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Nicholas A. Toumpas
Commissioner

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

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January 21, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

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

REQUESTED ACTION

50.1% Federal funds
49.9% General funds

- 1) Pursuant to the provisions of RSA 9:16-a, authorize the Department of Health and Human Services to transfer general funds in the amount of \$70,637,150.
- 2) Pursuant to the provisions of RSA 14:30-a, VI authorize the Department of Health and Human Services to accept and expend Federal Funds in the amount of \$70,952.

The transfers and adjustments are summarized below and detailed in the attached worksheets, effective upon approval of the Fiscal Committee and the Governor and Executive Council through June 30, 2015.

From: (Various Accounts):	Account	Amount
Division of Client Services	Various	\$ (138,500)
Office of Medicaid Business and Policy	Various	\$ (55,785,650)
Bureau of Elderly and Adult Services	Various	\$ (524,500)
Bureau of Behavioral Health	Various	\$ (14,188,500)
Total Department of Health and Human Services		\$ (70,637,150)
To: OMBP Medicaid Care Management :		
Office of Medicaid Business and Policy	OMBP	\$ 70,637,150
Total Department of Health and Human Services		\$ 70,637,150

EXPLANATION

This transfer is necessary to effect monthly Capitation Payments for clients enrolled in Medicaid Care Management Program effective December 1, 2013. The amounts transferred from various Medicaid Fee for Service accounts to Medicaid Care Management account reflect four months (12/1/2013 – 3/31/2014) of Capitation Payments to Managed Care Organizations in SFY 2014.

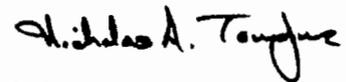
This is an initial transfer and the Department plans to submit a second transfer after analyzing the actual enrollment and capitation payments to Managed Care Organizations to determine adjustments needed, if any, to be included in the second transfer for SFY 2014. There are adequate funds available in Client Services, Elderly and Adult, Provider Payments and Behavioral Health to effect this initial transfer for SFY 2014.

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

- A. Justification: See the attached appendix for justification of the availability of funds and required additional funds.
- B. Does this transfer involve continuing programs or one-time projects? This transfer involves continuing programs.
- C. Is this transfer required to maintain existing program levels or will it increase the program level? This transfer is required to maintain existing program levels.
- D. Cite any requirements which make this program mandatory. The programs of the Department are mandated by various state and federal laws.
- E. Identify the source of funds on all accounts listed on this transfer. See the attached worksheet for the source of funds for all accounts.
- F. Will there be any effect on revenue if this transfer is not approved? There is no anticipated effect on revenue as a result of this transfer. Federal participation in Department expenditures is detailed in the attached appendix.
- G. Are funds expected to lapse if this transfer is not approved? It is anticipated that some funds will lapse whether this transfer is approved or not.
- H. Are personnel services involved? No positions are being transferred as a result of this request.

The Honorable Mary Jane Wallner, Chairman, and
Her Excellency, Governor Margaret Wood Hassan
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Respectfully submitted,



Nicholas A. Toumpas
Commissioner

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
TRANSFER OF FUNDS SFY 2014 – OTHER EXPENDITURES
MEDICAID CARE MANAGEMENT RELATED ACCOUNT TRANSFERS**

DIVISION OF CLIENT SERVICES

05-95-451010-79960000

Client Elig & Enrollment Operations

Funding in this appropriation primarily represents costs associated with the management and operation of Medicaid programs serving citizens throughout New Hampshire. This transfer is to fund a portion of the care management capitation payment related to Transportation of Clients. Funds are available in class 512, Transportation of Clients to cover this transfer. Source of Funds: 50% Federal, 50% General

OFFICE OF MEDICAID & BUSINESS POLICY

05-95-047-470010-79400000

Provider Payments

Funding in this appropriation represents costs associated with the Medicaid payments to healthcare providers that deliver healthcare services to New Hampshire's Medicaid population. This transfer is to fund a portion of the care management capitation payment for enrolled Low Income Children and Adults, Foster Care/Adoption, Severely Disabled Children, Disabled Adults, Old Age Assistance Program, Dual Eligibles, Newborn and Maternity Kick Payments. Funds are available in class 100, Prescription Drug Expenses, class 101, Medical Payments to Providers and class 565, Outpatient Hospital to cover this transfer. Source of fund: 50 % Federal, 50% General

05-95-047-470010-79410000

Breast and Cervical Cancer Program

Funding in this organization represents costs associated with the Medicaid payments to healthcare providers that deliver healthcare services to New Hampshire's Medicaid population eligible for Medicaid under the Breast and Cervical Cancer Program. This transfer is to fund a portion of the care management capitation payment related to Breast and Cervical Cancer Program clients. Funds are available in class 100, Prescription Drug Expenses, class 101, Medical Payments to Providers and class 565, Outpatient Hospital to cover this transfer. Source of fund: 65% Federal, 35% General.

05-95-047-470010-79480000

Medicaid Care Management

Funding in this organization represents costs associated with Medicaid Care Management Capitation Payments for clients enrolled in Medicaid Care Management. Funds are needed in class 102, Contracts for Program Services to effect payments to Managed Care Organizations. As such, funds are transferred from other accounts into this line item to cover the four months of Capitation Payments for Medical and related behavioral health services for clients enrolled in Care Management. Source of fund: 50.11% Federal, 49.89% General.

BUREAU OF ELDERLY AND ADULT SERVICES

05-95-048-481510-61730000

Nursing Services

Funding in this organization represents Medicaid provider payments associated with providing care for seniors and adults with disabilities. This transfer is to fund a portion of the care management capitation payment for enrolled long term care clients. Funds are available in class 100, Prescription Drug Expenses, class 101, Medical Payments to Providers and class 565, Outpatient Hospital to cover this transfer. Source of fund: 50% Federal, 50% General.

BUREAU OF BEHAVIORAL HEALTH

05-95-092-920010-70100000

Community Mental Health Services

Funding in this organization represents costs associated with the community mental health Medicaid payments. This transfer is to fund the care management capitation payment related to behavioral health services for enrolled clients with Severe/Persistent Mental Illness, Severe Mental Illness, Low Utilizer and for Serious Emotionally Disturbed Children. Funds are available in Class 502 (Payments to Providers) to cover this transfer. Source of Funds: 50% General and 50% Federal.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
Fund	Agcy	Org	Cla	Rcpt	Class Title	Increase/Decrease Amount	Net Gen'l Fund by Org. Code	Net Gen'l Fund By Agency	GF Amount	S/T	FF	OF	GF	FF	OF	GF	FF	OF	
LAWSON ACCOUNTING FORMAT																			
COMP N/A ACCOUNTING UNIT CLASS ACCOUNT																			
DIVISION OF CLIENT SERVICES																			
9	010	045	79960000	000	403951	Federal Funds	\$ (138,500)												
10	010	045	79960000	000		Other Funds	\$												
11	010	045	79960000			General Funds	\$ (138,500)	\$ (138,500)											
12	010	045	79960000				\$ (277,000)												
13	Total Revenue																		
14	010	045	79960000	512	500352	Transportation of Clients	\$ (277,000)												
15	010	045	79960000	512			\$ (277,000)												
16	Total Expense																		
17	010	045	79960000				\$ (277,000)												
18	TOTAL DIVISION OF CLIENT SERVICES																		
19							\$ (138,500)	\$ (138,500)											
20	OFFICE OF MEDICAID BUSINESS AND POLICY																		
21	Provider Payments																		
22	010	047	79400000	000	403978	Federal Funds	\$ (55,418,500)												
23	010	047	79400000	009	407765	Other Funds	\$												
24	010	047	79400000			General Funds	\$ (55,418,500)	(\$55,418,500)											
25	010	047	79400000				\$ (110,837,000)												
26	Total Revenue																		
27	010	047	79400000	100	500726	Prescription Drug Expenses	\$ (44,660,000)												
28	010	047	79400000	101	500729	Medical Payments to Providers	\$ (50,474,000)												
29	010	047	79400000	565	500917	Outpatient Hospital	\$ (15,703,000)												
30	010	047	79400000				\$ (110,837,000)												
31	Total Expense																		
32	010	047	79400000				\$ (110,837,000)												
33	Breast and Cervical Cancer Program																		
34	010	047	79410000	000	403978	Federal Funds	\$ (681,850)												
35	010	047	79410000			Other Funds	\$												
36	010	047	79410000			General Funds	\$ (367,150)	(\$367,150)											
37	010	047	79410000				\$ (1,049,000)												
38	Total Revenue																		
39	010	047	79410000	100	500726	Prescription Drug Expenses	\$ (103,000)												
40	010	047	79410000	101	500729	Medical Payments to Providers	\$ (282,000)												
41	010	047	79410000	565	500917	Outpatient Hospital	\$ (664,000)												
42	010	047	79410000				\$ (1,049,000)												
43	Total Expense																		
44	010	047	79410000				\$ (1,049,000)												
45	Medicaid Care Management																		
46	010	047	79480000	000	403978	Federal Funds	\$71,022,802												
47	010	047	79480000			Other Funds	\$ 70,637,150	\$70,637,150											
48	010	047	79480000			General Funds	\$ 141,659,952												
49	Total Revenue																		
50	010	047	79480000	041	500801	Audit Fund Selsaside	\$ 70,952												
51	010	047	79480000	102	500734	Contracts For Prog Services	\$ 141,589,000												
52	010	047	79480000				\$ 141,659,952												
53	Total Expense																		
54	010	047	79480000				\$ 141,659,952												
55	TOTAL OFFICE OF MEDICAID BUSINESS AND POLICY																		
56							\$ 14,851,500	\$ 14,851,500											
57																			
58	BUREAU OF ELDERLY AND ADULT SERVICES																		
59	010	048	61730000	000	404362	Federal Funds	\$ (524,500)												
60	010	048	61730000	007	402241	Other Funds	\$												
61	Nursing Services																		
62	010	048	61730000	000	404362	Federal Funds	\$ (524,500)												
63	010	048	61730000	007	402241	Other Funds	\$												

