the refinancing. The interest on the Series 2018A Revenue Bonds is variable with a current interest rate of 5.00% and matures in variable amounts through 2037. The interest on the Series 2018B Revenue Bonds is fixed with an interest rate of 4.18% and matures in variable amounts through 2048.

#### **(2) Series 2017A and Series 2017B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2017A and Series 2017B in December, 2017. The Series 2017A Revenue Bonds were primarily used to refund Series 2009 and Series 2010 and the Series 2017B Revenue Bonds were used to refund Series 2012A and Series 2012B. The interest on the Series 2017A Revenue Bonds is fixed with an interest rate of 5.00% and matures in variable amounts through 2040. The interest on the Series 2017B Revenue Bonds is fixed with an interest rate of 2.54% and matures in variable amounts through 2031.

#### **(3) Series 2014A and Series 2014B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2014A and Series 2014B in August 2014. The proceeds from the Series 2014A and 2014B Revenue Bonds were used to partially refund the Series 2009 Revenue Bonds and to cover cost of issuance. Interest on the 2014A Revenue Bonds is fixed with an interest rate of 2.63% and matures at various dates through 2022. Interest on the Series 2014B Revenue Bonds is fixed with an interest rate of 4.00% and matures at various dates through 2033.

#### **(4) Series 2018C Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2018C in August, 2018. The Series 2018C Revenue Bonds were used primarily to refinance the Series 2010 Revenue Bonds. The interest on the series 2018C Revenue Bonds is fixed with an interest rate of 3.22% and matures in variable amounts through 2030.

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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#### **(5) Series 2012 Revenue Bonds**

The NHHEFA issued \$29,650,000 of tax-exempt Revenue Bonds, Series 2012. The proceeds of these bonds were used to refund 1998 and 2009 Series Bonds, to finance the settlement cost of the interest rate swap, and to finance the purchase of certain equipment and renovations. The bonds have fixed interest coupon rates ranging from 2.0% to 5.0% (a net interest cost of 3.96%), and matures in variable amounts through 2039.

#### **(6) Series 2016B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2016B in July 2016 through a private placement with a financial institution. The Series 2016B Revenue Bonds were used to finance 2016 projects. The Series 2016B is fixed with an interest rate of 1.78% and matures at various dates through 2045.

Outstanding joint and several indebtedness of the DHOG at June 30, 2019 and 2018 approximates \$722,162,000 and \$697,107,000, respectively.

#### **Non Obligated Group Bonds**

##### **(1) Series 2010 Revenue Bonds**

The Business Finance Authority (BFA) of the State of NH issued Revenue Bonds, Series 2010. Interest is based on an annual percentage rate equal to the sum of (a) 69% of the 1-Month LIBOR rate plus (b) 1.8975/5. The Health System redeemed these bonds in August 2018.

The Health System Indenture agreements require establishment and maintenance of debt service reserves and other trustee held funds. Trustee held funds of approximately \$631,000 and \$1,872,000 at June 30, 2019 and 2018, respectively, are classified as assets limited as to use in the accompanying consolidated balance sheets (Note 5). The debt service reserves are mainly comprised of escrowed funds held for future principal and interest payments.

For the years ended June 30, 2019 and 2018 interest expense on the Health System's long term debt is reflected in the accompanying consolidated statements of operations and changes in net assets as operating expense of approximately \$25,514,000 and \$18,822,000 and other nonoperating losses of \$3,784,000 and \$2,793,000, respectively.

#### **Swap Agreements**

The Health System is subject to market risks such as changes in interest rates that arise from normal business operation. The Health System regularly assesses these risks and has established business strategies to provide natural offsets, supplemented by the use of derivative financial instruments to protect against the adverse effect of these and other market risks. The Health System has established clear policies, procedures, and internal controls governing the use of derivatives and does not use them for trading, investment, or other speculative purposes.

As of June 30, 2019 and 2018, there was no liability for interest rate swaps as all remaining swaps were terminated in February 2018. For the year ended June 30, 2018, the Health System recognized a nonoperating loss due to swap termination of \$14,247,000 relating to the swap termination. The change in fair value during the year ended June 30, 2018 was a decrease of \$4,897,000. For the year ended June 30, 2018 the Health System recognized a nonoperating gain of \$145,000 resulting from hedge ineffectiveness and amortization of frozen swaps.



## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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#### 11. Employee Benefits

All eligible employees of the Health System are covered under various defined benefit and/or define contribution plans. In addition, certain members provide postretirement medical and life benefit plans to certain of its active and former employees who meet eligibility requirements. The postretirement medical and life plans are not funded.

All of the defined benefit plans within the Health System have been frozen and therefore there are no remaining participants earning benefits in any of the Health System's defined benefit plans.

The Health System continued to execute the settlement of obligations due to retirees in the defined benefit plans through bulk lump sum offerings or purchases of annuity contracts. The annuity purchases follow guidelines established by the Department of Labor (DOL). The Health System anticipates continued consideration and/or implementation of additional settlements over the next several years.

#### Defined Benefit Plans

Net periodic pension expense included in employee benefits in the consolidated statements of operations and changes in net assets is comprised of the components listed below for the years ended June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	<b>2019</b>	<b>2018</b>
Service cost for benefits earned during the year	\$ 150	\$ 150
Interest cost on projected benefit obligation	47,814	47,190
Expected return on plan assets	(65,270)	(64,561)
Net loss amortization	10,357	10,593
Total net periodic pension expense	<u>\$ (6,949)</u>	<u>\$ (6,628)</u>

The following assumptions were used to determine net periodic pension expense as of June 30, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Discount rate	3.90 % – 4.60%	4.00 % – 4.30 %
Rate of increase in compensation	N/A	N/A
Expected long-term rate of return on plan assets	7.50%	7.50 % – 7.75 %

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

The following table sets forth the funded status and amounts recognized in the Health System's consolidated financial statements for the defined benefit pension plans at June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	<b>2019</b>	<b>2018</b>
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	\$ 1,087,940	\$ 1,122,615
Service cost	150	150
Interest cost	47,814	47,190
Benefits paid	(51,263)	(47,550)
Expenses paid	(170)	(172)
Actuarial (gain) loss	93,358	(34,293)
Settlements	(42,306)	-
Benefit obligation at end of year	<u>1,135,523</u>	<u>1,087,940</u>
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	884,983	878,701
Actual return on plan assets	85,842	33,291
Benefits paid	(51,263)	(47,550)
Expenses paid	(170)	(172)
Employer contributions	20,631	20,713
Settlements	(42,306)	-
Fair value of plan assets at end of year	<u>897,717</u>	<u>884,983</u>
Funded status of the plans	(237,806)	(202,957)
Less: Current portion of liability for pension	(46)	(45)
Long term portion of liability for pension	<u>(237,760)</u>	<u>(202,912)</u>
Liability for pension	<u>\$ (237,760)</u>	<u>\$ (202,912)</u>

As of June 30, 2019 and 2018 the liability, for pension is included in the liability for pension and other postretirement plan benefits in the accompanying consolidated balance sheets.

Amounts not yet reflected in net periodic pension expense and included in the change in net assets without donor restrictions include approximately \$478,394,000 and \$418,971,000 of net actuarial loss as of June 30, 2019 and 2018, respectively.

The estimated amounts to be amortized from net assets without donor restrictions into net periodic pension expense in fiscal year 2020 for net actuarial losses is \$12,032,000.

The accumulated benefit obligation for the defined benefit pension plans was approximately \$1,135,770,000 and \$1,087,991,000 at June 30, 2019 and 2018, respectively.

The following table sets forth the assumptions used to determine the benefit obligation at June 30, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Discount rate	4.20% - 4.50%	4.20 % - 4.50 %
Rate of increase in compensation	N/A	N/A

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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The primary investment objective for the Plan's assets is to support the Pension liabilities of the Pension Plans for Employees of the Health System, by providing long-term capital appreciation and by also using a Liability Driven Investing ("LDI") strategy to partially hedge the impact fluctuating interest rates have on the value of the Plan's liabilities. As of both June 30, 2019 and 2018, it is expected that the LDI strategy will hedge approximately 60% of the interest rate risk associated with pension liabilities. To achieve the appreciation and hedging objectives, the Plans utilize a diversified structure of asset classes designed to achieve stated performance objectives measured on a total return basis, which includes income plus realized and unrealized gains and losses.

The range of target allocation percentages and the target allocations for the various investments are as follows:

	Range of Target Allocations	Target Allocations
Cash and short-term investments	0–5%	3 %
U.S. government securities	0–10	5
Domestic debt securities	20–58	38
Global debt securities	6–26	8
Domestic equities	5–35	19
International equities	5–15	11
Emerging market equities	3–13	5
Real estate investment trust funds	0–5	0
Private equity funds	0–5	0
Hedge funds	5–18	11

To the extent an asset class falls outside of its target range on a quarterly basis, the Health System shall determine appropriate steps, as it deems necessary, to rebalance the asset class.

The Boards of Trustees of the Health System, as Plan Sponsors, oversee the design, structure, and prudent professional management of the Health System's Plans' assets, in accordance with Board approved investment policies, roles, responsibilities and authorities and more specifically the following:

- Establishing and modifying asset class targets with Board approved policy ranges,
- Approving the asset class rebalancing procedures,
- Hiring and terminating investment managers, and
- Monitoring performance of the investment managers, custodians and investment consultants.

The hierarchy and inputs to valuation techniques to measure fair value of the Plans' assets are the same as outlined in Note 7. In addition, the estimation of fair value of investments in private equity and hedge funds for which the underlying securities do not have a readily determinable value is made using the NAV per share or its equivalent as a practical expedient. The Health System's Plans own interests in these funds rather than in securities underlying each fund and, therefore, are generally required to consider such investments as Level 2 or 3, even though the underlying securities may not be difficult to value or may be readily marketable.

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

The following table sets forth the Health System's Plans' investments and deferred compensation plan assets that were accounted for at fair value as of June 30, 2019 and 2018:

		2019					
<i>(in thousands of dollars)</i>	Level 1	Level 2	Level 3	Total	Redemption or Liquidation	Days' Notice	
<b>Investments</b>							
Cash and short-term investments	\$ 166	\$ 18,232	\$ -	\$ 18,398	Daily	1	
U.S. government securities	48,580	-	-	48,580	Daily-Monthly	1-15	
Domestic debt securities	122,178	273,424	-	395,602	Daily-Monthly	1-15	
Global debt securities	428	75,146	-	75,574	Daily-Monthly	1-15	
Domestic equities	159,259	18,316	-	177,575	Daily-Monthly	1-10	
International equities	17,232	77,146	-	94,378	Daily-Monthly	1-11	
Emerging market equities	321	39,902	-	40,223	Daily-Monthly	1-17	
REIT funds	357	2,883	-	3,240	Daily-Monthly	1-17	
Private equity funds	-	-	21	21	See Note 7	See Note 7	
Hedge funds	-	-	44,126	44,126	Quarterly-Annual	60-96	
<b>Total investments</b>	<b>\$ 348,521</b>	<b>\$ 505,049</b>	<b>\$ 44,147</b>	<b>\$ 897,717</b>			

		2018					
<i>(in thousands of dollars)</i>	Level 1	Level 2	Level 3	Total	Redemption or Liquidation	Days' Notice	
<b>Investments</b>							
Cash and short-term investments	\$ 142	\$ 35,817	\$ -	\$ 35,959	Daily	1	
U.S. government securities	46,265	-	-	46,265	Daily-Monthly	1-15	
Domestic debt securities	144,131	220,202	-	364,333	Daily-Monthly	1-15	
Global debt securities	470	74,676	-	75,146	Daily-Monthly	1-15	
Domestic equities	158,634	17,594	-	176,228	Daily-Monthly	1-10	
International equities	18,656	80,803	-	99,459	Daily-Monthly	1-11	
Emerging market equities	382	39,881	-	40,263	Daily-Monthly	1-17	
REIT funds	371	2,686	-	3,057	Daily-Monthly	1-17	
Private equity funds	-	-	23	23	See Note 7	See Note 7	
Hedge funds	-	-	44,250	44,250	Quarterly-Annual	60-96	
<b>Total investments</b>	<b>\$ 369,051</b>	<b>\$ 471,659</b>	<b>\$ 44,273</b>	<b>\$ 884,983</b>			

The following table presents additional information about the changes in Level 3 assets measured at fair value for the years ended June 30, 2019 and 2018:

		2019		
		Private		
<i>(in thousands of dollars)</i>	Hedge Funds	Equity Funds	Total	
<b>Balances at beginning of year</b>	\$ 44,250	\$ 23	\$ 44,273	
Net unrealized losses	(124)	(2)	(126)	
<b>Balances at end of year</b>	<b>\$ 44,126</b>	<b>\$ 21</b>	<b>\$ 44,147</b>	

		2018		
		Private		
<i>(in thousands of dollars)</i>	Hedge Funds	Equity Funds	Total	
<b>Balances at beginning of year</b>	\$ 40,507	\$ 96	\$ 40,603	
Sales	-	(51)	(51)	
Net realized losses	-	(51)	(51)	
Net unrealized gains	3,743	29	3,772	
<b>Balances at end of year</b>	<b>\$ 44,250</b>	<b>\$ 23</b>	<b>\$ 44,273</b>	

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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The total aggregate net unrealized gains (losses) included in the fair value of the Level 3 investments as of June 30, 2019 and 2018 were approximately \$14,617,000 and \$14,743,000, respectively. There were no transfers into and out of Level 3 measurements during the years ended June 30, 2019 and 2018.

There were no transfers into and out of Level 1 and 2 measurements due to changes in valuation methodologies during the years ended June 30, 2019 and 2018.

The weighted average asset allocation for the Health System's Plans at June 30, 2019 and 2018 by asset category is as follows:

	2019	2018
Cash and short-term investments	2 %	4 %
U.S. government securities	5	5
Domestic debt securities	44	41
Global debt securities	9	9
Domestic equities	20	20
International equities	11	11
Emerging market equities	4	5
Hedge funds	5	5
	<u>100 %</u>	<u>100 %</u>

The expected long-term rate of return on plan assets is reviewed annually, taking into consideration the asset allocation, historical returns on the types of assets held, and the current economic environment. Based on these factors, it is expected that the pension assets will earn an average of 7.50% per annum.

The Health System is expected to contribute approximately \$20,426,000 to the Plans in 2020 however actual contributions may vary from expected amounts.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the years ending June 30 and thereafter:

*(in thousands of dollars)*

2020	\$	50,743
2021		52,938
2022		55,199
2023		57,562
2024		59,843
2025 – 2028		326,737

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

#### Defined Contribution Plans

The Health System has an employer-sponsored 401(a) plan for certain of its members, under which the employer makes base, transition and discretionary match contributions based on specified percentages of compensation and employee deferral amounts. Total employer contributions to the plan of approximately \$40,537,000 and \$38,563,000 in 2019 and 2018, respectively, are included in employee benefits in the accompanying consolidated statements of operations and changes in net assets.

Various 403(b) and tax-sheltered annuity plans are available to employees of the Health System. Plan specifications vary by member and plan. No employer contributions were made to any of these plans in 2019 and 2018, respectively.

#### Postretirement Medical and Life Benefits

The Health System has postretirement medical and life benefit plans covering certain of its active and former employees. The plans generally provide medical or medical and life insurance benefits to certain retired employees who meet eligibility requirements. The plans are not funded.

Net periodic postretirement medical and life benefit (income) cost is comprised of the components listed below for the years ended June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	2019	2018
Service cost	\$ 384	\$ 533
Interest cost	1,842	1,712
Net prior service income	(5,974)	(5,974)
Net loss amortization	10	10
	<u>\$ (3,738)</u>	<u>\$ (3,719)</u>

The following table sets forth the accumulated postretirement medical and life benefit obligation and amounts recognized in the Health System's consolidated financial statements at June 30, 2019 and 2018:

<i>(in thousands of dollars)</i>	2019	2018
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	\$ 42,581	\$ 42,277
Service cost	384	533
Interest cost	1,842	1,712
Benefits paid	(3,149)	(3,174)
Actuarial loss	5,013	1,233
Employer contributions	-	-
Benefit obligation at end of year	<u>46,671</u>	<u>42,581</u>
Funded status of the plans	<u>\$ (46,671)</u>	<u>\$ (42,581)</u>
Current portion of liability for postretirement medical and life benefits	\$ (3,422)	\$ (3,266)
Long term portion of liability for postretirement medical and life benefits	<u>(43,249)</u>	<u>(39,315)</u>
Liability for postretirement medical and life benefits	<u>\$ (46,671)</u>	<u>\$ (42,581)</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

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As of June 30, 2019 and 2018, the liability for postretirement medical and life benefits is included in the liability for pension and other postretirement plan benefits in the accompanying consolidated balance sheets.

Amounts not yet reflected in net periodic postretirement medical and life benefit income and included in the change in net assets without donor restrictions are as follows:

<i>(in thousands of dollars)</i>	2019	2018
Net prior service income	\$ (9,556)	\$ (15,530)
Net actuarial loss	<u>8,386</u>	<u>3,336</u>
	<u>\$ (1,170)</u>	<u>\$ (12,194)</u>

The estimated amounts that will be amortized from net assets without donor restrictions into net periodic postretirement income in fiscal year 2020 for net prior service cost is \$5,974,000.

The following future benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the year ending June 30, 2020 and thereafter:

<i>(in thousands of dollars)</i>	
2020	\$ 3,468
2021	3,436
2022	3,394
2023	3,802
2024	3,811
2025-2028	17,253

In determining the accumulated postretirement medical and life benefit obligation, the Health System used a discount rate of 3.70% in 2019 and an assumed healthcare cost trend rate of 6.50%, trending down to 5.00% in 2024 and thereafter. Increasing the assumed healthcare cost trend rates by one percentage point in each year would increase the accumulated postretirement medical benefit obligation as of June 30, 2019 and 2018 by \$1,601,000 and \$1,088,000 and the net periodic postretirement medical benefit cost for the years then ended by \$77,000 and \$81,000, respectively. Decreasing the assumed healthcare cost trend rates by one percentage point in each year would decrease the accumulated postretirement medical benefit obligation as of June 30, 2019 and 2018 by \$1,452,000 and \$996,000 and the net periodic postretirement medical benefit cost for the years then ended by \$71,000 and \$72,000, respectively.

## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

#### 12. Professional and General Liability Insurance Coverage

Mary Hitchcock Memorial Hospital and Dartmouth-Hitchcock Clinic, along with Dartmouth College, Cheshire Medical Center, The New London Hospital Association, Mt. Ascutney Hospital and Health Center, and the Visiting Nurse and Hospice for VT and NH are provided professional and general liability insurance on a claims-made basis through Hamden Assurance Risk Retention Group, Inc. (RRG), a VT captive insurance company. Effective November 1, 2018 Alice Peck Day Memorial Hospital is provided professional and general liability insurance coverage through RRG. RRG reinsures the majority of this risk to Hamden Assurance Company Limited (HAC), a captive insurance company domiciled in Bermuda and to a variety of commercial reinsurers. Mary Hitchcock Memorial Hospital, Dartmouth-Hitchcock Clinic, and Dartmouth College have ownership interests in both HAC and RRG. The insurance program provides coverage to the covered institutions and named insureds on a modified claims-made basis which means coverage is triggered when claims are made. Premiums and related insurance deposits are actuarially determined based on asserted liability claims adjusted for future development. The reserves for outstanding losses are recorded on an undiscounted basis.

Selected financial data of HAC and RRG, taken from the latest available financial statements at June 30, 2019 and 2018, are summarized as follows:

<i>(in thousands of dollars)</i>	2019		
	HAC	RRG	Total
Assets	\$ 75,867	\$ 2,201	\$ 78,068
Shareholders' equity	13,620	50	13,670

<i>(in thousands of dollars)</i>	2018		
	HAC	RRG	Total
Assets	\$ 72,753	\$ 2,068	\$ 74,821
Shareholders' equity	13,620	50	13,670

#### 13. Commitments and Contingencies

##### Litigation

The Health System is involved in various malpractice claims and legal proceedings of a nature considered normal to its business. The claims are in various stages and some may ultimately be brought to trial. While it is not feasible to predict or determine the outcome of any of these claims, it is the opinion of management that the final outcome of these claims will not have a material effect on the consolidated financial position of the Health System.

##### Operating Leases and Other Commitments

The Health System leases certain facilities and equipment under operating leases with varying expiration dates. The Health System's rental expense totaled approximately \$12,707,000 and \$14,096,000 for the years ended June 30, 2019 and 2018, respectively.



## Dartmouth-Hitchcock Health and Subsidiaries

### Notes to Consolidated Financial Statements

#### June 30, 2019 and 2018

Minimum future lease payments under noncancelable operating leases at June 30, 2019 were as follows:

*(in thousands of dollars)*

2020	\$	11,342
2021		10,469
2022		7,488
2023		6,303
2024		4,127
Thereafter		5,752
	<u>\$</u>	<u>45,481</u>

#### Lines of Credit

The Health System has entered into Loan Agreements with financial institutions establishing access to revolving loans ranging from \$2,000,000 up to \$30,000,000. Interest is variable and determined using LIBOR or the Wall Street Journal Prime Rate. The Loan Agreements are due to expire March 27, 2020. There was no outstanding balance under the lines of credit as of June 30, 2019 and 2018. Interest expense was approximately \$95,000 and \$232,000, respectively, and is included in the consolidated statements of operations and changes in net assets.

#### 14. Functional Expenses

Operating expenses are presented by functional classification in accordance with the overall service missions of the Health System. Each functional classification displays all expenses related to the underlying operations by natural classification. Salaries, employee benefits, medical supplies and medications, and purchased services and other expenses are generally considered variable and are allocated to the mission that best aligns to the type of service provided. Medicaid enhancement tax is allocated to program services. Interest expense is allocated based on usage of debt-financed space. Depreciation and amortization is allocated based on square footage and specific identification of equipment used by department.

Operating expenses of the Health System by functional and natural basis are as follows for the year ended June 30, 2019:

<i>(in thousands of dollars)</i>	2019			
	Program Services	Management and General	Fundraising	Total
<b>Operating expenses</b>				
Salaries	\$ 922,902	\$ 138,123	\$ 1,526	\$ 1,062,551
Employee benefits	178,983	72,289	319	251,591
Medical supplies and medications	406,782	1,093	-	407,875
Purchased services and other	212,209	108,783	2,443	323,435
Medicaid enhancement tax	70,061	-	-	70,061
Depreciation and amortization	37,528	50,785	101	88,414
Interest	3,360	22,135	19	25,514
Total operating expenses	<u>\$ 1,831,825</u>	<u>\$ 393,208</u>	<u>\$ 4,408</u>	<u>\$ 2,229,441</u>

Operating expenses of the Health System by functional classification are as follows for the year ended June 30, 2018:

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**June 30, 2019 and 2018**

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*(in thousands of dollars)*

Program services	\$ 1,715,760
Management and general	303,527
Fundraising	2,354
	<u>\$ 2,021,641</u>

**15. Liquidity**

The Health System is substantially supported by cash generated from operations. In addition, the Health System holds financial assets for specific purposes which are limited as to use. Thus, certain financial assets reported on the accompanying consolidated balance sheet may not be available for general expenditure within one year of the balance sheet date.

The Health System's financial assets available at June 30, 2019 to meet cash needs for general expenditures within one year of June 30, 2019 are as follows:

*(in thousands of dollars)*

Cash and cash equivalents	\$ 143,587
Patient accounts receivable	221,125
Assets limited as to use	876,249
Other investments for restricted activities	134,119
Total financial assets	<u>1,375,080</u>
Less: Those unavailable for general expenditure within one year:	
Investments held by captive insurance companies	66,082
Investments for restricted activities	134,119
Other investments with liquidity horizons greater than one year	97,063
Total financial assets available within one year	<u>\$ 1,077,816</u>

For the years ending June 30, 2019 and June 30, 2018, the Health System generated positive cash flow from operations of approximately \$161,853,000 and \$136,031,000, respectively. In addition, the Health System's liquidity management plan includes investing excess daily cash in intermediate or long term investments based on anticipated liquidity needs. The Health System has an available line of credit of up to \$30,000,000 which it can draw upon as needed to meet its liquidity needs. See Note 13 for further details on the line of credit.

**16. Subsequent Events**

The Health System has assessed the impact of subsequent events through November 26, 2019, the date the audited consolidated financial statements were issued, and has concluded that there were no such events that require adjustment to the audited consolidated financial statements or disclosure in the notes to the audited consolidated financial statements other than as noted below.

Effective September 30, 2019, the Boards of Trustees of D-HH, GraniteOne Health, Catholic Medical Center Health Services, and their respective member organizations approved a Combination Agreement to combine their healthcare systems. If regulatory approval of the

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Consolidated Financial Statements**

#### **June 30, 2019 and 2018**

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transaction is obtained, the name of the new system will be Dartmouth-Hitchcock Health GraniteOne.

The GraniteOne Health system is comprised of Catholic Medical Center (CMC), a community hospital located in Manchester NH, Huggins Hospital located in Wolfeboro NH, and Monadnock Community Hospital located in Peterborough NH. Both Huggins Hospital and Monadnock Community Hospital are designated as Critical Access Hospitals. GraniteOne is a non-profit, community based health care system.

On September 13, 2019, the Board of Trustees of D-HH approved the issuance of up to \$100,000,000 par of new debt. On October 17, 2019, D-HH closed on the direct placement tax-exempt borrowing of \$99,165,000 on behalf of the DHOG acting through the New Hampshire Health and Education Facilities Authority and issued its DHOG Issue, Series 2019A Bonds.

On January 29, 2020, D-HH closed on a tax-exempt borrowing of \$125,000,000 on behalf of the DHOG acting through the New Hampshire Health and Education Facilities Authority and issued its DHOG Issue, Series 2020A Bonds.

#### **17. Subsequent Events - Unaudited**

Subsequent to the issuance of the audited financial statements on November 26, 2019, the novel strain of coronavirus emerged and in January 2020 the World Health Organization has declared the novel coronavirus a Public Health Emergency of International Concern. Beginning in March 2020, the State of New Hampshire and Vermont have adopted various measures to address the spread of this pandemic, including supporting social distancing, requests to stay home unless necessary (i.e., groceries or medications) and work from home recommendations. Such restrictions and the perception that such orders or restrictions could occur, have resulted in business closures, work stoppages, slowdowns and delays, work-from-home policies, travel restrictions and cancellation of events, including the rescheduling of elective or non-critical procedures (which management believes is temporary and such procedures will be performed at a later date) and redeployment of resources to address the novel coronavirus needs, among other effects. The outbreak has also negatively impacted the financial markets and has and may continue to materially affect the returns on and value of our investments. While we expect that the novel coronavirus may negatively impact our 2020 results, we believe we have sufficient liquidity to meet our operating and financing needs; however, given the difficulty in predicting the ultimate duration and severity of the impact of the novel coronavirus on our organization, the economy and the financial markets, the ultimate impact may be material.

**Consolidating Supplemental Information – Unaudited**

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Balance Sheets

#### June 30, 2019

<i>(in thousands of dollars)</i>	Dartmouth- Hitchcock Health	Dartmouth- Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non- Oblig Group Affiliates	Eliminations	Health System Consolidated
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	\$ 42,456	\$ 47,465	\$ 9,411	\$ 7,066	\$ 10,462	\$ 8,372	\$ -	\$ 125,232	\$ 18,355	\$ -	\$ 143,587
Patient accounts receivable, net	-	180,938	15,880	7,279	8,960	5,010	-	218,067	3,058	-	221,125
Prepaid expenses and other current assets	14,178	139,034	8,563	2,401	5,567	1,423	(74,083)	97,083	1,421	(3,009)	95,495
Total current assets	56,634	367,437	33,854	16,746	24,989	14,805	(74,083)	440,382	22,834	(3,009)	460,207
Assets limited as to use	92,602	688,485	18,759	12,694	12,427	11,619	-	836,576	39,673	-	876,249
Notes receivable, related party	553,484	752	-	1,406	-	-	(554,236)	1,406	(1,406)	-	-
Other investments for restricted activities	-	91,882	6,970	31	2,973	6,323	-	108,179	25,940	-	134,119
Property, plant, and equipment, net	22	432,277	67,147	30,945	41,946	17,797	-	590,134	31,122	-	621,256
Other assets	24,864	108,208	1,279	15,019	6,042	4,388	(10,970)	148,830	(3,013)	(21,346)	124,471
Total assets	\$ 727,606	\$ 1,689,041	\$ 128,009	\$ 76,831	\$ 88,377	\$ 54,932	\$ (639,289)	\$ 2,125,507	\$ 115,150	\$ (24,355)	\$ 2,216,302
<b>Liabilities and Net Assets</b>											
<b>Current liabilities</b>											
Current portion of long-term debt	\$ -	\$ 8,226	\$ 830	\$ 954	\$ 547	\$ 262	\$ -	\$ 10,819	\$ 95	\$ -	\$ 10,914
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	3,468	-	-	3,468
Accounts payable and accrued expenses	55,499	99,884	15,620	6,299	3,878	2,776	(74,083)	109,873	6,953	(3,009)	113,817
Accrued compensation and related benefits	-	110,639	5,851	3,694	2,313	4,270	-	126,767	1,641	-	128,408
Estimated third-party settlements	-	26,405	103	1,290	10,851	2,921	-	41,570	-	-	41,570
Total current liabilities	55,499	248,622	22,404	12,237	17,589	10,229	(74,083)	292,497	8,689	(3,009)	298,177
Notes payable, related party	-	526,202	-	-	28,034	-	(554,236)	-	-	-	-
Long-term debt, excluding current portion	643,257	44,820	24,503	35,604	643	11,465	(10,970)	749,322	2,858	-	752,180
Insurance deposits and related liabilities	-	56,786	440	513	388	240	-	58,367	40	-	58,407
Liability for pension and other postretirement plan benefits, excluding current portion	-	266,427	10,262	-	-	4,320	-	281,009	-	-	281,009
Other liabilities	-	98,201	1,104	28	1,585	-	-	100,918	23,218	-	124,136
Total liabilities	698,756	1,241,058	58,713	48,382	48,239	26,254	(639,289)	1,482,113	34,805	(3,009)	1,513,909
<b>Commitments and contingencies</b>											
<b>Net assets</b>											
Net assets without donor restrictions	28,832	356,880	63,051	27,653	35,518	21,242	-	533,176	48,063	(21,306)	559,933
Net assets with donor restrictions	18	91,103	6,245	796	4,620	7,436	-	110,218	32,282	(40)	142,460
Total net assets	28,850	447,983	69,296	28,449	40,138	28,678	-	643,394	80,345	(21,346)	702,393
Total liabilities and net assets	\$ 727,606	\$ 1,689,041	\$ 128,009	\$ 76,831	\$ 88,377	\$ 54,932	\$ (639,289)	\$ 2,125,507	\$ 115,150	\$ (24,355)	\$ 2,216,302

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Balance Sheets

#### June 30, 2019

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD and Subsidiaries	VNH and Subsidiaries	Eliminations	Health System Consolidated
<b>Assets</b>									
<b>Current assets</b>									
Cash and cash equivalents	\$ 42,456	\$ 48,052	\$ 11,952	\$ 11,120	\$ 8,549	\$ 15,772	\$ 5,686	\$ -	\$ 143,587
Patient accounts receivable, net	-	180,938	15,880	8,960	5,060	7,280	3,007	-	221,125
Prepaid expenses and other current assets	14,178	139,832	9,460	5,567	1,401	1,678	471	(77,092)	95,495
Total current assets	56,634	368,822	37,292	25,647	15,010	24,730	9,164	(77,092)	460,207
Assets limited as to use	92,602	707,597	17,383	12,427	12,738	12,685	20,817	-	876,249
Notes receivable, related party	553,484	752	-	-	-	-	-	(554,236)	-
Other investments for restricted activities	-	99,807	24,985	2,973	6,323	31	-	-	134,119
Property, plant, and equipment, net	22	434,953	70,846	42,423	19,435	50,338	3,239	-	621,256
Other assets	24,864	108,366	7,388	5,476	1,931	8,688	74	(32,316)	124,471
Total assets	\$ 727,606	\$ 1,720,297	\$ 157,894	\$ 88,946	\$ 55,437	\$ 96,472	\$ 33,294	\$ (663,644)	\$ 2,216,302
<b>Liabilities and Net Assets</b>									
<b>Current liabilities</b>									
Current portion of long-term debt	\$ -	\$ 8,226	\$ 830	\$ 547	\$ 288	\$ 954	\$ 69	\$ -	\$ 10,914
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	-	3,468
Accounts payable and accrued expenses	55,499	100,441	19,356	3,879	2,856	6,704	2,174	(77,092)	113,817
Accrued compensation and related benefits	-	110,639	5,851	2,313	4,314	4,192	1,099	-	128,408
Estimated third-party settlements	-	26,405	103	10,851	2,921	1,290	-	-	41,570
Total current liabilities	55,499	249,179	26,140	17,590	10,379	13,140	3,342	(77,092)	298,177
Notes payable, related party	-	526,202	-	28,034	-	-	-	(554,236)	-
Long-term debt, excluding current portion	643,257	44,820	24,503	643	11,763	35,604	2,560	(10,970)	752,180
Insurance deposits and related liabilities	-	56,786	440	388	240	513	40	-	58,407
Liability for pension and other postretirement plan benefits, excluding current portion	-	266,427	10,262	-	4,320	-	-	-	281,009
Other liabilities	-	98,201	1,115	1,585	-	23,235	-	-	124,136
Total liabilities	698,756	1,241,615	62,460	48,240	26,702	72,492	5,942	(642,298)	1,513,909
<b>Commitments and contingencies</b>									
<b>Net assets</b>									
Net assets without donor restrictions	28,832	379,498	65,873	36,087	21,300	22,327	27,322	(21,306)	559,933
Net assets with donor restrictions	18	99,184	29,561	4,619	7,435	1,653	30	(40)	142,460
Total net assets	28,850	478,682	95,434	40,706	28,735	23,980	27,352	(21,346)	702,393
Total liabilities and net assets	\$ 727,606	\$ 1,720,297	\$ 157,894	\$ 88,946	\$ 55,437	\$ 96,472	\$ 33,294	\$ (663,644)	\$ 2,216,302

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Balance Sheets

#### June 30, 2018

<i>(in thousands of dollars)</i>	Dartmouth- Hitchcock Health	Dartmouth- Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non- Oblig Group Affiliates	Eliminations	Health System Consolidated
<b>Assets</b>										
<b>Current assets</b>										
Cash and cash equivalents	\$ 134,634	\$ 22,544	\$ 6,688	\$ 9,419	\$ 6,604	\$ -	\$ 179,889	\$ 20,280	\$ -	\$ 200,169
Patient accounts receivable, net	-	176,981	17,183	8,302	5,055	-	207,521	11,707	-	219,228
Prepaid expenses and other current assets	11,964	143,893	6,551	143,893	2,313	(72,361)	97,613	4,766	(4,877)	97,502
Total current assets	146,598	343,418	30,422	22,974	13,972	(72,361)	485,023	36,753	(4,877)	516,899
Assets limited as to use	8	616,929	17,438	12,821	10,829	-	658,025	48,099	-	706,124
Notes receivable, related party	554,771	-	-	-	-	(554,771)	-	-	-	-
Other investments for restricted activities	-	87,613	8,591	2,981	6,238	-	105,423	25,473	-	130,896
Property, plant, and equipment, net	36	443,154	66,759	42,438	17,356	-	569,743	37,578	-	607,321
Other assets	24,863	101,078	1,370	5,906	4,280	(10,970)	126,527	3,604	(21,346)	108,785
Total assets	<u>\$ 726,276</u>	<u>\$ 1,592,192</u>	<u>\$ 124,580</u>	<u>\$ 87,120</u>	<u>\$ 52,675</u>	<u>\$ (638,102)</u>	<u>\$ 1,944,741</u>	<u>\$ 151,507</u>	<u>\$ (26,223)</u>	<u>\$ 2,070,025</u>
<b>Liabilities and Net Assets</b>										
<b>Current liabilities</b>										
Current portion of long-term debt	\$ -	\$ 1,031	\$ 810	\$ 572	\$ 187	\$ -	\$ 2,600	\$ 864	\$ -	\$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	3,311	-	-	3,311
Accounts payable and accrued expenses	54,995	82,061	20,107	6,705	3,029	(82,361)	94,536	6,094	(4,877)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,796	-	118,498	7,078	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	-	38,693	2,448	-	41,141
Total current liabilities	57,997	217,299	26,647	19,419	8,637	(72,361)	257,638	16,484	(4,877)	269,245
Notes payable, related party	-	527,346	-	27,425	-	(554,771)	-	-	-	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,270	(10,970)	724,231	28,744	-	752,975
Insurance deposits and related liabilities	-	54,616	465	155	240	-	55,476	40	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	242,227	-	-	242,227
Other liabilities	-	85,577	1,107	1,405	-	-	88,089	38	-	88,127
Total liabilities	<u>702,517</u>	<u>1,170,412</u>	<u>57,788</u>	<u>49,583</u>	<u>25,463</u>	<u>(638,102)</u>	<u>1,367,661</u>	<u>45,306</u>	<u>(4,877)</u>	<u>1,408,090</u>
<b>Commitments and contingencies</b>										
<b>Net assets</b>										
Net assets without donor restrictions	23,759	334,882	61,828	32,897	19,812	-	473,178	72,230	(21,306)	524,102
Net assets with donor restrictions	-	86,898	4,964	4,640	7,400	-	103,902	33,971	(40)	137,833
Total net assets	<u>23,759</u>	<u>421,780</u>	<u>66,792</u>	<u>37,537</u>	<u>27,212</u>	<u>-</u>	<u>577,080</u>	<u>106,201</u>	<u>(21,346)</u>	<u>661,935</u>
Total liabilities and net assets	<u>\$ 726,276</u>	<u>\$ 1,592,192</u>	<u>\$ 124,580</u>	<u>\$ 87,120</u>	<u>\$ 52,675</u>	<u>\$ (638,102)</u>	<u>\$ 1,944,741</u>	<u>\$ 151,507</u>	<u>\$ (26,223)</u>	<u>\$ 2,070,025</u>

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Balance Sheets

#### June 30, 2018

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
<b>Assets</b>									
<b>Current assets</b>									
Cash and cash equivalents	\$ 134,634	\$ 23,094	\$ 8,621	\$ 9,982	\$ 6,654	\$ 12,144	\$ 5,040	\$ -	\$ 200,169
Patient accounts receivable, net	-	176,981	17,183	8,302	5,109	7,996	3,657	-	219,228
Prepaid expenses and other current assets	11,964	144,755	5,520	5,276	2,294	4,443	488	(77,238)	97,502
Total current assets	146,598	344,830	31,324	23,560	14,057	24,583	9,185	(77,238)	516,899
<b>Assets limited as to use</b>									
Notes receivable, related party	554,771	-	-	-	-	-	-	(554,771)	-
Other investments for restricted activities	-	95,772	25,873	2,981	6,238	32	-	-	130,896
Property, plant, and equipment, net	36	445,829	70,607	42,920	19,065	25,725	3,139	-	607,321
Other assets	24,863	101,235	7,526	5,333	1,886	130	128	(32,316)	108,785
Total assets	<u>\$ 726,276</u>	<u>\$ 1,622,694</u>	<u>\$ 152,768</u>	<u>\$ 87,615</u>	<u>\$ 53,108</u>	<u>\$ 60,082</u>	<u>\$ 31,807</u>	<u>\$ (664,325)</u>	<u>\$ 2,070,025</u>
<b>Liabilities and Net Assets</b>									
<b>Current liabilities</b>									
Current portion of long-term debt	\$ -	\$ 1,031	\$ 810	\$ 572	\$ 245	\$ 739	\$ 67	\$ -	\$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	-	-	3,311
Accounts payable and accrued expenses	54,995	82,613	20,052	6,714	3,092	3,596	1,929	(77,238)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,831	5,814	1,229	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	2,448	-	-	41,141
Total current liabilities	57,997	217,851	26,592	19,428	8,793	12,597	3,225	(77,238)	269,245
Notes payable, related party	-	527,346	-	27,425	-	-	-	(554,771)	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,593	25,792	2,629	(10,970)	752,975
Insurance deposits and related liabilities	-	54,616	465	155	241	-	39	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	-	-	242,227
Other liabilities	-	85,577	1,117	1,405	-	28	-	-	88,127
Total liabilities	<u>702,517</u>	<u>1,170,964</u>	<u>57,743</u>	<u>49,592</u>	<u>25,943</u>	<u>38,417</u>	<u>5,893</u>	<u>(642,979)</u>	<u>1,408,090</u>
<b>Commitments and contingencies</b>									
<b>Net assets</b>									
Net assets without donor restrictions	23,759	356,518	65,069	33,383	19,764	21,031	25,884	(21,306)	524,102
Net assets with donor restrictions	-	95,212	29,956	4,640	7,401	634	30	(40)	137,833
Total net assets	<u>23,759</u>	<u>451,730</u>	<u>95,025</u>	<u>38,023</u>	<u>27,165</u>	<u>21,665</u>	<u>25,914</u>	<u>(21,346)</u>	<u>661,935</u>
Total liabilities and net assets	<u>\$ 726,276</u>	<u>\$ 1,622,694</u>	<u>\$ 152,768</u>	<u>\$ 87,615</u>	<u>\$ 53,108</u>	<u>\$ 60,082</u>	<u>\$ 31,807</u>	<u>\$ (664,325)</u>	<u>\$ 2,070,025</u>



## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions

#### Year Ended June 30, 2019

<i>(in thousands of dollars)</i>	Dartmouth- Hitchcock Health	Dartmouth- Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non- Oblig Group Affiliates	Eliminations	Health System Consolidated
<b>Operating revenue and other support</b>											
Patient service revenue	\$ -	\$ 1,580,552	\$ 220,255	\$ 69,794	\$ 60,166	\$ 46,029	\$ -	\$ 1,976,796	\$ 22,527	\$ -	\$ 1,999,323
Contracted revenue	5,011	109,051	355	-	-	5,902	(46,100)	74,219	790	8	75,017
Other operating revenue	21,128	186,852	3,407	1,748	4,261	2,289	(22,076)	197,609	13,386	(297)	210,698
Net assets released from restrictions	369	11,556	732	137	177	24	-	12,995	1,110	-	14,105
<b>Total operating revenue and other support</b>	<b>26,508</b>	<b>1,888,011</b>	<b>224,749</b>	<b>71,679</b>	<b>64,604</b>	<b>54,244</b>	<b>(68,176)</b>	<b>2,261,619</b>	<b>37,813</b>	<b>(289)</b>	<b>2,299,143</b>
<b>Operating expenses</b>											
Salaries	-	868,311	107,671	37,297	30,549	26,514	(24,682)	1,045,660	15,785	1,106	1,062,551
Employee benefits	-	208,346	24,225	6,454	5,434	6,966	(3,763)	247,662	3,642	287	251,591
Medical supplies and medications	-	354,201	34,331	8,634	6,298	3,032	-	406,496	1,379	-	407,875
Purchased services and other	11,366	242,106	35,088	15,308	13,528	13,950	(21,176)	310,170	14,887	(1,622)	323,435
Medicaid enhancement tax	-	54,954	8,005	3,062	2,264	1,776	-	70,061	-	-	70,061
Depreciation and amortization	14	69,343	7,977	2,305	3,915	2,360	-	85,914	2,500	-	88,414
Interest	20,677	21,585	1,053	1,169	1,119	228	(20,850)	24,981	533	-	25,514
<b>Total operating expenses</b>	<b>32,057</b>	<b>1,818,846</b>	<b>218,350</b>	<b>74,229</b>	<b>63,107</b>	<b>54,826</b>	<b>(70,471)</b>	<b>2,190,944</b>	<b>38,726</b>	<b>(229)</b>	<b>2,229,441</b>
<b>Operating (loss) margin</b>	<b>(5,549)</b>	<b>69,165</b>	<b>6,399</b>	<b>(2,550)</b>	<b>1,497</b>	<b>(582)</b>	<b>2,295</b>	<b>70,675</b>	<b>(913)</b>	<b>(60)</b>	<b>69,702</b>
<b>Nonoperating gains (losses)</b>											
Investment income (losses), net	3,929	32,193	227	469	834	623	(198)	38,077	1,975	-	40,052
Other (losses) income, net	(3,784)	1,586	(187)	30	(240)	279	(2,097)	(4,413)	791	60	(3,562)
Loss on early extinguishment of debt	-	-	-	(87)	-	-	-	-	-	-	(87)
Loss on swap termination	-	-	-	-	-	-	-	-	-	-	-
<b>Total non-operating gains (losses), net</b>	<b>145</b>	<b>33,779</b>	<b>40</b>	<b>412</b>	<b>594</b>	<b>902</b>	<b>(2,295)</b>	<b>33,577</b>	<b>2,766</b>	<b>60</b>	<b>36,403</b>
<b>(Deficiency) excess of revenue over expenses</b>	<b>(5,404)</b>	<b>102,944</b>	<b>6,439</b>	<b>(2,138)</b>	<b>2,091</b>	<b>320</b>	<b>-</b>	<b>104,252</b>	<b>1,853</b>	<b>-</b>	<b>106,105</b>
<b>Net assets without donor restrictions</b>											
Net assets released from restrictions	-	419	565	-	402	318	-	1,704	65	-	1,769
Change in funded status of pension and other postretirement benefits	-	(65,005)	(7,720)	-	-	682	-	(72,043)	-	-	(72,043)
Net assets transferred to (from) affiliates	10,477	(16,360)	1,939	8,760	128	110	-	5,054	(5,054)	-	-
Additional paid in capital	-	-	-	-	-	-	-	-	-	-	-
Other changes in net assets	-	-	-	-	-	-	-	-	-	-	-
Change in fair value on interest rate swaps	-	-	-	-	-	-	-	-	-	-	-
Change in funded status of interest rate swaps	-	-	-	-	-	-	-	-	-	-	-
<b>Increase in net assets without donor restrictions</b>	<b>\$ 5,073</b>	<b>\$ 21,998</b>	<b>\$ 1,223</b>	<b>\$ 6,622</b>	<b>\$ 2,621</b>	<b>\$ 1,430</b>	<b>\$ -</b>	<b>\$ 38,967</b>	<b>\$ (3,136)</b>	<b>\$ -</b>	<b>\$ 35,831</b>

**Dartmouth-Hitchcock Health and Subsidiaries**  
**Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions**  
**Year Ended June 30, 2019**

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD and Subsidiaries	VNH and Subsidiaries	Eliminations	Health System Consolidated
<b>Operating revenue and other support</b>									
Patient service revenue	\$ -	\$ 1,580,552	\$ 220,254	\$ 60,166	\$ 46,029	\$ 69,794	\$ 22,528	\$ -	\$ 1,999,323
Contracted revenue	5,010	109,842	355	-	5,902	-	-	(46,092)	75,017
Other operating revenue	21,128	188,775	3,549	4,260	3,868	10,951	540	(22,373)	210,698
Net assets released from restrictions	371	12,637	732	177	26	162	-	-	14,105
Total operating revenue and other support	26,509	1,891,806	224,890	64,603	55,825	80,907	23,068	(68,465)	2,299,143
<b>Operating expenses</b>									
Salaries	-	868,311	107,706	30,549	27,319	40,731	11,511	(23,576)	1,062,551
Employee benefits	-	208,346	24,235	5,434	7,133	7,218	2,701	(3,476)	251,591
Medical supplies and medications	-	354,201	34,331	6,298	3,035	8,639	1,371	-	407,875
Purchased services and other	11,366	246,101	35,396	13,390	14,371	18,172	7,437	(22,798)	323,435
Medicaid enhancement tax	-	54,954	8,005	2,264	1,776	3,062	-	-	70,061
Depreciation and amortization	14	69,343	8,125	3,920	2,478	4,194	340	-	88,414
Interest	20,678	21,585	1,054	1,119	228	1,637	63	(20,850)	25,514
Total operating expenses	32,058	1,822,841	218,852	62,974	56,340	83,653	23,423	(70,700)	2,229,441
Operating (loss) margin	(5,549)	68,965	6,038	1,629	(515)	(2,746)	(355)	2,235	69,702
<b>Non-operating gains (losses)</b>									
Investment income (losses), net	3,929	33,310	129	785	645	469	983	(198)	40,052
Other (losses) income, net	(3,784)	1,586	(171)	(240)	288	31	765	(2,037)	(3,562)
Loss on early extinguishment of debt	-	-	-	-	-	(87)	-	-	(87)
Loss on swap termination	-	-	-	-	-	-	-	-	-
Total nonoperating gains (losses), net	145	34,896	(42)	545	933	413	1,748	(2,235)	36,403
(Deficiency) excess of revenue over expenses	(5,404)	103,861	5,996	2,174	418	(2,333)	1,393	-	106,105
<b>Net assets without donor restrictions</b>									
Net assets released from restrictions	-	484	565	402	318	-	-	-	1,769
Change in funded status of pension and other postretirement benefits	-	(65,005)	(7,720)	-	682	-	-	-	(72,043)
Net assets transferred to (from) affiliates	10,477	(16,360)	1,963	128	118	3,629	45	-	-
Additional paid in capital	-	-	-	-	-	-	-	-	-
Other changes in net assets	-	-	-	-	-	-	-	-	-
Change in fair value on interest rate swaps	-	-	-	-	-	-	-	-	-
Change in funded status of interest rate swaps	-	-	-	-	-	-	-	-	-
Increase in net assets without donor restrictions	\$ 5,073	\$ 22,980	\$ 804	\$ 2,704	\$ 1,536	\$ 1,296	\$ 1,438	\$ -	\$ 35,831

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Statements of Operations and Changes in Net Assets Without Donor Restrictions

#### Year Ended June 30, 2018

<i>(in thousands of dollars)</i>	Dartmouth- Hitchcock Health	Dartmouth- Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non Oblig Group Affiliates	Eliminations	Health System Consolidated
<b>Operating revenue and other support</b>										
Patient service revenue	\$ -	\$ 1,475,314	\$ 216,736	\$ 60,486	\$ 52,014	\$ -	\$ 1,804,550	\$ 94,545	\$ -	\$ 1,899,095
Provision for bad debts	-	31,358	10,967	1,554	1,440	-	45,319	2,048	-	47,367
Net patient service revenue	-	1,443,956	205,769	58,932	50,574	-	1,759,231	92,497	-	1,851,728
Contracted revenue	(2,305)	97,291	-	-	2,169	(42,870)	54,285	716	(32)	54,969
Other operating revenue	9,799	134,461	3,365	4,169	1,814	(10,554)	143,054	6,978	(1,086)	148,946
Net assets released from restrictions	658	11,605	620	52	44	-	12,979	482	-	13,461
Total operating revenue and other support	8,152	1,687,313	209,754	63,153	54,601	(53,424)	1,969,549	100,673	(1,118)	2,069,104
<b>Operating expenses</b>										
Salaries	-	806,344	105,607	30,360	24,854	(21,542)	945,623	42,035	1,605	989,263
Employee benefits	-	181,833	28,343	7,252	7,000	(5,385)	219,043	10,221	419	229,683
Medical supplies and medications	-	289,327	31,293	6,161	3,055	-	329,836	10,195	-	340,031
Purchased services and other	8,509	215,073	33,065	13,587	13,960	(19,394)	264,800	29,390	(2,818)	291,372
Medicaid enhancement tax	-	53,044	8,070	2,659	1,744	-	65,517	2,175	-	67,692
Depreciation and amortization	23	66,073	10,217	3,934	2,030	-	82,277	2,501	-	84,778
Interest	8,684	15,772	1,004	981	224	(8,882)	17,783	1,039	-	18,822
Total operating expenses	17,216	1,627,466	217,599	64,934	52,867	(55,203)	1,924,879	97,556	(794)	2,021,641
Operating margin (loss)	(9,064)	59,847	(7,845)	(1,781)	1,734	1,779	44,670	3,117	(324)	47,463
<b>Non-operating gains (losses)</b>										
Investment income (losses), net	(26)	33,628	1,408	1,151	858	(198)	36,821	3,565	-	40,387
Other (losses) income, net	(1,364)	(2,599)	-	1,276	266	(1,581)	(4,002)	733	361	(2,908)
Loss on early extinguishment of debt	-	(13,909)	-	(305)	-	-	(14,214)	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	(14,247)	-	-	(14,247)
Total non-operating gains (losses), net	(1,390)	2,873	1,408	2,122	1,124	(1,779)	4,358	4,299	361	9,018
(Deficiency) excess of revenue over expenses	(10,454)	62,720	(6,437)	341	2,858	-	49,028	7,416	37	56,481
<b>Net assets without donor restrictions</b>										
Net assets released from restrictions	-	16,038	-	4	252	-	16,294	19	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,827	-	1,127	-	8,254	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-	-
Additional paid in capital	-	-	-	-	-	-	-	58	(58)	-
Other changes in net assets	-	-	-	-	-	-	-	(185)	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	4,190	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	14,102	-	-	14,102
Increase in net assets without donor restrictions	\$ 7,337	\$ 75,995	\$ 3,578	\$ 393	\$ 4,565	\$ -	\$ 91,868	\$ 7,308	\$ (21)	\$ 99,155

## Dartmouth-Hitchcock Health and Subsidiaries

### Consolidating Statements of Operations and Changes in Net Assets Without Donor Restrictions

#### Year Ended June 30, 2018

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
<b>Operating revenue and other support</b>									
Patient service revenue	\$ -	\$ 1,475,314	\$ 216,736	\$ 60,486	\$ 52,014	\$ 71,458	\$ 23,087	\$ -	\$ 1,899,095
Provision for bad debts	-	31,358	10,967	1,554	1,440	1,680	368	-	47,367
Net patient service revenue	-	1,443,956	205,769	58,932	50,574	69,778	22,719	-	1,851,728
Contracted revenue	(2,305)	98,007	-	-	2,169	-	-	(42,902)	54,969
Other operating revenue	9,799	137,242	4,061	4,166	3,168	1,697	453	(11,640)	148,946
Net assets released from restrictions	658	11,984	620	52	44	103	-	-	13,461
Total operating revenue and other support	8,152	1,691,189	210,450	63,150	55,955	71,578	23,172	(54,542)	2,069,104
<b>Operating expenses</b>									
Salaries	-	806,344	105,607	30,360	25,592	29,215	12,082	(19,937)	989,263
Employee benefits	-	181,833	28,343	7,252	7,162	7,406	2,653	(4,966)	229,683
Medical supplies and medications	-	289,327	31,293	6,161	3,057	8,484	1,709	-	340,031
Purchased services and other	8,512	218,690	33,431	13,432	14,354	19,220	5,945	(22,212)	291,372
Medicaid enhancement tax	-	53,044	8,070	2,659	1,743	2,176	-	-	67,692
Depreciation and amortization	23	66,073	10,357	3,939	2,145	1,831	410	-	84,778
Interest	8,684	15,772	1,004	981	223	975	65	(8,882)	18,822
Total operating expenses	17,219	1,631,083	218,105	64,784	54,276	69,307	22,864	(55,997)	2,021,641
Operating (loss) margin	(9,067)	60,106	(7,655)	(1,634)	1,679	2,271	308	1,455	47,463
<b>Nonoperating gains (losses)</b>									
Investment income (losses), net	(26)	35,177	1,954	1,097	787	203	1,393	(198)	40,387
Other (losses) income, net	(1,364)	(2,599)	(3)	1,276	273	(223)	952	(1,220)	(2,908)
Loss on early extinguishment of debt	-	(13,909)	-	(305)	-	-	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	-	-	(14,247)
Total non-operating gains (losses), net	(1,390)	4,422	1,951	2,068	1,060	(20)	2,345	(1,418)	9,018
(Deficiency) excess of revenue over expenses	(10,457)	64,528	(5,704)	434	2,739	2,251	2,653	37	56,481
<b>Net assets without donor restrictions</b>									
Net assets released from restrictions	-	16,058	-	4	251	-	-	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,827	-	1,127	-	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-
Additional paid in capital	58	-	-	-	-	-	-	(58)	-
Other changes in net assets	-	-	-	-	-	(185)	-	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	-	-	14,102
Increase (decrease) in net assets without donor restrictions	\$ 7,392	\$ 77,823	\$ 4,311	\$ 486	\$ 4,445	\$ 2,066	\$ 2,653	\$ (21)	\$ 99,155

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Supplemental Consolidating Information**

#### **June 30, 2019 and 2018**

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#### **1. Basis of Presentation**

The accompanying supplemental consolidating information includes the consolidating balance sheet and the consolidating statement of operations and changes in net assets without donor restrictions of D-HH and its subsidiaries. All intercompany accounts and transactions between D-HH and its subsidiaries have been eliminated. The consolidating information presented is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America consistent with the consolidated financial statements. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements and is not required as part of the basic financial statements.

**Schedule of Expenditures of Federal Awards**

## Dartmouth-Hitchcock Health and Subsidiaries

### Schedule of Expenditures of Federal Awards

#### Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
<b>Federal Program</b>						
Research and Development Cluster						
<b>Department of Defense</b>						
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W81XWH1820076	Direct		\$ 234,630	\$ -
Military Medical Research and Development	12.420	W81XWH1810712	Direct		131,525	-
Military Medical Research and Development	12.420	R1143	Pass-Through	Trustees of Dartmouth College	2,055	-
					133,580	-
Department of Defense	12.RD	80232	Pass-Through	Creare, Inc.	46,275	-
					414,485	-
<b>Environmental Protection Agency</b>						
Science To Achieve Results (STAR) Research Program	66.509	31220SUB52965	Pass-Through	University of Vermont	1,031	-
					1,031	-
<b>Department of Health and Human Services</b>						
Innovations in Applied Public Health Research	93.061	1 R01 TS000288	Direct		84,957	8,367
Environmental Health	93.113	6K23ES025781-06	Direct		111,125	-
Environmental Health	93.113	R1118	Pass-Through	Trustees of Dartmouth College	5,087	-
					116,212	-
NIEHS Superfund Hazardous Substances	93.143	R1099	Pass-Through	Trustees of Dartmouth College	6,457	-
Health Program for Toxic Substances and Disease Registry	93.161	AWD00010523	Direct		61,180	-
Research Related to Deafness and Communication Disorders	93.173	6R21DC015133-03	Direct		119,896	61,908
National Research Service Award in Primary Care Medicine	93.186	T32HP32520	Direct		309,112	-
Research and Training in Complementary and Integrative Health	93.213	R1112	Pass-Through	Trustees of Dartmouth College	21,197	-
Research and Training in Complementary and Integrative Health	93.213	R1187	Pass-Through	Trustees of Dartmouth College	446	-
Research and Training in Complementary and Integrative Health	93.213	12272	Pass-Through	Palmer College of Chiropractic	30,748	-
Research and Training in Complementary and Integrative Health	93.213	Not Provided	Pass-Through	Southern California University of Health	12,030	-
					64,421	-
Research on Healthcare Costs, Quality and Outcomes	93.226	5P30HS024403	Direct		641,114	-
Research on Healthcare Costs, Quality and Outcomes	93.226	R1128	Pass-Through	Trustees of Dartmouth College	6,003	-
Research on Healthcare Costs, Quality and Outcomes	93.226	R1146	Pass-Through	Trustees of Dartmouth College	4,696	-
					651,813	-
Mental Health Research Grants	93.242	1K08MH117347-01A1	Direct		54,211	-
Mental Health Research Grants	93.242	6K23MH116367-02	Direct		109,228	-
Mental Health Research Grants	93.242	6R01MH110965	Direct		220,076	84,823
Mental Health Research Grants	93.242	6T32MH073553-15	Direct		130,340	-
Mental Health Research Grants	93.242	6R25MH068502-17	Direct		157,599	-
Mental Health Research Grants	93.242	6R01MH107625-05	Direct		200,805	27,964
Mental Health Research Grants	93.242	R1082	Pass-Through	Trustees of Dartmouth College	11,740	-
Mental Health Research Grants	93.242	R1144	Pass-Through	Trustees of Dartmouth College	5,897	-
Mental Health Research Grants	93.242	R1156	Pass-Through	Trustees of Dartmouth College	4,721	-
					894,617	112,787

## Dartmouth-Hitchcock Health and Subsidiaries Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Drug Abuse and Addiction Research Programs	93.279	6R01DA034699-05	Direct	390,647	90,985
Drug Abuse and Addiction Research Programs	93.279	6R21DA044501-03	Direct	118,741	-
Drug Abuse and Addiction Research Programs	93.279	6R01DA041416-04	Direct	135,687	62,277
Drug Abuse and Addiction Research Programs	93.279	R1105	Pass-Through	11,957	-
Drug Abuse and Addiction Research Programs	93.279	R1104	Pass-Through	4,109	-
Drug Abuse and Addiction Research Programs	93.279	R1192	Pass-Through	5,059	-
				666,200	153,262
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	6K23EB026507-02	Direct	98,499	9,582
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	6R21EB021456-03	Direct	23,293	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	R1103	Pass-Through	16,635	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	5R21EB024771-02	Pass-Through	5,938	-
				144,365	9,582
National Center for Advancing Translational Sciences	93.350	R1113	Pass-Through	342,790	-
21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	1204501	Pass-Through	166,421	-
Cancer Cause and Prevention Research	93.393	1R01CA225792	Direct	54,351	-
Cancer Cause and Prevention Research	93.393	R21CA227776A	Direct	28,640	-
Cancer Cause and Prevention Research	93.393	R01CA229197	Direct	65,701	-
Cancer Cause and Prevention Research	93.393	R1127	Pass-Through	6,035	-
Cancer Cause and Prevention Research	93.393	R1097	Pass-Through	5,870	-
Cancer Cause and Prevention Research	93.393	R1109	Pass-Through	1,984	-
Cancer Cause and Prevention Research	93.393	DHMCCA222648	Pass-Through	3,173	-
Cancer Cause and Prevention Research	93.393	R44CA210810	Pass-Through	38,241	-
				203,995	-
Cancer Detection and Diagnosis Research	93.394	4R00CA190890-03	Direct	1,717	-
Cancer Detection and Diagnosis Research	93.394	6R37CA212187-03	Direct	106,110	2,907
Cancer Detection and Diagnosis Research	93.394	6R03CA219445-03	Direct	18,880	-
Cancer Detection and Diagnosis Research	93.394	R1079	Pass-Through	23,031	-
Cancer Detection and Diagnosis Research	93.394	R1080	Pass-Through	23,031	-
Cancer Detection and Diagnosis Research	93.394	R1086	Pass-Through	6,772	-
Cancer Detection and Diagnosis Research	93.394	R1096	Pass-Through	1,174	-
Cancer Detection and Diagnosis Research	93.394	R1124	Pass-Through	83,174	-
				263,889	2,907
Cancer Treatment Research	93.395	1UG1CA233323-01	Direct	14,675	-
Cancer Treatment Research	93.395	6U10CA180854-06	Direct	27,790	-
Cancer Treatment Research	93.395	DAC-194321	Pass-Through	36,708	-



## Dartmouth-Hitchcock Health and Subsidiaries Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Cancer Treatment Research	93.395	R1087	Pass-Through	Trustees of Dartmouth College	2,630	-
Cancer Treatment Research	93.395	110408	Pass-Through	Bingham and Women's Hospital	20,430	-
					102,233	-
Cancer Centers Support Grants	93.397	R1126	Pass-Through	Trustees of Dartmouth College	95,624	-
Cardiovascular Diseases Research	93.837	1UM1HL147371-01	Direct		11,774	-
Cardiovascular Diseases Research	93.837	7K23HL142835-02	Direct		65,544	-
					77,318	-
Lung Diseases Research	93.838	6R01HL122372-05	Direct		205,920	8,664
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	6T32AR049710-16	Direct		73,049	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	R1098	Pass-Through	Trustees of Dartmouth College	70,736	704
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	6R01NS052274-11	Direct		50,412	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	16-210950-04	Direct		18,016	-
					68,428	-
Allergy and Infectious Diseases Research	93.855	R1081	Pass-Through	Trustees of Dartmouth College	3,787	-
Allergy and Infectious Diseases Research	93.855	RES513934	Pass-Through	Case Western Reserve University	4,170	-
Allergy and Infectious Diseases Research	93.855	R1155	Pass-Through	Trustees of Dartmouth College	14,582	-
					22,539	-
Biomedical Research and Research Training	93.859	R1100	Pass-Through	Trustees of Dartmouth College	14,901	-
Biomedical Research and Research Training	93.859	R1141	Pass-Through	Trustees of Dartmouth College	587	-
Biomedical Research and Research Training	93.859	R1145	Pass-Through	Trustees of Dartmouth College	241	-
					15,729	-
Child Health and Human Development Extramural Research	93.865	5P2CHD086841-04	Direct		127,400	10,132
Child Health and Human Development Extramural Research	93.865	6UG1OD024946-03	Direct		260,914	-
Child Health and Human Development Extramural Research	93.865	6R01HD067270	Direct		314,058	223,885
Child Health and Human Development Extramural Research	93.865	R1119	Pass-Through	Trustees of Dartmouth College	13,264	-
Child Health and Human Development Extramural Research	93.865	51460	Pass-Through	Univ of Arkansas for Medical Sciences	4,696	-
					720,332	234,017
Aging Research	93.866	6K23AG051681-04	Direct		76,377	2,883
Aging Research	93.866	R1102	Pass-Through	Trustees of Dartmouth College	8,285	-
					84,662	2,883
Vision Research	93.867	6R21EY028677-02	Direct		28,751	3,149
Medical Library Assistance	93.879	R1107	Pass-Through	Trustees of Dartmouth College	4,273	-
Medical Library Assistance	93.879	R1190	Pass-Through	Trustees of Dartmouth College	1,244	-
					5,517	-
International Research and Research Training	93.989	R1123	Pass-Through	Trustees of Dartmouth College	5,936	-
International Research and Research Training	93.989	6R25TW007693-09	Pass-Through	Fogarty International Center	96,327	65,097
					102,263	65,097

## Dartmouth-Hitchcock Health and Subsidiaries Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Department of Health and Human Services	93.RD		Pass-Through	Leidos Biomedical Research, Inc.	201,551	-
Total Department of Health and Human Services					<u>5,970,977</u>	<u>663,327</u>
<b>Total Research and Development Cluster</b>					<u>6,386,493</u>	<u>663,327</u>
<b>Medicaid Cluster</b>						
Medical Assistance Program	93.778	SNHH 2-18-19	Pass-Through	Southern New Hampshire Health	131,775	-
Medical Assistance Program	93.778	Not Provided	Pass-Through	NH Dept of Health and Human Services	1,453,796	-
Medical Assistance Program	93.778	RFP-2017-0COM-01-PHYSI-01	Pass-Through	NH Dept of Health and Human Services	3,106,149	-
Medical Assistance Program	93.778	03420-7235S	Pass-Through	Vermont Department of Health	59,391	-
Medical Assistance Program	93.778	03410-2020-19	Pass-Through	Vermont Department of Health	<u>118,786</u>	-
<b>Total Medicaid Cluster</b>					<u>4,869,897</u>	-
<b>Highway Safety Cluster</b>						
State and Community Highway Safety	20.600	19-266 Youth Operator	Pass-Through	NH Highway Safety Agency	66,660	-
State and Community Highway Safety	20.600	19-266 BUNH	Pass-Through	NH Highway Safety Agency	76,915	-
State and Community Highway Safety	20.600	19-266 Statewide CPS	Pass-Through	NH Highway Safety Agency	<u>82,202</u>	-
<b>Total Highway Safety Cluster</b>					<u>225,777</u>	-
<b>Other Sponsored Programs</b>						
<b>Department of Justice</b>						
Crime Victim Assistance	16.575	2015-VA-GX0007	Pass-Through	New Hampshire Department of Justice	237,692	-
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	1-CLAR-NH-SA17	Pass-Through	National Children's Alliance	<u>1,448</u>	-
					<u>239,140</u>	-
<b>Department of Education</b>						
Race to the Top	84.412	03440-34119-18-ELCG24	Pass-Through	Vermont Dept for Children and Families	<u>115,094</u>	-
					<u>115,094</u>	-
<b>Department of Health and Human Services</b>						
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	Not Provided	Pass-Through	NH Dept of Health and Human Services	69,945	-
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	GENFD0001568485	Pass-Through	Boston Children's Hospital	<u>18,283</u>	-
Maternal and Child Health Federal Consolidated Programs	93.110	6 T73MC323930101	Direct		652,997	591,411
Maternal and Child Health Federal Consolidated Programs	93.110	0253-6545-4609	Pass-Through	Icahn School of Medicine at Mount Sinai	<u>19,548</u>	-
					<u>672,545</u>	<u>591,411</u>
Emergency Medical Services for Children	93.127	7 H33MC323950100	Direct		137,067	-
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	R1140	Pass-Through	Trustees of Dartmouth College	449,757	-
HIV-Related Training and Technical Assistance	93.145	Not Provided	Pass-Through	University of Massachusetts Med School	3,242	-
Coordinated Services and Access to Research for Women, Infants, Children	93.153	H12HA31112	Direct		<u>391,829</u>	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	7H79SM063584-01	Direct		24,313	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	55,361	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Not Provided	Pass-Through	Vermont Department of Health	227,437	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	03420-A19006S	Pass-Through	Vermont Department of Health	<u>126,764</u>	-
					<u>433,875</u>	-
Drug Free Communities Support Program Grants	93.276	5H79SP020382	Direct		126,464	-
Department of Health and Human Services	93.628	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	<u>29,838</u>	-

## Dartmouth-Hitchcock Health and Subsidiaries Schedule of Expenditures of Federal Awards Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	19-029	Pass-Through	University of New Hampshire	2,811	-
Adoption Opportunities	93.652	AWD00009303	Direct		32,384	-
Adoption Opportunities	93.652	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	110,524	-
					<u>142,908</u>	<u>-</u>
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	343,297	-
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.761	90FPSG0019	Direct		134,524	-
Opioid STR	93.788	RFP-2018-BDAS-05-INTEG	Pass-Through	NH Dept of Health and Human Services	954,356	61,208
Opioid STR	93.788	2019-BDAS-05-ACCES-04	Pass-Through	NH Dept of Health and Human Services	161,164	-
Opioid STR	93.788	SS-2019-BDAS-05-ACCES-02	Pass-Through	NH Dept of Health and Human Services	243,747	-
					<u>1,359,267</u>	<u>61,208</u>
Organized Approaches to Increase Colorectal Cancer Screening Hospital Preparedness Program (HPP) Ebola Preparedness	93.800	5 NU58DP006086	Direct		912,937	-
	93.817	03420-6755S	Pass-Through	Vermont Department of Health	2,347	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	03420-6951S	Pass-Through	Vermont Department of Health	99,841	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	03420-07623	Pass-Through	Vermont Department of Health	178,907	-
					<u>276,748</u>	<u>-</u>
National Bioterrorism Hospital Preparedness Program Rural Health Care Services Outreach, Rural Health Network Develop and Small Health Care Provider Quality Improvement	93.889	03420-7272S	Pass-Through	Vermont Department of Health	2,786	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.912	6 D06RH31057-02-03	Direct		138,959	-
	93.918	1 H76HA31654-01-00	Direct		273,666	-
Block Grants for Community Mental Health Services	93.958	9224120	Pass-Through	NH Dept of Health and Human Services	2,498	-
Block Grants for Community Mental Health Services	93.958	RFP-2017-DBH-05-FIRST	Pass-Through	NH Dept of Health and Human Services	32,625	-
					<u>35,123</u>	<u>-</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959	05-95-49-491510-2990	Pass-Through	NH Dept of Health and Human Services	69,276	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Not Provided	Pass-Through	Foundation for Healthy Communities	54,356	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	05-95-49-491510-2990	Pass-Through	Foundation for Healthy Communities	1,695	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	03420-A18033S	Pass-Through	Vermont Department of Health	59,204	-
					<u>184,531</u>	<u>-</u>
PPHF Geriatric Education Centers	93.969	U1QHP32519	Direct		728,055	-
Department of Health and Human Services	93.U01	RFP-2018-DPHS-05-INJUR	Pass-Through	NH Highway Safety Agency	80,107	-
Department of Health and Human Services	93.U02	Not Provided	Pass-Through	NH Dept of Health and Human Services	48,489	-
Department of Health and Human Services	93.U03	Not Provided	Pass-Through	NH Dept of Health and Human Services	56,419	-
Department of Health and Human Services	93.U04	Not Provided	Pass-Through	NH Dept of Health and Human Services	37,009	-
Department of Health and Human Services	93.U05	Not Provided	Pass-Through	NH Dept of Health and Human Services	39,653	-
Department of Health and Human Services	93.U06	Not Provided	Pass-Through	County of Cheshire	213,301	-
					<u>474,978</u>	<u>-</u>
Corporation for National and Community Service AmeriCorps	94.006	17ACHNH0010001	Pass-Through	Volunteer NH	72,297	-
					<u>72,297</u>	<u>-</u>
<b>Total Other Programs</b>					<u>7,774,313</u>	<u>652,619</u>
<b>Total Federal Awards and Expenditures</b>					<u>\$ 19,256,480</u>	<u>\$ 1,315,946</u>

## **Dartmouth-Hitchcock Health and Subsidiaries**

### **Notes to Schedule of Expenditures of Federal Awards**

#### **June 30, 2019**

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#### **1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of federal award programs administered by Dartmouth-Hitchcock Health and Subsidiaries (the "Health System") as defined in the notes to the consolidated financial statements and is presented on an accrual basis. The purpose of this Schedule is to present a summary of those activities of the Health System for the year ended June 30, 2019 which have been financed by the United States government ("federal awards"). For purposes of this Schedule, federal awards include all federal assistance entered into directly between the Health System and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Pass-through entity identification numbers and CFDA numbers have been provided where available.

Visiting Nurse and Hospice of NH and VT ("VNH") received a Community Facilities Loan, CFDA #10.766, of which the proceeds were expended in the prior fiscal year. The VNH had an outstanding balance of \$2,696,512 as of June 30, 2019. As this loan was related to a project that was completed in the prior audit period and the terms and conditions do not impose continued compliance requirements other than to repay the loan, we have properly excluded the outstanding loan balance from the Schedule.

#### **2. Indirect Expenses**

Indirect costs are charged to certain federal grants and contracts at a federally approved predetermined indirect rate, negotiated with the Division of Cost Allocation and therefore we do not use the de minimus 10% rate. The predetermined rate provided for the year ended June 30, 2019 was 29.3%. Indirect costs are included in the reported federal expenditures.

#### **3. Related Party Transactions**

The Health System has an affiliation agreement with Dartmouth College dated June 4, 1996 in which the Health System and the Geisel School of Medicine at Dartmouth College affirm their mutual commitment to providing high quality medical care, medical education and medical research at both organizations. Pursuant to this affiliation agreement, certain clinical faculty of the Health System participate in federal research programs administered by Dartmouth College. During the fiscal year ended June 30, 2019, Health System expenditures, which Dartmouth College reimbursed, totaled \$3,979,033. Based on the nature of these transactions, the Health System and Dartmouth College do not view these arrangements to be subrecipient transactions but rather view them as Dartmouth College activity. Accordingly, this activity does not appear in the Health System's schedule of expenditures of federal awards for the year ended June 30, 2019.

**Part II**  
**Reports on Internal Control and Compliance**



**Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Trustees of  
Dartmouth-Hitchcock Health and subsidiaries

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Dartmouth-Hitchcock Health and its subsidiaries (the "Health System"), which comprise the consolidated balance sheet as of June 30, 2019, and the related consolidated statements of operations and changes in net assets and of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 26, 2019, which included an emphasis of a matter paragraph related to the Health System changing the manner in which it accounts for revenue recognition from contracts with customers and the manner in which it presents net assets and reports certain aspects of its financial statements as a not-for-profit entity in 2019 as discussed in note 2 of the consolidated financial statements.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Health System's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we do not express an opinion on the effectiveness of the Health System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Health System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Priscilla Cooper LLP*

Boston, Massachusetts  
November 26, 2019



**Report of Independent Auditors on Compliance with Requirements  
That Could Have a Direct and Material Effect on Each Major Program and on Internal  
Control Over Compliance in Accordance with the Uniform Guidance**

To the Board of Trustees of  
Dartmouth-Hitchcock Health and subsidiaries

**Report on Compliance for Each Major Federal Program**

We have audited Dartmouth-Hitchcock Health and its subsidiaries' (the "Health System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Health System's major federal programs for the year ended June 30, 2019. The Health System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Health System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Health System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Dartmouth-Hitchcock Health and its subsidiaries compliance.





***Opinion on Each Major Federal Program***

In our opinion, Dartmouth-Hitchcock Health and its subsidiaries complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

**Report on Internal Control Over Compliance**

Management of the Health System are responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Health System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Health System's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Priscilla Cooper LLP*

Boston, Massachusetts  
March 31, 2020

**Part III**  
**Findings and Questioned Costs**

**Dartmouth-Hitchcock and Subsidiaries  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2019**

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**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued	Unmodified opinion
Internal control over financial reporting	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weakness (es)?	None reported
Noncompliance material to financial statements	No

**Federal Awards**

Internal control over major programs	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weakness (es)?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified opinion
Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

**Identification of major programs**

<b>CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
Various CFDA Numbers	Research and Development
93.800	Organized Approaches to Increase Colorectal Cancer Screening
93.788	Opioid STR
93.110	Maternal and Child Health Federal Consolidated Programs
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Dartmouth-Hitchcock and Subsidiaries**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2019**

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**II. Financial Statement Findings**

None Noted

**III. Federal Award Findings and Questioned Costs**

None Noted

**Dartmouth-Hitchcock and Subsidiaries**  
**Summary Schedule of Prior Audit Findings and Status**  
**Year Ended June 30, 2019**

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There are no findings from prior years that require an update in this report.

**DARTMOUTH-HITCHCOCK (D-H) | DARTMOUTH-HITCHCOCK HEALTH (D-HH)  
BOARDS OF TRUSTEES AND OFFICERS**

**Effective: January 1, 2021**

<p><b>Geraldine "Polly" Bednash, PhD, RN, FAAN</b> MHMH/DHC Trustee <i>Adjunct Professor, University of Vermont</i></p>	<p><b>Jonathan T. Huntington, MD, PhD, MPH</b> MHMH/DHC (Lebanon Physician) Trustee <i>Acting Chief Medical Officer, DHMC</i></p>
<p><b>Mark W. Begor, MBA</b> MHMH/DHC Trustee <i>Chief Executive Officer, Equifax</i></p>	<p><b>Laura K. Landy, MBA</b> MHMH/DHC/D-HH Trustee <i>President and CEO of the Fannie E. Rippel Foundation</i></p>
<p><b>Jocelyn D. Chertoff, MD, MS, FACR</b> MHMH/DHC (Clinical Chair/Center Director) Trustee <i>Chair, Dept. of Radiology</i></p>	<p><b>Jennifer L. Moyer, MBA</b> MHMH/DHC Trustee <i>Managing Director &amp; CAO, White Mountains Insurance Group, Ltd</i></p>
<p><b>Duane A. Compton, PhD</b> MHMH/DHC/D-HH Trustee <i>Ex-Officio: Dean, Geisel School of Medicine at Dartmouth</i></p>	<p><b>David P. Paul, MBA</b> MHMH/DHC Trustee <i>President &amp; COO, JBG SMITH</i></p>
<p><b>Joanne M. Conroy, MD</b> MHMH/DHC/D-HH Trustee <i>Ex-Officio: CEO &amp; President, D-H/D-HH</i></p>	<p><b>Charles G. Plimpton, MBA</b> MHMH/DHC/D-HH Boards' Treasurer &amp; Secretary <i>Retired Investment Banker</i></p>
<p><b>Paul P. Danos, PhD</b> MHMH/DHC/D-HH Trustee <i>Dean Emeritus; Laurence F. Whittemore Professor of Business Administration, Tuck School of Business at Dartmouth</i></p>	<p><b>Richard J. Powell, MD</b> D-HH Trustee <i>Section Chief, Vascular Surgery; Professor of Surgery and Radiology</i></p>
<p><b>Carl "Trey" Dobson, MD</b> MHMH/DHC Trustee <i>Chief Medical Officer, Southwestern Vermont Medical Center</i></p>	<p><b>Thomas Raffio, MBA, FLMI</b> MHMH/DHC Trustee <i>President &amp; CEO, Northeast Delta Dental</i></p>
<p><b>Elof Eriksson, MD, PhD</b> MHMH/DHC Trustee <i>Professor Emeritus, Harvard Medical School and Chief Medical Officer, Applied Tissues Technologies, LLC</i></p>	<p><b>Kurt K. Rhyhart, MD, FACS</b> MHMH/DHC (D-H Lebanon Physician Trustee Representative) Trustee <i>DHMC Trauma Medical Director and Divisional Chief of Trauma and Acute Care Surgery</i></p>
<p><b>Gary L. Freed, Jr., MD, PharmD</b> MHMH/DHC Trustee <i>Plastic Surgeon, DHMC and Assistant Professor of Surgery for Geisel School of Medicine at Dartmouth</i></p>	<p><b>Edward Howe Stansfield, III, MA</b> MHMH/DHC/D-HH Boards' Chair <i>Senior VP, Resident Director for the Hanover, NH Bank of America/Merrill Lynch Office</i></p>
<p><b>Thomas P. Glynn, PhD</b> MHMH/DHC Trustee <i>Chief Executive Officer, Massachusetts Port Authority</i></p>	<p><b>Pamela Austin Thompson, MS, RN, CENP, FAAN</b> MHMH/DHC/D-HH Trustee <i>Chief executive officer emeritus of the American Organization of Nurse Executives (AONE)</i></p>
<p><b>Robert S.D. Higgins, MD, MSHA</b> MHMH/DHC Trustee <i>Nicholas M. Greene Professor and Chair, Dept. of Anesthesiology, Yale School of Medicine</i></p>	<p><b>Marc B. Wolpov, JD, MBA</b> MHMH/DHC/D-HH Trustee <i>Co-Chief Executive Officer of Audax Group</i></p>
<p><b>Roberta L. Hines, MD</b> MHMH/DHC Trustee <i>Surgeon-in-Chief, The John Hopkins Hospital</i></p>	

## Curriculum Vitae

**DATE PREPARED:** May 2019

**NAME:** Elizabeth A. Talbot, MD

**ADDRESS:**

Office

Infectious Disease and International Health Section  
Dartmouth Hitchcock Medical Center (DHMC)  
1 Medical Center Drive  
Lebanon, New Hampshire 03756  
Phone: 001-603-650-6060  
Email: Elizabeth.Talbot@Dartmouth.EDU

Home



### I. EDUCATION

<u>DATE</u>	<u>INSTITUTION</u>	<u>DEGREE</u>
Sept 1988 – May 1992	The Robert Wood Johnson Medical School, University of Medicine and Dentistry of New Jersey, Piscataway NJ	MD
Sept 1984 – May 1988	Mount Holyoke College, South Hadley MA, <i>Magna Cum Laude</i> – Thesis: “Latent <i>Chlamydia trachomatis</i> infections in cultured McCoy cells”	Bachelor of Arts
Sept 1980 – June 1984	Point Pleasant Borough High School, Point Pleasant NJ	High School Diploma

### II. POSTDOCTORAL TRAINING

<u>DATE</u>	<u>SPECIALTY</u>	<u>INSTITUTION</u>
July 1998 – June 2000	Epidemic Intelligence Service Officer, assigned to International Activities, Div. of TB Elimination	U.S. Centers for Disease Control and Prevention (CDC), Atlanta GA
July 1995 – June 1998	Infectious Disease Fellowship, Laboratory of Mycobacterial Genetics	Duke University Medical Center, Durham NC
Oct 1996	Hospital Epidemiology Training Course	SHEA/CDC, San Antonio TX
Feb 1996	Clinical Management and Control of TB	National Jewish Center for Immunology and Respiratory Medicine, Denver CO
July 1993 – June 1995	Internal Medicine Residency	Duke University Medical Center, Durham NC
July 1992 –	Medicine-Psychiatry Internship	University of Iowa Hospitals and

June 2018

Elizabeth A. Talbot, MD  
Page 2

June 1993

Clinics, Iowa City IA

**III. PROFESSIONAL DEVELOPMENT ACTIVITIES**


<u>DATES</u>	<u>TITLE</u>	<u>INSTITUTION</u>
Nov 2018	High Threat Infectious Disease Response Training	National Ebola Training and Education Center, Boston MA
Dec 2018	Nontuberculous Mycobacterial Clinical Training	National Institutes of Health, Bethesda MD
May 2017	Wilderness Medicine Course	Wilderness Medicine Institute, Santa Fe NM
Sept 26-27 2016	Tropical Medicine Update Course	American Society of Tropical Medicine and Hygiene, Houston TX
Oct 13-18 2014	Ebola Deployment Preparedness Training	Center for Domestic Preparedness, CDC, Aniston Alabama
Feb 2014	Treatment of Nontuberculous Mycobacteria mini-fellowship	National Jewish Center for Immunology and Respiratory Medicine, Denver CO
Feb 2012	National Incident Management System training 100, 200 and 300	NH DHHS, Concord NH
Oct 1996	Hospital Epidemiology Training Course	SHEA/CDC, San Antonio TX
Feb 1996	Clinical Management and Control of TB	National Jewish Center for Immunology and Respiratory Medicine, Denver CO
Mar - July 1994	International Clinical Research Training Program	Duke University Medical Center, Vitoria Brazil
Mar - April 1992	Medical Student Clerkship	London School of Hygiene and Tropical Medicine, London UK

**IV. ACADEMIC APPOINTMENTS**

<u>DATE</u>	<u>TITLE</u>	<u>INSTITUTION</u>
July 2009- Present	Associate Professor	Dartmouth Medical School, Department of Medicine, Lebanon NH
July 2003 - July 2009	Assistant Professor	Dartmouth Medical School, Department of Medicine, Lebanon NH
July 2000 - July	Associate Director, TB/HIV	BOTUSA Project, CDC, Botswana



## ANTONIA L. ALTOMARE, DO, MPH

  
[Antonia.L.Altomare@Hitchcock.org](mailto:Antonia.L.Altomare@Hitchcock.org)

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**EDUCATION**      **The Dartmouth Institute for Health Policy and Clinical Practice**  
**Geisel School of Medicine at Dartmouth**, Lebanon, New Hampshire  
Master of Public Health, June 2013

**New York College of Osteopathic Medicine of New York Institute of Technology**, Old Westbury, New York  
Doctor of Osteopathic Medicine, May 2007

**Drew University**, Madison, New Jersey  
Bachelor of Arts, Magna Cum Laude, May 2003  
Concentration in Biology; Minor in Chemistry and Music

### POSTDOCTORAL TRAINING

**Dartmouth-Hitchcock Medical Center**, Lebanon, New Hampshire  
Fellow in Infectious Disease, June 2013  
Resident in Leadership Preventive Medicine, June 2013  
Resident in Internal Medicine, June 2010

### PROFESSIONAL DEVELOPMENT ACTIVITIES

3/2016-17      **Leadership Coaching**  
Cynthia M. Cahill, MA, LMFT  
Conversations, Choices, Change  
CAHILL CONSULTING

2012            **DMAIC Green Belt Certified**  
The Value Institute  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

### ACADEMIC APPOINTMENTS

2017-present      **Principal Investigator and Program Director Ryan White HIV Program, Part D**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

2014-present      **Activity Director Infectious Disease Clinical Conference**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

2013-present      **Assistant Professor of Medicine**  
Geisel School of Medicine at Dartmouth, Hanover, New Hampshire

2010- 2013        **Instructor of Medicine**

Antonia Altomare, DO, MPH  
Revised 9-2018

Geisel School of Medicine at Dartmouth, Hanover, New Hampshire

### **INSTITUTIONAL LEADERSHIP ROLES**

- 2017-present **Ryan White HIV Program Director, Part D**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- 2016-present **Dartmouth-Hitchcock Value Institute Leadership**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- 2013-present **Hospital Epidemiologist**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

### **LICENSURES AND CERTIFICATIONS**

- 2018 Certified in Basic Life Support by the American Heart Association
- 2013 Board Certified Infectious Disease by the American Board of Internal Medicine
- 2010 Board Certified Internal Medicine by the American Board of Internal Medicine
- 2018 New Hampshire State Medical License
- 2018 Controlled Substance Registration Certificate

### **HOSPITAL APPOINTMENTS**

- 2013-present **Infectious Disease Attending**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- 2011-2013 **General Internal Medicine Clinic Attending**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

### **OTHER PROFESSIONAL POSITIONS**

- 2015-2018 **Expert Consultant: Veterans Education and Research Association of Northern New England, Inc.**  
Veteran Affairs Medical Center, White River Junction, Vermont
- Expert clinical consultant for research projects pertaining to HIV
- 2014-present **Infectious Disease Medical Epidemiologist Advisor**  
State of New Hampshire

### **TEACHING ACTIVITIES: UNDERGRADUATE EDUCATION**

- 4/2017 **Infectious Pathogens of Interest**  
Northern New England Collegiate Emergency Medical Services Conference  
Dartmouth College, Hanover, New Hampshire
- Reviewed current college outbreaks, use of personal protective equipment, and prevent and management of blood borne pathogen exposure

Antonia Altomare, DO, MPH  
Revised 9-2018

**TEACHING ACTIVITIES: GRADUATE EDUCATION**

5/2019

**HIV**

Masters of Physician Assistant Studies Program  
Franklin Pierce University, West Lebanon, New Hampshire

- Instructed first year Physician Assistant students on the epidemiology and basic science of HIV. Reviewed testing and treatment. Discussed pre-exposure and post-exposure prophylaxis.
- 2.5 hours

**TEACHING ACTIVITIES: UNDERGRADUATE MEDICAL EDUCATION**

**CLASSROOM TEACHING**

8/2014-present

**Orientation to Healthcare-Associated Infections and Hand Hygiene**

Geisel School of Medicine at Dartmouth, Hanover, New Hampshire

- Instructed first year medical students on healthcare-associated infections and hand hygiene.
- 0.5 hours per year

5/2014-present

**Healthcare-Associated Infections**

Geisel School of Medicine at Dartmouth, Hanover, New Hampshire

- Instructed second year medical students on healthcare-associated infections as part of their Infectious Disease curriculum and in preparation for starting their clinical rotations.
- 1 hour per year

4/2012-present

**Scientific Basis of Medicine**

Geisel School of Medicine at Dartmouth, Hanover, New Hampshire

- Lead second year medical students in small group discussions on various Infectious Disease topics as part of their infectious disease curriculum.
- 8 hours per year

9/2004-2/2005

**Anatomy Teaching Assistant**

New York College of Osteopathic Medicine, Old Westbury, New York

- Assisted in teaching medical students anatomy in the laboratory
- Prepared structures for anatomy mock practical and conducted review sessions
- 300 hours per year

**CLERKSHIP TEACHING**

7/2010-present

**Department of Infectious Disease and International Health**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for medical students rotating through Infectious Disease
- 280 hours per year

7/2007-7/2010

**Internal Medicine Clerkship**

Antonia Altomare, DO, MPH  
Revised 9-2018

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for third and fourth year medical students rotating through Internal Medicine
- 1,000 hours per year

### **TEACHING ACTIVITIES: GRADUATE MEDICAL EDUCATION**

4/2016

#### **Leadership Preventive Medicine**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Interactive didactic for Preventive Medicine residents on surveillance in the world of infection control
- 1.5 hours

7/2015 – present

#### **Department of Infectious Disease and International Health**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for Infectious Disease fellows
- 4 hours per week outpatient continuity clinic

8/2013 – present

#### **Department of Infectious Disease and International Health**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for Infectious Disease fellows
- 700 hours per year inpatient consults

8/2013 – present

#### **Department of Infectious Disease and International Health**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Formal didactic sessions on various infectious disease topics for fellows, residents and medical students
- 4 hours per year

8/2013 – present

#### **Department of General Internal Medicine**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Formal didactic sessions on various infectious disease topics for residents and medical students
- 3 hours per year

7/2010-present

#### **Department of Infectious Disease and International Health**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for residents rotating through Infectious Disease
- 14 weeks per year

7/2011-7/2013

#### **Leadership Preventive Medicine**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Resident mentor for Leadership Preventive Medicine Residents to help guide them through the process of quality improvement

7/2007-6/2010

#### **General Internal Medicine**

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Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Clinical preceptor for interns and second year residents in General Internal Medicine

**TEACHING ACTIVITIES: OTHER EDUCATION**

4/2019-5/2019

**HIV Nursing Education**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Oriented new nurses to HIV, antiretroviral therapy, sexually transmitted diseases, and infection control.

**TEACHING ACTIVITIES: COMMUNITY EDUCATION**

5/2019

**Measles**

Television

- Reviewed current outbreak situation and at risk populations. Emphasized the need for vaccination.

10/2018

**Hand Foot and Mouth Disease**

Television, newspaper

- Reviewed signs and symptoms of Hand Foot and Mouth Disease as well as ways to prevent illness in the setting of a local outbreak.

2/2015

**Ebola Preparedness**

New Hampshire Leadership Academy

- Panel discussion held at Dartmouth-Hitchcock describing our experience with institutional epidemic preparedness and response

10/2014

**Ebola Preparedness**

Television

- Discussed Ebola infection and prevention as well as Dartmouth-Hitchcock preparedness efforts

9/2014

**Scabies Outbreak**

Multiple local radio, television, and newspapers

- Discussed Scabies infection and prevention in the setting of hospital exposure

9/2014

**Enterovirus D68**

Multiple local television news stations

- Discussed Enterovirus infection and prevention as well as Dartmouth-Hitchcock preparedness

**ADVISING AND MENTORING**

**UNDERGRADUATE STUDENTS**

3/2015-2017

**Shadowing Program for Dartmouth College undergraduates**

Nathan Smith Society of the Health Professions Program

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Dartmouth College, Hanover, New Hampshire

**GRADUATE STUDENTS**

**MEDICAL STUDENTS**

**RESIDENTS/FELLOWS**

7/2016-present **Faculty Fellow Mentor for Infectious Disease Fellows**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Martha DesBiens, MD
- Emma Considine, DO

8/2018 **Key Clinical Faculty for ACGME Infectious Disease Fellowship**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

**FACULTY**

**RESEARCH TEACHING/MENTORING**

**UNDERGRADUATE STUDENTS**

**GRADUATE STUDENTS**

2014 **Quality Improvement Mentor for Master of Public Health Candidate Megan Read**, University of New Hampshire, Manchester, New Hampshire  
*Improving and Standardizing the Education Given to Hospitalized Patients on Isolation Precautions*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

**MEDICAL STUDENTS**

**RESIDENTS/FELLOWS**

2019 **Quality Improvement Mentor for Master of Public Health Candidate Suthanya Sornprom**, The Dartmouth Institute for Health Policy and Clinical Practice, Geisel School of Medicine at Dartmouth, Lebanon, New Hampshire  
*Decreasing Adverse Event Related to Peripheral Intravenous Catheters*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

**FACULTY**

**COMMUNITY SERVICE, EDUCATION AND ENGAGEMENT**

9/2018 **The Bernice A. Ray School, Hanover, New Hampshire**  
Visiting community scientist

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- Taught elementary aged children about staying healthy through hand washing and vaccination

7/2018

**HIV Medical Presenter**

Vermont People with AIDS Coalition

- Workshop leader and discussant on the history of HIV focusing on key turning points in medical treatment and diagnostics.
- Discussed current drugs and future treatments.

12/2014

**Ebola**

Thetford Academy, Thetford, Vermont

- Presented to high school students of Global Health class on Ebola and how to help

2/2014

**Airborne and Bloodborne Pathogens**

Dartmouth Emergency Medical Services, Hanover, New Hampshire

- Instructed EMTs on various airborne and bloodborne pathogens

3/2012

**Get Yourself Tested Campaign**

Colby-Sawyer College, New London, New Hampshire

- Promoted sexually transmitted diseases awareness, testing and education

**RESEARCH FUNDING**

2017-present

**U.S Department of Health and Human Services, Health Resources and Services Administration**

*Ryan White Title IV Women, Infants, Children, Youth and Affected Family Members AIDS Healthcare*

Grantee: Mary Hitchcock Memorial Hospital, Lebanon, New Hampshire  
Principal Investigator and Program Director: Antonia Altomare

**PROGRAM DEVELOPMENT**

2016-2018

**Infection Control and Hospital Epidemiology**

*Preventing Hospital Acquired Infections for Providers*

- Created electronic educational material specific for physicians to engage in multidisciplinary prevention of hospital acquired infections

**ENTREPRENEURIAL ACTIVITIES**

**MAJOR COMMITTEE ASSIGNMENTS:**

**NATIONAL/INTERNATIONAL**

**REGIONAL**

7/2017-present

**New Hampshire HIV Planning Group Medical Advisory Board**

New Hampshire Department of Health and Human Services, Concord, NH

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- 1/2016-present **New Hampshire Healthcare-Associated Infection Program  
Technical Advisory Workgroup**  
New Hampshire Department of Health and Human Services, Concord, NH
- Hospital Epidemiologist Subject Matter Expert
  - Provide scientific and infection prevention expertise to the NH DHHS HAI Reporting Program
- 12/2015-present **New Hampshire Communicable Disease Epidemic Control Committee**  
New Hampshire Department of Health and Human Services, Concord, NH
- Hospital Epidemiologist Subject Matter Expert

**INSTITUTIONAL**

- 5/2015-present **Integrated Influenza Planning Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Founder and committee co-chair
  - Coordinate influenza vaccination efforts across Dartmouth-Hitchcock including vaccination of employees, inpatients, outpatients, and the community
- 1/2015-present **Employee Prevention Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Epidemiologist and Infectious Disease expert
- 9/2014-present **Flu Medical Review Board**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Review all applications for exemption for mandatory employee influenza vaccination and determine exemption status
- 8/2014-present **Ebola/High Threat Infections Preparedness**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Director of Ebola/High Threat Infections Readiness and Response Team
  - Coordinate all activities around readiness and response to highly infectious pathogens
- 10/2013-present **Readiness and Response to Epidemic Disease Threats Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Committee co-chair
- 8/2013-present **Universal Influenza Immunization Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Epidemiologist and Infectious Disease expert
- 8/2013-present **Dartmouth-Hitchcock Quality Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire



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- Member
- 8/2013-present **Significant Event Analysis Root Cause and Healthcare Systems Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Epidemiology expert
- 8/2013-present **Healthcare-Associated Infections Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Committee co-chair
- 8/2012-present **Collaborative Healthcare-Associated Infection Prevention Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Medical Director
- 7/2012-6/2013 **Emergency Management Committee**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Developed a new evidence based education and training curriculum for members of the committee as well as members of the incident command system.
- 8/2012-6/2013 **Program Management Group, Leadership Preventive Medicine Residency**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Resident liaison to program directors and led resident meeting.
- 8/2011-6/2013 **Resident Advisory Committee, Leadership Preventive Medicine Residency**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Resident liaison to advisory committee.
- 6/2008-6/2010 **Unit Based Councils (nursing committee)**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
  - Resident representative and liaison between nursing staff and residents with to goal to improve patient care through quality improvement projects and better communication between staff.

#### **PROFESSIONAL SOCIETY MEMBERSHIPS**

- 2013-present Society for Healthcare Epidemiology of America
- 2013-present International Society of Infectious Disease
- 2013-present HIV Medicine Association
- 2011-2013 American College of Preventive Medicine
- 2011-present Arnold P. Gold Foundation
- 2010-present Alpha Omega Alpha
- 2010-present Infectious Diseases Society of America

#### **EDITORIAL BOARDS**

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### **JOURNAL REFEREE ACTIVITY**

2/2016 **BMJ Quality & Safety**

- Manuscript peer reviewer for a submission pertaining to improvement in healthcare worker hand hygiene using error prevention principles.

### **AWARDS AND HONORS**

Alpha Omega Alpha – National Medical Honor Society, Geisel School of Medicine Chapter  
Gold Foundation Humanism and Excellence in Teaching Award  
Chairman's Award for Excellence in Teaching – Dartmouth-Hitchcock Medical Center  
Department of Medicine Excellence in Teaching – Dartmouth-Hitchcock Medical Center  
Psi Sigma Alpha – National Osteopathic Honor Society  
Phi Beta Kappa – National Undergraduate Honor Society  
Beta Beta Beta – Biology Honor Society  
Pi Delta Phi – French Honor Society  
Student Fellow of Drew University's Board of Visitors  
Elizabeth DeCamp Scholarship – Drew Academic Scholarship  
Drew Presidential Scholarship of the Arts  
Jill Spur Titus Music Scholarship – Drew University  
All-State and All-Eastern Orchestra, piccolo soloist at Carnegie Hall

### **INVITED PRESENTATIONS**

(\*) *individually extended an invitation to present*

(#) *presented a poster/talk at a meeting, but not following a personalized invitation*

(^) *talk/presentation was applicable as a CME activity*

### **INTERNATIONAL**

#### **NATIONAL**

- 2019 **\* National webinar sponsored by Oxford Immunotec, expert consultant**  
*LTBI Surveillance or TB Elimination? A Rational Approach to Healthcare Personnel Screening*
- Understand 2019 U.S. recommendations for TB screening, testing, and treatment of healthcare personnel
  - Anticipate operational challenges and collaborate with occupational medicine, hospital infection control, and public health
  - Ensure a smooth implementation of the 2019 recommendations
- 2015 **# The Society for Healthcare Epidemiology of America, Spring Conference**  
*Opting out of Clostridium difficile Infection.*  
Oral Presentation.  
Altomare AL, Taylor EA, Solberg P, Mecchella JN.
- 2013 **# IDWeek**  
*Discharges on Intravenous Antibiotics: Timeline and Use of Service-specific Data to Inform Change.*

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Altomare AL, Mecchella JN, Kovacs K, Gregory J, Andrews MM.

**REGIONAL/LOCAL**

- 6/2019      **\*\* Infectious Disease and International Health Conference**  
*Syphilis: What you need to know in 2019*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Reviewed current epidemiology of syphilis and the impact syphilis infection has on pregnancy
  - Described clinical syndromes of syphilis including congenital syphilis
  - Reviewed screening guidelines as well as how to test and treat syphilis in pregnancy
- 6/2019      **\*OB/GYN Grand Rounds**  
*Syphilis in Pregnancy*  
Catholic Medical Center, Manchester, New Hampshire
- Reviewed current epidemiology of syphilis and the impact syphilis infection has on pregnancy
  - Described clinical syndromes of syphilis including congenital syphilis
  - Reviewed screening guidelines as well as how to test and treat syphilis in pregnancy
- 5/2019      **^\*OB/GYN Grand Rounds**  
*Syphilis in Pregnancy*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Reviewed current epidemiology of syphilis and the impact syphilis infection has on pregnancy
  - Described clinical syndromes of syphilis including congenital syphilis
  - Reviewed screening guidelines as well as how to test and treat syphilis in pregnancy
- 10/2018      **\*^ Urology Grand Rounds**  
*PrEP and STDs*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Reviewed PrEP guidelines, indications, and management.
  - Highlighted current state of STD both locally and nationally and current treatment guidelines.
- 10/2018      **\*^ New Hampshire HIV Planning Group**  
*HIV: A Journey Through Time*  
Manchester Department of Health, Manchester, New Hampshire
- Reviewed history of HIV focusing on key turning points in medical treatment and diagnostics.
  - Discussed current drugs and future treatments.
- 2/2018      **^ Medicine Grand Rounds**

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*Infectious Diseases Mystery Cases with a Panel of Infectious Disease Docs*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Participated as panel member to discuss mystery cases in Infectious Disease.

6/2016

**\*^ New Hampshire Emergency Preparedness Conference**  
*Preparedness for High-Threat Infectious Diseases in New Hampshire*  
Manchester, New Hampshire

- Describe the preparedness efforts of a designated assessment hospital and provided updates on the status of our plans, successes and challenges.

3/2016

**\*^ Preparing for High Threat Infections: Innovate, Involve and Improve**  
*Pulse Check on Readiness in New Hampshire*  
New Hampshire Hospital Association  
Concord, New Hampshire

- Describe the preparedness efforts of a designated assessment hospital and provided updates on the status of our plans, successes and challenges.

1/2016

**\*^ Northeastern Vermont Regional Hospital – Grand Rounds**  
*Tickborne Diseases of New England*  
St. Johnsbury, Vermont

- Objectives: Recognize current epidemiologic distribution of tickborne disease; Distinguish clinical presentations and varying treatments recommendations; Locate available pertinent resources

12/2015

**\* Geisel School of Medicine Internal Medicine Interest Group**  
*My career path in medicine and infectious disease*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Panel discussion and question and answer session for medical students interested in a career in internal medicine

8/2015

**\* General Internal Medicine Educational Conference**  
*2015-2016 Influenza Vaccine Update for Dartmouth-Hitchcock*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Educated primary care physicians on influenza vaccine recommendations as well as discuss the evidence of efficacy between standard dose and high dose vaccine.

6/2015

**\* Ambulatory Operations Meeting**  
*Lyme Disease*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Educated frontline staff on Lyme Disease and other tick-borne diseases in the Northeast

2/2015

**\* Children's Hospital at Dartmouth Primary Care Committee**  
*Measles in the 21<sup>st</sup> Century*

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- Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Reviewed history of Measles, clinical presentation, isolation precaution requirement
  - Discussed next steps with regards to increase awareness, early identification and isolation in the setting of U.S. epidemic
- 11/2014      **\* Pediatric Schwartz Rounds**  
*Ebola: Caring for the Caregiver*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Participated in panel discussion on topics related to providers caring for Ebola patients
- 11/2014      **\* Primary Care Didactics**  
*Tick-borne Diseases*  
White River Family Practice, White River Junction, Vermont
- Presented up to date information on Lyme disease diagnosis and treatment as well as other tickborne diseases such as Babesiosis and Anaplasmosis
- 10/2014      **\*^ Special Grand Rounds (Institution-wide)**  
*Dartmouth-Hitchcock's Ebola Response Plans*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented the current state of preparedness of Dartmouth-Hitchcock with regards to Ebola. Reviewed plans to identify, isolate and respond to suspected Ebola patients.
- 3/2013      **\*^ New Hampshire Immunization Conference**  
*Improving Adult Pneumococcal Vaccination Coverage in Primary Clinics in New Hampshire: Context Matters*  
Department of Health and Human Services, Division of Public Health Services, New Hampshire Immunization Section, Concord, New Hampshire
- Presented the process of quality of improvement, data, and lessons learned from quality improvement project to improve adult pneumococcal vaccination coverage in three different primary care clinics.
- 3/2013      **\*^ School Health Symposium**  
*Controlling Pertussis Outbreaks in the School Setting*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented the current state of pertussis outbreaks, signs and symptoms of pertussis, how to diagnose and treat pertussis, and preventive measures especially in controlling an outbreak
- 1/2013      **^ Infectious Disease and International Health Conference**  
*Herpes B Virus and Post-exposure Prophylaxis*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

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- Presented a case of fatal human herpes B infection and reviewed risk factors, clinical presentation, and current protocol for post-exposure assessment and prophylaxis.
- 10/2012      **\* Office of Care Management Facilities Conference**  
*Transitioning Patients on Intravenous Antibiotics*  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented quality improvement initiative to improve care coordination and outcomes of all patients discharged on intravenous antibiotics by standardizing the discharge process and involved improving communication amongst participating rehabilitation facilities.
- 5/2012      **\* Hospital Practice Coordinators Round Table Discussion**  
*Improving Adolescent and Adult Immunization Rates*  
Department of Health and Human Services, Division of Public Health Services,  
New Hampshire Immunization Section, Concord, New Hampshire
- Presented the process of quality improvement and vision for improving pneumococcal vaccination rates and gained stakeholders insight into the barriers and facilitators of change.
- 10/2012      **\*^ Morbidity, Mortality and Improvement Conference**  
White River Junction Veterans Affairs Medical Center, Vermont
- Presented patient cases and recent outbreak information on West Nile Virus and Eastern Equine Encephalitis Virus and current actions regarding controlling disease.
- 5/2012      **^ Morbidity, Mortality and Improvement Conference**  
White River Junction Veterans Affairs Medical Center, Vermont
- Presented a case of Sarcoidosis which included education on the differential diagnosis of bone marrow granulomas, granulomatous infection, CD4 lymphopenia, and the diagnosis and treatment of Sarcoidosis.
- 3/2010      **^ Morbidity, Mortality and Improvement Conference**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented a case HIV/AIDS which included education on Pneumocystis pneumonia, antiretroviral therapy, Immune Reconstitution Inflammatory Syndrome, family hardships, and the importance of practicing holistic medicine.
- 8/2009      **^ Morbidity, Mortality and Improvement Conference**  
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented a case of pneumonia in an immunocompromised host which included education on Velcade (antineoplastic agent) and its toxicities, infections associated with steroid use, and Pneumocystis pneumonia.

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7/2008

**^ Morbidity, Mortality and Improvement Conference**

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Presented a case of meningococemia which included education on Systemic Inflammatory Response Syndrome, sepsis and early goal-directed therapy, Salmonella, the differential diagnosis of a petechial rash, and complications and treatment of meningococemia.

**QUALITY IMPROVEMENT AND RESEARCH**

2/2015-17

**Quality Improvement Project: Infection Prevention and Control**

*Improving the Process of Implementing Airborne Precaution for Patients with Tuberculosis in the Ambulatory Clinic Setting* (project sponsor)

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Used the DMAIC approach to quality improvement to identify and track patients suspected or confirmed to be infected with Tuberculosis and develop a method of communicating and implementing an infection control plan.

4/2014-17

**Quality Improvement Project: Infection Prevention and Control**

*Improving the Identification and Tracking of Patients Colonized or Infected with Highly Resistant Organisms* (project sponsor)

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Used the DMAIC approach to quality improvement to identify and track patients infected or colonized with highly resistant organisms and develop a method of communicating and implementing an infection control plan.

1/2014-5/2014

**Quality Improvement Project: Infection Prevention and Control**

*Improving and Standardizing the Education Given to Hospitalized Patients on Isolation Precautions* (project mentor)

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Used the DMAIC approach to quality improvement to understand the barriers to providing and documenting patient education regarding infection prevention and isolation precautions.

3/2013-11/2014

**Quality Improvement Project: Infection Prevention and Control**

*Reducing the Rate of Healthcare-Associated Clostridium difficile Infections* (project sponsor)

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Created a *Clostridium difficile* task force to evaluate current state of *Clostridium difficile* infections and develop new policies and procedures to reduce the rate of Healthcare-Associated *Clostridium difficile* Infections.

8/2011-6/2013

**Public Health Project: Department of Health and Human Services, Division of Public Health Services, New Hampshire Immunization Section  
Concord, New Hampshire**

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*Improving Adult Pneumococcal Vaccination Coverage in Primary Care Clinics in New Hampshire: Context Matters* (project lead)

- Used a microsystems approach to understand the barriers to immunization in three different primary care clinics, and provided clinics with their immunization data in order to create change.

6/2011- 2013

**Quality Improvement Project: Infectious Disease**

*Improving Care Coordination and Outcomes of All Patients Discharged on Intravenous Antibiotics by Standardizing the Discharge Process* (project lead)

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Led a quality improvement team charged with the goal to improve the quality of care and outcomes of all patients being discharged on intravenous antibiotics.

12/2009-1/2010

**Quality Improvement Project: General Internal Medicine**

*Assessment of Preventive Medicine*

Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire

- Assessed preventive care measures and educated physicians on new USPSTF recommendations
- Developed note template and resource page to improve preventive care

2/2002-5/2002

**Independent Research: Biology Department**

*The Effects of Supplemental Vitamin C on the Murine Immune System*

Drew University, Madison, New Jersey

- RES Clearance and the Hemolytic Jerne Plaque Assay were used to assess the effects of Vitamin C on phagocytosis and the humoral immune response in mice inoculated with *E. coli*

2/2001-6/2002

**Independent Research: French Department International Seminar in Tunisia**

*Les Femmes de la Tunisie [The Women of Tunisia]*

Drew University, Madison, New Jersey

- Attended a 3-week program in Tunisia as part of an intensive study of the French language, the Tunisian Culture, and the Islamic religion
- Conducted interviews with various Tunisian women in regards to their rights and roles in a Muslim society

**PEER REVIEWER**

4/2016

**Epicenters for the Prevention of Healthcare Associated Infections Cycle II RFA-CK-16-003**

*Centers for Disease Control and Prevention*

*National Center for Emerging and Zoonotic Infectious Diseases Extramural Research Program Office*

- Participant of a Special Emphasis Panel to evaluate the scientific merit of proposals submitted in response to a Funding Opportunity Announcement



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entitled Pre-Travel Health Preparation of International Travelers –  
Expanding and Improving Data Collection, Guidance, and Outreach.

6/2015-7/2015 **Epicenters for the Prevention of Healthcare Associated Infections Cycle II  
RFA-CK-15-004**

*Centers for Disease Control and Prevention  
National Center for Emerging and Zoonotic Infectious Diseases Extramural  
Research Program Office*

- Participant of a Special Emphasis Panel to evaluate the scientific merit of proposals submitted in response to a Funding Opportunity Announcement to expand the number of research institutions in the CDC Prevention Epicenters Program to translate basic, epidemiologic and technologic discoveries into new strategies for preventing healthcare-associated transmission of Ebola and/or infectious pathogens (viral or bacterial) that can be spread by mechanisms similar to Ebola.

**PUBLICATIONS**

M. Adams Barker, Caitlin & James Alexander, M & L. **Altomare, Antonia.** (2018). Establishing a mass prophylaxis clinic during a hospital scabies outbreak. *Infection Control & Hospital Epidemiology.* 40. 1-2.

**Altomare AL** and Dionne-Odom J. (2012). Tick-Borne Illnesses. In *Primary Care: A Collaborative Practice* (pp. 1275-1283). St. Louis, Missouri: Elsevier Mosby.

**Altomare AL**, Kirkland K, McLellan R, Talbot E, et al. *Exposure to Nitrogen Dioxide in an Indoor Ice Arena, New Hampshire, 2011.* CDC MMWR 2012;61: 139-142.

**ABSTRACTS**

Maral DerSarkissian, PhD, Kathy L. Schulman, MA, Susan Zelt, DrPH, MBA, Ronald D'Amico, DO, MSc, Rachel Bhak, MS, Michael Hellstern, BA, **Antonia Altomare, DO, MPH**, Eilyn Ercolano, MS, Mei Sheng Duh, ScD, MPH, Yinong Young-Xu, ScD, MS, MA. *Characteristics of Treatment-Experienced HIV-1-Infected Patients Switching from Multi-Tablet to Single-Tablet Regimens in the Veterans Affairs Health Care System.* IDWeek 2016, Poster Presentation.

**Altomare AL**, Taylor EA, Solberg P, Mecchella JN. *Opting out of Clostridium difficile Infections.* The Society for Healthcare Epidemiology of America, Spring Conference 2015, Oral Presentation.

Adams C, Alexander MJ, Majewsky CA, **Altomare AL.** *Establishing a Mass Prophylaxis Clinic During a Hospital Scabies Outbreak.* The Society for Healthcare Epidemiology of America, Spring Conference 2015, Poster Presentation. SHEA abstract award recipient.

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**Altomare AL, Mecchella JN, Kovacs K, Gregory J, Andrews MM.** *Discharges on Intravenous Antibiotics: Timeline and Use of Service-specific Data to Inform Change.* IDWeek 2013, Oral Presentation.

**Altomare AL, McClure AC, Eisenburg EH, Mecchella JN.** *Improving Adult Pneumococcal Vaccination Coverage in Primary Care Clinics in New Hampshire: Context Matters.* Society of General Internal Medicine Annual Meeting 2013, Poster Presentation.

**Altomare AL.** *Case of a Large Atrial Myxoma Found in a School Teacher.* American College of Physicians, New Hampshire/Vermont Combined Chapter Meeting 2009, Poster Presentation.

### **VOLUNTEER EXPERIENCE**

- 5/2000-5/2007    **EMT-B, Madison Volunteer Ambulance Corps, Madison, New Jersey**
- Crew Chief and Driver
- 4/2004-04/2004    **Health and Safety Officer, Point of Distribution Mass Vaccination Drill, New York College of Osteopathic Medicine**
- Involved in the mass vaccination drill and was responsible for the health and safety of all other volunteers
- 10/2003-5/2004    **Student Ambassador, New York College of Osteopathic Medicine of NYIT**
- Guided prospective students on tours and mediate question and answer sessions
- 9/2003-6/2004    **Community Service Committee Co-Chair, New York College of Osteopathic Medicine of NYIT**
- Organized fundraising activities and volunteer opportunities for students
- 9/1999-5/2003    **Habitat for Humanity, Drew University**
- Served on executive board
  - Organized fundraising activities and volunteer opportunities for students
  - Coordinated week-long trips to various Habitat sites around the country

### **SPECIAL SKILLS**

Arts – Proficient flute and piccolo player; Ballet dancer  
Languages – French, Italian, and Medical Spanish

**INTERESTS**    Skiing, Hiking, Biking, Cooking, Crochet, Travel

## CURRICULUM VITAE

July 2019

**Name:** Bryan John Marsh

**Office address:** Dartmouth-Hitchcock Medical Center, One Medical Center Drive, Lebanon, NH 03781

**Home Address:** [REDACTED]

**E-mail:** [bryan.j.marsh@hitchcock.org](mailto:bryan.j.marsh@hitchcock.org)

**Place of Birth:** Southampton, England

### Education:

1976-1980 Dartmouth College. B.A., 1980  
1981-1985 University of Chicago, Department of Anthropology. M.A., 1983.  
1986-1990 University of Chicago Pritzker School of Medicine. M.D., 1990.

### Postdoctoral Training:

#### Internship and Residency

1990-1991 Internship in Internal Medicine: Dartmouth-Hitchcock Medical Center, Lebanon NH  
1991-1993 Residency in Internal Medicine: Dartmouth-Hitchcock Medical Center, Lebanon NH.

#### Fellowship

1993-1995 Fellowship in Infectious Diseases: Dartmouth-Hitchcock Medical Center, Lebanon NH.

#### Additional Training

February, 1996 Hartford Hospital Antibiotic Management Program.  
May, 1995 Training Course in Hospital Epidemiology: The Society for Hospital Epidemiology of America.  
2008-2009 Executive Education Program for Section Chiefs and Practice Managers. Tuck School of Business.

### Licensure and Certification:

1993 State of New Hampshire, License no. 8898  
1993-2017 Diplomate, American Board of Internal Medicine.  
1996-present Diplomate, American Board of Internal Medicine, Subspecialty of Infectious Disease, American Board of Internal Medicine.  
2004 Credentialed. American Academy of HIV Medicine HIV Specialist

### Academic Appointments:

1995-1997 Instructor in Medicine: Dartmouth Medical School.  
1997-2006 Assistant Professor of Medicine: Dartmouth Medical School.  
2006-present Associate Professor of Medicine: Dartmouth Medical School

### Hospital Appointments:

1993-1995 Affiliate Clinical Staff, Mary-Hitchcock Memorial Hospital, Lebanon NH.  
1995-1997, 1999 Consultant Physician, Brattleboro Memorial Hospital, Brattleboro VT.  
1995-1997 Associate Clinical Staff, Mary-Hitchcock Memorial Hospital, Lebanon NH.  
1997-present Clinical Staff, Mary-Hitchcock Memorial Hospital, Lebanon NH.  
2002-present Voting Member, The Hitchcock Clinic.

**Other Professional Positions and Major Visiting Appointments:**

- 1995-1997 Program Director, Lyndonville VT Outreach Clinic of the Infectious Disease Section, Dartmouth-Hitchcock Medical Center, Lebanon NH.  
1996-present Program Director, Manchester-Hitchcock Outreach clinic of the Infectious Disease Section, Dartmouth-Hitchcock Medical Center, Lebanon NH.

**Hospital and Health Care Organization Clinical Responsibilities:**

- 1995-present Attending Physician, Infectious Disease Section, Dartmouth-Hitchcock Medical Center, Lebanon NH  
1997-present Program Director, Comprehensive Antimicrobial Program of Dartmouth-Hitchcock Medical Center, Lebanon NH.  
7/99-2/00 Hospital Epidemiologist, Dartmouth-Hitchcock Medical Center, Lebanon NH

**Major Administrative Responsibilities:**

- 7/99-2/00 Acting Chief, Infectious Disease Section, Dartmouth-Hitchcock Medical Center, Lebanon NH  
2002-present Medical Director, Hitchcock Clinic HIV Program.  
2007-2014 Acting Chief, Section of Infectious Disease and International Health, Dartmouth-Hitchcock Medical Center, Lebanon NH  
2014-present Chief, Section of Infectious Disease and International Health, Dartmouth-Hitchcock Medical Center, Lebanon NH

**Major Committee Assignments:**

**International:**

- 2003 Consultant, Kosovo HIV/AIDS Prevention Project (sponsored by Population Services International).  
2005 Consultant, Guyana national HIV/AIDS Program.  
2010 Consultant, Haiti national HIV/AIDS Program

**National and Regional:**

- 2001 Member and New Hampshire representative, ad hoc founding committee of the New England division of the American Academy of HIV Medicine.  
2001-present Member and New Hampshire representative, New England Board of the American Academy of HIV Medicine.  
2002 Consultant responsible for development of guidelines for the management of Hepatitis C infections, New Hampshire Department of Corrections.  
May 11, 2004 Member, White Coat Day (physician lobbying effort for HIV funding, organized by AAHIVM and HIVMA), Washington D.C..  
2004-present Member, Medical Advisory Committee to the New Hampshire AIDS Drug Assistance Program.

**Dartmouth-Hitchcock Medical Center:**

- 1994-1995 Committee Member, Infection Control Committee of Dartmouth-Hitchcock Medical Center  
1995-1997 Ad hoc member of the Antimicrobial Subcommittee, with responsibility to develop a comprehensive antimicrobial policy, of the Pharmacy and Therapeutics Committee of Dartmouth-Hitchcock Medical Center, Lebanon NH.  
7/99-2/00 Acting chair, Infections Committee, Dartmouth-Hitchcock Medical Center, Lebanon NH.  
7/99-2/00 Acting co-chair, Antimicrobial Subcommittee of the Pharmacy and Therapeutics Committee of Dartmouth-Hitchcock Medical Center, Lebanon NH.  
1997-present Committee member, Antimicrobial Subcommittee of the Pharmacy and Therapeutics Committee of Dartmouth-Hitchcock Medical Center, Lebanon NH.  
1998-2004 Committee member, Internship Selection Committee, Department of Medicine, Dartmouth-Hitchcock Medical Center, Lebanon NH.  
1999-2011 Coordinator, Infectious Disease Section weekly clinical conference, Dartmouth-Hitchcock Medical Center, Lebanon NH.

2001-2010 Committee member, CIS Steering Group (advisory to the Board of Governors), Dartmouth-Hitchcock Medical Center, Lebanon NH.  
2004 Dermatology Residency internal review committee.  
3/10-present Blood Borne Pathogen Committee, Dartmouth-Hitchcock Medical Center, Lebanon NH.

**Professional Societies:**

1993-present Member, Northern New England Infectious Disease Society.  
1997-2010 Member, Vermont Medical Society.  
1996-present Member, American Society for Microbiology.  
1993-1997 Member-in-training, Infectious Disease Society of America.  
1997-present Member, Infectious Disease Society of America.  
1998-present Member, American College of Physicians.  
2000-2010 Member of the American Academy of HIV Medicine.  
2000-present Member, International AIDS Society.  
2001-present Member, HIV Medicine Association of the Infectious Disease Society of America.

**Community Service Related to Professional Work:**

2004 Outside senior thesis examiner, Marlboro College

**Editorial Boards:**

Ad hoc reviewer: *AIDS, Clinical Infectious Diseases, The Journal of Infectious Diseases, Clinical Therapeutics*

**Awards and Honors:**

1980 Cum Laude, Dartmouth College.  
1980 With Distinction in Biology, Dartmouth College.  
1983 Roy Albert Prize for "outstanding work in the field of anthropology."  
1996 Red Ribbon Physician Award of the Granite State AIDS Consortium "In recognition of Outstanding Medical Care to People Living with HIV/AIDS."

**Report of Teaching:**

1. Narrative report.

My interest in teaching is a reflection of my clinical focus – the care of people living with HIV/AIDS (PLWHA). The dramatic reduction in morbidity and mortality from HIV/AIDS in the U.S. in the last 10 years has been the result of a remarkable synergy between clinical and basic research, translated through the practice of expert clinicians. I thus hope not only to contribute to the development of expert clinicians but also to stimulate an awareness and understanding of the process of medical science that has led to the benefits now open to PLWHA in resource-rich settings.

HIV care is now truly a specialty of its own, so I consider my most important audience those who are actively involved in the care of PLWHA. To further this within the DHMC ID Section I have initiated two programs for the ID fellows. First, I established and run a biweekly one hour teaching session with the ID fellows, during which time we discuss sophisticated issues in the management of HIV infection. And second, I established an HIV teaching clinic at the Manchester Hitchcock Clinic, during which time I mentor the senior DHMC ID fellows in the care of a significant number of HIV patients. I believe that the combination of these two teaching venues has significantly improved the competence in HIV care of the ID fellows who graduate from our program.

I also provide training to established HIV experts both locally and regionally. At DHMC I am the most up-to-date and informed of the HIV providers and act as a resource to the other members of the section. Within the region I accept any and all opportunities to provide HIV training to other HIV treaters, most consistently by providing twice annual updates for the HIV providers in the southern region of the state and in Portland, Maine.

Finally, I have now provided significant training and education in HIV medicine to lead HIV physicians from Kosovo, Tanzania, and Guyana.

In addition to working with clinicians who are expert in HIV care I do feel a commitment to providing appropriate education to non-experts. The HIV mini-elective for DHMC medicine residents is the only structured exposure the residents have to HIV medicine, and I commit several hours per week to this activity.

2. Local contributions.

Dartmouth-Hitchcock Medical Center and Dartmouth Medical School

- |               |  |
|---------------|--|
| June, 2008    | Primer on "The Diagnosis, Prevention, and Management of Tuberculosis" for the staff of the Dartmouth College Health Service<br>Lecturer<br>12 physicians and other clinicians                              |
| 5, 2005       | "An introduction to HIV" in Anthropology 17 (The Anthropology of Health and Illness)<br>Instructor<br>Large undergraduate class at Dartmouth College<br>One 1 hour didactic presentation                   |
| 2004-present  | Infectious Disease Section fellow didactic training in HIV/AIDS<br>Instructor and discussion leader<br>3 ID fellows<br>Two 1 hour didactic and discussion sessions/month                                   |
| 2002-present  | Infectious Disease Section fellow clinical training in HIV/AIDS<br>Clinical instructor<br>2 senior ID fellows<br>One 3-4 hour intensive HIV clinic/month at the Manchester outreach clinic                 |
| 2002          | Medical Grand Rounds (HIV Update), DHMC  |
| 2000-present  | Infectious Disease Updates for the staff of the Dartmouth College Health Service<br>Lecturer<br>8-12 physicians and other clinicians<br>One session/year, one hour of contact time, 3 hours of preparation |
| 1998          | Medical Grand Rounds (HIV Update), DHMC  |
| 1997-2010     | HIV for the primary care provider<br>Lecturer and panel discussant in an annual program presented by the DHMC ID Section<br>10-30 audience members<br>One hour of contact time, 5 hours of preparation     |
| 1997- present | Infectious Disease Block, Scientific Basis of Medicine, DMS<br>Lecturer and small group leader<br>70 DMS2 students for lectures, 20 for small groups<br>5 hours of contact time, 10 hours of preparation   |
| 1997- present | HIV mini-elective at DHMC<br>Director and instructor<br>12-18 PGY-2/3 medicine residents/year<br>3 hours/week  |
| 1997- present | Infectious Disease Service, Department of Medicine<br>Instructor.<br>1-3 DMS-4 and DOM residents rotating on the ID inpatient consult service<br>8 weeks/year, 1-2 hours/day of clinical teaching          |

3. Regional, national, or international contributions.

- |             |   |
|-------------|---|
| June, 2008  | Grand Rounds at Valley Regional Hospital: "Updates in HIV Testing Guidelines."<br>Lecturer<br>17 physicians |
| April, 2008 | "CROI Conference Update" for southern NH HIV physicians<br>Lecturer   |

- 12 physicians and other clinicians
- April, 2008 "HIV Update" for Society of NH Pharmacists  
Lecturer  
80 pharmacists
- September, 2005 HIV/AIDS training for many Guyanese physicians  
Principal instructor in a national training course in Guyana  
5-8 hours/day for 1 week
- June, 2005 HIV/AIDS training for many Tanzanian physicians and students  
Director and instructor (didactic and clinical) in Tanzania  
5-8 hours/day for 2 weeks
- May, 2005 HIV/AIDS training for many Guyanese physicians and students  
Director and instructor (didactic and clinical) in Guyana  
5-8 hours/day for 1 week
- 2003 HIV/AIDS training for two Infectious Disease physicians from Kosovo  
Director and instructor  
2 hours/day for 2 weeks
- 2003 HIV/AIDS training for one Infectious Disease physician from Tanzania  
Director and instructor  
2 hours/day for 2 weeks
- 2001-present HIV updates for HIV specialists affiliated with the Hitchcock Clinic HIV Program  
Lecturer  
4-8 physicians and other clinicians  
Twice per year  
2 hours of contact time, 5 hours preparation/session
- 2000 Dartmouth Community Medical School, Fall series  
Lecturer in an evening program on HIV/AIDS  
Approximately 50 audience members  
Two evening sessions, 10 hours preparation
- 1997-present Grand Rounds at regional hospitals on various subjects (e.g. HIV, HCV, Community  
acquired pneumonia).  
Lecturer  
20-50 physicians  
1-3 times/year  
1 hour contact time/lecture, 5-10 hours of preparation
4. Teaching awards received.
5. Major curriculum offerings, teaching cases or innovative educational programs developed.
- 2005 Formalization of an annual curriculum for the ID fellowship bimonthly HIV training  
course first established in 2004
- 2004 I developed the first series of scheduled didactics/case based discussions within the ID  
Section for the ID fellows. We meet twice per month to discuss sophisticated aspects of  
the care of people living with HIV/AIDS.
- 2002 I developed a new training experience in the clinical management of HIV/AIDS for the  
DHMC ID fellows. This consists of an intensive 3-4 hour HIV clinic once per month,  
during which I provide teaching in the medical care of people living with HIV and  
training in the development of coordinated care plans with affiliated care providers and  
community based organizations.

6. Education funding.



- 1998-present I have received a small amount of funding (variable but always <0.05 FTE) from the New England AIDS Education and Training Grant
- 1997-present The DHMC DOM committed to 0.10 FTE salary support for HIV teaching for the DOM residents, but I have never drawn on this support.

**Report of Research Activities:**

1. Current research projects
  - 2005-present Co-investigator for *STIRR Intervention for Dually Diagnosed Clients*.
  - 2005-2006 PI for GlaxoSmithKline phase 3 trial of a new class of HIV antiviral (CCR5 blocker).
  - 2004-2005 PI for Bristol Myers Squibb IMPACT trial, an observational trial of HIV resistance to antiviral therapy.
  - 2004-2005 PI for GlaxoSmithKline ALOHA trial, a phase 4 trial of antiviral therapy.
2. Research funding information
  - 2005-2008 Co-investigator. The STIRR Intervention for Dually Diagnosed Clients. NIMH, \$10,412/year, 4/05-present; PI Stanley Rosenberg.
  - 2000-2002 Co-investigator. Treatment of Chronic Viral Infections in Patients with Severe Mental Illness. New Hampshire State Hospital, \$32,000 one time grant.
  - 1998-2000 PI. A pilot Study of Dual Skin Testing with *M. avium* Sensitin and PPD in Health Care Workers with a 10-14 mm PPD Reaction. Department of Medicine, Dartmouth-Hitchcock Medical Center, \$10,568.
  - 1997-2001 Co-investigator. A survey of Tuberculosis and Sexually Transmitted Diseases. CDC, \$62,112/year, 9/97-9/01; PI C. Robert Horsburgh.

**Non-research grant funding information:**

- 2002-present PI and Medical Director. Southern NH Integrated Care, an HIV/AIDS Early Intervention Services Program. DHHS, Ryan White Title III EIS Program, \$340,000/year total.
- 2000-present Co-investigator. New England AIDS Education and Training Center. DHHS, \$66,500/year total; \$800/year salary support; sub-contract PI Richard Waddell.

**Report of Clinical Activities:**

I have two main clinical activities.

1. My major clinical focus is on the management of people living with HIV/AIDS (PLWHA). As such I have developed true expertise in this area and am confident that my knowledge and clinical skills are comparable to those of regional and national experts. I see HIV-infected patients both at DHMC and at the Hitchcock Clinic in Manchester, NH, and I now care for more PLWHA than does any other provider in northern New England.

My interest in HIV has also been evidenced in my role as the Medical Director for the Hitchcock Clinic HIV Program, which I took on in 2002. As the Medical Director I have been committed to a process of integration and expansion and have helped steward the development of what is now a large regional program which receives close to 1 million dollars in grant funding annually to support patient care, HIV education, and other services. This program is about to undergo another significant expansion in the coming year with the addition of three new physicians within the ID Section, all of whom will be, amongst other responsibilities, providing HIV clinical care.

2. In addition to my focus on HIV I remain committed to being an expert general Infectious Disease clinician. I continue to spend eight to twelve weeks per year on the Infectious Disease inpatient service, during which time I care for patients with the entire range of infectious diseases seen in the population served by DHMC; and I care for patients with general infectious diseases in my outpatient clinic at DHMC.

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**Original Articles:**

1. von Reyn CF, Green PA, McCormick D, Huit GA, Marsh BJ, Magnusson M, Barber TW. Dual Skin Testing with *Mycobacterium avium* Sensitin and Purified Protein Derivative: An Open Study of Patients with *M. avium* Complex Infection or Tuberculosis. *Clinical Infectious Diseases* 1994; 19:15-20.
2. Pinto-Powell R, Olivier KN, Marsh BJ, Donaldson S, Parker HW, Boyle W, Knowles M, Magnusson M, von Reyn CF. Skin testing with *Mycobacterium avium* Sensitin to Identify Infection with *M. avium* Complex in Cystic Fibrosis. *Clinical Infectious Diseases* 1996; 22(3):560-562.
3. von Reyn CF, Arbeit RD, Yeaman G, Waddell RD, Marsh BJ, Morin P, Modlin JF, Remold HG. Immunization of healthy adult subjects in the United States with a three dose series of inactivated *Mycobacterium vaccae*. *Clinical Infectious Diseases*. *Clinical Infectious Diseases* 1997; 24(5): 843-848.
4. Marsh BJ, von Reyn CF, Edwards J, Tosteson A, Arbeit RD, International MAC Study Group. The risks and benefits of childhood BCG immunization among adults with AIDS. *AIDS*. *AIDS* 1997; 11(5): 669-672.
5. Marsh BJ, von Reyn CF, Arbeit RD, Morin P. Immunization of HIV-infected adults with a 3 dose schedule of inactivated *Mycobacterium vaccae*. *The American Journal of Medical Sciences* 1997; 313 (6):377-383.
6. von Reyn CF, Marsh BJ, Waddell R, Lein AD, Tvaroha S, Morin P, Modlin JF. Cellular immune responses to mycobacteria after a five dose schedule of *Mycobacterium vaccae* among healthy and HIV-positive subjects in the United States. *Clinical Infectious Diseases* 1998; 27: 1517-1520.
7. von Reyn CF, Williams D, Horsburgh CR, Jaeger AS, Marsh BJ, Haslov K, Magnusson M. Dual skin testing with *Mycobacterium avium* sensitin and purified protein derivative to discriminate pulmonary disease due to *M. avium* complex from pulmonary disease due to *Mycobacterium tuberculosis*. *Journal of Infectious Diseases* 1998; 177:730-736.
8. Brunette MF, Drake RE, Marsh BJ, Torrey WC, Rosenberg SD, and the Five-Site Health and Risk Study Research Committee. Responding to blood-borne infections among persons with severe mental illness. *Psychiatric Services* 2003; 54 (6):860-865.
9. Rosenberg SD, Swanson JW, Wolford GL, Osher FC, Swartz MS, Essock SM, Butterfield MI, Marsh BJ, and the Five-Site Health and Risk Study Research Committee. The Five-Site Health and Risk Study of blood-borne infections among persons with severe mental illness. *Psychiatric Services* 2003; 54 (6):827-835.
10. Marsh BJ, San Vicente J, von Reyn CF. Utility of dual skin tests to evaluate tuberculin skin test reactions of 10-14 mm in healthcare workers. *Infection Control and Hospital Epidemiology* 2003;24:821-824.
11. Rosenberg S, Brunette M, Oxman T, Marsh B, Dietrich A, Mueser K, Drake R, Torrey W, Vidaver R. The STIRR Model of Best Practices for Blood-Borne Diseases Among Clients with Serious Mental Illness. *Psychiatric Services* 2004; 55 (6):660-664.
12. Rosenberg SD, Drake RE, Brunette MF, Wolford GL, Marsh BJ. Hepatitis C virus and HIV co-infection in people with severe mental illness and substance use disorders. *AIDS* 2005; 19 (suppl 3):S26-S33.
13. Reed C, von Reyn CF, Chamblee S, Ellerbrock TV, Johnson JW, Marsh BJ, Johnson LS, Trenchel RJ, Horsburgh CR. Environmental risk factors for infection with *Mycobacterium avium* complex. *American Journal of Epidemiology* 2006;1 64(1):32-40.
14. Lahey T, Lin M, Marsh B, Curtin J, Wood K, Eccles B, von Reyn CF. Increased Mortality in Rural Patients with HIV Patients in New England. *AIDS Research and Human Retroviruses* 2007; 23 (5): 693-98.
15. O'Donnell M, Chamblee S, von Reyn CF, Ellerbrock TV, Johnson J, Marsh BJ, Moreland JD, Narita M, Pedrosa M, Johnson LS, Horsburgh CR. Racial Disparities in Primary and Reactivation Tuberculosis in a Rural Community in the Southeastern U.S.. *International Journal of Tuberculosis and Lung Disease* 2010; 14(6): 733-40.
16. Horsburgh CR Jr, O'Donell M, Chamblee S, Moreland JL, Johnson J, Marsh BJ, Narita M, Johnson LS, von Reyn CF. Revisiting Rates of Reactivation Tuberculosis: a Population-Based approach. *American Journal of Respiratory and Critical Care Medicine* 2010; 182 (3): 420-5

17. Larson EM, O'Donnell M, Chamblee S, Horsburgh CR, Marsh BJ, Moreland JD, Johnson LS, von Reyn CF. Dual skin tests with *M. avium* sensitin and PPD to detect misdiagnosis of latent tuberculosis infection. *International Journal of Tuberculosis and Lung Disease* 2011; 15(11): 1504-9.
18. O'Donnell MR, Chamblee S, von Reyn CF, Marsh BJ, Moreland JD, Narita M, Johnson LS, Horsburgh Jr CR. Sustained reduction in Tuberculosis Incidence Following a Community-Based Participatory Intervention. *Public Health Action* 2012 in press.

**Proceedings of Meetings:**

**Clinical Communication:**

1. Lewis F, Marsh BJ, von Reyn CF. Fish Tank Exposure and Cutaneous Infections Due to *Mycobacterium marinum*: Tuberculin Skin Testing, Treatment, and Prevention. *Clinical Infectious Diseases* 2003; 37:390-397.

**Reviews, Chapters, and Editorials:**

1. Marsh BJ. Infectious Complications of HTLV-I Infection. *Clinical Infectious Diseases* 1996; 23(1):138-145.
2. Marsh BJ. A life-threatening adverse reaction during trimethoprim-sulfamethoxazole desensitization in a previously hypersensitive patient infected with human immunodeficiency virus. *Clinical Infectious Diseases* 1997, 25:754-755 [correspondence].
3. Marsh BJ. Human T-cell lymphotropic virus type I does not increase human immunodeficiency virus viral load in vivo. *Journal of Infectious Diseases*, *Journal of Infectious Diseases* 1997; 176:543-544 [correspondence].
4. Zegans M, Marsh B, Walton RC. Cytomegalovirus Retinitis in the Era of Highly Active Antiretroviral Therapy. *International Ophthalmology Clinics* 2000;40(2):127-135.
5. Kinlaw WB, Marsh B. Adiponectin and HIV-Lipodystrophy: Taking HAART. *Endocrinology* 2004, 145:484-486 [News & Views].
6. Mistler LA, Brunette MF, Marsh BJ, Vidaver RM, Luckoor R, Rosenberg SD. Hepatitis C Treatment for People with Severe Mental Illness. *Psychosomatics* 2006;47(2):1-15.

**Books, Monographs and Textbooks:**

1. Marsh BJ. A Critique of Optimal Foraging Theory in Anthropology. M.A. Thesis, University of Chicago, May, 1983.
2. Marsh BJ, et al.. Institutional Protocols for Decisions about Life-Sustaining Treatments - Special Report OTA-BA-389. U.S. Congress Office of Technology Assessment, Washington, D.C.: U.S. Government Printing Office, July, 1988.

**Abstracts:**

1. Marsh BJ, von Reyn CF, Edwards J, Tosteson A, Arbeit RD, International MAC Study Group. The risks and benefits of childhood BCG immunization among adults with AIDS. *Infectious Disease Society of America 34th Annual Meeting*. New Orleans, Louisiana. September 18-20, 1996.
2. Marsh BJ, von Reyn CF, Waddell R, Morin P, Remold HG, Arbeit RD. Immunization of HIV-infected adults with a 3 dose schedule of inactivated *Mycobacterium vaccae*. 4th Conference on Retroviruses and Opportunistic Infections. Washington, DC. January 22-26, 1997.
3. von Reyn CF, Williams DE, Horsburgh CR, Jaeger AS, Marsh BJ, Haslov K, Magnusson M. Dual skin testing with *Mycobacterium avium* sensitin and purified protein derivative to discriminate pulmonary disease due to *M. avium* complex from pulmonary disease due to *Mycobacterium tuberculosis*. *Infectious Disease Society of America 35th Annual Meeting*. San Francisco, CA. September 13-16, 1997.

4. Siegel CA, Bensen SP, Marsh BJ, Robertson DJ, Waddell R, et al. Skin testing to evaluate the association between Crohn's disease and mycobacterial infection. American College of Gastroenterology Annual Meeting. Seattle, WA October 18-23, 2002.
5. Rosenberg S, Marsh BJ, et al. Obstacles to the diagnosis and treatment of Hepatitis C among patients with severe mental illness. 14<sup>th</sup> International AIDS Conference. Barcelona, Spain. July 7-12, 2002
6. Ellerbrock TV, Chamblee S, Bush TJ, Johnson J, Marsh BJ, Lowell P, von Reyn CF, Scoles L, Horsburgh CR. Decreased HIV Prevalence in a Rural U.S. Community between 1986 and 2000. 10<sup>th</sup> Conference on Retroviruses and Opportunistic Infections. Boston, MA. February 10-14, 2003.

**Other Published Material:**

**KEY ADMINISTRATIVE PERSONNEL**

NH Department of Health and Human Services

Contractor Name: Mary Hitchcock Memorial Hospital

Name of Contract: Infectious Disease Medical & Epidemiology Consultant Services

**BUDGET PERIOD: SFY 22**

NAME	JOB TITLE	SALARY	PERCENT PAID FROM THIS CONTRACT	AMOUNT PAID FROM THIS CONTRACT	Fringe Benefits	Indirect cost	TOTAL
Marsh, Bryan	Program Director	\$324,475	5.00%	\$16,223.75	\$1,785		
Talbot, Elizabeth		\$289,722	71.55%	\$207,282.20	\$22,801		
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$223,505.95</b>	<b>\$24,585.65</b>	<b>\$76,908.40</b>	<b>\$325,000.00</b>

\$18,008.36 Marsh, Bryan  
 \$230,083.24 Talbot, Elizabeth  
 \$0.00

**BUDGET PERIOD: SFY23**

NAME	JOB TITLE	SALARY	PERCENT PAID FROM THIS CONTRACT	AMOUNT PAID FROM THIS CONTRACT	Fringe Benefits	Indirect cost	TOTAL
Marsh, Bryan	Program Director	\$334,209	3.78%	\$12,620.82	\$1,514		
Talbot, Elizabeth		\$298,414	70.00%	\$208,889.53	\$25,067		
<b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>				<b>\$221,510.36</b>	<b>\$26,581.24</b>	<b>\$76,908.40</b>	<b>\$325,000.00</b>

\$14,135.32 Marsh, Bryan  
 \$233,956.28 Talbot, Elizabeth  
 \$0.00



Lori A. Shibinette  
Commissioner

Lisa M. Morris  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF PUBLIC HEALTH SERVICES

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August 19, 2020

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

**INFORMATIONAL ITEM**

Pursuant to RSA 4:45, RSA 21-P:43, and Section 4 of Executive Order 2020-04 as extended by Executive Orders 2020-05, 2020-08, 2020-09, 2020-10, 2020-14, and 2020-15, Governor Sununu has authorized the Department of Health and Human Services, Division of Public Health Services, to enter into a **Retroactive, Sole Source** amendment to an existing contract with Mary Hitchcock Memorial Hospital (VC#177157-B013), Lebanon, NH, for senior-level infectious disease medical epidemiology support, by increasing the price limitation by \$227,837 from \$898,842 to \$1,126,679 with no change to the contract completion date of June 30, 2021, effective retroactive to March 16, 2020, upon Governor approval. 100% Federal Funds.

The original contract was approved by Governor and Council on June 7, 2017, item #22 and most recently amended with Governor and Council approval on October 2, 2019, item #15A.

Funds are available in the following accounts for State Fiscal Years 2020 and 2021, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

**See attached fiscal details.**

**EXPLANATION**

This item is **Retroactive** because in March, 2020, the Contractor increased the time that its infectious disease medical and epidemiology expert spent in response to COVID-19, at the request of the Department. This item is **Sole Source** because MOP 150 requires any amendment to a contract be labeled as sole source when the funding increase exceeds the original price limitation by 10 percent.

The purpose of this item is for the Department to have increased access to a team of infectious disease medical and epidemiology experts that provide consultation in infectious disease case and outbreak management, infectious disease prevention, and healthcare system preparedness. During the COVID-19 Pandemic the Contractor has been providing increased support to assist the State with its outbreak management. The Contractor has assisted in strengthening the Department's infectious disease prevention and response capacity, the public health emergency preparedness, and the healthcare system's preparedness capacity.

The Contractor provides the Department with a physician who provides consultation services to rapidly respond to all potential infectious disease threats to protect the public. Additionally, the physician works with staff to develop strategies and educational materials to

prevent infectious diseases from occurring, and to educate and inform healthcare providers and the healthcare system overall to enhance preparedness and response capacity for infectious disease-related public health threats.

The Department will monitor contracted services by ensuring the Contractor:

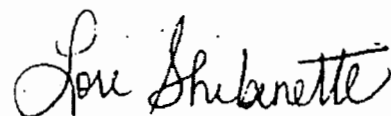
- Completes 90% of infectious disease consultation requests made by the Department within a 24 hour time period.
- Completes 100% of high-priority infectious disease consultation requests made by the Department within one hour.
- Participates in 90% of the Department's Incident Management Team drills.
- Participates in 100% of actual DPHS infectious disease-related Incident Management Team activations.
- Participates in 75% of the Outbreak Team meetings.
- Participates in 75% of the HIV Medical Advisory Board meetings.
- Participates in 75% of the Healthcare-Associated Infections Technical Advisory Workgroup Meetings.
- Participates in 75% of the Healthcare-Associated Infections Antimicrobial Resistance Advisory Workgroup meetings.

Area served: Statewide

Source of Funds: CFDA #93.323, FAIN # NU50CK000522

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lori A. Shibanette

Commissioner

**Mary Hitchcock Fiscal Details**

**05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077700	\$58,858.78	\$0.00	\$58,858.78
2019	102-500731	Contracts for Prog Svcs	90077700	\$59,983.22	\$0.00	\$59,983.22
2020	102-500731	Contracts for Prog Svcs	90077700	\$60,000.00	\$0.00	60,000.00
2021	102-500731	Contracts for Prog Svcs	90077700	\$60,000.00	\$0.00	60,000.00
			<i>Sub Total</i>	<b>\$238,842.00</b>	<b>\$0</b>	<b>\$238,842.00</b>

**05-95-90-902510-7545 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, EMERGENCY PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2019	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2020	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2021	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
			<i>Sub Total</i>	<b>\$280,000.00</b>	<b>\$0</b>	<b>\$280,000.00</b>



**Mary Hitchcock Fiscal Details**

**05-95-90-903010-1835 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF LABORATORY SERVICES, NH ELC**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2019	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2020	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2021	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
			<i>Sub Total</i>	<i>\$180,000.00</i>	<i>\$0</i>	<i>\$180,000.00</i>

**05-95-90-902510-2229 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, PHARMACEUTICAL REBATES**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2019	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2020	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2021	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
			<i>Sub Total</i>	<i>\$200,000.00</i>	<i>\$0</i>	<i>\$200,000.00</i>

### Mary Hitchcock Fiscal Details

05-95-90-902510-19010000HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS  
 DEPT OF, HHS: PUBLIC HEALTH DIVISION, BUREAU OF LABORATORY SERVICES, ELC  
 CARES COVID-19

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2020	102-500731	Contracts for Prog Svcs	90183518	\$0	\$98,908	\$98,908
2021	102-500731	Contracts for Prog Svcs	90183518	\$0	\$128,929	\$128,929
			<i>Sub Total</i>	<b>\$0</b>	<b>\$227,837</b>	<b>\$227,837</b>
			<b>Totals</b>	<b>\$898,842</b>	<b>\$227,837</b>	<b>\$1,126,679</b>



**New Hampshire Department of Health and Human Services  
Infectious Disease Medical & Epidemiology Consultant Services**

**State of New Hampshire  
Department of Health and Human Services**

**Amendment #2 to the Infectious Disease Medical & Epidemiology Consultant Services Contract**

This 2<sup>nd</sup> Amendment to the Infectious Disease Medical & Epidemiology Consultant Services contract (hereinafter referred to as "Amendment #2") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Mary Hitchcock Memorial Hospital, (hereinafter referred to as "the Contractor"), a nonprofit with a place of business at Mary Hitchcock Memorial Hospital.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 07, 2017 (Item #22), as amended on October 2, 2019, (Item #15A), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,126,679.
2. Modify Exhibit B, Amendment #1, Methods and Conditions Precedent to Payment, Section 1, Subsection 1.1, by adding Paragraph 1.1.6, to read:  
1.1.6 Federal Funds from the Centers for Disease Control and Prevention, ELC NH, CFDA #93.323, FAIN, NU50CK000522.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 2, Subsection 2.1 to read:  
2.1 Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line items as specified in Exhibit B-1 Budget through Exhibit B-4 Amendment #2 Budget.
4. Modifying Exhibit B-3 Amendment #1 Budget, by replacing in its entirety with Exhibit B-3 Amendment #2 Budget, which is attached hereto and incorporated by reference herein.
5. Modifying Exhibit B-4 Amendment #1 Budget, by replacing in its entirety with Exhibit B-4 Amendment #2 Budget, which is attached hereto and incorporated by reference herein.



**New Hampshire Department of Health and Human Services  
Infectious Disease Medical & Epidemiology Consultant Services**

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #2 remain in full force and effect. This amendment shall be retroactively effective to March 1, 2020 upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

7/28/2020  
Date

[Signature]  
Name: ANN H. LANDRY  
Title: ASSOCIATE COMMISSIONER

Mary Hitchcock Memorial Hospital

7/28/2020 | 6:02 AM PDT  
Date

DocuSigned by:  
[Signature]  
Name: LEIGH BURGESS  
Title: Vice President, Office of Research Operations



**New Hampshire Department of Health and Human Services  
Infectious Disease Medical & Epidemiology Consultant Services**

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

07/30/20  
Date

Catherine Pinos  
Name: Catherine Pinos, Attorney  
Title:

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:

**EXHIBIT B-3 AMENDMENT #2 BUDGET**

**New Hampshire Department of Health and Human Services**

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**Bidder/Contractor Name:** Mary Hitchcock Memorial Hospital

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**Infectious Diseases Medical & Epidemiology**

**Budget Request for:** Consultant Services  
*(Name of RFP)*

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**Budget Period:** SFY 2020

Line Item	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	\$224,371.95	\$ 69,555.30	\$293,927.25
2. Employee Benefits	\$ 22,885.94	\$ 7,094.64	\$ 29,980.58
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -
6. Travel	\$ -	\$ -	\$ -
7. Occupancy	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 247,257.88</b>	<b>\$ 76,649.94</b>	<b>\$ 323,907.83</b>

Indirect As A Percent of Direct 31.0%

Exhibit B-3 Amendment #2 Budget

Contractor Initials: UAB



SEP18'19 AM10:08 DAS

ISA mac



Jeffrey A. Meyers  
Commissioner

Lisa M. Morris  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF PUBLIC HEALTH SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301  
603-271-4501 1-800-852-3345 Ext. 4501  
Fax: 603-271-4827 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

September 9, 2019

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Public Health Services, to exercise a renewal option and amend an existing agreement with Mary Hitchcock Memorial Hospital, (Vendor # 177157-B013), 1 Medical Center Drive, Lebanon, NH 03756, to secure senior-level infectious disease medical epidemiology support by increasing the price limitation by \$450,000 from \$448,842 to \$898,842 and by extending the completion date from June 30, 2019 to June 30, 2021, effective retroactive to July 1, 2019, upon Governor and Executive Council approval. 70% Federal Funds, 8% General Funds, and 22% Other Funds from Pharmaceutical Rebates.

This agreement was originally approved by the Governor and Executive Council on June 7, 2017 (Item #22).

Funds to support this request are anticipated to be available in the following accounts for State Fiscal Years 2020 and 2021 upon the availability and continued appropriation of funds in the budget authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified.

**See attached fiscal details.**

**EXPLANATION**

This request is **retroactive** because the procurement of services was not completed timely due to staff scheduling conflicts and the high volume of procurements and contracts being processed by the Department at State Fiscal Year end. This contract is critical to the state's capacity to respond to infectious disease threats and to protect people in New Hampshire from infectious diseases on a daily basis. The previous contract (with the same vendor) expired on June 30, 2019. Mary Hitchcock Memorial Hospital is performing services without a contract currently.

The purpose of this request is to have continued access to a team of infectious disease medical and epidemiology experts that provide consultation in infectious disease case and outbreak management, infectious disease prevention, and healthcare system preparedness. Funds will be used to strengthen the Department's infectious disease prevention and response capacity, strengthen public health emergency preparedness and healthcare system preparedness capacity, and strengthen



healthcare-associated infections and antimicrobial resistance prevention, response, and stewardship infrastructure capacity.

Approximately 1.3 million individuals will be served from June 7, 2017 through June 30, 2021.

The original agreement, included language in Exhibit C-1 that allows the Department to renew the contract for up to 2 years, subject to the continued availability of funding, satisfactory performance of services, parties' written authorization and approval from the Governor and Executive Council. The Department is in agreement with renewing services for 2 of the 2 years at this time.

Mary Hitchcock Memorial Hospital has been providing services by designating an infectious diseases physician that has served as a medical advisor to the Department of Health and Human Services, Division of Division of Public Health Services. This physician, or their designee as needed, provides 24/7 consultation services to rapidly respond to all potential infectious disease threats to protect the public. Additionally, the physician works with staff to develop strategies and educational materials to prevent infectious diseases from occurring, and to educate and inform healthcare providers and the healthcare system overall to enhance preparedness and response capacity for infectious disease-related public health threats.

In New Hampshire, there are more than 8,000 individual cases and more than 100 outbreaks of infectious diseases each year. The Department operates a 24/7 system for receiving reports of high-threat infectious diseases that allows the Department to rapidly implement investigation and control measures to protect the public. The frontline public health staff who respond to these calls require access to physician-level infectious disease expertise for consultation on a daily basis. In addition to these response activities, the Department requires infectious disease physician consultation and educational services to support statewide infectious disease prevention activities as well as public health and healthcare system emergency preparedness activities to assure readiness for public health disasters and other events. Additionally, special funding has been made available for use in this contract to help the state address the important issue of increasing antimicrobial resistance, which contributes to over million serious infections and at least 23,000 deaths annually in the United States, burdening the healthcare system with added costs and poor clinical outcomes.

The Department will monitor the effectiveness of the Contractor and the delivery required under this agreement using the following performance measures:

- Complete 90% of infectious disease consultation requests made by DPHS within a 24 hour time period.
- Complete 100% of high-priority infectious disease consultation requests made by DPHS within one hour.
- Participate in 90% of the DPHS Incident Management Team drills.
- Participate in 100% of actual DPHS infectious disease-related Incident Management Team activations.
- Participate in 75% of Outbreak Team meetings.
- Participate in 75% of HIV Medical Advisory Board meetings.
- Participate in 75% of Healthcare-Associated Infections Technical Advisory Workgroup Meetings.
- Participate in 75% of Healthcare-Associated Infections Antimicrobial Resistance Advisory Workgroup meetings.

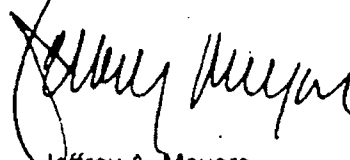
Should the Governor and Executive Council not authorize this request, the ability of the Division of Public Health Services to effectively manage outbreaks of infectious disease to protect the public and the capacity to provide clinical outreach and education on infectious disease readiness would be significantly diminished.

Area served: Statewide

Source of Funds: 70% Federal Funds from the Centers for Disease Control and Prevention, 22% Other Funds from Pharmaceutical Rebates, and 8% General Funds.

In the event that the Federal or Other Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,



Jeffrey A. Meyers

Commissioner

### Mary Hitchcock Fiscal Details

**05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077700	\$58,858.78	\$0.00	\$58,858.78
2019	102-500731	Contracts for Prog Svcs	90077700	\$59,983.22	\$0.00	\$59,983.22
2020	102-500731	Contracts for Prog Svcs	90077700	\$0.00	\$60,000.00	60,000.00
2021	102-500731	Contracts for Prog Svcs	90077700	\$0.00	\$60,000.00	60,000.00
			<b>Sub Total</b>	<b>\$118,842.00</b>	<b>\$120,000.00</b>	<b>\$238,842.00</b>

**05-95-90-902510-7545 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, EMERGENCY PREPAREDNESS**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2019	102-500731	Contracts for Prog Svcs	90077410	\$70,000.00	\$0.00	\$70,000.00
2020	102-500731	Contracts for Prog Svcs	90077410	\$0.00	\$70,000.00	\$70,000.00
2021	102-500731	Contracts for Prog Svcs	90077410	\$0.00	\$70,000.00	\$70,000.00
			<b>Sub Total</b>	<b>\$140,000.00</b>	<b>\$140,000.00</b>	<b>\$280,000.00</b>

### Mary Hitchcock Fiscal Details

**05-95-90-903010-1835 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF LABORATORY SERVICES, NH ELC**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2019	102-500731	Contracts for Prog Svcs	90183524	\$45,000.00	\$0.00	\$45,000.00
2020	102-500731	Contracts for Prog Svcs	90183524	\$0.00	\$45,000.00	\$45,000.00
2021	102-500731	Contracts for Prog Svcs	90183524	\$0.00	\$45,000.00	\$45,000.00
			<i>Sub Total</i>	<i>\$90,000.00</i>	<i>\$90,000.00</i>	<i>\$180,000.00</i>

**05-95-90-902510-2229 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, PHARMACEUTICAL REBATES**

State Fiscal Year	Class/ Account	Class Title	Job Number	Current Budget	Increase / (Decrease)	Current Modified Budget
2018	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2019	102-500731	Contracts for Prog Svcs	90024600	\$50,000.00	\$0.00	\$50,000.00
2020	102-500731	Contracts for Prog Svcs	90024600	\$0.00	\$50,000.00	\$50,000.00
2021	102-500731	Contracts for Prog Svcs	90024600	\$0.00	\$50,000.00	\$50,000.00
			<i>Sub Total</i>	<i>\$100,000.00</i>	<i>\$100,000.00</i>	<i>\$200,000.00</i>

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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527  
603-271-4501 1-800-852-3345 Ext. 4501  
FAX: 603-271-4827 TDD Access: 1-800-735-2964



Jeffrey A. Meyers  
Commissioner

Lisa Morris, MSSW  
Director

April 18, 2017

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Division of Public Health Services, to enter into an agreement with Trustees of Dartmouth College, Vendor #177157-B013, 11 Rope Ferry Road, #6210, Hanover, NH 03755-1404, in an amount not to exceed \$448,842, to secure senior-level infectious disease medical epidemiology support, effective July 1, 2017 or upon date of Governor and Council approval, whichever is later, through June 30, 2019. 67.4% Federal Funds, 10.3% General Funds, and 22.3% Other Funds from Pharmaceutical Rebates.

Funds are anticipated to be available in SFY 2018 and SFY 2019, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS

Fiscal Year	Class/ Account	Class Title	Job Number	Total Amount
SFY 2018	102-500731	Contracts for Prog Svc	90077700	58,858.78
SFY 2019	102-500731	Contracts for Prog Svc	90077700	59,983.22
			Sub Total	\$118,842.00

05-95-90-902510-7545 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, EMERGENCY PREPAREDNESS

Fiscal Year	Class/ Account	Class Title	Job Number	Total Amount
SFY 2018	102-500731	Contracts for Prog Svc	90077410	70,000.00
SFY 2019	102-500731	Contracts for Prog Svc	90077410	70,000.00
			Sub Total	\$140,000.00

05-95-90-903010-1835 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,  
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF LABORATORY SERVICES, NH ELC

Fiscal Year	Class/ Account	Class Title	Job Number	Total Amount
SFY 2018	102-500731	Contracts for Prog Svc	90183524	45,000.00
SFY 2019	102-500731	Contracts for Prog Svc	90183524	45,000.00
			Sub Total	\$90,000.00

05-95-90-902510-2229 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,  
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL,  
 PHARMACEUTICAL REBATES

Fiscal Year	Class/ Account	Class Title	Job Number	Total Amount
SFY 2018	102-500731	Contracts for Prog Svc	90024600	50,000.00
SFY 2019	102-500731	Contracts for Prog Svc	90024600	50,000.00
			Sub Total	\$100,000.00
			TOTAL	\$448,842.00

**EXPLANATION**

Funds in this agreement will be used to strengthen the Department's infectious disease prevention and response capacity, strengthen public health emergency preparedness and healthcare system preparedness capacity, and strengthen healthcare-associated infections and antimicrobial resistance prevention, response, and stewardship infrastructure capacity.

In New Hampshire, there are more than 8,000 individual cases and more than 100 outbreaks of infectious diseases each year. The Department operates a 24/7 system for receiving reports of high-threat infectious diseases that allows the Department to rapidly implement investigation and control measures to protect the public. The frontline public health staff who respond to these calls require access to physician-level infectious disease expertise for consultation on a daily basis. In addition to these response activities, the Department requires infectious disease physician consultation and educational services to support statewide infectious disease prevention activities as well as public health and healthcare system emergency preparedness activities to assure readiness for public health disasters and other events. Additionally, special funding has been made available for use in this contract to help the state address the important issue of increasing antimicrobial resistance, which contributes to over 2 million serious infections and at least 23,000 deaths annually in the United States, burdening the healthcare system with added costs and poor clinical outcomes.

The Trustees of Dartmouth College will provide these services by designating an infectious diseases physician to serve as a medical advisor to the Department of Health and Human Services, Division of Division of Public Health Services. This physician, or their designee as needed, will provide 24/7 consultation services to rapidly respond to all potential infectious disease threats in order to protect the public. Additionally, the physician will work with staff, to develop strategies and educational materials to prevent infectious diseases from occurring, and to educate and inform healthcare providers and the healthcare system overall to enhance preparedness and response capacity for infectious disease-related public health threats.

Notwithstanding any other provision of the Contract to the contrary, no services shall be provided after June 30, 2017, and the Department shall not be liable for any payments for services.

provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennia.

Should Governor and Executive Council not authorize this Request, the ability of the Division of Public Health Services to effectively manage outbreaks of infectious disease to protect the public and the capacity to provide clinical outreach and education on infectious disease readiness would be significantly diminished.

The Trustees of Dartmouth College was selected for this project through a competitive bid process. A Request for Proposals was posted on The Department of Health and Human Services' web site from February 22, 2017 through March 24, 2017.

The Department received one proposal. The proposal was reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The Bid Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of this contract, this Agreement has the option to extend for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

The following performance measures/objectives will be used to measure the effectiveness of the agreement:

- Complete 90% of infectious disease consultation requests made by DPHS within a 24 hour time period.
- Complete 100% of high-priority infectious disease consultation requests made by DPHS within one hour.
- Participate in 90% of the DPHS Incident Management Team drills.
- Participate in 100% of actual DPHS infectious disease-related Incident Management Team activations.
- Participate in 75% of Outbreak Team meetings.
- Participate in 75% of HIV Medical Advisory Board meetings.
- Participate in 75% of Healthcare-Associated Infections Technical Advisory Workgroup Meetings.
- Participate in 75% of Healthcare-Associated Infections Antimicrobial Resistance Advisory Workgroup meetings.

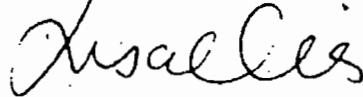
Area served: Statewide.

Source of Funds: 67.4% Federal Funds from the Centers for Disease Control and Prevention, 22.3% Other Funds from Pharmaceutical Rebates, and 10.3% General Funds.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
Page 4

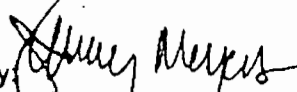
In the event that the Federal or Other Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lisa Morris, MSSW  
Director

Approved by



Jeffrey A. Meyers  
Commissioner





New Hampshire Department of Health and Human Services  
Office of Business Operations  
Contracts & Procurement Unit  
Summary Scoring Sheet

Infectious Disease Medical &  
Epidemiology Consultant Services

RFP Name

RFP-2018-DPHS-02-INFEC

RFP Number

Reviewer Names

Bidder Name

1.	<u>Trustees of Dartmouth College</u>
2.	<u>0</u>
3.	<u>0</u>
4.	<u>0</u>

Pass/Fail	Maximum Points	Actual Points
88%	800	705
	800	0
	800	0
	800	0

- Elizabeth Dady, Administrative IV
- Denise Krol, Program Specialist IV
- Katrina Hansen, Supervisor VII
- Shelley Swanson, Administrator III
- Ellen Chase-Lucard, Administrator II
- Jen Conroy, Business Administrator II