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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

*DIVISION OF PUBLIC HEALTH SERVICES*

Jeffrey A. Meyers
Commissioner

Lisa M. Morris
Director

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 Memoral 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 |
| | | | ***Sub Total*** | ***$118,842.00*** | ***$120,000.00*** | ***$238,842.00*** |

**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**

| 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 |
| | | | ***Sub Total*** | ***$140,000.00*** | ***$140,000.00*** | ***$280,000.00*** |

## 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 |
| | | | ***Sub Total*** | ***$90,000.00*** | ***$90,000.00*** | ***$180,000.00*** |

**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**

| 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 |
| | | | ***Sub Total*** | ***$100,000.00*** | ***$100,000.00*** | ***$200,000.00*** |

**State of New Hampshire**
**Department of Health and Human Services**
**Amendment #1 to the Infectious Disease Medical & Epidemiology Consultant Services**

This 1st Amendment to the Infectious Disease Medical & Epidemiology Consultant Services contract (hereinafter referred to as "Amendment #1") 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 non-profit corporation with a place of business at 1 Medical Center Drive, Lebanon, NH 03756.

WHEREAS, pursuant to an agreement (the "Contract") originally entered into with the Trustees of Dartmouth College, approved by the Governor and Executive Council on June 07, 2017 (Item #22), and subsequently assigned to Mary Hitchcock Memorial Hospital (Vendor ID #177160), effective October 1, 2018, 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, the State and the Contractor have agreed to make changes to the scope of work, payment schedules or terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to General Provisions Paragraph 3, the State may modify the scope of work and the payment schedule of the contract 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, and modify the scope of services to support continued delivery of these services; and

WHEREAS, all terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 remain in full force and effect; 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 1.3, Contractor Name, to read:
   Mary Hitchcock Memorial Hospital
2. Form P-37 General Provisions, Block 1.4, Contractor Address, to read:
   1 Medical Center Drive, Lebanon, NH 03756
3. Form P-37 General Provisions, Block 1.5, Contractor Phone Number, to read:
   603-650-5000
4. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
   June 30, 2021
5. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
   $898,842
6. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:
   Nathan D. White, Director.
7. Form P-37, General Provisions, Block 1.10, State Agency Telephone Number, to read:
   603-271-9631.

8. Delete Exhibit A, Scope of Services, Section 5. Reporting Requirements, Subsection 5.1., Paragraph 5.1.2. in its entirety.
9. Exhibit A, Scope of Services, Section 6. Performance Measures, Section 6.2. to read:

   6.2 As part of the quarterly report, the Contractor shall develop and submit to the DHHS, a corrective action plan for any performance measure that was not achieved.

10. Delete Exhibit B, Methods and Conditions Precedent to payment in its entirety and replace with Exhibit B, Amendment #1 Methods and Conditions Precedent to Payment.
11. Add Exhibit B-3 Amendment #1 Budget
12. Add Exhibit B-4 Amendment #1 Budget
13. Add Exhibit K, DHHS Information Security Requirements.

8. Delete Exhibit A, Scope of Services, Section 5. Reporting Requirements, Subsection 5.1., Paragraph 5.1.2. in its entirety.
9. Exhibit A, Scope of Services, Section 6. Performance Measures, Section 6.2. to read:

   6.2 As part of the quarterly report, the Contractor shall develop and submit to the DHHS, a corrective action plan for any performance measure that was not achieved.

10. Add Exhibit B-3 Amendment #1 Budget
11. Add Exhibit B-4 Amendment #1 Budget
12. Add Exhibit K, DHHS Information Security Requirements.

This amendment shall be retroactively effective to June 30, 2019 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

9/5/19
Date

Name: Lisa Morris
Title: Director

Mary Hitchcock Memorial Hospital

8/6/19
Date

Name: Edward J. Merrens
Title: Chief Clinical officer

Acknowledgement of Contractor's signature:

State of New Hampshire, County of Grafton on August 6, 2019, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Laura K. Rondeau
Name and Title of Notary or Justice of the Peace

My Commission Expires: April 19, 2022

LAURA K. RONDEAU
STATE OF
- MY -
COMMISSION
EXPIRES
APRIL 19,
2022
NEW HAMPSHIRE
NOTARY PUBLIC

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

OFFICE OF THE ATTORNEY GENERAL

9/13/19
Date

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:

# Method and Conditions Precedent to Payment

1) The State shall pay the contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

   1.1. This contract is funded with

      1.1.1. Federal Funds from the Centers for Disease Control and Prevention, Public Health Emergency Preparedness, CFDA #93.069, Federal Award Identification Number (FAIN), U90TP111901.

      1.1.2. Federal Funds from the Assistant Secretary for Preparedness and Response, Hospital Preparedness Program Cooperative Agreement, CFDA #93.889, Federal Award Identification Number (FAIN), U3REP190580.

      1.1.3. Federal Funds from the Centers for Disease Control and Prevention, NH Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), CFDA #93.323, Federal Award Identification Number (FAIN), U50CK000427.

      1.1.4. Other Funds from Pharmaceutical Rebates.

      1.1.5. General Funds

2) The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.

3) Payment for said services shall be made monthly as follows:

   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 and Exhibit B-2 Budget, Exhibit B-3 Amendment #1 Budget, and Exhibit B-4 Amendment #1 Budget.

   2.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep records of their activities related to Department programs and services.

   2.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available. Contractors will keep detailed records of their activities related to DHHS-funded programs and services, and have records available for Department review, as requested.

   2.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

   2.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to: DPHScontractbilling@dhhs.nh.gov, or Invoices can be mailed to:

      Financial Administrator
      Department of Health and Human Services

Division of Public Health Services
29 Hazen Drive
Concord, NH 03301

2.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.

4) Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

5) Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

# EXHIBIT B-3 AMENDMENT #1 BUDGET

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: Mary Hitchcock Memorial Hospital

Budget Request for: Infectious Diseas Medical & Epidemiology Consultant Services
*(Name of RFP)*

Budget Period: SFY 2020

| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
|---|---|---|---|---|
| 1. Total Salary/Wages | $155,858.19 | $ 48,316.04 | $ 204,174.23 | |
| 2. Employee Benefits | $ 15,897.54 | $ 4,928.24 | $ 20,825.77 | |
| 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): | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| TOTAL | $ 171,755.73 | $ 53,244.27 | $ 225,000.00 | |

Indirect As A Percent of Direct 31.0%

# EXHIBIT B-4 AMENDMENT #1 BUDGET

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: Mary Hitchcock Memorial Hospital

Budget Request for: Infectious Diseas Medical & Epidemiology Consultant Services
(Name of RFP)

Budget Period: SFY 2021

| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
|---|---|---|---|---|
| 1. Total Salary/Wages | $155,858.19 | $ 48,316.04 | $ 204,174.23 | |
| 2. Employee Benefits | $ 15,897.54 | $ 4,928.24 | $ 20,825.77 | |
| 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): | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| TOTAL | $ 171,755.73 | $ 53,244.27 | $ 225,000.00 | |

Indirect As A Percent of Direct 31.0%

Exhibit B-4 Amendment #1 Budget

Contractor Initials: EDM

Date: 8/6/19

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information," "Confidential Data," or "Data" (as defined in Exhibit K), means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

   Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates a security policy, which includes successful attempts) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or

storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic documents or mail.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

## I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information

except as required or permitted under this Contract or required by law. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

2. The Contractor must not disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.
3. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If Contractor is transmitting DHHS Data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. Contractor may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS Data.
3. Encrypted Email. Contractor may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If Contractor is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. Contractor may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. Contractor may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If Contractor is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. Contractor may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If Contractor is employing remote communication to

access or transmit Confidential Data, a secure method of transmission or remote access, which complies with the terms and conditions of Exhibit K, must be used.

10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If Contractor is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If Contractor is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

## III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain DHHS Data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have thirty (30) days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or, if it is infeasible to return or destroy DHHS Data, protections are extended to such information, in accordance with the termination provisions in this Section. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems accessed or utilized for purposes of carrying out this contract.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting DHHS Confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, current, updated, and

maintained anti-malware (e.g. anti-viral, anti-hacker, anti-spam, anti-spyware) utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

If the Contractor maintains any Confidential Information on its systems (or its sub-contractor systems) and it has not done so previously, the Contractor will implement policies and procedures to ensure that any storage media on which such data maybe recorded will be rendered unreadable and that the data will be un-recoverable when the storage media is disposed of. Upon request, the Contractor will provide the Department with copies of these policies and with written documentation demonstrating compliance with the policies. The written documentation will include all details necessary to demonstrate data contained in the storage media has been rendered unreadable and un-recoverable. Where applicable, regulatory and professional standards for retention requirements may be jointly evaluated by the State and Contractor prior to destruction.

1. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

## IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.

2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media

used to store the data (i.e., tape, disk, paper, etc.).

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will ensure End-User will maintain an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

5. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

6. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

7. The Contractor will not store any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

8. Data Security Breach Liability. In the event of any computer security incident, incident, or breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

9. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of, HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) and 42 C.F.R. Part 2 that govern protections for individually identifiable

health information and as applicable under State law.

10. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

11. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer, and additional email addresses provided in Section VI, of any security breach within 24-hours of the time that the Contractor learns of its occurrence. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

12. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

13. The Contractor is responsible for End User oversight and compliance with the terms and conditions of the contract and Exhibit K.

DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

## V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer, Information Security Office and Program Manager of any Security Incidents and Breaches within 24- hours of the time that the Contractor learns of their occurrence.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with DHHS's documented Incident Handling and Breach Notification procedures and in accordance with– the HIPAA, Privacy and Security Rules. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

## VI. PERSONS TO CONTACT

A. DHHS contact for Data Management or Data Exchange issues:
DHHSInformationSecurityOffice@dhhs.nh.gov

B. DHHS contacts for Privacy issues:
DHHSPrivacyOfficer@dhhs.nh.gov

C. DHHS contact for Information Security issues:
DHHSInformationSecurityOffice@dhhs.nh.gov

D. DHHS contact for Breach notifications:
DHHSInformationSecurityOffice@dhhs.nh.gov
DHHSPrivacyOfficer@dhhs.nh.gov


Contractor Initials
Date 8/6/19

# 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 MARY HITCHCOCK MEMORIAL HOSPITAL is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 07, 1889. 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: **68517**

Certificate Number: **0004496386**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 15th day of April A.D. 2019.

William M. Gardner

Secretary of State

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

Dartmouth-Hitchcock

# CERTIFICATE OF VOTE/AUTHORITY

I, Charles G. Plimpton, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital, do hereby certify that:

1. I am the duly elected Secretary and Treasurer 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 7th, 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 Secretary and Treasurer of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital this 6th day of August.

Charles G. Plimpton
Board of Trustees, Secretary/Treasurer

STATE OF NH

COUNTY OF GRAFTON

The foregoing instrument was acknowledged before me this 6th day of August, 2019, by Charles Plimpton.

LAURA K. RONDEAU
NOTARY PUBLIC
STATE OF NEW HAMPSHIRE
- MY COMMISSION EXPIRES APRIL 19, 2022 -

Notary Public
My Commission Expires: April 19, 2022

# CERTIFICATE OF INSURANCE

**DATE: 09/17/2019**

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

**INSURED**
Mary Hitchcock Memorial Hospital – DH-H
One Medical Center Drive
Lebanon, NH 03756
(603)653-6850

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.

**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 | |
|---|---|---|---|---|---|---|
| GENERAL LIABILITY | | 0002019-A | 07/01/2019 | 06/30/2020 | EACH OCCURRENCE | $1,000,000 |
| | | | | | DAMAGE TO RENTED PREMISES | $100,000 |
| X | CLAIMS MADE | | | | MEDICAL EXPENSES | N/A |
| | | | | | PERSONAL & ADV INJURY | $1,000,000 |
| | OCCURRENCE | | | | GENERAL AGGREGATE | $2,000,000 |
| OTHER | | | | | PRODUCTS-COMP/OP AGG | $1,000,000 |
| PROFESSIONAL LIABILITY | | 0002019-A | 07/01/2019 | 06/30/2020 | EACH CLAIM | $1,000,000 |
| X | CLAIMS MADE | | | | ANNUAL AGGREGATE | $3,000,000 |
| | OCCURENCE | | | | | |
| OTHER | | | | | | |

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

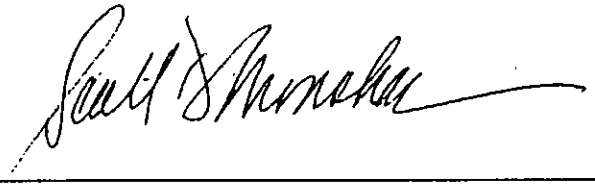
Certificate of Insurance issued as evidence of insurance for the development and operation of a substance use disorder treatment and recovery facility.

**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**



DARTHIT-01 JKELLEY1

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/15/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | |
|---|---|
| PRODUCER License # 1780862<br>HUB International New England<br>100 Central Street, Suite 201<br>Holliston, MA 01746 | CONTACT NAME: Jessica Kelley<br>PHONE (A/C, No, Ext): (774) 233-6212 FAX (A/C, No):<br>E-MAIL ADDRESS: Jessica.Kelley@hubinternational.com |
| | INSURER(S) AFFORDING COVERAGE — NAIC # |
| | INSURER A : Safety National Casualty Corporation — 15105 |
| INSURED<br>Dartmouth-Hitchcock Health<br>1 Medical Center Dr.<br>Lebanon, NH 03756 | INSURER B :<br>INSURER C :<br>INSURER D :<br>INSURER E :<br>INSURER F : |

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|---|---|---|---|---|---|---|---|---|
| | COMMERCIAL GENERAL LIABILITY | | | | | | EACH OCCURRENCE | $ |
| | ☐ CLAIMS-MADE ☐ OCCUR | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | $ |
| | | | | | | | MED EXP (Any one person) | $ |
| | | | | | | | PERSONAL & ADV INJURY | $ |
| | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | GENERAL AGGREGATE | $ |
| | ☐ POLICY ☐ PRO-JECT ☐ LOC | | | | | | PRODUCTS - COMP/OP AGG | $ |
| | OTHER: | | | | | | | $ |
| | AUTOMOBILE LIABILITY | | | | | | COMBINED SINGLE LIMIT (Ea accident) | $ |
| | ☐ ANY AUTO | | | | | | BODILY INJURY (Per person) | $ |
| | ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS | | | | | | BODILY INJURY (Per accident) | $ |
| | ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY | | | | | | PROPERTY DAMAGE (Per accident) | $ |
| | | | | | | | | $ |
| | ☐ UMBRELLA LIAB ☐ OCCUR | | | | | | EACH OCCURRENCE | $ |
| | ☐ EXCESS LIAB ☐ CLAIMS-MADE | | | | | | AGGREGATE | $ |
| | ☐ DED ☐ RETENTION $ | | | | | | | $ |
| A | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | | | | X PER STATUTE ☐ OTH-ER | |
| | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N | N/A | | AG4061049 | 7/1/2019 | 7/1/2020 | E.L. EACH ACCIDENT | $ 1,000,000 |
| | If yes, describe under DESCRIPTION OF OPERATIONS below | | | | | | E.L. DISEASE - EA EMPLOYEE | $ 1,000,000 |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | $ 1,000,000 |
| | | | | | | | | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Workers Compensation coverage for Mary Hitchcock Memorial Hospital

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dartmouth-Hitchcock

# Mission, Vision, & 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.

## Values

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

# Dartmouth-Hitchcock Health and Subsidiaries

**Report on Federal Awards in Accordance With the Uniform Guidance**
**June 30, 2018**
**EIN #02–0222140**

# Dartmouth-Hitchcock Health and Subsidiaries
## Index
## June 30, 2018 and 2017

# 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

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, 2018 and June 30, 2017, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended.

***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 did not audit the financial statements of Alice Peck Day Hospital, a subsidiary whose sole member is Dartmouth-Hitchcock Health, which statements reflect total assets of 2.8% of consolidated total assets at June 30, 2017 and total revenues of 3.3% of consolidated total revenue for the year then ended. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for Alice Peck Day Hospital, is based solely on the report of the other auditors. 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. The financial statements of Alice Peck Day Hospital were not audited in accordance with *Government Auditing Standards* in 2017.

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, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dartmouth-Hitchcock Health and its subsidiaries as of June 30, 2018 and June 30, 2017, and the results of their operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

Our audits were 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 audits 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 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.

***Other Information***

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,

2018 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. Such 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 as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2018 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, 2018. 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

PricewaterhouseCoopers LLP

Boston, Massachusetts
November 7, 2018

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidated Balance Sheets
## Years Ended June 30, 2018 and 2017

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Assets** | | |
| Current assets | | |
| Cash and cash equivalents | $ 200,169 | $ 68,498 |
| Patient accounts receivable, net of estimated uncollectibles of $132,228 and $121,340 at June 30, 2018 and 2017 (Note 3) | 219,228 | 237,260 |
| Prepaid expenses and other current assets | 97,502 | 89,203 |
| Total current assets | 516,899 | 394,961 |
| Assets limited as to use (Notes 4 and 6) | 706,124 | 662,323 |
| Other investments for restricted activities (Notes 4 and 6) | 130,896 | 124,529 |
| Property, plant, and equipment, net (Note 5) | 607,321 | 609,975 |
| Other assets | 108,785 | 97,120 |
| Total assets | $ 2,070,025 | $ 1,888,908 |
| **Liabilities and Net Assets** | | |
| Current liabilities | | |
| Current portion of long-term debt (Note 9) | $ 3,464 | $ 18,357 |
| Current portion of liability for pension and other postretirement plan benefits (Note 10) | 3,311 | 3,220 |
| Accounts payable and accrued expenses (Note 12) | 95,753 | 89,160 |
| Accrued compensation and related benefits | 125,576 | 114,911 |
| Estimated third-party settlements (Note 3) | 41,141 | 27,433 |
| Total current liabilities | 269,245 | 253,081 |
| Long-term debt, excluding current portion (Note 9) | 752,975 | 616,403 |
| Insurance deposits and related liabilities (Note 11) | 55,516 | 50,960 |
| Interest rate swaps (Notes 6 and 9) | - | 20,916 |
| Liability for pension and other postretirement plan benefits, excluding current portion (Note 10) | 242,227 | 282,971 |
| Other liabilities | 88,127 | 90,548 |
| Total liabilities | 1,408,090 | 1,314,879 |
| Commitments and contingencies (Notes 3, 5, 6, 9, and 12) | | |
| Net assets | | |
| Unrestricted (Note 8) | 524,102 | 424,947 |
| Temporarily restricted (Notes 7 and 8) | 82,439 | 94,917 |
| Permanently restricted (Notes 7 and 8) | 55,394 | 54,165 |
| Total net assets | 661,935 | 574,029 |
| Total liabilities and net assets | $ 2,070,025 | $ 1,888,908 |

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, 2018 and 2017

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Unrestricted revenue and other support** | | |
| Net patient service revenue, net of contractual allowances and discounts | $ 1,899,095 | $ 1,859,192 |
| Provision for bad debts (Note 1 and 3) | 47,367 | 63,645 |
| Net patient service revenue less provision for bad debts | 1,851,728 | 1,795,547 |
| Contracted revenue (Note 2) | 54,969 | 43,671 |
| Other operating revenue (Note 2 and 4) | 148,946 | 119,177 |
| Net assets released from restrictions | 13,461 | 11,122 |
| Total unrestricted revenue and other support | 2,069,104 | 1,969,517 |
| **Operating expenses** | | |
| Salaries | 989,263 | 966,352 |
| Employee benefits | 229,683 | 244,855 |
| Medical supplies and medications | 340,031 | 306,080 |
| Purchased services and other | 291,372 | 289,805 |
| Medicaid enhancement tax (Note 3) | 67,692 | 65,069 |
| Depreciation and amortization | 84,778 | 84,562 |
| Interest (Note 9) | 18,822 | 19,838 |
| Total operating expenses | 2,021,641 | 1,976,561 |
| Operating income (loss) | 47,463 | (7,044) |
| **Non-operating gains (losses)** | | |
| Investment gains (Notes 4 and 9) | 40,387 | 51,056 |
| Other losses | (2,908) | (4,153) |
| Loss on early extinguishment of debt | (14,214) | - |
| Loss due to swap termination | (14,247) | - |
| Contribution revenue from acquisition | - | 20,215 |
| Total non-operating gains, net | 9,018 | 67,118 |
| Excess of revenue over expenses | $ 56,481 | $ 60,074 |

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, 2018 and 2017

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Unrestricted net assets** | | |
| Excess of revenue over expenses | $ 56,481 | $ 60,074 |
| Net assets released from restrictions | 16,313 | 1,839 |
| Change in funded status of pension and other postretirement benefits (Note 10) | 8,254 | (1,587) |
| Other changes in net assets | (185) | (3,364) |
| Change in fair value of interest rate swaps (Note 9) | 4,190 | 7,802 |
| Change in interest rate swap effectiveness | 14,102 | - |
| Increase in unrestricted net assets | 99,155 | 64,764 |
| **Temporarily restricted net assets** | | |
| Gifts, bequests, sponsored activities | 13,050 | 26,592 |
| Investment gains | 2,964 | 1,677 |
| Change in net unrealized gains on investments | 1,282 | 3,775 |
| Net assets released from restrictions | (29,774) | (12,961) |
| Contribution of temporarily restricted net assets from acquisition | - | 103 |
| (Decrease) increase in temporarily restricted net assets | (12,478) | 19,186 |
| **Permanently restricted net assets** | | |
| Gifts and bequests | 1,121 | 300 |
| Investment gains in beneficial interest in trust | 108 | 245 |
| Contribution of permanently restricted net assets from acquisition | - | 30 |
| Increase in permanently restricted net assets | 1,229 | 575 |
| Change in net assets | 87,906 | 84,525 |
| **Net assets** | | |
| Beginning of year | 574,029 | 489,504 |
| End of year | $ 661,935 | $ 574,029 |

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, 2018 and 2017

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Change in net assets | $ 87,906 | $ 84,525 |
| Adjustments to reconcile change in net assets to net cash provided by operating and non-operating activities | | |
| Change in fair value of interest rate swaps | (4,897) | (8,001) |
| Provision for bad debt | 47,367 | 63,645 |
| Depreciation and amortization | 84,947 | 84,711 |
| Contribution revenue from acquisition | - | (20,348) |
| Change in funded status of pension and other postretirement benefits | (8,254) | 1,587 |
| (Gain) loss on disposal of fixed assets | (125) | 1,703 |
| Net realized gains and change in net unrealized gains on investments | (45,701) | (57,255) |
| Restricted contributions and investment earnings | (5,460) | (4,374) |
| Proceeds from sales of securities | 1,531 | 809 |
| Loss from debt defeasance | 14,214 | 381 |
| Changes in assets and liabilities | | |
| Patient accounts receivable, net | (29,335) | (35,811) |
| Prepaid expenses and other current assets | (8,299) | 7,386 |
| Other assets, net | (11,665) | (8,934) |
| Accounts payable and accrued expenses | 19,693 | (17,820) |
| Accrued compensation and related benefits | 10,665 | 10,349 |
| Estimated third-party settlements | 13,708 | 7,783 |
| Insurance deposits and related liabilities | 4,556 | (5,927) |
| Liability for pension and other postretirement benefits | (32,399) | 8,935 |
| Other liabilities | (2,421) | 11,431 |
| Net cash provided by operating and non-operating activities | 136,031 | 124,775 |
| **Cash flows from investing activities** | | |
| Purchase of property, plant, and equipment | (77,598) | (77,361) |
| Proceeds from sale of property, plant, and equipment | - | 1,087 |
| Purchases of investments | (279,407) | (259,201) |
| Proceeds from maturities and sales of investments | 273,409 | 276,934 |
| Cash received through acquisition | - | 3,564 |
| Net cash used in investing activities | (83,596) | (54,977) |
| **Cash flows from financing activities** | | |
| Proceeds from line of credit | 50,000 | 65,000 |
| Payments on line of credit | (50,000) | (101,550) |
| Repayment of long-term debt | (413,104) | (48,506) |
| Proceeds from issuance of debt | 507,791 | 39,064 |
| Repayment of interest rate swap | (16,019) | - |
| Payment of debt issuance costs | (4,892) | (274) |
| Restricted contributions and investment earnings | 5,460 | 4,374 |
| Net cash provided by (used in) financing activities | 79,236 | (41,892) |
| Increase in cash and cash equivalents | 131,671 | 27,906 |
| **Cash and cash equivalents** | | |
| Beginning of year | 68,498 | 40,592 |
| End of year | $ 200,169 | $ 68,498 |
| **Supplemental cash flow information** | | |
| Interest paid | $ 18,029 | $ 23,407 |
| Net assets acquired as part of acquisition, net of cash aquired | - | 16,784 |
| Non-cash proceeds from issuance of debt | 137,281 | - |
| Use of non-cash proceeds to refinance debt | (137,281) | - |
| Building construction in process financed by a third party | - | 8,426 |
| Construction in progress included in accounts payable and accrued expenses | 1,569 | 14,669 |
| Equipment acquired through issuance of capital lease obligations | 17,670 | - |
| Donated securities | 1,531 | 809 |

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

## 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 (APD), and the Visiting Nurse and Hospice of NH and VT and Subsidiaries (VNH). The "Health System" consists of D-HH, its affiliates 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 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, MHMH, DHC, NLH, Cheshire, and APD are NH not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). MAHHC and VNH 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.

The Health System files annual Community Benefits Reports with the State of NH which outlines the community and charitable benefits it 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 lectures, 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.).

- *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 to participate 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.
- *Community health-related initiatives* occur outside of the organization(s) through various financial contributions of cash, in-kind, and grants to local organizations.
- *Community-building activities* include cash, in-kind donations, and budgeted expenditures for the development of programs and partnerships intended to address 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 (financial assistance)* represents services provided to patients who cannot afford healthcare services due to inadequate financial resources which result from being uninsured or underinsured. For the years ended June 30, 2018 and 2017, the Health System provided financial assistance to patients in the amount of approximately $39,446,000 and $29,934,000, respectively, as measured by gross charges. The estimated cost of providing this care for the years ended June 30, 2018 and 2017 was approximately $15,559,000 and $12,173,000, respectively. The estimated costs of providing charity care services are determined applying a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of costs to charges is calculated using total expenses, less bad debt, divided by gross revenue.
- *Government-sponsored healthcare services* are provided to Medicaid and Medicare patients at reimbursement levels that are significantly below the cost of the care provided.
- *The uncompensated cost of care for Medicaid* patients reported in the unaudited Community Benefits Reports for 2017 was approximately $126,867,000. The 2018 Community Benefits Reports are expected to be filed in February 2019.

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, 2017:

*(Unaudited, in thousands of dollars)*

| | | |
|---|---|---|
| Government-sponsored healthcare services | $ | 287,845 |
| Health professional education | | 33,197 |
| Subsidized health services | | 30,447 |
| Charity care | | 11,070 |
| Community health services | | 6,829 |
| Research | | 3,308 |
| Community building activities | | 1,487 |
| Financial contributions | | 1,417 |
| Community benefit operations | | 913 |
| Total community benefit value | $ | 376,513 |

The Health System also provides a significant amount of uncompensated care to its patients that are reported as provision for bad debts, which is not included in the amounts reported above. During the years ended June 30, 2018 and 2017, the Health System reported a provision for bad debt expense of approximately $47,367,000 and $63,645,000, respectively.

## 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, unrestricted net assets are amounts not subject to donor-imposed stipulations and are available for operations. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets have 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 the allowance for estimated uncollectible accounts and contractual allowances, 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 unrestricted investments, which are utilized to provide charity and other operational support. Peripheral activities, including unrestricted contribution income 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 non-operating gains (losses).

Changes in unrestricted net assets 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 and Provision for Bad Debts

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.

The Health System grants credit without collateral to patients. Most are local residents and are insured under third-party arrangements. Additions to the allowance for uncollectible accounts are made by means of the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance and subsequent recoveries are added. The amount of the provision for bad debts 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 3).

**Net Patient Service Revenue**
Net patient service revenue is reported at the estimated net realizable amounts from patients, third party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and bad debt expense. 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 3).

**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. This revenue includes retail pharmacy, joint operating agreements, grant revenue, cafeteria sales, meaningful use incentive payments 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/comingled 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 6).

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.

Certain affiliates 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 permanently restricted assets were invested in these pooled funds by purchasing units based on the fair 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 unrestricted investments, change in value of equity method investments, interest, and dividends) are included in the excess of revenue over expenses and classified as non-operating gains and losses, unless the income or loss is restricted by donor or law (Note 8).

**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 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 unrestricted 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 depreciation and amortization in the consolidated statements of operations and changes in net assets using the straight-line method which approximates the effective interest method.

**Trade Names**
The Health System records trade names as intangible assets within other assets on the consolidated statements of financial position. The Health System considers trade names 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 $2,462,000 and $2,700,000 as intangible assets associated with its affiliations as of June 30, 2018 and 2017, 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 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 unrestricted net assets 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 and Bequests**
Unrestricted gifts and bequests are recorded net of related expenses as non-operating 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 as either temporarily or permanently restricted 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, temporarily restricted net assets are reclassified as unrestricted net assets 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* 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 is in the process of completing an evaluation of the requirements of the new standard, which became effective on July 1, 2018. In addition, the Health System is in the process of drafting the new disclosures required post implementation. The Health System plans to use a modified retrospective method of application to adopt ASU 2014-09 on July 1, 2018. The Health System will use a portfolio approach to apply the new model to classes of payers with similar characteristics and analyze cash collection trends over an appropriate collection look-back period depending on the payer. Adoption of ASU 2014-09 will result in changes to the presentation for and disclosure of revenue related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays and deductibles owed to the Health System by patients. Under ASU 2014-09, the estimated uncollectible amounts due from these patients are generally considered a direct reduction to net operating revenues and, correspondingly, result in a material reduction in the amounts presented separately as provision for doubtful accounts. The Health System is also in the process of completing an assessment of the impact of the new standard on other operating revenue and various reimbursement programs that represent variable consideration. These include supplemental state Medicaid programs, disproportionate share payments and settlements with third party payers. The payment mechanisms for these types of programs vary by state. While the adoption of ASU 2014-09 will

have a material effect on the presentation of net operating revenues in the Health System's consolidated statements of operations and changes in net assets, and will impact certain disclosures, it will not materially impact the financial position, results of operations or cash flows.

In February 2016, the FASB issued ASU 2016-02 - *Leases*, 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, including revisions to the classification of net assets and expanded disclosure requirements concerning expenses and liquidity. The ASU is effective for the Health System for the year ending June 30, 2019. The Health System is evaluating the impact of the new guidance on the consolidated financial statements.

## 3. Patient Service Revenue and Accounts Receivable

Patient service revenue is reported net of contractual allowances and the provision for bad debts as follows for the years ended June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Gross patient service revenue | $ 5,180,649 | $ 4,865,332 |
| Less: Contractual allowances | 3,281,554 | 3,006,140 |
| Provision for bad debt | 47,367 | 63,645 |
| Net patient service revenue | $ 1,851,728 | $ 1,795,547 |

Accounts receivable are reduced by an allowance for estimated uncollectibles. In evaluating the collectability of accounts receivable, the Health System analyzes past collection history and identifies trends for several categories of self-pay accounts (uninsured, residual balances, pre-collection accounts and charity) to estimate the appropriate allowance percentages in establishing

the allowance for bad debt expense. Management performs collection rate look-back analyses on a quarterly basis to evaluate the sufficiency of the allowance for estimated uncollectibles. Throughout the year, after all reasonable collection efforts have been exhausted, the difference between the standard rates and the amounts actually collected, including contractual adjustments and uninsured discounts, will be written off against the allowance for estimated uncollectibles. In addition to the review of the categories of revenue, management monitors the write offs against established allowances as of a point in time to determine the appropriateness of the underlying assumptions used in estimating the allowance for estimated uncollectibles.

Accounts receivable, prior to adjustment for estimated uncollectibles, are summarized as follows at June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Receivables** | | |
| Patients | $ 94,104 | $ 90,786 |
| Third-party payors | 250,657 | 263,240 |
| Nonpatient | 6,695 | 4,574 |
| | $ 351,456 | $ 358,600 |

The allowance for estimated uncollectibles is $132,228,000 and $121,340,000 as of June 30, 2018 and 2017.

The following table categorizes payors into five groups and their respective percentages of gross patient service revenue for the years ended June 30, 2018 and 2017:

| | 2018 | 2017 |
|---|---|---|
| Medicare | 43 % | 43 % |
| Anthem/Blue Cross | 18 | 18 |
| Commercial insurance | 20 | 20 |
| Medicaid | 13 | 13 |
| Self-pay/other | 6 | 6 |
| | 100 % | 100 % |

The Health System has agreements with third-party payors that provide for payments at amounts different from their established rates. A summary of the acute care payment arrangements in effect during the years ended June 30, 2018 and 2017 with major third-party payors follows:

**Medicare**
The Health System's inpatient acute care services provided to Medicare program beneficiaries are paid at prospectively determined rates-per-discharge. These rates vary according to a patient classification system that is 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. Under this system, outpatient services are reimbursed based on a pre-determined amount for each outpatient procedure, subject to various mandated modifications. The Health System is reimbursed during the year for services to Medicare beneficiaries based on varying interim

payment methodologies. Final settlement is determined after the submission of an annual cost report and subsequent audit of this report by the Medicare fiscal intermediary.

Certain of the Health System's affiliates qualify as Critical Access Hospitals (CAH), which are reimbursed by Medicare at 101% of reasonable costs, subject to 2% sequestration, for its inpatient acute, swing bed, and outpatient services, excluding ambulance services and inpatient hospice care. They are reimbursed at an interim rate for cost based services with a final settlement determined by the Medicare Cost Report filing. The nursing home and Rehabilitation distinct part units are not impacted by CAH designation. Medicare reimburses both services based on an acuity driven prospective payment system with no retrospective settlement.

Certain of the Health System's affiliates qualify as Home Health and Hospice Providers. Providers of home health services to clients 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 client at a rate determined by federal guidelines. Hospice services to clients 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. Revenue is recognized as the services are performed based on the fixed rate amount.

**Medicaid**
The Health System's payments for inpatient services rendered to NH Medicaid beneficiaries are based on a prospective payment system, while outpatient services are reimbursed on a retrospective cost basis or fee schedules. NH Medicaid Outpatient Direct Medical Education costs are reimbursed, as a pass-through, based on the filing of the Medicare cost report. Payment for inpatient and outpatient services rendered to VT Medicaid beneficiaries are based on prospective payment systems and the skilled nursing facility is reimbursed on a prospectively determined per diem rate.

During the years ended June 30, 2018 and 2017, the Health System recorded State of NH Medicaid Enhancement Tax (MET) and State of VT Provider Tax of $67,692,000 and $65,069,000, respectively. The taxes are calculated at 5.4% for NH and 6% for VT of certain net patient revenues in accordance with instructions received from the States. The provider taxes are included in Medicaid enhancement tax in the consolidated statements of operations and changes in net assets.

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 purchased services and other in the consolidated statements of operations and changes in net assets, was $737,000 and $645,000 in 2018 and 2017, 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 "SB 369". As part of this 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.

In May of 2018, the State of NH and NH Hospitals reached a new seven-year agreement through 2024. Under the terms of this agreement, the hospitals agreed to accept approximately $28 million less in DSH payments to which they are entitled in fiscal year 2018 and fiscal year 2019 in exchange for greater certainty about both future DSH payments and increases in Medicaid reimbursement rates. The new agreement contains a number of safeguards. In the event of adverse federal legislative or administrative changes to the DSH program, the agreement provides for alternative payments (e.g., other Medicaid supplemental payments or rate increases that will compensate the hospitals for any loss of DSH revenue). Additionally, the hospitals have filed a declaratory judgment petition based on the terms of the 2018 agreement, to which the State of NH has consented and on which a court order has been entered. If the State of NH breaches any term of the 2018 agreement, the hospitals are entitled to recoup the balance of DSH payments forfeited in fiscal year 2018 and fiscal year 2019.

Pursuant to this agreement, the State of NH made DSH payments to D-HH member hospitals in NH in the aggregate amount of approximately $66,383,000 for fiscal year 2018. In fiscal year 2017, D-HH member hospitals in NH received approximately $59,473,000.

The Health Information Technology for Economic and Clinical Health (HITECH) Act included in the American Recovery and Reinvestment Act (ARRA) provides incentives for the adoption and use of health information technology by Medicare and Medicaid providers and eligible professionals. The Health System has recognized meaningful use incentives of $344,000 and $1,156,000 for both the Medicare and Vermont Medicaid programs during the years ended June 30, 2018 and 2017, respectively.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with laws and regulations can be subject to future government review and interpretation as well as significant regulatory action; failure to comply with such laws and regulations can result in fines, penalties and exclusion from the Medicare and Medicaid programs.

**Other**

For services provided to patients with commercial insurance, the Health System receives payment for inpatient services at prospectively determined rates-per-discharge, prospectively determined per diem rates or a percentage of established charges. Outpatient services are reimbursed on a fee schedule or at a discount from established charges.

Non-acute and physician services are paid at various rates under different arrangements with governmental payors, commercial insurance carriers and health maintenance organizations. The basis for payments under these arrangements includes prospectively determined per visit rates, discounts from established charges, fee schedules, and reasonable cost subject to limitations.

The Health System has provided for its estimated final settlements with all payors based upon applicable contracts and reimbursement legislation and timing in effect for all open years (2013 - 2018). The differences between the amounts provided and the actual final settlement, if any, is recorded as an adjustment to net patient service revenue as amounts become known or as years are no longer subject to audits, reviews and investigations. During 2018 and 2017, changes in prior estimates related to the Health System's settlements with third-party payors resulted in (decreases) increases in net patient service revenue of ($5,604,000) and $2,000,000 respectively, in the consolidated statements of operations and changes in net assets.

## 4. Investments

The composition of investments at June 30, 2018 and 2017 is set forth in the following table:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Assets limited as to use** | | |
| Internally designated by board | | |
| Cash and short-term investments | $ 8,558 | $ 9,923 |
| U.S. government securities | 50,484 | 44,835 |
| Domestic corporate debt securities | 109,240 | 100,953 |
| Global debt securities | 110,944 | 105,920 |
| Domestic equities | 142,796 | 129,548 |
| International equities | 106,668 | 95,167 |
| Emerging markets equities | 23,562 | 33,893 |
| Real Estate Investment Trust | 816 | 791 |
| Private equity funds | 50,415 | 39,699 |
| Hedge funds | 32,831 | 30,448 |
| | 636,314 | 591,177 |
| **Investments held by captive insurance companies (Note 11)** | | |
| U.S. government securities | 30,581 | 18,814 |
| Domestic corporate debt securities | 16,764 | 21,681 |
| Global debt securities | 4,513 | 5,707 |
| Domestic equities | 8,109 | 9,048 |
| International equities | 7,971 | 13,888 |
| | 67,938 | 69,138 |
| **Held by trustee under indenture agreement (Note 9)** | | |
| Cash and short-term investments | 1,872 | 2,008 |
| Total assets limited as to use | 706,124 | 662,323 |
| **Other investments for restricted activities** | | |
| Cash and short-term investments | 4,952 | 5,467 |
| U.S. government securities | 28,220 | 28,096 |
| Domestic corporate debt securities | 29,031 | 27,762 |
| Global debt securities | 14,641 | 14,560 |
| Domestic equities | 20,509 | 18,451 |
| International equities | 17,521 | 15,499 |
| Emerging markets equities | 2,155 | 3,249 |
| Real Estate Investment Trust | 954 | 790 |
| Private equity funds | 4,878 | 3,949 |
| Hedge funds | 8,004 | 6,676 |
| Other | 31 | 30 |
| Total other investments for restricted activities | 130,896 | 124,529 |
| Total investments | $ 837,020 | $ 786,852 |

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 when debt securities or equity securities 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 non-distressed basis.

The following tables summarize the investments by the accounting method utilized, as of June 30, 2018 and 2017. Accounting standards require disclosure of additional information for those securities accounted for using the fair value method, as shown in Note 6.

| *(in thousands of dollars)* | 2018 Fair Value | 2018 Equity | 2018 Total |
|---|---|---|---|
| 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 |
| | $ 487,814 | $ 349,206 | $ 837,020 |

| *(in thousands of dollars)* | 2017 Fair Value | 2017 Equity | 2017 Total |
|---|---|---|---|
| Cash and short-term investments | $ 17,398 | $ - | $ 17,398 |
| U.S. government securities | 91,745 | - | 91,745 |
| Domestic corporate debt securities | 121,631 | 28,765 | 150,396 |
| Global debt securities | 45,660 | 80,527 | 126,187 |
| Domestic equities | 144,618 | 12,429 | 157,047 |
| International equities | 29,910 | 94,644 | 124,554 |
| Emerging markets equities | 1,226 | 35,916 | 37,142 |
| Real Estate Investment Trust | 128 | 1,453 | 1,581 |
| Private equity funds | - | 43,648 | 43,648 |
| Hedge funds | - | 37,124 | 37,124 |
| Other | 30 | - | 30 |
| | $ 452,346 | $ 334,506 | $ 786,852 |

Investment income is comprised of the following for the years ended June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Unrestricted** | | |
| Interest and dividend income, net | $ 12,324 | $ 4,418 |
| Net realized gains on sales of securities | 24,411 | 16,868 |
| Change in net unrealized gains on investments | 4,612 | 30,809 |
| | 41,347 | 52,095 |
| **Temporarily restricted** | | |
| Interest and dividend income, net | 1,526 | 1,394 |
| Net realized gains on sales of securities | 1,438 | 283 |
| Change in net unrealized gains on investments | 1,282 | 3,775 |
| | 4,246 | 5,452 |
| **Permanently restricted** | | |
| Change in net unrealized gains on beneficial interest in trust | 108 | 245 |
| | 108 | 245 |
| | $ 45,701 | $ 57,792 |

For the years ended June 30, 2018 and 2017 unrestricted investment income is reflected in the accompanying consolidated statements of operations and changes in net assets as operating revenue of approximately $960,000 and $1,039,000 and as non-operating gains of approximately $40,387,000 and 51,056,000, 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, 2018 and 2017, the Health System has committed to contribute approximately $137,219,000 and $119,719,000 to such funds, of which the Health System has contributed approximately $91,942,000 and $81,982,000 and has outstanding commitments of $45,277,000 and $37,737,000, respectively.

## 5. Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows at June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Land | $ 38,058 | $ 38,058 |
| Land improvements | 42,295 | 37,579 |
| Buildings and improvements | 876,537 | 818,831 |
| Equipment | 818,902 | 766,667 |
| Equipment under capital leases | 20,966 | 20,495 |
| | 1,796,758 | 1,681,630 |
| Less: Accumulated depreciation and amortization | 1,200,549 | 1,101,058 |
| Total depreciable assets, net | 596,209 | 580,572 |
| Construction in progress | 11,112 | 29,403 |
| | $ 607,321 | $ 609,975 |

As of June 30, 2018, construction in progress primarily consists of the building renovations taking place at the birthing pavilion in Lebanon, NH as well as the information systems PeopleSoft project for APD and Cheshire. The estimated cost to complete the birthing pavilion at June 30, 2018 is $200,000 and the estimated cost to complete the PeopleSoft project is $2,775,000.

The construction in progress for the Hospice & Palliative Care building reported as of June 30, 2017 was completed during the second quarter of fiscal year 2018 and APD's medical office building was completed in the fourth quarter of fiscal year 2018.

Depreciation and amortization expense included in operating and non-operating activities was approximately $84,947,000 and $84,711,000 for 2018 and 2017, respectively.

## 6. 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).

**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).

**Interest Rate Swaps**
The fair value of interest rate swaps, are determined using the present value of the fixed and floating legs of the swaps. Each series of cash flows are discounted by observable market interest rate curves and credit risk. All interest rate swaps held by the Health System were extinguished as part of Series 2018A and Series 2018B bond issuance (Note 9).

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 management 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, 2018 and 2017:

| | 2018 | | | | | |
|---|---|---|---|---|---|---|
| *(in thousands of dollars)* | Level 1 | Level 2 | Level 3 | Total | Redemption or Liquidation | Days' Notice |
| **Assets** | | | | | | |
| Investments | | | | | | |
| 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 | 417,482 | 70,332 | - | 487,814 | | |
| Deferred compensation plan assets | | | | | | |
| 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 | 76,284 | - | 86 | 76,370 | Not applicable | Not applicable |
| Beneficial interest in trusts | - | - | 9,374 | 9,374 | Not applicable | Not applicable |
| Total assets | $ 493,766 | $ 70,332 | $ 9,460 | $ 573,558 | | |

| | 2017 | | | | | |
|---|---|---|---|---|---|---|
| *(in thousands of dollars)* | Level 1 | Level 2 | Level 3 | Total | Redemption or Liquidation | Days' Notice |
| **Assets** | | | | | | |
| Investments | | | | | | |
| Cash and short term investments | $ 17,398 | $ - | $ - | $ 17,398 | Daily | 1 |
| U.S. government securities | 91,745 | - | - | 91,745 | Daily | 1 |
| Domestic corporate debt securities | 66,238 | 55,393 | - | 121,631 | Daily–Monthly | 1–15 |
| Global debt securities | 28,142 | 17,518 | - | 45,660 | Daily–Monthly | 1–15 |
| Domestic equities | 144,618 | - | - | 144,618 | Daily–Monthly | 1–10 |
| International equities | 29,870 | 40 | - | 29,910 | Daily–Monthly | 1–11 |
| Emerging market equities | 1,226 | - | - | 1,226 | Daily–Monthly | 1–7 |
| Real estate investment trust | 128 | - | - | 128 | Daily–Monthly | 1–7 |
| Other | - | 30 | - | 30 | Not applicable | Not applicable |
| Total investments | 379,365 | 72,981 | - | 452,346 | | |
| Deferred compensation plan assets | | | | | | |
| Cash and short-term investments | 2,633 | - | - | 2,633 | | |
| U.S. government securities | 37 | - | - | 37 | | |
| Domestic corporate debt securities | 8,802 | - | - | 8,802 | | |
| Global debt securities | 1,095 | - | - | 1,095 | | |
| Domestic equities | 28,609 | - | - | 28,609 | | |
| International equities | 9,595 | - | - | 9,595 | | |
| Emerging market equities | 2,706 | - | - | 2,706 | | |
| Real estate | 2,112 | - | - | 2,112 | | |
| Multi strategy fund | 13,083 | - | - | 13,083 | | |
| Guaranteed contract | - | - | 83 | 83 | | |
| Total deferred compensation plan assets | 68,672 | - | 83 | 68,755 | Not applicable | Not applicable |
| Beneficial interest in trusts | - | - | 9,244 | 9,244 | Not applicable | Not applicable |
| Total assets | $ 448,037 | $ 72,981 | $ 9,327 | $ 530,345 | | |
| **Liabilities** | | | | | | |
| Interest rate swaps | $ - | $ 20,916 | $ - | $ 20,916 | Not applicable | Not applicable |
| Total liabilities | $ - | $ 20,916 | $ - | $ 20,916 | | |

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

| | 2018 | | |
|---|---|---|---|
| *(in thousands of dollars)* | Beneficial Interest in Perpetual Trust | Guaranteed Contract | Total |
| **Balances at beginning of year** | $ 9,244 | $ 83 | $ 9,327 |
| Purchases | - | - | - |
| Sales | - | - | - |
| Net unrealized gains | 130 | 3 | 133 |
| Net asset transfer from affiliate | - | - | - |
| **Balances at end of year** | $ 9,374 | $ 86 | $ 9,460 |

| | 2017 | | |
|---|---|---|---|
| *(in thousands of dollars)* | Beneficial Interest in Perpetual Trust | Guaranteed Contract | Total |
| **Balances at beginning of year** | $ 9,087 | $ 80 | $ 9,167 |
| Purchases | - | - | - |
| Sales | - | - | - |
| Net unrealized gains | 157 | 3 | 160 |
| Net asset transfer from affiliate | - | - | - |
| **Balances at end of year** | $ 9,244 | $ 83 | $ 9,327 |

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, 2018 and 2017.

## 7. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Healthcare services | $ 19,570 | $ 32,583 |
| Research | 24,732 | 25,385 |
| Purchase of equipment | 3,068 | 3,080 |
| Charity care | 13,667 | 13,814 |
| Health education | 18,429 | 17,489 |
| Other | 2,973 | 2,566 |
| | $ 82,439 | $ 94,917 |

Permanently restricted net assets consist of the following at June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Healthcare services | $ 23,390 | $ 22,916 |
| Research | 7,821 | 7,795 |
| Purchase of equipment | 6,310 | 6,274 |
| Charity care | 8,883 | 6,895 |
| Health education | 8,784 | 10,228 |
| Other | 206 | 57 |
| | $ 55,394 | $ 54,165 |

Income earned on permanently restricted net assets is available for these purposes.

## 8. 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 classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, 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.

Unrestricted net assets 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. Temporarily restricted net assets 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 temporary restrictions on these funds have been met, the funds are reclassified to unrestricted net assets.

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, 2018 and 2017.

Endowment net asset composition by type of fund consists of the following at June 30, 2018 and 2017:

| | 2018 | | | |
|---|---|---|---|---|
| *(in thousands of dollars)* | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| Donor-restricted endowment funds | $ - | $ 31,320 | $ 46,877 | $ 78,197 |
| Board-designated endowment funds | 29,506 | - | - | 29,506 |
| Total endowed net assets | $ 29,506 | $ 31,320 | $ 46,877 | $ 107,703 |

| | 2017 | | | |
|---|---|---|---|---|
| *(in thousands of dollars)* | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| Donor-restricted endowment funds | $ - | $ 29,701 | $ 45,756 | $ 75,457 |
| Board-designated endowment funds | 26,389 | - | - | 26,389 |
| Total endowed net assets | $ 26,389 | $ 29,701 | $ 45,756 | $ 101,846 |

Changes in endowment net assets for the year ended June 30, 2018:

| | 2018 | | | |
|---|---|---|---|---|
| *(in thousands of dollars)* | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| **Balances at beginning of year** | $ 26,389 | $ 29,701 | $ 45,756 | $ 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) |
| **Balances at end of year** | $ 29,506 | $ 31,320 | 46,877 | $ 107,703 |

| | |
|---|---|
| **Balances at end of year** | 46,877 |
| Beneficial interest in perpetual trust | 8,517 |
| Permanently restricted net assets | $ 55,394 |

Changes in endowment net assets for the year ended June 30, 2017:

| | 2017 | | | |
|---|---|---|---|---|
| *(in thousands of dollars)* | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| **Balances at beginning of year** | $ 26,205 | $ 25,780 | $ 45,402 | $ 97,387 |
| Net investment return | 283 | 5,285 | 2 | 5,570 |
| Contributions | - | 210 | 300 | 510 |
| Transfers | - | (26) | 22 | (4) |
| Release of appropriated funds | (99) | (1,548) | - | (1,647) |
| Net asset transfer from affiliates | - | - | 30 | 30 |
| **Balances at end of year** | $ 26,389 | $ 29,701 | $ 45,756 | $ 101,846 |

| | |
|---|---|
| **Balances at end of year** | 45,756 |
| Beneficial interest in perpetual trust | 8,409 |
| Permanently restricted net assets | $ 54,165 |

## 9. Long-Term Debt

A summary of long-term debt at June 30, 2018 and 2017 is as follows:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Variable rate issues** | | |
| New Hampshire Health and Education Facilities Authority (NHHEFA) Revenue Bonds | | |
| Series 2018A, principal maturing in varying annual amounts, through August 2036 (1) | $ 83,355 | $ - |
| Series 2016A, principal maturing in varying annual amounts, through August 2046 (3) | - | 24,608 |
| Series 2015A, principal maturing in varying annual amounts, through August 2031 (4) | - | 82,975 |
| **Fixed rate issues** | | |
| New Hampshire Health and Education Facilities Authority Revenue Bonds | | |
| Series 2018B, principal maturing in varying annual amounts, through August 2048 (1) | 303,102 | - |
| Series 2017A, principal maturing in varying annual amounts, through August 2039 (2) | 122,435 | - |
| Series 2017B, principal maturing in varying annual amounts, through August 2030 (2) | 109,800 | - |
| Series 2016B, principal maturing in varying annual amounts, through August 2046 (3) | 10,970 | 10,970 |
| Series 2014A, principal maturing in varying annual amounts, through August 2022 (6) | 26,960 | 26,960 |
| Series 2014B, principal maturing in varying annual amounts, through August 2033 (6) | 14,530 | 14,530 |
| Series 2012A, principal maturing in varying annual amounts, through August 2031 (7) | - | 71,700 |
| Series 2012B, principal maturing in varying annual amounts, through August 2031 (7) | - | 39,340 |
| Series 2012, principal maturing in varying annual amounts, through July 2039 (11) | 25,955 | 26,735 |
| Series 2010, principal maturing in varying annual amounts, through August 2040 (9) | - | 75,000 |
| Series 2009, principal maturing in varying annual amounts, through August 2038 (10) | - | 57,540 |
| Total variable and fixed rate debt | $ 697,107 | $ 430,358 |

A summary of long-term debt at June 30, 2018 and 2017 is as follows (continued):

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Other** | | |
| Revolving Line of Credit, principal maturing through March 2019 (5) | $ - | $ 49,750 |
| Series 2012, principal maturing in varying annual amounts, through July 2025 (8) | - | 136,000 |
| Series 2010, principal maturing in varying annual amounts, through August 2040 (12)* | 15,498 | 15,900 |
| Note payable to a financial institution payable in interest free monthly installments through July 2015; collateralized by associated equipment* | 646 | 811 |
| 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* | 380 | 437 |
| Mortgage note payable to the US Dept of Agriculture; monthly payments of $10,892 include interest of 2.375% through November 2046* | 2,697 | 2,763 |
| Obligations under capital leases | 18,965 | 3,435 |
| Total other debt | 38,186 | 209,096 |
| Total variable and fixed rate debt | 697,107 | 430,358 |
| Total long-term debt | 735,293 | 639,454 |
| Less: Original issue discounts and premiums, net | (26,862) | 862 |
| Bond issuance costs, net | 5,716 | 3,832 |
| Current portion | 3,464 | 18,357 |
| | $ 752,975 | $ 616,403 |

*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:

| *(in thousands of dollars)* | 2018 |
|---|---|
| 2019 | $ 3,464 |
| 2020 | 10,495 |
| 2021 | 10,323 |
| 2022 | 10,483 |
| 2023 | 7,579 |
| Thereafter | 692,949 |
| | $ 735,293 |

**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 MHMH, DHC, Cheshire, NLH and MAHHC. D-HH is designated as the obligated group agent.

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 non-operating 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. A loss on the extinguishment of debt of approximately $13,636,000 was recognized in non-operating gains (losses) on the statement of operations and changes in net assets, as a result of the refinancing. 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 2016A and 2016B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2016A and 2016B in July 2016 through a private placement with a financial institution. The Series 2016A Revenue Bonds were primarily used to refund Series 2013A and Series 2013B and the Series 2016B Revenue Bonds were used to finance 2016 projects. Interest is equal to the sum of .70 times one month LIBOR plus .70 times the spread. The variable rate as of June 30 2017 was 1.48% The Series 2016B is fixed with an interest rate of 1.78% and matures at various dates through 2046. The Series 2016A Revenue Bonds were refunded in February 2018.

**(4) Series 2015A Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2015A in September 2015 through a private placement with a financial institution. The Series 2015A Revenue Bonds were primarily used to refinance a portion of the Series 2011 Revenue Bonds and to cover cost of issuance. The Series 2015A Revenue Bonds accrue interest variably and mature at various dates through 2031 based on the one-month London Interbank Offered Rate (LIBOR). The Series 2015A Revenue Bonds were refunded in February 2018.

**(5) Revolving Line of Credit**

The DHOG entered into a Revolving Line of Credit with TD Bank, N.A. (TD Bank). Interest on the TD Bank loan accrues variably and matures at various dates through March 2019. The Revolving Line of Credit was refunded in February 2018.

**(6) 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.

**(7) Series 2012A and 2012B Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2012A and Series 2012B in November 2012. The proceeds from the Series 2012A and 2012B were used to advance refund the Series 2002 Revenue Bonds and to cover cost of issuance. Interest on the 2012A Revenue Bonds is fixed with an interest rate of 2.29% and matures at various dates through 2031. Interest on the Series 2012B Revenue Bonds is fixed with an interest rate of 2.33% and matures at various dates through 2031. The Series 2012A and Series 2012B Revenue Bonds were refunded in December 2017.

**(8) Series 2012 Bank Loan**

The DHOG issued the Bank of America, N.A. Series 2012 note, in July 2012. The proceeds from the Series 2012 note were used to prefund the D-H defined benefit pension plan. Interest on the Series 2012 note accrues at a fixed rate of 2.47% and matures at various dates through 2025. The Series 2012 Bank Loan was refunded in February 2018.

**(9) Series 2010 Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2010, in June 2010. The proceeds from the Series 2010 Revenue Bonds were primarily used to construct a 140,000 square foot ambulatory care facility in Nashua, NH as well as various equipment. Interest on the bonds accrue at a fixed rate of 5.00% and mature at various dates through August 2040. The Series 2010 Revenue Bonds were defeased in December 2017.

**(10)Series 2009 Revenue Bonds**

The DHOG issued NHHEFA Revenue Bonds, Series 2009, in August 2009. The proceeds from the Series 2009 Revenue Bonds were primarily used to advance refund the Series 2008 Revenue Bonds. Interest on the Series 2009 Revenue Bonds accrue at varying fixed rates between 5.00% and 6.00% and mature at various dates through August 2038. The Series 2009 Revenue Bonds were defeased in December 2017.

**(11)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%). Principal is payable in annual installments ranging from $780,000 to $1,750,000 through July 2039. The Series 2012 Revenue Bonds were refunded in February 2018.

Outstanding joint and several indebtedness of the DHOG at June 30, 2018 and 2017 approximates $697,107,000 and $616,108,000, respectively.

**Non Obligated Group Bonds**

**(12)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. APD may prepay certain of these bonds according to the terms of the loan and trust agreement. The bonds are redeemable at any time by APD at par value plus any accrued interest. The bonds are also subject to optional tender for purchase (as a whole) in November 2020 at par plus accrued interest.

The Health System Indenture agreements require establishment and maintenance of debt service reserves and other trustee held funds. Trustee held funds of approximately $1,872,000 and $2,008,000 at June 30, 2018 and 2017, respectively, are classified as assets limited as to use in the accompanying consolidated balance sheets (Note 4). The debt service reserves are mainly comprised of escrowed funds held for future interest payments for the Cheshire debt.

For the years ended June 30, 2018 and 2017 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 $18,822,000 and $19,838,000 and is included in other non-operating losses of $2,793,000 and $3,135,000, 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.

A summary of the Health System's derivative financial instruments is as follows:

- A Fixed Payor Swap designed as a cash flow hedge of the NHHEFA Series 2011 Revenue Bonds. The Swap had an initial notional amount of $91,040,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 4.56% in exchange for the counterparty's payment of 67% of USD-LIBOR-BBA. The Swap's term matches that of the associated bonds. The 2011 interest rate swap was not integrated with the 2011 bonds. When the 2011 bonds were refinanced, the swap became associated with the 2015 bond. The Fixed Payor Swap was terminated in February 2018.

- An Interest Rate Swap to hedge the interest rate risk associated with the NHHEFA Series 2013 Revenue Bonds. The Swap had an initial notional amount of $15,000,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 3.94% in exchange for the counterparty's payment at 67% of USD-LIBOR-BBA. The Swap term matches that of the associated bonds. The Interest Rate Swap was terminated in February, 2018.

- An Interest Rate Swap to hedge the interest rate risk associated with the VEHFBA Series 2010A Revenue Bonds. The Swap had an initial notional amount of $7,244,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 2.41% in exchange for the counterparty's payment of 69% of USD-LIBOR-BBA. The swap was terminated in September 2016, while the bonds will remain outstanding until 2030.

The obligation of the Health System to make payments on its bonds with respect to interest is in no way conditional upon the Health System's receipt of payments from the interest rate swap agreement counterparty.

As of June 30, 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 non-operating loss due to swap termination of $14,247,000 relating to the swap termination. As of June 30, 2017, the fair value of the Health System's interest rate swaps was a liability of $20,916,000. The change in fair value during the years ended June 30, 2018 and 2017 was a decrease of $4,897,000 and $8,002,000, respectively. For the years ended June 30, 2018 and 2017 the Health System recognized a non-operating gain of $145,000 and $124,000 resulting from hedge ineffectiveness and amortization of frozen swaps.

## 10. Employee Benefits

All eligible employees of the Health System are covered under various defined benefit and/or define contribution plans. In addition, certain affiliates 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 or had been approved by the applicable Board of Trustees to be frozen by January 31, 2017.

In December of 2016 the Board of Trustees approved to accelerate the freeze date on the remaining pension plan from December 31, 2017 to January 31, 2017. Effective with that date, the last of the participants earning benefits in any of the Health System's defined benefit plans will no longer earn benefits under the 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, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Service cost for benefits earned during the year | $ 150 | $ 5,736 |
| Interest cost on projected benefit obligation | 47,190 | 47,316 |
| Expected return on plan assets | (64,561) | (64,169) |
| Net prior service cost | - | 109 |
| Net loss amortization | 10,593 | 20,267 |
| Special/contractural termination benefits | - | 119 |
| One-time benefit upon plan freeze acceleration | - | 9,519 |
| | $ (6,628) | $ 18,897 |

The following assumptions were used to determine net periodic pension expense as of June 30, 2018 and 2017:

| | 2018 | 2017 |
|---|---|---|
| Discount rate | 4.00 % – 4.30 % | 4.20 % – 4.90 % |
| Rate of increase in compensation | N/A | Age Graded - N/A |
| Expected long-term rate of return on plan assets | 7.50 % – 7.75 % | 7.50 % – 7.75 % |

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, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Change in benefit obligation** | | |
| Benefit obligation at beginning of year | $ 1,122,615 | $ 1,096,619 |
| Service cost | 150 | 5,736 |
| Interest cost | 47,190 | 47,316 |
| Benefits paid | (47,550) | (43,276) |
| Expenses paid | (172) | (183) |
| Actuarial (gain) loss | (34,293) | 6,884 |
| One-time benefit upon plan freeze acceleration | - | 9,519 |
| Benefit obligation at end of year | 1,087,940 | 1,122,615 |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of year | 878,701 | 872,320 |
| Actual return on plan assets | 33,291 | 44,763 |
| Benefits paid | (47,550) | (43,276) |
| Expenses paid | (172) | (183) |
| Employer contributions | 20,713 | 5,077 |
| Fair value of plan assets at end of year | 884,983 | 878,701 |
| Funded status of the plans | (202,957) | (243,914) |
| Less: Current portion of liability for pension | (45) | (46) |
| Long term portion of liability for pension | (202,912) | (243,868) |
| Liability for pension | $ (202,957) | $ (243,914) |

For the years ended June 30, 2018 and 2017 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 unrestricted net assets include approximately $418,971,000 and $429,782,000 of net actuarial loss as of June 30, 2018 and 2017, respectively.

The estimated amounts to be amortized from unrestricted net assets into net periodic pension expense in fiscal year 2019 for net actuarial losses is $10,357,000.

The accumulated benefit obligation for the defined benefit pension plans was approximately $1,087,991,000 and $1,123,010,000 at June 30, 2018 and 2017, respectively.

The following table sets forth the assumptions used to determine the benefit obligation at June 30, 2018 and 2017:

| | 2018 | 2017 |
|---|---|---|
| Discount rate | 4.20 % – 4.50 % | 4.00 % – 4.30 % |
| Rate of increase in compensation | N/A | N/A - 0.00 % |

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 June 30, 2018 and 2017, it is expected that the LDI strategy will hedge approximately 60% and 55%, respectively, 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 6. 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.

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, 2018 and 2017:

| | 2018 | | | | | |
|---|---|---|---|---|---|---|
| *(In thousands of dollars)* | Level 1 | Level 2 | Level 3 | Total | Redemption or Liquidation | Days' Notice |
| **Investments** | | | | | | |
| 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 6 | See Note 6 |
| Hedge funds | - | - | 44,250 | 44,250 | Quarterly–Annual | 60–96 |
| Total investments | $ 369,051 | $ 471,659 | $ 44,273 | $ 884,983 | | |

| | 2017 | | | | | |
|---|---|---|---|---|---|---|
| *(In thousands of dollars)* | Level 1 | Level 2 | Level 3 | Total | Redemption or Liquidation | Days' Notice |
| **Investments** | | | | | | |
| Cash and short-term investments | $ 23 | $ 29,792 | $ - | $ 29,815 | Daily | 1 |
| U.S. government securities | 7,875 | - | - | 7,875 | Daily–Monthly | 1–15 |
| Domestic debt securities | 140,498 | 243,427 | - | 383,925 | Daily–Monthly | 1–15 |
| Global debt securities | 426 | 90,389 | - | 90,815 | Daily–Monthly | 1–15 |
| Domestic equities | 154,597 | 16,938 | - | 171,535 | Daily–Monthly | 1–10 |
| International equities | 9,837 | 93,950 | - | 103,787 | Daily–Monthly | 1–11 |
| Emerging market equities | 2,141 | 45,351 | - | 47,492 | Daily–Monthly | 1–17 |
| REIT funds | 362 | 2,492 | - | 2,854 | Daily–Monthly | 1–17 |
| Private equity funds | - | - | 96 | 96 | See Note 6 | See Note 6 |
| Hedge funds | - | - | 40,507 | 40,507 | Quarterly–Annual | 60–96 |
| Total investments | $ 315,759 | $ 522,339 | $ 40,603 | $ 878,701 | | |

The following table presents additional information about the changes in Level 3 assets measured at fair value for the years ended June 30, 2018 and 2017:

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

| | 2017 | | |
|---|---|---|---|
| *(in thousands of dollars)* | Hedge Funds | Private Equity Funds | Total |
| **Balances at beginning of year** | $ 38,988 | $ 255 | $ 39,243 |
| Sales | (880) | (132) | (1,012) |
| Net realized (losses) gains | 33 | 36 | 69 |
| Net unrealized gains | 2,366 | (63) | 2,303 |
| **Balances at end of year** | $ 40,507 | $ 96 | $ 40,603 |

The total aggregate net unrealized gains (losses) included in the fair value of the Level 3 investments as of June 30, 2018 and 2017 were approximately $14,743,000 and $7,965,000, respectively. There were no transfers into and out of Level 3 measurements during the years ended June 30, 2018 and 2017.

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, 2018 and 2017.

The weighted average asset allocation for the Health System's Plans at June 30, 2018 and 2017 by asset category is as follows:

| | 2018 | 2017 |
|---|---|---|
| Cash and short-term investments | 4 % | 3 % |
| U.S. government securities | 5 | 1 |
| Domestic debt securities | 41 | 44 |
| Global debt securities | 9 | 10 |
| Domestic equities | 20 | 20 |
| International equities | 11 | 12 |
| Emerging market equities | 5 | 5 |
| Hedge funds | 5 | 5 |
| | 100 % | 100 % |

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 $20,480,000 to the Plans in 2019 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)*

| | |
|---|---|
| 2019 | $ 49,482 |
| 2020 | 51,913 |
| 2021 | 54,249 |
| 2022 | 56,728 |
| 2023 | 59,314 |
| 2024 – 2027 | 329,488 |

**Defined Contribution Plans**

The Health System has an employer-sponsored 401(a) plan for certain of its affiliates, 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 $38,563,000 and $33,375,000 in 2018 and 2017, 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 affiliate and plan. No employer contributions were made to any of these plans in 2018 and 2017 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, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Service cost | $ 533 | $ 448 |
| Interest cost | 1,712 | 2,041 |
| Net prior service income | (5,974) | (5,974) |
| Net loss amortization | 10 | 689 |
| | $ (3,719) | $ (2,796) |

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, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| **Change in benefit obligation** | | |
| Benefit obligation at beginning of year | $ 42,277 | $ 51,370 |
| Service cost | 533 | 448 |
| Interest cost | 1,712 | 2,041 |
| Benefits paid | (3,174) | (3,211) |
| Actuarial loss (gain) | 1,233 | (8,337) |
| Employer contributions | - | (34) |
| Benefit obligation at end of year | 42,581 | 42,277 |
| Funded status of the plans | $ (42,581) | $ (42,277) |
| Current portion of liability for postretirement medical and life benefits | $ (3,266) | $ (3,174) |
| Long term portion of liability for postretirement medical and life benefits | (39,315) | (39,103) |
| Liability for postretirement medical and life benefits | $ (42,581) | $ (42,277) |

For the years ended June 30, 2018 and 2017 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 unrestricted net assets are as follows:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Net prior service income | $ (15,530) | $ (21,504) |
| Net actuarial loss | 3,336 | 2,054 |
| | $ (12,194) | $ (19,450) |

The estimated amounts that will be amortized from unrestricted net assets into net periodic postretirement income in fiscal year 2019 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, 2019 and thereafter:

| *(in thousands of dollars)* | |
|---|---|
| 2019 | $ 3,266 |
| 2020 | 3,298 |
| 2021 | 3,309 |
| 2022 | 3,315 |
| 2023 | 3,295 |
| 2024-2027 | 15,156 |

In determining the accumulated postretirement medical and life benefit obligation, the Health System used a discount rate of 4.50% in 2018 and an assumed healthcare cost trend rate of 6.00%, trending down to 4.75% in 2021 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, 2018 and 2017 by $1,088,000 and $1,067,000 and the net periodic postretirement medical benefit cost for the years then ended by $81,000 and $110,000, 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, 2018 and 2017 by $996,000 and $974,000 and the net periodic postretirement medical benefit cost for the years then ended by $72,000 and $96,000, respectively.

## 11. Professional and General Liability Insurance Coverage

D-H, along with Dartmouth College, Cheshire, NLH and MAHHC 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, 2017 VNH 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. D-H 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.

APD are covered for malpractice claims under a modified claims-made policy purchased through New England Alliance for Health (NEAH). While APD remain in the current insurance program under this policy, the coverage year is based on the date the claim is filed; subject to a medical incident arising after the retroactive date (includes prior acts). The policy provides modified claims-made coverage for former insured providers for claims that relate to the employee's period of employment at APD and for services that were provided within the scope of the employee's duties. Therefore, when the employee leaves the corporation, tail coverage is not required.

Selected financial data of HAC and RRG, taken from the latest available audited and unaudited financial statements, respectively at June 30, 2018 and 2017 are summarized as follows:

| | 2018 | | |
|---|---|---|---|
| *(in thousands of dollars)* | HAC *(audited)* | RRG *(unaudited)* | Total |
| Assets | $ 72,753 | $ 2,068 | $ 74,821 |
| Shareholders' equity | 13,620 | 50 | 13,670 |
| Net income | - | (751) | (751) |

| | 2017 | | |
|---|---|---|---|
| *(in thousands of dollars)* | HAC *(audited)* | RRG *(unaudited)* | Total |
| Assets | $ 76,185 | $ 2,055 | $ 78,240 |
| Shareholders' equity | 13,620 | 801 | 14,421 |
| Net income | - | (5) | (5) |

## 12. 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 $14,096,000 and $15,802,000 for the years ended June 30, 2018 and 2017, respectively.

Minimum future lease payments under noncancelable operating leases at June 30, 2018 were as follows:

*(in thousands of dollars)*

| | |
|---|---|
| 2019 | $ 12,393 |
| 2020 | 10,120 |
| 2021 | 8,352 |
| 2022 | 5,175 |
| 2023 | 3,935 |
| Thereafter | 10,263 |
| | $ 50,238 |

**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 29, 2019. There was no outstanding balance under the lines of credit as of June 30, 2018 and 2017. Interest expense was approximately $232,000 and $915,000, respectively, and is included in the consolidated statements of operations and changes in net assets.

## 13. Functional Expenses

Operating expenses of the Health System by function are as follows for the years ended June 30, 2018 and 2017:

| *(in thousands of dollars)* | 2018 | 2017 |
|---|---|---|
| Program services | $ 1,715,760 | $ 1,662,413 |
| Management and general | 303,527 | 311,820 |
| Fundraising | 2,354 | 2,328 |
| | $ 2,021,641 | $ 1,976,561 |

## 14. Subsequent Events

The Health System has assessed the impact of subsequent events through November 7, 2018, 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 July 1, 2018, APD became the sole corporate member of APD LifeCare Center Inc. APD LifeCare Center Inc. 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.

APD and APD LifeCare Center (LifeCare) were jointly liable for their Series 2010 Revenue Bonds; $26,000,000 outstanding as of June 30, 2018. As described in Note 9 to the financial statements, APD's portion was approximately $15,500,000 as of June 30, 2018. LifeCare's outstanding portion of approximately $10,500,000 was appropriately excluded from the consolidated financial statements as LifeCare was not affiliated with any of the members of the Health System as of June 30, 2018. On August 15, 2018, APD joined the DHOG and simultaneously issued NHHEFA Revenue Bonds, Series 2018C. The Series 2018C Revenue Bonds were used primarily to refinance the joint (APD and LifeCare) Series 2010 Revenue Bonds.

## Consolidating Supplemental Information – Unaudited

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Balance Sheets
## June 30, 2018

| (in thousands of dollars) | Dartmouth-Hitchcock Health | Dartmouth-Hitchcock | Cheshire Medical Center | New London Hospital Association | Mt. Ascutney Hospital and Health Center | Eliminations | OH Obligated Group Subtotal | All Other Non-Oblig Group Affiliates | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|---|
| Assets | | | | | | | | | | |
| Current assets | | | | | | | | | | |
| Cash and cash equivalents | $ 134,634 | $ 22,544 | $ 6,668 | $ 9,419 | $ 6,604 | $ - | $ 179,869 | $ 20,280 | $ - | $ 200,169 |
| Patient accounts receivable, net | - | 176,881 | 17,183 | 8,302 | 5,065 | - | 207,521 | 11,707 | - | 219,228 |
| Prepaid expenses and other current assets | 11,954 | 143,893 | 6,551 | 3,253 | 2,313 | (72,361) | 97,613 | 4,766 | (4,877) | 97,502 |
| Total current assets | 146,588 | 343,418 | 30,422 | 22,974 | 13,972 | (72,361) | 485,023 | 36,753 | (4,877) | 516,899 |
| Assets limited as to use | 0 | 616,929 | 17,436 | 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 | 42,436 | 17,356 | - | 569,743 | 37,578 | - | 607,321 |
| Other assets | 24,883 | 101,078 | 1,370 | 5,908 | 4,280 | (10,970) | 126,527 | 3,804 | (21,346) | 108,785 |
| Total assets | $ 726,278 | $ 1,592,192 | $ 124,580 | $ 87,120 | $ 52,675 | $ (638,102) | $ 1,944,741 | $ 151,907 | $ (26,223) | $ 2,070,025 |
| Liabilities and Net Assets | | | | | | | | | | |
| Current liabilities | | | | | | | | | | |
| 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 | 82,081 | 20,107 | 6,705 | 3,029 | (72,361) | 94,536 | 6,094 | (4,877) | 95,753 |
| Accrued compensation and related benefits | - | 106,485 | 5,730 | 2,487 | 3,798 | - | 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) | 257,636 | 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 | - | 232,866 | 4,215 | - | 5,316 | - | 242,227 | - | - | 242,227 |
| Other liabilities | - | 85,577 | 1,107 | 1,405 | - | - | 88,089 | 38 | - | 88,127 |
| Total liabilities | 702,517 | 1,170,412 | 57,788 | 49,583 | 25,463 | (638,102) | 1,367,661 | 45,306 | (4,877) | 1,408,090 |
| Commitments and contingencies | | | | | | | | | | |
| Net assets | | | | | | | | | | |
| Unrestricted | 23,759 | 304,882 | 61,828 | 32,897 | 19,812 | - | 473,178 | 72,230 | (21,308) | 524,102 |
| Temporarily restricted | - | 54,866 | 4,964 | 469 | 1,540 | - | 61,863 | 20,816 | (40) | 82,439 |
| Permanently restricted | - | 32,232 | - | 4,147 | 5,860 | - | 42,239 | 13,156 | - | 55,394 |
| Total net assets | 23,759 | 421,780 | 66,792 | 37,537 | 27,212 | - | 577,080 | 106,201 | (21,348) | 661,935 |
| Total liabilities and net assets | $ 726,276 | $ 1,592,192 | $ 124,580 | $ 87,120 | $ 52,675 | $ (638,102) | $ 1,944,741 | $ 151,507 | $ (26,223) | $ 2,070,025 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Balance Sheets
## June 30, 2018

| (In thousands of dollars) | D-HH (Parent) | D-H and Subsidiaries | Cheshire and Subsidiaries | NLH and Subsidiaries | MAHHC and Subsidiaries | APD | VRH and Subsidiaries | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash and cash equivalents | $ 134,634 | $ 23,094 | $ 8,621 | $ 9,982 | $ 6,654 | $ 12,144 | $ 5,040 | $ - | $ 200,169 |
| Patient accounts receivable, net | - | 176,881 | 17,183 | 8,302 | 5,109 | 7,896 | 3,857 | - | 219,228 |
| Prepaid expenses and other current assets | 11,954 | 144,755 | 5,520 | 5,276 | 2,294 | 4,443 | 488 | (77,238) | 97,502 |
| Total current assets | 146,588 | 344,830 | 31,324 | 23,560 | 14,057 | 24,583 | 9,185 | (77,238) | 516,899 |
| Assets limited as to use | 8 | 635,028 | 17,438 | 12,821 | 11,662 | 9,812 | 19,355 | - | 706,124 |
| Notes receivable, related party | 554,771 | - | - | - | - | - | - | (554,771) | - |
| Other investments for restricted activities | - | 95,772 | 25,873 | 2,881 | 6,238 | 32 | - | - | 130,896 |
| Property, plant, and equipment, net | 36 | 445,829 | 70,807 | 42,820 | 18,065 | 25,725 | 3,139 | - | 807,321 |
| Other assets | 24,863 | 101,235 | 7,526 | 5,333 | 1,886 | 130 | 128 | (32,316) | 108,785 |
| Total assets | $ 726,276 | $ 1,622,694 | $ 152,768 | $ 87,615 | $ 53,108 | $ 60,082 | $ 31,807 | $ (864,325) | $ 2,070,025 |
| **Liabilities and Net Assets** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Current portion of long-term debt | $ - | $ 1,031 | $ 810 | $ 572 | $ 245 | $ 739 | $ 87 | $ - | $ 3,484 |
| Current portion of liability for pension and other postretirement plan benefits | - | 3,311 | - | - | - | - | - | - | 3,311 |
| Accounts payable and accrued expenses | 54,995 | 82,813 | 20,052 | 6,714 | 3,092 | 3,596 | 1,929 | (77,238) | 95,753 |
| Accrued compensation and related benefits | - | 106,485 | 5,730 | 2,467 | 3,831 | 5,814 | 1,228 | - | 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 | 1,178 | 11,593 | 25,792 | 2,628 | (10,970) | 752,975 |
| Insurance deposits and related liabilities | - | 54,616 | 465 | 155 | 241 | - | 38 | - | 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 | 702,517 | 1,170,964 | 57,743 | 49,582 | 25,943 | 38,417 | 5,893 | (642,979) | 1,408,090 |
| Commitments and contingencies | | | | | | | | | |
| **Net assets** | | | | | | | | | |
| Unrestricted | 23,759 | 356,518 | 65,069 | 33,383 | 19,764 | 21,031 | 25,884 | (21,306) | 524,102 |
| Temporarily restricted | - | 60,836 | 19,196 | 493 | 1,539 | 415 | - | (40) | 82,439 |
| Permanently restricted | - | 34,376 | 10,760 | 4,147 | 5,862 | 219 | 30 | - | 55,394 |
| Total net assets | 23,759 | 451,730 | 95,025 | 38,023 | 27,165 | 21,665 | 25,914 | (21,346) | 661,935 |
| Total liabilities and net assets | $ 726,276 | $ 1,622,694 | $ 152,768 | $ 87,615 | $ 53,108 | $ 60,082 | $ 31,807 | $ (864,325) | $ 2,070,025 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Balance Sheets
## June 30, 2017

| *(in thousands of dollars)* | 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 |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| Current assets | | | | | | | | | |
| Cash and cash equivalents | $ 27,326 | $ 10,845 | $ 7,797 | $ 6,662 | $ - | $ 52,432 | $ 16,066 | $ - | $ 68,498 |
| Patient accounts receivable, net | 193,733 | 17,723 | 8,539 | 4,659 | - | 224,654 | 12,806 | - | 237,260 |
| Prepaid expenses and other current assets | 93,818 | 6,945 | 3,650 | 1,351 | (18,585) | 89,177 | 8,034 | (8,008) | 89,203 |
| Total current assets | 314,877 | 35,313 | 19,986 | 12,672 | (18,585) | 366,263 | 36,706 | (8,008) | 394,961 |
| Assets limited as to use | 580,254 | 19,104 | 11,784 | 9,058 | - | 620,200 | 42,123 | - | 662,323 |
| Other investments for restricted activities | 96,398 | 4,784 | 2,833 | 6,079 | - | 100,074 | 24,455 | - | 124,529 |
| Property, plant, and equipment, net | 448,743 | 64,933 | 43,284 | 17,187 | - | 574,107 | 35,868 | - | 609,975 |
| Other assets | 89,650 | 2,543 | 5,905 | 4,095 | (11,520) | 90,733 | 27,874 | (21,267) | 97,120 |
| Total assets | $ 1,519,922 | $ 126,657 | $ 83,832 | $ 49,071 | $ (28,105) | $ 1,751,377 | $ 166,826 | $ (29,295) | $ 1,888,908 |
| **Liabilities and Net Assets** | | | | | | | | | |
| Current liabilities | | | | | | | | | |
| Current portion of long-term debt | $ 16,034 | $ 790 | $ 737 | $ 80 | $ - | $ 17,631 | $ 726 | $ - | $ 18,357 |
| Line of credit | - | - | - | 550 | (550) | - | - | - | - |
| Current portion of liability for pension and other postretirement plan benefits | 3,220 | - | - | - | - | 3,220 | - | - | 3,220 |
| Accounts payable and accrued expenses | 72,362 | 19,715 | 5,356 | 2,854 | (18,585) | 83,702 | 13,466 | (8,008) | 89,160 |
| Accrued compensation and related benefits | 99,636 | 5,428 | 2,335 | 3,448 | - | 110,849 | 4,062 | - | 114,911 |
| Estimated third-party settlements | 11,322 | - | 7,265 | 1,915 | - | 20,502 | 6,931 | - | 27,433 |
| Total current liabilities | 202,576 | 25,923 | 15,693 | 8,847 | (17,135) | 235,904 | 25,185 | (8,008) | 253,081 |
| Long-term debt, excluding current portion | 545,100 | 26,185 | 26,402 | 10,976 | (10,970) | 597,693 | 18,710 | - | 616,403 |
| Insurance deposits and related liabilities | 50,960 | - | - | - | - | 50,960 | - | - | 50,960 |
| Interest rate swaps | 17,606 | - | 3,310 | - | - | 20,916 | - | - | 20,916 |
| Liability for pension and other postretirement plan benefits, excluding current portion | 267,409 | 8,781 | - | 6,801 | - | 282,971 | - | - | 282,971 |
| Other liabilities | 77,622 | 2,636 | 1,426 | - | - | 81,684 | 8,864 | - | 90,548 |
| Total liabilities | 1,161,273 | 63,505 | 46,831 | 26,624 | (28,105) | 1,270,128 | 52,759 | (8,008) | 1,314,879 |
| Commitments and contingencies | | | | | | | | | |
| Net assets | | | | | | | | | |
| Unrestricted | 258,887 | 58,250 | 32,504 | 15,247 | - | 364,888 | 81,344 | (21,285) | 424,947 |
| Temporarily restricted | 68,473 | 4,902 | 346 | 1,363 | - | 75,083 | 19,838 | (2) | 94,917 |
| Permanently restricted | 31,289 | - | 4,152 | 5,837 | - | 41,278 | 12,887 | - | 54,165 |
| Total net assets | 358,649 | 63,152 | 37,001 | 22,447 | - | 481,249 | 114,067 | (21,287) | 574,029 |
| Total liabilities and net assets | $ 1,519,922 | $ 126,657 | $ 83,832 | $ 49,071 | $ (28,105) | $ 1,751,377 | $ 166,826 | $ (29,295) | $ 1,888,908 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Balance Sheets
## June 30, 2017

| *(In thousands of dollars)* | D-HH (Parent) | D-H and Subsidiaries | Cheshire and Subsidiaries | NLH and Subsidiaries | MAHHC and Subsidiaries | APD | VNH and Subsidiaries | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash and cash equivalents | $ 1,186 | $ 27,760 | $ 11,601 | $ 8,280 | $ 8,968 | $ 8,129 | $ 4,594 | $ - | $ 68,488 |
| Patient accounts receivable, net | - | 193,733 | 17,723 | 8,539 | 4,681 | 8,878 | 3,708 | - | 237,260 |
| Prepaid expenses and other current assets | 3,884 | 94,305 | 5,899 | 3,671 | 1,340 | 4,179 | 516 | (24,593) | 89,203 |
| Total current assets | 5,050 | 315,798 | 35,223 | 20,490 | 12,989 | 21,186 | 8,818 | (24,593) | 394,961 |
| Assets limited as to use | - | 596,904 | 18,104 | 11,782 | 9,889 | 8,168 | 16,476 | - | 662,323 |
| Other investments for restricted activities | 6 | 84,210 | 21,204 | 2,833 | 6,079 | 197 | - | - | 124,529 |
| Property, plant, and equipment, net | 50 | 451,416 | 68,921 | 43,751 | 18,935 | 23,447 | 3,453 | - | 609,975 |
| Other assets | 23,866 | 89,819 | 8,586 | 5,378 | 1,812 | 293 | 183 | (32,807) | 97,120 |
| Total assets | $ 28,972 | $ 1,548,148 | $ 153,038 | $ 84,234 | $ 48,704 | $ 53,281 | $ 28,930 | $ (57,400) | $ 1,888,908 |
| **Liabilities and Net Assets** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Current portion of long-term debt | $ - | $ 16,034 | $ 780 | $ 737 | $ 137 | $ 603 | $ 66 | $ - | $ 18,357 |
| Line of credit | - | - | - | - | 550 | - | - | (550) | - |
| Current portion of liability for pension and other postretirement plan benefits | - | 3,220 | - | - | - | - | - | - | 3,220 |
| Accounts payable and accrued expenses | 5,996 | 72,606 | 19,716 | 5,365 | 2,948 | 5,048 | 1,874 | (24,593) | 89,160 |
| Accrued compensation and related benefits | - | 99,638 | 5,428 | 2,335 | 3,480 | 2,998 | 1,032 | - | 114,911 |
| Estimated third-party settlements | 6,165 | 11,372 | - | 7,265 | 1,915 | 786 | - | - | 27,433 |
| Total current liabilities | 12,161 | 203,020 | 25,926 | 15,702 | 9,028 | 9,415 | 2,972 | (25,143) | 253,081 |
| Long-term debt, excluding current portion | - | 545,100 | 26,185 | 26,402 | 11,356 | 15,633 | 2,697 | (10,870) | 616,403 |
| Insurance deposits and related liabilities | - | 50,960 | - | - | - | - | - | - | 50,960 |
| Interest rate swaps | - | 17,606 | - | 3,310 | - | - | - | - | 20,916 |
| Liability for pension and other postretirement plan benefits, excluding current portion | - | 267,409 | 8,761 | - | 6,801 | - | - | - | 282,971 |
| Other liabilities | - | 77,622 | 2,531 | 1,426 | - | 6,969 | - | - | 90,548 |
| Total liabilities | 12,161 | 1,161,717 | 63,403 | 46,840 | 27,185 | 34,017 | 5,669 | (36,113) | 1,314,879 |
| **Commitments and contingencies** | | | | | | | | | |
| **Net assets** | | | | | | | | | |
| Unrestricted | 16,367 | 278,685 | 60,758 | 32,897 | 15,319 | 18,965 | 23,231 | (21,285) | 424,947 |
| Temporarily restricted | 444 | 74,304 | 18,198 | 345 | 1,363 | 265 | - | (2) | 94,817 |
| Permanently restricted | - | 33,433 | 10,679 | 4,152 | 5,837 | 34 | 30 | - | 54,165 |
| Total net assets | 16,811 | 386,432 | 89,635 | 37,394 | 22,519 | 19,264 | 23,261 | (21,287) | 574,029 |
| Total liabilities and net assets | $ 28,972 | $ 1,548,149 | $ 153,038 | $ 84,234 | $ 48,704 | $ 53,281 | $ 28,930 | $ (57,400) | $ 1,888,908 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Statements of Operations and Changes in Unrestricted Net Assets
## Year Ended June 30, 2018

| (In thousands of dollars) | 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-Obligated Group Affiliates | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|---|
| Unrestricted revenue and other support | | | | | | | | | | |
| Net patient service revenue, net of contractual allowances and discounts | $ - | $ 1,475,314 | $ 219,736 | $ 60,488 | $ 52,014 | $ - | $ 1,804,300 | $ 84,948 | $ - | $ 1,889,086 |
| Provisions for bad debts | - | 31,358 | 10,967 | 1,504 | 1,440 | - | 45,319 | 2,048 | - | 47,367 |
| Net patient service revenue less provisions for bad debts | - | 1,443,956 | 208,769 | 58,932 | 50,574 | - | 1,759,231 | 82,497 | - | 1,841,719 |
| Contracted revenue | (2,305) | 97,291 | - | - | 2,109 | (42,870) | 54,385 | 716 | (32) | 54,069 |
| Other operating revenue | 9,788 | 134,481 | 3,365 | 4,185 | 1,814 | (10,564) | 143,054 | 6,978 | (1,086) | 148,946 |
| Net assets released from restrictions | 854 | 11,975 | 570 | 33 | 44 | - | 12,976 | 482 | - | 13,491 |
| Total unrestricted revenue and other support | 8,337 | 1,687,313 | 208,734 | 63,153 | 54,691 | (53,434) | 1,969,549 | 100,673 | (1,118) | 2,069,104 |
| Operating expenses | | | | | | | | | | |
| Salaries | - | 806,344 | 105,807 | 30,360 | 24,854 | (21,542) | 945,823 | 47,055 | 1,835 | 990,283 |
| Employee benefits | - | 181,833 | 36,343 | 7,252 | 7,600 | (9,388) | 218,043 | 10,221 | 419 | 228,683 |
| Medical supplies and medications | - | 298,327 | 31,283 | 6,161 | 3,006 | - | 328,836 | 10,165 | - | 340,001 |
| Purchased services and other | 8,509 | 218,073 | 33,085 | 13,587 | 13,660 | (18,384) | 264,800 | 28,380 | (2,816) | 291,372 |
| Medicaid enhancement tax | - | 53,044 | 8,676 | 2,858 | 1,744 | - | 65,517 | 2,179 | - | 67,696 |
| Depreciation and amortization | 23 | 66,073 | 16,717 | 3,834 | 2,630 | - | 82,277 | 2,501 | - | 84,778 |
| Interest | 8,684 | 15,772 | 1,904 | 961 | 774 | (6,867) | 17,793 | 1,038 | - | 18,832 |
| Total operating expenses | 17,216 | 1,677,466 | 217,995 | 64,934 | 52,867 | (56,203) | 1,924,079 | 97,538 | (794) | 2,021,641 |
| Operating (loss) margin | (8,879) | 29,847 | (9,261) | (1,781) | 1,734 | 2,769 | 44,970 | 3,117 | (324) | 47,463 |
| Non-operating (losses) gains | | | | | | | | | | |
| Investment (losses) gains | (28) | 33,628 | 1,408 | 1,151 | 808 | (199) | 36,631 | 3,988 | - | 40,397 |
| Other, net | (1,364) | (2,589) | - | 1,776 | 288 | (1,981) | (4,002) | 733 | 361 | (2,908) |
| Loss on early extinguishment of debt | - | (13,809) | - | (305) | - | - | (14,214) | - | - | (14,214) |
| Loss on swap termination | - | (14,247) | - | - | - | - | (14,247) | - | - | (14,247) |
| Total non-operating (losses) gains, net | (1,392) | 2,973 | 1,408 | 2,122 | 1,124 | (2,179) | 4,356 | 4,299 | 361 | 9,016 |
| (Deficiency) excess of revenue over expenses | (10,454) | 32,720 | (6,437) | 341 | 2,858 | - | 49,026 | 7,416 | 37 | 56,481 |
| Unrestricted net assets | | | | | | | | | | |
| Net assets released from restrictions (Note 7) | - | 16,036 | - | 4 | 253 | - | 16,294 | 19 | - | 16,313 |
| Change in funded status of pension and other postretirement benefits | - | 4,300 | 2,427 | - | 1,127 | - | 8,254 | - | - | 8,254 |
| Net assets transferred to (from) affiliates | 17,791 | (20,300) | (1,189) | 46 | 326 | - | - | - | - | - |
| Additional paid in capital | - | - | - | - | - | - | - | - | - | - |
| Other changes in net assets | - | - | - | - | - | - | - | 56 | (56) | - |
| Change in fair value on interest rate swaps | - | 4,190 | - | - | - | - | 4,190 | (165) | - | (165) |
| Change in funded status of interest rate swaps | - | 14,107 | - | - | - | - | 14,107 | - | - | 4,190 |
| Increase in unrestricted net assets | $ 7,337 | $ 75,995 | $ 3,578 | $ 393 | $ 4,565 | $ - | $ 91,866 | $ 7,326 | $ (21) | $ 99,170 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Statements of Operations and Changes in Unrestricted Net Assets
## Year Ended June 30, 2018

| (In thousands of dollars) | D-HH (Parent) | D-H and Subsidiaries | Cheshire and Subsidiaries | NLH and Subsidiaries | MAHNC and Subsidiaries | APD | VNH and Subsidiaries | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| Unrestricted revenue and other support | | | | | | | | | |
| Net patient service revenue, net of contractual allowances and discounts | $ - | $ 1,475,314 | $ 210,738 | $ 60,488 | $ 52,014 | $ 71,458 | $ 23,087 | $ - | $ 1,889,099 |
| Provisions for bad debts | - | 31,358 | 10,867 | 1,954 | 1,440 | 1,680 | 369 | - | 47,367 |
| Net patient service revenue less provisions for bad debts | - | 1,443,956 | 205,799 | 58,932 | 50,574 | 69,778 | 22,718 | - | 1,851,728 |
| Contracted revenue | (2,308) | 98,007 | - | - | 2,169 | - | - | (42,802) | 54,988 |
| Other operating revenue | 9,788 | 137,242 | 4,081 | 4,188 | 3,188 | 1,887 | 453 | (11,840) | 148,946 |
| Net assets released from restrictions | 654 | 11,984 | 620 | 57 | 44 | 103 | - | - | 13,461 |
| Total unrestricted revenue and other support | 8,132 | 1,691,189 | 210,490 | 63,150 | 55,935 | 71,578 | 23,172 | (54,642) | 2,069,104 |
| Operating expenses | | | | | | | | | |
| Salaries | - | 808,344 | 105,807 | 30,380 | 25,982 | 28,215 | 12,087 | (18,837) | 988,383 |
| Employee benefits | - | 181,833 | 29,343 | 7,252 | 7,182 | 7,408 | 2,853 | (4,998) | 229,883 |
| Medical supplies and medications | - | 288,327 | 31,293 | 6,161 | 3,057 | 8,464 | 1,708 | - | 340,031 |
| Purchased services and other | 8,512 | 218,880 | 33,431 | 13,432 | 14,354 | 19,220 | 5,945 | (22,212) | 291,372 |
| Medicaid enhancement tax | - | 53,044 | 8,070 | 2,858 | 1,743 | 2,178 | - | - | 67,892 |
| Depreciation and amortization | 73 | 66,073 | 10,357 | 3,938 | 2,148 | 1,631 | 410 | - | 84,776 |
| Interest | 8,884 | 15,772 | 1,004 | 861 | 223 | 975 | 65 | (8,862) | 18,872 |
| Total operating expenses | 17,219 | 1,851,083 | 219,105 | 64,784 | 54,278 | 69,307 | 22,864 | (57,887) | 2,021,841 |
| Operating (loss) margin | (9,087) | 60,106 | (7,805) | (1,634) | 1,879 | 2,271 | 308 | 1,455 | 47,463 |
| Non-operating (losses) gains | | | | | | | | | |
| Investment (losses) gains | (28) | 35,177 | 1,864 | 1,087 | 787 | 203 | 1,383 | (188) | 40,387 |
| Other, net | (1,364) | (2,389) | (3) | 1,276 | 273 | (223) | 842 | (1,220) | (2,808) |
| Loss on early extinguishment of debt | - | (13,809) | - | (305) | - | - | - | - | (14,214) |
| Loss on swap termination | - | (14,247) | - | - | - | - | - | - | (14,247) |
| Total non-operating (losses) gains, net | (1,392) | 4,422 | 1,861 | 2,058 | 1,060 | (20) | 2,345 | (1,419) | 9,018 |
| (Deficiency) excess of revenue over expenses | (10,457) | 64,528 | (5,704) | 434 | 2,739 | 2,251 | 2,653 | 37 | 56,481 |
| Unrestricted net assets | | | | | | | | | |
| Net assets released from restrictions (Note 7) | - | 10,056 | - | 4 | 251 | - | - | - | 10,313 |
| 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 | (25,398) | 7,186 | 48 | 328 | - | - | - | - |
| Additional paid in capital | 58 | - | - | - | - | - | - | (58) | - |
| Other changes in net assets | - | - | - | - | - | (165) | - | - | (165) |
| Change in fair value on interest rate swaps | - | 4,180 | - | - | - | - | - | - | 4,180 |
| Change in funded status of interest rate swaps | - | 14,102 | - | - | - | - | - | - | 14,102 |
| Increase in unrestricted net assets | $ 7,392 | $ 77,823 | $ 4,311 | $ 486 | $ 4,445 | $ 2,086 | $ 2,653 | $ (21) | $ 89,156 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Consolidating Statements of Operations and Changes in Unrestricted Net Assets
## Year Ended June 30, 2017

| (in thousands of dollars) | 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 |
|---|---|---|---|---|---|---|---|---|---|
| Unrestricted revenue and other support | | | | | | | | | |
| Net patient service revenue, net of contractual allowances and discounts | $ 1,447,881 | $ 214,266 | $ 59,826 | $ 48,072 | $ (18) | $ 1,770,207 | $ 86,988 | $ - | $ 1,859,192 |
| Provision for bad debts | 42,967 | 14,126 | 2,010 | 1,705 | - | 60,803 | 2,842 | - | 63,645 |
| Net patient service revenue less provisions for bad debts | 1,404,886 | 200,140 | 57,816 | 46,367 | (18) | 1,709,404 | 86,143 | - | 1,795,547 |
| Contracted revenue | 86,830 | - | - | 1,061 | (41,771) | 46,710 | (4,966) | (44) | 43,671 |
| Other operating revenue | 104,811 | 3,045 | 3,638 | 1,362 | (1,148) | 111,838 | 6,418 | 820 | 119,177 |
| Net assets released from restrictions | 9,950 | 829 | (18) | 61 | - | 10,306 | 756 | - | 11,122 |
| Total unrestricted revenue and other support | 1,607,778 | 203,974 | 61,473 | 48,861 | (42,936) | 1,880,419 | 86,272 | 776 | 1,969,317 |
| Operating expenses | | | | | | | | | |
| Salaries | 787,644 | 102,789 | 30,311 | 23,849 | (21,784) | 922,488 | 42,327 | 1,836 | 966,352 |
| Employee benefits | 202,178 | 28,632 | 7,071 | 5,323 | (5,327) | 236,082 | 6,382 | 381 | 244,885 |
| Medical supplies and medications | 257,100 | 30,882 | 6,143 | 2,805 | (273) | 296,657 | 9,313 | - | 305,969 |
| Purchased services and other | 206,671 | 26,086 | 12,795 | 13,234 | (17,329) | 240,455 | 45,331 | (689) | 285,805 |
| Medicaid enhancement tax | 50,118 | 7,800 | 2,923 | 1,830 | - | 62,481 | 2,608 | - | 65,089 |
| Depreciation and amortization | 66,067 | 10,236 | 3,861 | 2,138 | - | 82,324 | 2,236 | - | 84,560 |
| Interest | 17,353 | 1,127 | 818 | 248 | (209) | 18,336 | 300 | - | 18,636 |
| Total operating expenses | 1,588,130 | 207,276 | 63,943 | 49,208 | (44,913) | 1,864,884 | 110,606 | 928 | 1,976,541 |
| Operating margin (loss) | 19,648 | (3,302) | (2,070) | 673 | 1,978 | 15,775 | (24,267) | (152) | (7,044) |
| Non-operating gains (losses) | | | | | | | | | |
| Investment gains (losses) | 42,484 | 1,378 | 1,579 | 884 | (308) | 46,207 | 4,848 | - | 51,055 |
| Other, net | (3,003) | - | (679) | 570 | (1,767) | (5,079) | 740 | 186 | (4,153) |
| Contribution revenue from acquisition | - | - | - | - | - | - | 20,215 | - | 20,215 |
| Total non-operating gains (losses), net | 39,481 | 1,378 | 901 | 1,354 | (1,978) | 41,128 | 25,804 | 186 | 67,118 |
| Excess (deficiency) of revenue over expenses | 58,130 | (2,124) | (1,378) | 2,227 | (1) | 56,903 | 3,217 | 4 | 60,074 |
| Unrestricted net assets | | | | | | | | | |
| Net assets released from restrictions (Note 7) | 983 | - | 9 | 442 | - | 1,434 | 405 | - | 1,839 |
| Change in funded status of pension and other postretirement benefits | (5,297) | 4,031 | - | (321) | - | (1,587) | - | - | (1,587) |
| Net assets transferred (from) to affiliates | (18,380) | 900 | 143 | 999 | - | (16,361) | 16,361 | - | - |
| Additional paid in capital | - | - | - | - | - | - | 6,389 | (6,389) | - |
| Other changes in net assets | - | - | - | (2,399) | - | (2,399) | (1,078) | - | (3,384) |
| Change in fair value on interest rate swaps | 6,416 | - | 1,357 | 47 | - | 7,820 | - | - | 7,820 |
| Increase in unrestricted net assets | $ 41,854 | $ 2,907 | $ 110 | $ 1,095 | $ (1) | $ 45,886 | $ 25,294 | $ (6,385) | $ 64,794 |

# Dartmouth-Hitchcock Health and Subsidiaries

## Consolidating Statements of Operations and Changes in Unrestricted Net Assets

## Year Ended June 30, 2017

| (In thousands of dollars) | D-HH (Parent) | D-H and Subsidiaries | Cheshire and Subsidiaries | NLH and Subsidiaries | MAHHC and Subsidiaries | APD | VNH and Subsidiaries | Eliminations | Health System Consolidated |
|---|---|---|---|---|---|---|---|---|---|
| Unrestricted revenue and other support | | | | | | | | | |
| Net patient service revenue, net of contractual allowances and discounts | $ - | $ 1,447,991 | $ 214,286 | $ 59,938 | $ 46,972 | $ 66,836 | $ 23,150 | $ (19) | $ 1,859,182 |
| Provisions for bad debts | - | 43,863 | 14,172 | 2,010 | 1,709 | 2,273 | 287 | - | 63,945 |
| Net patient service revenue less provisions for bad debts | - | 1,404,888 | 200,140 | 57,918 | 46,367 | 63,960 | 22,863 | (19) | 1,795,847 |
| Contracted revenue | (5,802) | 88,427 | - | - | 1,981 | - | - | (41,819) | 43,671 |
| Other operating revenue | 673 | 109,775 | 3,284 | 3,837 | 3,039 | 1,537 | 381 | (329) | 119,177 |
| Net assets released from restrictions | - | 10,200 | 639 | 116 | 61 | 106 | - | - | 11,122 |
| Total unrestricted revenue and other support | (5,129) | 1,611,400 | 204,043 | 61,871 | 51,377 | 65,203 | 23,954 | (42,167) | 1,969,817 |
| Operating expenses | | | | | | | | | |
| Salaries | 1,008 | 767,844 | 102,789 | 30,311 | 24,273 | 29,397 | 11,187 | (30,248) | 936,362 |
| Employee benefits | 283 | 202,178 | 26,632 | 7,071 | 5,886 | 5,832 | 2,404 | (4,841) | 244,825 |
| Medical supplies and medications | - | 257,100 | 30,882 | 8,143 | 2,805 | 7,780 | 1,753 | (773) | 306,080 |
| Purchased services and other | 18,021 | 712,418 | 29,802 | 12,663 | 13,838 | 16,984 | 6,807 | (18,382) | 809,805 |
| Medicaid enhancement tax | - | 30,118 | 7,809 | 2,823 | 1,830 | 2,806 | - | - | 65,089 |
| Depreciation and amortization | 26 | 66,087 | 10,398 | 3,866 | 2,242 | 1,532 | 413 | - | 84,562 |
| Interest | - | 17,227 | 1,127 | 618 | 248 | 467 | 33 | (209) | 19,836 |
| Total operating expenses | 17,348 | 1,972,973 | 209,319 | 63,809 | 50,801 | 63,890 | 22,707 | (43,853) | 1,979,961 |
| Operating (loss) margin | (22,479) | (361,573) | (5,276) | (1,938) | 726 | 1,343 | 757 | 1,791 | (7,044) |
| Non-operating gains (losses) | | | | | | | | | |
| Investment (losses) gains | (321) | 44,748 | 2,124 | 1,516 | 1,048 | 439 | 1,715 | (309) | 51,006 |
| Other, net | - | (3,003) | - | (579) | 581 | (161) | 886 | (1,579) | (4,153) |
| Contribution revenue from acquisition | 20,215 | - | - | - | - | - | - | - | 20,215 |
| Total non-operating gains, net | 19,894 | 41,745 | 2,124 | 937 | 1,629 | 278 | 2,601 | (1,788) | 67,118 |
| (Deficiency) excess of revenue over expenses | (2,584) | (80,770) | (3,181) | (1,298) | 2,352 | 1,621 | 7,881 | 3 | 60,074 |
| Unrestricted net assets | | | | | | | | | |
| Net assets released from restrictions (Note 7) | - | 1,075 | - | 8 | 442 | 186 | 150 | - | 1,839 |
| Change in funded status of pension and other postretirement benefits | - | (5,287) | 4,031 | - | (321) | - | - | - | (1,567) |
| Net assets transferred (from) to affiliates | (3,664) | (19,380) | 900 | 143 | 888 | - | 20,215 | - | - |
| Additional paid in capital | 8,308 | - | - | - | - | - | - | (8,308) | - |
| Other changes in net assets | - | - | - | - | (2,788) | (1,078) | - | - | (3,864) |
| Change in fair value on interest rate swaps | - | 6,418 | - | 1,337 | 47 | - | - | - | 7,802 |
| (Decrease) increase in unrestricted net assets | $ (88) | $ 44,099 | $ 1,750 | $ 191 | $ 1,720 | $ 701 | $ 23,231 | $ (8,305) | $ 64,784 |

# Dartmouth-Hitchcock Health and Subsidiaries
## Notes to Supplemental Consolidating Information
## June 30, 2018 and 2017

### 1. Basis of Presentation

The accompanying supplemental consolidating information includes the consolidating balance sheet and the consolidating statement of operations and changes in unrestricted net assets of D-HH and subsidiaries. All intercompany accounts and transactions between D-HH and 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, 2018

| Federal Program | CFDA number | Award number/pass-through identification number | Funding source | Pass-through entity | Total expenditures | Amount passed subrecipients |
|---|---|---|---|---|---|---|
| Research and Development Cluster | | | | | | |
| U.S. Department of Health and Human Services | | | | | | |
| Research on Healthcare Costs, Quality and Outcomes | 93.226 | 1P30HS024403 | Direct | | $ 701,304 | $ 67,800 |
| Total U.S. Department of Health and Human Services | | | | | 701,304 | 67,800 |
| Total Research and Development Cluster | | | | | 701,304 | 67,800 |
| Other Sponsored Programs | | | | | | |
| U.S. Department of Justice | | | | | | |
| Crime Victim Assistance | 16.575 | Not Provided | Pass-Through | (1) | 146,032 | - |
| Crime Victim Assistance | 16.575 | Not Provided | Pass-Through | (1) | 19,897 | - |
| Subtotal 16.575 | | | | | 165,929 | - |
| Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers | 16.758 | Not Provided | Pass-Through | (2) | 7,400 | - |
| Total U.S. Department of Justice | | | | | 173,329 | - |
| National Endowment for the Arts | | | | | | |
| Promotion of the Arts Partnership Agreements | 45.025 | 98,529,653 | Pass-Through | (7) | 9,560 | - |
| Total National Endowment for the Arts | | | | | 9,560 | - |
| U.S. Department of Education | | | | | | |
| Race to the Top Early Learning Challenge | 84.412 | 03440-34119-18-ELCG24 | Pass-Through | (8) | 27,830 | - |
| Race to the Top Early Learning Challenge | 84.412 | 03420-88518 | Pass-Through | (6) | 96,576 | - |
| Total U.S. Department of Education | | | | | 119,406 | - |
| U.S. Department of Health and Human Services | | | | | | |
| Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93.074 | 05-95-90-901010-5362-102-500731 | Pass-Through | (3) | 137,024 | - |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | H30MC24048 | Pass-Through | (4) | 22,620 | - |
| Coordinated Services and Access to Research for Women, Infants, Children | 93.153 | H12HA31112 | Direct | | 328,309 | |
| Coordinated Services and Access to Research for Women, Infants, Children | 93.153 | GH12HA24881-03-00 | Pass-Through | (5) | 41,096 | - |
| Subtotal 93.153 | | | | | 369,405 | |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance | 93.243 | 05-95-90-901010-5362-102-500731 | Pass-Through | (3) | 197,881 | - |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance | 93.243 | 03420-A180555, 03420-A171035 | Pass-Through | (6) | 221,190 | - |
| Subtotal 93.243 | | | | | 418,071 | - |
| Drug Free Communities Support Program Grants | 93.276 | 1H79SP030362 | Direct | | 114,190 | - |
| Centers for Disease Control and Prevention: Investigations, Technical Assistance | 93.283 | Not Provided | Pass-Through | (3) | 10,122 | |
| Partnerships to Improve Community Health | 93.331 | NU58DP005821 | Direct | | 125,214 | |
| Health Care Innovation Awards (HCIA) | 93.610 | QT-32013-04 | Pass-Through | (9) | 44,411 | - |
| Affordable Care Act Implementation Support for State Demonstrations to Integrate Care for Medicare-Medicaid Enrollees | 93.626 | 05-95-90-901010-5362-102-500731 | Pass-Through | (3) | 84,083 | |
| Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF) | 93.758 | 05-95-90-901010-5362-102-500731 | Pass-Through | (3) | 53,850 | - |
| Opioid STR | 93.788 | 05-95-62-620510-25580000 | Pass-Through | (3) | 219,780 | - |
| Organized Approaches to Increase Colorectal Cancer Screening | 93.800 | 1NU58DP006086 | Direct | | 838,452 | - |
| Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities | 93.817 | 03420-67555 | Pass-Through | (6) | 2,278 | - |
| Maternal, Infant and Early Childhood Home Visiting Grant Program | 93.870 | 03420-88518 | Pass-Through | (6) | 217,618 | - |
| National Bioterrorism Hospital Preparedness Program | 93.889 | 03420-70995 | Pass-Through | (6) | 2,851 | - |
| National Bioterrorism Hospital Preparedness Program | 93.889 | Not Provided | Pass-Through | (3) | 8,157 | - |
| National Bioterrorism Hospital Preparedness Program | 93.889 | Not Provided | Pass-Through | (3) | 60,483 | - |
| Subtotal 93.889 | | | | | 71,488 | - |

See accompanying notes to the Schedule of Expenditures of Federal Awards

# Dartmouth-Hitchcock Health and Subsidiaries
## Schedule of Expenditures of Federal Awards
## Year Ended June 30, 2018

| Federal Program | CFDA number | Award number/pass-through identification number | Funding source | Pass-through entity | Total expenditures | Amount passed subrecipients |
|---|---|---|---|---|---|---|
| Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program | 93.912 | D08RH31057 | Direct | | 237,583 | |
| Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | 93.918 | 2H76HA00812-12-01 | Pass-Through | (5) | 200,232 | - |
| Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | 93.918 | H76HA31654 | Direct | | 74,988 | - |
| Subtotal 93.918 | | | | | 275,220 | - |
| Block Grants for Community Mental Health Services | 93.958 | 05-95-922010-4120-102 | Pass-Through | (3) | 66,772 | - |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 03420-A180335 | Pass-Through | (6) | 54,958 | - |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 05-95-90-901010-5362-102-500731 | Pass-Through | (3) | 182,033 | - |
| Subtotal 93.959 | | | | | 216,991 | - |
| Maternal and Child Health Services Block Grant to the States | 93.994 | Not Provided | Pass-Through | (3) | 120,525 | - |
| Medicaid Cluster | | | | | | |
| Medical Assistance Program | 93.778 | 05-95-48-481010-33170000 | Pass-Through | (3) | 3,067,598 | 290,484 |
| Medical Assistance Program | 93.778 | 05-95-47-470010-52010000 | Pass-Through | (3) | 925,674 | - |
| Medical Assistance Program | 93.778 | 03420-88868 | Pass-Through | (6) | 59,481 | - |
| Medical Assistance Program | 93.778 | 03410-1730-18 | Pass-Through | (6) | 108,630 | - |
| Total Medicaid Cluster | | | | | 4,181,383 | 290,484 |
| Total U.S Department of Health and Human Services | | | | | 7,808,198 | 290,484 |
| Corporation for National and Community Service | | | | | | |
| AmeriCorps | 94.006 | 17ACHNH0010001 | Pass-Through | (10) | 39,961 | |
| Total Corporation for National and Community Service | | | | | 39,961 | |
| Total Federal Other Sponsored Programs | | | | | 8,150,442 | 290,484 |
| Total Expenditures of Federal Awards | | | | | $ 8,851,746 | $ 379,084 |

Pass-through entities referenced in this schedule are indicated below:

(1) New Hampshire Department of Justice
(2) National Children's Alliance
(3) New Hampshire Department of Health and Human Services
(4) Icahn School of Medicine at Mount Sinai
(5) Trustees of Dartmouth College
(6) Vermont Department of Health
(7) New Hampshire State Council on the Arts
(8) Vermont Agency of Human Services
(9) Association of American Medical Colleges
(10) Volunteer New Hampshire

See accompanying notes to the Schedule of Expenditures of Federal Awards

# Dartmouth-Hitchcock Health and Subsidiaries
## Notes to Schedule of Expenditures of Federal Awards
## Year Ended June 30, 2018

### 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, 2018 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 in 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, 2018. 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. The predetermined rate provided for the year ended June 30, 2018 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, 2018, 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, 2018.

# 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, 2018, and the related consolidated statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 7, 2018.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the consolidated 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 consolidated 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 consolidated 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 Health System'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 Health System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

Boston, Massachusetts
November 7, 2018

## 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, 2018. 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 the Health System's 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, 2018.

**Report on Internal Control Over Compliance**

Management of the Health System is 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.

PricewaterhouseCoopers LLP

Boston, Massachusetts
November 7, 2018

# Part III
# Findings and Questioned Costs

# Dartmouth-Hitchcock and Subsidiaries
## Schedule of Findings and Questioned Costs
## Year Ended June 30, 2018

### I. Summary of Auditor's Results

**Financial Statements**

| | |
|---|---|
| Type of auditor's report issued | Unmodified |
| 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 |
| Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

**Identification of major programs**

| CFDA Number | Name of Federal Program or Cluster |
|---|---|
| 93.778 | Medical Assistance Program |
| 93.153 | Coordinated Services and Access to Research for Women, Infants, Children, and Youth |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs | $750,000 |
| Auditee qualified as low-risk auditee? | Yes |

### II. Financial Statement Findings

None Noted

### III. Federal Award Findings and Questioned Costs

None Noted

# Dartmouth-Hitchcock and Subsidiaries
## Summary Schedule of the Status of Prior Audit Findings
## Year Ended June 30, 2018

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: April 1, 2019**

| | |
|---|---|
| **Jocelyn D. Chertoff, MD, MS, FACR**<br>MHMH/DHC (Clinical Chair/Center Director) Trustee<br>*Chair, Dept. of Radiology* | **Robert A. Oden, Jr., PhD**<br>MHMH/DHC/D-HH Trustee<br>*Retired President, Carleton College* |
| **Duane A. Compton, PhD**<br>MHMH/DHC/D-HH Trustee<br>*Ex-Officio: Dean, Geisel School of Medicine at Dartmouth* | **Charles G. Plimpton, MBA**<br>MHMH/DHC/D-HH Boards' Treasurer & Secretary<br>*Retired Investment Banker* |
| **William J. Conaty**<br>MHMH/DHC/D-HH Trustee<br>*President, Conaty Consulting, LLC* | **Kurt K. Rhynhart, MD, FACS**<br>MHMH/DHC (D-H Lebanon Physician Trustee Representative) Trustee<br>*DHMC Trauma Medical Director and Divisional Chief of Trauma and Acute Care Surgery* |
| **Joanne M. Conroy, MD**<br>MHMH/DHC/D-HH Trustee<br>*Ex-Officio: CEO & President, D-H/D-HH* | **Kari M. Rosenkranz, MD**<br>MHMH/DHC (Lebanon Physician) Trustee<br>*Associate Professor of Surgery; Medical Director, Comprehensive Breast Program; and Vice Chair for Education, Department of Surgery* |
| **Vincent S. Conti, MHA**<br>MHMH/DHC/D-HH Boards' Chair<br>*Retired President & CEO, Maine Medical Center* | **Edward Howe Stansfield, III, MA**<br>MHMH/DHC/D-HH Boards' Vice Chair<br>*Senior VP, Resident Director for the Hanover, NH Bank of America/Merrill Lynch Office* |
| **Paul P. Danos, PhD**<br>MHMH/DHC/D-HH Trustee<br>*Dean Emeritus; Laurence F. Whittemore Professor of Business Administration, Tuck School of Business at Dartmouth* | **Pamela Austin Thompson, MS, RN, CENP, FAAN**<br>MHMH/DHC/D-HH Trustee<br>*Chief executive officer emeritus of the American Organization of Nurse Executives (AONE)* |
| **Senator Judd A. Gregg**<br>MHMH/DHC Trustee<br>*Senior Advisor to SIFMA* | **Jon W. Wahrenberger, MD, FAHA, FACC**<br>MHMH/DHC (Lebanon Physician) Trustee<br>*Clinical Cardiologist, Cardiovascular Medicine* |
| **Roberta L. Hines, MD**<br>MHMH/DHC Trustee<br>*Nicholas M. Greene Professor and Chair, Dept. of Anesthesiology, Yale School of Medicine* | **Marc B. Wolpow, JD, MBA**<br>MHMH/DHC/D-HH Trustee<br>*Co-Chief Executive Officer of Audax Group* |
| **Cherie A. Holmes, MD, MSc**<br>MHMH/DHC/(Community Group Practice) Trustee<br>*Medical Director, Acute Care Services, D-H Keene/Cheshire Medical Center* | **Steven "Steve" A. Paris, MD**<br>D-HH Trustee (NOT a D-H Trustee)<br>*Regional Medical Director, Community Group Practices (CGPs)* |
| **Laura K. Landy, MBA**<br>MHMH/DHC/D-HH Trustee<br>*President and CEO of the Fannie E. Rippel Foundation* | |

**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
[redacted]

## I. EDUCATION

| DATE | INSTITUTION | DEGREE |
|---|---|---|
| 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, *Magna Cum Laude* – Thesis: "Latent *Chlamydia trachomatis* 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

| DATE | SPECIALTY | INSTITUTION |
|---|---|---|
| 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 1993 | Clinics, Iowa City IA |

## III. PROFESSIONAL DEVELOPMENT ACTIVITIES

| DATES | TITLE | INSTITUTION |
|---|---|---|
| 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

| DATE | TITLE | INSTITUTION |
|---|---|---|
| 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

[redacted]

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**

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

## 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**

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**

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

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 Hamspshire
*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

- 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

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

- 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

## 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.*

**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**

*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 21st Century*

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 or 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 uptodate 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

- 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.

7/2008 **^ Morbidity, Mortality and Improvement Conference**
Dartmouth-Hitchcock Medical Center, Lebanon, New Hampshire
- Presented a case of meningococcemia 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 meningococcemia.

## 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**

*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

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**, Ellyn 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.

**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

**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 — "HIVe 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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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.

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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.

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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.

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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.

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**Proceedings of Meetings:**

**Clinical Communication:**

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**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].

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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.

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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. 10th 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 20 | | | |
|---|---|---|---|---|
| NAME | JOB TITLE | SALARY | PERCENT PAID FROM THIS CONTRACT | AMOUNT PAID FROM THIS CONTRACT |
| Marsh, Bryan | Program Director | $337,454 | 2.00% | $6,749.08 |
| Altomare, Antonia | | $316,788 | 2.00% | $6,335.76 |
| Talbot, Elizabeth | | $301,310 | 47.38% | $142,773.35 |
| | | $0 | 0.00% | $0.00 |
| | | $0 | 0.00% | $0.00 |
| | | $0 | 0.00% | $0.00 |
| TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request) | | | | $155,858.19 |

| BUDGET PERIOD: | SFY21 | | | |
|---|---|---|---|---|
| NAME | JOB TITLE | SALARY | PERCENT PAID FROM THIS CONTRACT | AMOUNT PAID FROM THIS CONTRACT |
| Marsh, Bryan | Program Director | $350,952 | 2.00% | $7,019.04 |
| Altomare, Antonia | | $329,460 | 2.00% | $6,589.19 |
| Talbot, Elizabeth | | $313,362 | 45.39% | $142,249.95 |
| | | $0 | 0.00% | $0.00 |
| | | $0 | 0.00% | $0.00 |
| | | $0 | 0.00% | $0.00 |
| TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request) | | | | $155,858.19 |

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

NH DIVISION OF Public Health Services

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.

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

| Bidder Name | Pass/Fail | Maximum Points | Actual Points |
|---|---|---|---|
| 1. Trustees of Dartmouth College | 88% | 800 | 705 |
| 2. 0 | | 800 | 0 |
| 3. 0 | | 800 | 0 |
| 4. 0 | | 800 | 0 |

Reviewer Names

1. Elizabeth Daly, Administrative IV
2. Denise Krol, Program Specialist IV
3. Katrina Hansen, Supervisor VII
4. Shelley Swanson, Admistrator III
5. Ellen Chase-Lucard, Administrator II
6. Jen Conroy, Business Administrator II

Subject: Infectious Disease Medical & Epidemiology Consultant Services RFP-2018-DPHS-02-INFEC

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

## AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

## GENERAL PROVISIONS

**1. IDENTIFICATION.**

| | | | |
|---|---|---|---|
| 1.1 State Agency Name<br>NH Department of Health and Human Services | | 1.2 State Agency Address<br>129 Pleasant Street<br>Concord, NH 03301-3857 | |
| 1.3 Contractor Name<br>Trustees of Dartmouth College | | 1.4 Contractor Address<br>11 Rope Ferry Road, #6210<br>Hanover, NH 03755 | |
| 1.5 Contractor Phone Number<br>603-646-3007 | 1.6 Account Number<br>05-95-90-902510-2239-102-500731, 05-95-90-902510-7545-102-500731, 05-95-90-903010-1835-102-500731, 05-95-90-902510-2229-102-500731 | 1.7 Completion Date<br>June 30, 2019 | 1.8 Price Limitation<br>$ 448,842.00 |
| 1.9 Contracting Officer for State Agency<br>Jonathan V. Gallo, Esq., Interim Director | | 1.10 State Agency Telephone Number<br>603-271-9246 | |
| 1.11 Contractor Signature | | 1.12 Name and Title of Contractor Signatory<br>**Jill M. Mortali, Director**<br>**Office of Sponsored Projects** | |

1.13 Acknowledgement: State of NH, County of Grafton

On 4/17/17, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

Beverly Lancaster

[Seal]

BEVERLY LANCASTER
MY COMMISSION EXPIRES AUG. 24, 2021
NOTARY PUBLIC NEW HAMPSHIRE

1.13.2 Name and Title of Notary or Justice of the Peace

Beverly Lancaster

| | |
|---|---|
| 1.14 State Agency Signature<br>Lisa Morris<br>Date: | 1.15 Name and Title of State Agency Signatory<br>Lisa Morris, MSSW, Director |

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: Megan A. Yale, Attorney On: 5/20/17

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this



Contractor Initials JMM
Date 4/17/201

Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

**8. EVENT OF DEFAULT/REMEDIES.**
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.**
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.



Contractor Initials _____
Date 4/17/17

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation").*

*15.2* To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Contractor Initials
Date 4/12/17

# Scope of Services

## 1. Provisions Applicable to All Services

1.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue 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.

1.4. The Contractor shall address the needs of all NH residents and visitors who may be impacted by an infectious disease of public health concern or a public health emergency by strengthening infectious disease prevention and response capacity; public health emergency preparedness (PHEP) and healthcare system preparedness (HSP) capacity; and healthcare-associated infections and antimicrobial resistance (AR) prevention, response, and stewardship infrastructure and capacity.

## 2. Scope of Services

The Contractor shall provide:

### 2.1. Clinical Consultation Services

2.1.1. Designate an Infectious Disease Medical Epidemiologist Advisor (ID-MEA) to provide the required services in this contract. This role may be shared, particularly in regards to antimicrobial resistance (AR) subject matter expertise, and services supported among qualified staff.

2.1.2. The ID-MEA shall have some flexibility to be physically present at the Division of Public Health Services (DPHS) Concord office location when requested during significant infectious disease incidences or outbreaks to facilitate response and planning activities.

2.1.3. The ID-MEA shall be available 24/7 by phone for high-priority clinical consultations when not physically present, or must assure the DPHS access to clinical consultation for periods of time when the ID-MEA is not available. While present at the DPHS Concord office location, supplies, office equipment, computer, and phone will be provided by DPHS for use by the ID-MEA.

2.1.4. The ID-MEA will provide technical assistance and consultation to the DPHS, Bureau of Infectious Disease Control (BIDC) staff at mutually agreed upon times for non-urgent

surveillance, disease control, and outbreak response issues, as well as AR surveillance, response, and stewardship.

2.1.5. The ID-MEA will provide prompt and timely clinical consultation to BIDC staff for infectious disease issues, including but not limited to, HIV and tuberculosis clinical consultation.

2.1.6. The ID-MEA shall respond to 100% of high-priority infectious disease consultation requests within one (1) hour and 100% of non-high-priority infectious disease consultation requests within twenty-four (24) hours.

2.1.7. The ID-MEA will participate in after-hours, weekend, and holiday infectious disease physician support to front-line DPHS staff that are on-call. Preference is for the designated ID-MEA to provide this after-hours coverage, however, when not available, coverage can be provided by other qualified infectious disease physicians or an infectious disease clinical consultation call line.

2.1.8. The ID-MEA will respond to requests from the media, healthcare providers, and public health partners as requested by DPHS to inform, investigate and recommend the strategies for disease control measures, public health emergency response, and antimicrobial resistance.

2.1.9. The ID-MEA will assist with drafting and reviewing infectious disease-related healthcare provider communications and clinical guidance (e.g. health alerts) as well as infectious disease-related public communications (e.g. website, fact sheets, press releases, etc.).

2.1.10. The ID-MEA will attend 75% of weekly Outbreak Team meetings to discuss significant cases and outbreaks.

2.1.11. The ID-MEA will attend 75% of quarterly HIV Medical Advisory Board meetings to provide clinical guidance and provide recommendations.

2.1.12. The ID-MEA will participate as a member of the HIV Planning Group and attend meetings as appropriate.

2.1.13. The ID-MEA will attend quarterly meetings with the HIV Care Quality Management (QCM) Committee to review and provide guidance on clinical quality management activities. The ID-MEA will provide consultation services on CQM activities in between meetings if requested.

2.1.14. The ID-MEA will provide infectious disease-related presentations to statewide partners at large conferences, statewide webinars, or other appropriate venues, and present didactic presentations to DPHS staff on timely infectious disease topics.

2.1.15. The ID-MEA will assist with organization of, and participation in, relevant infectious disease, AR, and public health conferences as requested by the DPHS.

2.2. **Public Health and Healthcare Preparedness and Response Services**

2.2.1. The ID-MEA will assist with writing and implementation of infectious disease-related HSP, PHEP, and AR plans and guidance documents.

2.2.2. The ID-MEA will participate in exercising (workshops, tabletops, drills, etc.) of infectious disease-related HSP, PHEP, and AR plans.

2.2.3. The ID-MEA will serve as a medical subject matter expert as part of the DPHS Incident Management Team and participate in 90% of drills and respond to 100% of actual infectious disease-related events.

2.2.4. The ID-MEA will write standing orders for administration of antimicrobial agents or vaccines during infectious disease-related emergencies as requested and in accordance with established guidelines and state and federal regulations.

2.2.5. The ID-MEA will provide infectious disease-related subject matter expertise to the statewide Health Care Coalition (HCC) to assure healthcare system readiness and response capacity for infectious disease, especially for high-threat infectious diseases.

2.2.6. The ID-MEA will co-chair the Communicable Disease Epidemic Control Committee (CDECC), a group of state public health partners and healthcare providers that is logistically coordinated by DPHS and meets no more frequently than monthly.

2.3. **Antimicrobial Resistance and Healthcare-Associated Infections Services**

2.3.1. The ID-MEA will serve as AR subject matter expert and consultant to foster facility, regional and state-wide antimicrobial stewardship efforts through support of DPHS AR staff.

2.3.2. The ID-MEA will attend 75% of the healthcare-associated infections (HAI) technical advisory workgroup meetings.

2.3.3. The ID-MEA will co-chair AR advisory workgroup and attend 75% of the meetings.

2.3.4. The ID-MEA will present on AR surveillance and stewardship to healthcare facilities, healthcare providers, and DPHS staff as requested.

2.3.5. The ID-MEA will develop and review AR and stewardship resources to be distributed by the HAI Program to healthcare facilities and providers.

2.3.6. The ID-MEA will attend infectious disease AR conferences to provide the most up to date science to HAI Program staff on AR.

2.3.7. The ID-MEA will help develop and review antibiogram and other statewide AR reports, AR outbreak and cluster investigation reports, Carbapenem-resistant enterobacteriaceae and Clostridium difficile surveillance reports, and antimicrobial use reports.

## 3. Staffing

3.1. The Contractor shall designate an Infectious Disease Medical Epidemiologist Advisor (ID-MEA) to provide the services requested in this contract. The ID-MEA will serve as an infectious disease medical epidemiologist advisor and subject matter expert to support the Bureau of Infectious Disease Control and provide the full time equivalent of at least .65 FTE to this contract.

3.2. This .65 FTE role may be shared, with .325 FTE (50% of contracted time) dedicated to Clinical Consultation Services, .195 FTE (30% of contracted time) dedicated to Public Health and Healthcare Preparedness and Response Services, and .13 FTE (20% of contracted time) dedicated to AR subject matter expertise, and services supported among qualified individuals who meet the following criteria:

3.2.1. The individual(s) must be a medical doctor (M.D. or D.O.) and be eligible for and hold a valid New Hampshire medical license.

3.2.2. The individual(s) must have completed training in infectious disease as documented through completion of an infectious disease fellowship or similar credentialing program AND be board certified through the American Board of Internal Medicine in the specialty of Infectious Disease.

3.2.3. Preference is for a physician who has completed a Master of Public Health degree or similar program, Accredited Preventative Medicine Residency program or the Centers for Disease Control and Prevention (CDC) Epidemic Intelligence Service (EIS) program.

3.3. The Contractor shall provide staffing to fulfill the roles and responsibilities to support activities of this contract.

3.4. Staff funded under this contract will be required to attend pertinent technical assistance sessions, progress reviews, and conference calls. The Contractor shall address the details to the following requirements to ensure adequate staffing is provided:

3.4.1. Provide sufficient staff to perform all tasks specified in this contract. The Contractor shall maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles, and duties in a timely fashion. While an infectious disease physician must fill the primary role of ID-MEA, funds may be used to support other staff such as an infectious disease pharmacist to help fulfill the AR activities of the contract.

3.4.2. The Contractor shall ensure that all staff members have appropriate training, education, experience, and orientation to fulfill the requirements of the positions they hold and shall verify and document that it has met this requirement. This includes keeping up-to-date records and documentation of all individuals requiring licenses or certifications and such records shall be available for DHHS inspection.

## 4. Delegation and Subcontractors

4.1. DHHS recognizes that Contractors may choose to use subcontractors with specific expertise to perform certain services or functions for efficiency or convenience. However, the Contractor shall retain the responsibility and accountability for the function(s).

4.2. If Contractor uses subcontractors for this scope-of-work, the Contractor shall adhere to the subcontracting requirements detailed in Exhibit C, Paragraph 19. Subcontractors.

## 5. Reporting Requirements

5.1. The Contractor shall submit to the DHHS/DPHS Bureau of Infectious Disease Control Chief the following data to monitor program performance:

5.1.1. Quarterly reports on program activities and plans for the upcoming quarter, in a format developed and approved by DPHS. Reports will be due 30 days following the end of each calendar quarter and include the following:

5.1.1.1. Narrative of work completed in the past quarter;

5.1.1.2. Narrative of the work in process and plans for the upcoming quarter, including challenges or barriers to completing requirements as described in the Scope of Work; and

5.1.1.3. Documented achievements and work linked to the Scope of Work including reporting on the required performance measures.

5.1.2. A final cumulative report due 60 days following the end of the contract term.

## 6. Performance Measures

6.1. The Contractor shall report quarterly, or at intervals specified by the DHHS, on their progress towards meeting the following performance measures, and overall program goals and objectives to demonstrate they have met the required services for this contract.

6.1.1. Complete 90% of infectious disease consultation requests made by DPHS within a 24 hour time period.

6.1.2. Complete 100% of high-priority infectious disease consultation requests made by DPHS within one hour.

6.1.3. Participate in 90% of the DPHS Incident Management Team drills

6.1.4. Participate in 100% of actual DPHS infectious disease-related Incident Management Team activations.

6.1.5. Participate in 75% of Outbreak Team meetings.

6.1.6. Participate in 75% of HIV Medical Advisory Board meetings

6.1.7. Participate in 75% of Healthcare-Associated Infections Technical Advisory Workgroup Meetings.

6.1.8. Participate in 75% of Healthcare-Associated Infections Antimicrobial Resistance Advisory Workgroup meetings.

6.2. Annually, the Contractor shall develop and submit to the DHHS, a corrective action plan for any performance measure that was not achieved.

# Exhibit B

## Method and Conditions Precedent to Payment

1) The State shall pay the contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

   1.1. This contract is funded with

      1.1.1. Federal Funds from the Centers for Disease Control and Prevention, TP12-1201 HPP and PHEP Cooperative Agreements, CFDA #93.074, Federal Award Identification Number (FAIN), U90TP000535.

      1.1.2. Federal Funds from the Centers for Disease Control and Prevention, NH Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), CFDA #93.323, Federal Award Identification Number (FAIN), U50CK000427.

      1.1.3. Other Funds from Pharmaceutical Rebates.

      1.1.4. General Funds

2) The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.

3) Payment for said services shall be made monthly as follows:

   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 item.

   2.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep records of their activities related to Department programs and services.

   2.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.

   2.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

   2.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to: DPHScontractbilling@dhhs.nh.gov, or Invoices can be mailed to:

      Financial Administrator
      Department of Health and Human Services
      Division of Public Health Services
      29 Hazen Drive
      Concord, NH 03301

2.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.

4) Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

# Exhibit B-1 Budget

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

**Bidder/Contractor Name:** Trustees of Dartmouth College

**Budget Request for:** Infectious Disease Medical & Epidemiology Consultant Services
*(Name of RFP)*

**Budget Period:** SFY 2018

| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
|---|---|---|---|---|
| 1. Total Salary/Wages | $ 178,034.06 | $ 17,803.41 | $ 195,837.47 | MTDC |
| 2. Employee Benefits | $ 20,473.92 | $ 2,047.39 | $ 22,521.31 | MTDC |
| 3. Consultants | $ - | $ - | $ - | |
| 4. Equipment: | $ - | $ - | $ - | |
| Rental | $ - | $ - | $ - | |
| Repair and Maintenance | $ - | $ - | $ - | |
| Purchase/Depreciation | $ - | $ - | $ - | |
| 5. Supplies: | $ - | $ - | $ - | |
| Educational | $ - | $ - | $ - | |
| Lab | $ - | $ - | $ - | |
| Pharmacy | $ - | $ - | $ - | |
| Medical | $ - | $ - | $ - | |
| Office | $ - | $ - | $ - | |
| 6. Travel | $ 5,000.00 | $ 500.00 | $ 5,500.00 | MTDC |
| 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): | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| **TOTAL** | **$ 203,507.98** | **$ 20,350.80** | **$ 223,858.78** | |

**Indirect As A Percent of Direct** 10.0%

Contractor Initials: JMM

Date: 4/17/17

# Exhibit B-2 Budget

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

**Bidder/Contractor Name:** Trustees of Dartmouth College

**Budget Request for:** Infectious Disease Medical & Epidemiology Consultant Services
*(Name of RFP)*

**Budget Period:** SFY 2019

| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
|---|---|---|---|---|
| 1. Total Salary/Wages | $ 178,950.88 | $ 17,895.09 | $ 196,845.97 | MTDC |
| 2. Employee Benefits | $ 20,579.35 | $ 2,057.90 | $ 22,637.25 | MTDC |
| 3. Consultants | $ - | $ - | $ - | |
| 4. Equipment: | $ - | $ - | $ - | |
| Rental | $ - | $ - | $ - | |
| Repair and Maintenance | $ - | $ - | $ - | |
| Purchase/Depreciation | $ - | $ - | $ - | |
| 5. Supplies: | $ - | $ - | $ - | |
| Educational | $ - | $ - | $ - | |
| Lab | $ - | $ - | $ - | |
| Pharmacy | $ - | $ - | $ - | |
| Medical | $ - | $ - | $ - | |
| Office | $ - | $ - | $ - | |
| 6. Travel | $ 5,000.00 | $ 500.00 | $ 5,500.00 | MTDC |
| 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): | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| | $ - | $ - | $ - | |
| **TOTAL** | **$ 204,530.23** | **$ 20,452.99** | **$ 224,983.22** | |

**Indirect As A Percent of Direct** 10.0%

Contractor Initials: _____

Date: 4/17/17

## SPECIAL PROVISIONS

Contractors' Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
    11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
    11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
    13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than $25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, $150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**DEFINITIONS**
As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

## Exhibit C-1

### REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

   4. CONDITIONAL NATURE OF AGREEMENT.

   Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Extension:

   The Department reserves the right to renew the Contract for up to TWO (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

## CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS**
**US DEPARTMENT OF EDUCATION - CONTRACTORS**
**US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
   1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
   1.2. Establishing an ongoing drug-free awareness program to inform employees about
      1.2.1. The dangers of drug abuse in the workplace;
      1.2.2. The grantee's policy of maintaining a drug-free workplace;
      1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
      1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
   1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
   1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
      1.4.1. Abide by the terms of the statement; and
      1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
   1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)
1 Medical Center Drive
Lebanon, NH 03766

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name:

4/12/17
Date

Name:
Title:

Jill M. Mortali, Director
Office of Sponsored Projects

## CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Contractor Name:

4/17/17
Date

Name:
Title: Jill M. Mortali, Director
Office of Sponsored Projects

## CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



Contractor Initials _____
Date 4/17/17

information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
    11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
    11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
    11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (l)(b) of this certification; and
    11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

Date 6/12/12

Name:
Title: Jill M. Mortali, Director
Office of Sponsored Programs



Contractor Initials
Date 6/12/12

## CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND WHISTLEBLOWER PROTECTIONS

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name:

4/12/17
Date

Name:
Title:

Jill M. Mortali, Director
Office of Sponsored Projects

## CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name:

4/12/17
Date

Name:
Title:

**Jill M. Mortali, Director**
**Office of Sponsored Projects**

## HEALTH INSURANCE PORTABLITY ACT
## BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

**(1) Definitions.**

a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.

c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.

d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.

e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.

f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.

g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, TitleXIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.

h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.

i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).

j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.

m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.

n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.

o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH
Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

b. Business Associate may use or disclose PHI:
   I. For the proper management and administration of the Business Associate;
   II. As required by law, pursuant to the terms set forth in paragraph d. below; or
   III. For data aggregation purposes for the health care operations of Covered Entity.

c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) **Obligations and Activities of Business Associate.**

a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.

b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:

- The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- The unauthorized person used the protected health information or to whom the disclosure was made;
- Whether the protected health information was actually acquired or viewed
- The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.

d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.

b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

| Department of Health and Human Services | TRUSTEES OF DARTMOUTH COLLEGE |
|---|---|
| The State | Name of the Contractor |
| Signature of Authorized Representative | Signature of Authorized Representative |
| LISA MORRIS | Jill M. Martell, Director Office of Sponsored Projects |
| Name of Authorized Representative | Name of Authorized Representative |
| DIRECTOR | |
| Title of Authorized Representative | Title of Authorized Representative |
| 5/2/17 | 4/17/2017 |
| Date | Date |

## CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
    - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than $25M annually and
    - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

4/17/17
Date

Name:
Title:

Jill M. Mortali, Director
Office of Sponsored Projects



Contractor Initials
Date 4/17/17

## FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 04-102-7822

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

   X NO _____ YES

   If the answer to #2 above is NO, stop here

   If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

   _____ NO _____ YES

   If the answer to #3 above is YES, stop here

   If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____