



Lori A. Shibinette  
Commissioner

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

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9474 1-800-852-3345 Ext. 9474  
Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

4 mac  
FEB 16 2022

February 10, 2022

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

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

**REQUESTED ACTION**

1. Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services, Office of the Commissioner, to accept and expend the American Rescue Plan Act (ARPA), in the amount of \$1,763,253 effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023 and further authorize the allocation of these funds in the accounts below. These funds will be used for the purchase of Hampstead Hospital, a 111-bed licensed and accredited hospital in Hampstead, New Hampshire to improve the State's ability to provide inpatient psychiatric, behavioral and substance use services. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts.<sup>1</sup>
2. Contingent upon approval of Requested Action #1, pursuant to RSA 124:15, authorize the Department of Health and Human Services to establish 6 full-time, non-classified positions effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023.

<sup>1</sup> All direct program costs will be accounted for using activity 00FRF602PH9507A and all administrative and indirect costs will be accounted for using activity 00FRF602PH9507Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

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

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

Page 4

**05-95-95-957510-24380000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HAMPSTEAD HOSPITAL, HAMPSTEAD PURCHASE**

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
000-400338	Federal Funds	\$ 15,117,252	\$ 1,763,253	\$ 16,880,505
	Total Revenue:	\$ 15,117,252	\$ 1,763,253	\$ 16,880,505
Expense				
016-500141	Salary Non Class Employees	\$ -	\$ 765,154	\$ 765,154
027-582703	Transfers to DoIT	\$ -	\$ 200,000	\$ 200,000
033-500150	Land Acquisitions and Easement	\$ 13,000,000	\$ 20,000	\$ 13,020,000
033-500150	Land Acquisitions and Easement	\$ 2,000,000	\$ -	\$ 2,000,000
041-500801	Audit Set Aside	\$ 15,102	\$ 1,762.00	\$ 16,864
060-500612	Benefits	\$ -	\$ 366,337	\$ 366,337
085-588514	Inter-Agency Transfers out of Federal Funds	\$ 73,900	\$ -	\$ 73,900
085-588520	Inter-Agency Transfers out of Federal Funds	\$ -	\$ 300,000	\$ 300,000
103-502507	Contracts for Operational Services	\$ 28,250	\$ 110,000	\$ 138,250
	Total Expense:	\$ 15,117,252	\$ 1,763,253	\$ 16,880,505

**EXPLANATION**

Hampstead Hospital has served an important role as New Hampshire has adapted its behavioral health system to meet population needs across the lifespan. This includes moving pediatric services outside of the New Hampshire Hospital campus to ensure appropriate focus on child-specific treatment needs while allowing more treatment and space options for transitional and supported housing for New Hampshire Hospital's adult patients. Through its contract with DHHS, Hampstead Hospital has been an important partner in addressing the needs of children.

This item is to budget additional costs that had not been calculated as of the submittal of the initial purchase document. The change includes the purchase of title insurance, the initial costs for the electronic medical record system, the legal fees incurred by the Attorney General's Office, conducting a condition analysis of the building as well as other miscellaneous inspections and the standing up of non-classified positions as a temporary solution until unclassified positions are created by the legislature.

Funds will be budgeted as follows:

**Class 016-500141 Salary Non Class Employees**

The following positions are being budgeted, based on the maximum of an expected unclassified pay level. This is for 12 months of expenditures, as it is expected that some of these positions will be hired prior to acquisition completion, and that the unclassified position establishment will take several months into FY23.

The Honorable Ken Weyler, Chairman  
Fiscal Committee of the General Court

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

Page 3

Chief Executive Officer	PP (\$165,282.00)
Chief Operations Officer	HH (119,184.00)
Chief Financial Officer	II (\$126,048.00)
Compliance Officer	HH(\$119,184.00)
General Counsel	II (\$126,048.00)
Contract Manager	GG(\$109,408.00)

**Class 027-582703 Transfers to DoIT**

These funds will be used for the initial costs to have Hampstead use the same Electronic Health Record (EHR) as New Hampshire Hospital. This is necessary to ensure the billing functions are transferable skills between NHH and Hampstead Hospital.

**Class 041-500801 Audit Set Aside**

As required by Department of Administrative Services

**Class 060-500612, Benefits**

Benefits for the positions budgeted in class 016.

**Class 085-588520, Inter-Agency Transfers out of Federal Funds**

These funds will be used to pay for contracted costs incurred by the Department of Justice.

**Class 103-502507, Contracts for Operational Services**

An inspection of the building is required, called a 'Facility Assessment.' This assessment will include a team of design professionals visiting the building to assess the structure, envelope, MEP systems, site, etc. The result will be a report compiling all their gathered data on existing conditions and the buildings' suitability for the continued use. The estimated cost for this assessment is up to \$100,000. There are additional miscellaneous inspections that are expected to be conducted, like a septic inspection.

This item does not include any funding for operating the facility. A separate item will be presented for the operating budget. In order to design an effective and appropriate operating budget for the facility, the Department is actively reviewing financial reports, Medicare Cost Reports, contract needs, and general operating requirements. As the facility was not state-run previously, there are many implications relative to state finance and procurement law that must be considered, and as such the Department is working diligently to resolve these questions and be able to bring forth an operating budget for the facility.

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

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

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

1) List of personnel involved:

Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, Compliance Officer, General Counsel, Contract Manager

2) Nature, Need, and Duration:

The positions are being budgeted, based on the maximum of an expected unclassified pay level. This is for 12 months of expenditures, as it is expected that some of these positions will be hired prior to acquisition completion, and that the unclassified position establishment will take several months into FY23.

3) Relationship to existing agency programs:

These leadership positions will work in partnership with Hampstead Hospital leadership (executed by a third party vendor) for determining strategic direction and oversight of day-to-day operations of the Hospital, a similar model used at New Hampshire Hospital.

4) Has a similar program been requested of the legislature and denied?

No. However, SB 430 requests establishment of new positions at Hampstead Hospital for inpatient treatment of children's behavioral health.

5) Why wasn't funding included in the agency's budget request?

The opportunity to purchase Hampstead Hospital happened after the budget was completed.

6) Can portions of the grant funds be utilized?

This request is for ARPA funds.

7) Estimate the funds required to continue this position(s):

The operating budget is still be constructed.

Area served: Statewide

Source of funds: These funds are 100% Federal

Respectfully submitted,



Lori A. Shibinette For  
Commissioner