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State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES
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JEFFREY A. MEYERS
COMMISSIONER

September 12, 2019

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

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

REQUESTED ACTION

Pursuant to the provisions of Chapter 145, subparagraph I, (a), Laws of 2019, the Department of Health and Human Services, requests authorization to exceed the 3/12 limitation of said resolution for the accounts listed below, in the total amount of **\$915,223**, to the extent shown as projected deficits for the period of Fiscal Committee and Governor and Council approval through September 30, 2019. **42% General funds, 58% Federal and Other Funds.**

PERSONAL SERVICES PERMANENT - 100% GENERAL FUND

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-42-421510-79140000	MAINTENANCE	010	99,342	99,352	(10)
05-95-42-421510-79150000	HEALTH SERVICES	010	184,709	186,021	(1,312)
05-95-91-910010-57400000	Glencliff Home	012	31,780	32,080	(300)
05-95-91-910010-78920000	Glencliff Home	010	156,251	159,056	(2,805)
	General Funding Source		472,082	476,509	(4,427)

PERSONAL SERVICES PERMANENT - Mixed or Other Funding

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-42-422010-79210000	MINORITY HLTH/REFUGEE AFFAIRS	010	88,133	88,233	(100)
05-95-95-952010-66360000	LONG TERM CARE OMBUDSMAN	010	88,269	88,869	(600)
05-95-95-953010-56870000	DHHS DISTRICT OFFICE	010	114,921	115,421	(500)
05-95-95-955010-66370000	QAI OPERATIONS	010	472,507	475,607	(3,100)
05-95-45-451010-79960000	DIRECTOR'S OFFICE	012	31,186	33,724	(2,538)
05-95-42-421010-29570000	CHILD PROTECTION	010	4,698,697	4,782,561	(83,864)
05-95-93-930010-59470000	PROGRAM SUPPORT	012	113,514	114,114	(600)
	Other & Federal Funding Source		2,164,041	2,198,837	(34,796)
	General Funding Source		3,443,186	3,499,692	(56,506)

PERSONAL SERVICES TEMPORARY- 100% GENERAL FUND

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-42-421510-79140000	MAINTENANCE	050	6,224	6,344	(120)
05-95-91-910010-57200000	Glencliff Home	050	20,551	23,972	(3,421)
05-91-91-910010-78920000	Glencliff Home	050	11,362	13,429	(2,067)
	General Funding Source		38,137	43,745	(5,608)

PERSONAL SERVICES TEMPORARY - Mixed or Other Funding

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-95-952010-56800000	LEGAL SERVICES	050	37,144	40,644	(3,500)
05-95-95-954010-59520000	OFFICE OF INFORMATION SERVICES	050	94,406	95,406	(1,000)
05-95-95-950010-71780000	HOMELAND SECURITY	059	15,130	34,730	(19,600)
05-95-91-910010-57100000	Glenciff Home	050	95,109	105,140	(10,031)
	Other & Federal Funding Source		170,511	200,193	(29,682)
	General Funding Source		71,278	75,727	(4,449)

PERSONAL SERVICES BENEFITS - Mixed or Other Funding

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-95-955010-66370000	QAI OPERATIONS	060	263,883	264,433	(550)
05-95-42-421010-29570000	CHILD PROTECTION	060	2,582,793	2,596,518	(13,725)
05-95-42-421010-29620000	BUREAU OF ADMIN OPERATIONS	060	173,854	175,259	(1,405)
05-95-92-920510-69350000	MAT GRANT	060	7,277	8,777	(1,500)
	Other & Federal Funding Source		1,234,074	1,241,892	(7,818)
	General Funding Source		1,793,733	1,803,095	(9,362)

PERSONAL SERVICES OVERTIME & HOLIDAY - 100% GENERAL FUND

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-93-930010-71640000	NH DESIGNATED REC FACILITY	019	3,589	5,089	(1,500)
05-95-91-910010-57200000	Glenciff Home	018	3,070	5,954	(2,884)
	General Funding Source		6,659	11,043	(4,384)

PERSONAL SERVICES OVERTIME & HOLIDAY - Mixed or Other Funding

<u>Account</u>	<u>Bureau/Division</u>	<u>Class</u>	<u>Cont. Res. Budget</u>	<u>Estimated Expenditures</u>	<u>Projected Deficit</u>
05-95-95-952010-56800000	LEGAL SERVICES	018	335	2,335	(2,000)
05-95-95-954010-59520000	OFFICE OF INFORMATION SERVICES	018	25,000	27,000	(2,000)
05-95-45-450010-61250000	DIRECTOR'S OFFICE	018	750	1,750	(1,000)
05-95-45-451010-79970000	DISABILITY DETERMINATION UNIT	018	2,572	4,732	(2,160)
05-95-42-421010-29570000	CHILD PROTECTION	018	29,976	167,173	(137,197)
05-95-42-421410-79050000	JUVENILE FIELD SERVICES	018	26,512	41,231	(14,719)
05-95-91-910010-57100000	Glenciff Home	018	77,826	196,346	(118,520)
05-95-93-930010-59470000	PROGRAM SUPPORT	018	1,250	4,050	(2,800)
05-95-93-930010-71670000	MEDICAID COMPLIANCE	018	500	3,700	(3,200)
05-95-94-940010-84100000	Facilities/Patient Support	018	62,500	82,610	(20,110)
05-95-94-940010-87500000	Acute Psychiatric Services	018	203,725	658,210	(454,485)
	Other & Federal Funding Source		252,911	710,112	(457,201)
	General Funding Source		178,035	479,025	(300,990)
	Total General Funding Source		6,003,110	6,388,836	(385,726)
	Total Other & Federal Funding Source		3,821,537	4,351,034	(529,497)
	Total Funding		9,824,647	10,739,870	(915,223)

EXPLANATION

The Department of Health and Human Services (DHHS) respectfully requests that above expenditure classes in specific accounting units be increased for the amounts noted, in excess of the 3/12 limitation established pursuant to Chapter 145, subparagraph I, (a), Laws of 2019.

The deficits projected through the end of the continuing resolution, September 30, 2019, are the result of anticipated payroll and benefit obligations, which will exceed the 25% level of funding for FY 2019, as reflected in the DHHS agency budget request for the FY 2020-2021 biennium.

The primary driver for the shortfalls expected in the payroll and benefit line, is the timing of the State's bi-weekly payroll processing schedule that places 7 pay periods in the 3 month span of the Continuing Resolution. (This seventh payroll is one of two extra monthly pay periods of our annual 26 pay period cycle, which places three FY 2020 payrolls in the months of August and January 2020.)

Additional contributors to the shortfalls, unique to the personnel makeup of each accounting unit, may include one or more of the following:

- The effect of the hiring of any individual(s) at a higher level of pay or benefit plan than originally planned for in the FY 2018-2019 budget process.
- The effect of an additional salary increment (step) available for employees associated with the most recent collective bargaining agreements, versus the original budgeted projections.

The list of shortfall contributors above, would normally be mitigated in part by the agency's ability to seek relief from the Salary Adjustment Fund (RSA 99:4) and or the Benefit Adjustment fund (RSA 9:17-c) for these unbudgeted but normal costs of conducting the State's business.

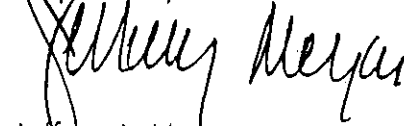
The two funds noted above would normally be populated by DAS, from a general sweep request and action, to collect salary and benefit excess appropriations from each department, normally done on a quarterly basis. Given the short term of the Continuing Resolution, and the seventh pay period due to be paid September 27, 2019, excess funds are not expected to be available to be brought into the adjustment funds.

All Temporary Part-Time and Full-Time funding deficits are for positions that existed in FY19 and are anticipated to be funded in the FY 2020-2021 budget. This request does not represent a request for any new positions.

Listed below are answers to standard questions required of all Fiscal Committee item requests, related to RSA 9:16-a, "Transfers authorized", RSA 14:30-a, VI "Expenditure of funds over \$100,000 from any Non State Source", or RSA 124:15, "Positions Authorized", or both, and all emergency requests pursuant to " Chapter 145, subparagraph I, (a), Laws of 2019, making temporary appropriations for the expenses and encumbrances of the State of New Hampshire":

1. **Is the action required of this request a result of the Continuing Resolution for FY 2020?** Yes, this request is a result of the Continuing Resolution. This action would not have been requested if the FY 2020-2021 Operating Budget proposal had been approved.
2. **If this request is retroactive what is the significance and importance of the action being effective from an earlier date?** This request is not retroactive.
3. **Is this a previously funded and ongoing program established through Fiscal Committee and Governor and Executive Council action? (If so, include as an attachment the original documents as approved and cite the specific dates of authorization and end dates for each action as part of your answer to this question.)** This request is not related to prior Fiscal Committee and/or Governor and Council action.
4. **Was funding for this program included in the FY 2018-2019 enacted Budget or requested and denied?** Funding was requested and authorized in the FY 2018-2019 enacted budget for these expenditure lines. Operational needs during the year necessitated transfer to augment the levels approved in the FY 2019 Budget. The new expenditure level for each class was requested in the FY 2020-2021 Operating Budget proposal currently pending.
5. **Is this program in total or in part, included in the vetoed FY 2020-2021 Operating Budget proposal currently pending for your department, or was it requested and denied?** The total funding needs to support the salaries and benefits for DHHS were requested and included in the FY 2020-2021 Operating Budget proposal currently pending.
6. **Does this program include, either positions or consultants, and if so are the positions filled, vacant, or have offers pending? (Please provide details for each position and note whether consultant contracts have been awarded.)** This request is the result of the need for additional funding to support filled position costs associated the seven pay periods of the Continuing Resolution and other expected payroll anomalies, which occur annually.
7. **What would be the effect should this program be discontinued or not initiated as a result of this request being denied?** The State is obligated to make payment to individuals for the work that they perform on our behalf. The denial of the request would necessitate that DHHS return to Fiscal Committee with a transfer request compiled from any allowable expenditure class line with identical funding to mitigate the anticipated shortfalls in these salary and benefit lines.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner