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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF FINANCE

Jeffrey A. Meyers
Commissioner

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Kerrin A. Rounds
Chief Financial Officer

May 24, 2018

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court

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

REQUESTED ACTION

#1) Pursuant to RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services to accept and expend additional federal Designated State Health Programs (DSHP) revenue in the amount of \$2,031,276 effective upon approval by the Fiscal Committee and Governor and Executive Council through June 30, 2018, and further authorize the allocation of these funds in the account below. (100% Federal Funds (DSHP Revenue)).

**05-95-92-920510-3382 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SVCS,
GOVERNOR COMMISSION FUNDS**

CLASS/ OBJECT	CLASS TITLE	Current Authorized Budget	This Request	Adjusted Budget
000-405208	Federal Funds (DSHP)	\$1,776,197	\$2,031,276	\$3,807,473
006-407545	Agency Income	\$103,009		\$103,009
009-407079	Agency Income	\$4,742,103		\$4,742,103
	General Fund	\$3,623,926		\$3,623,926
	Total Revenue	\$10,245,235	\$2,031,276	\$12,276,511
041-500801	Audit Set Aside	\$1,666		\$1,666
102-500734	Contracts for Program Services	\$10,243,569	\$2,031,276	\$12,274,845
	Total Expense	\$10,245,235	\$2,031,276	\$12,276,511

#2 – Contingent upon approval of Requested Action #1 and pursuant to the provisions of RSA 9:16-a, Transfers Authorized, authorize the Department of Health and Human Services, Office of Medicaid Services to transfer other funds in the amount of \$2,031,276 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2018, and further authorize the allocation of these funds in the accounts below. 100% Other Funds.

**05-95-92-920510-3382 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
 DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SVCS,
 GOVERNOR COMMISSION FUNDS**

Class/Object	Class Title	Adjusted Authorized	Increase/Decrease Budget	Adjusted Authorized
000-405208	Federal Funds (DSHP)	\$3,807,473		\$3,807,473
006-407545	Agency Income	\$103,009		\$103,009
009-407079	Agency Income	\$4,742,103	(\$2,031,276)	\$2,710,827
	General Fund	\$3,623,926		\$3,623,926
	Total Revenue	\$12,276,511	(\$2,031,276)	\$10,245,235
041-500801	Audit Set Aside	\$1,666	\$0	\$1,666
102-500734	Contracts for Program Services	\$12,274,845	(\$2,031,276)	\$10,243,569
	Total Expense	\$12,276,511	(\$2,031,276)	\$10,245,235

**05-95-47-470010-5201, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
 DEPT OF, HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY,
 IDN FUND**

Class/Object	Class Title	Adjusted Authorized	Increase/Decrease Budget	Adjusted Authorized
401861-000	Federal Funds	\$24,380,773		\$24,380,773
407079-009	Agency income	\$2,150,755	\$2,031,276	\$4,182,031
	General Funds	\$22,209,162		\$22,209,162
	Total Revenue	\$48,740,690	\$2,031,276	\$50,771,966
010-500100	Personal Services - Perm Classified	\$276,908		\$276,908
039-500188	Telecommunication	\$3,000		\$3,000
041-500801	Audit Set Aside	\$24,805		\$24,805
042-500620	Additional Fringe Benefits	\$18,175		\$18,175

060-500602	Health Insurance Benefit - Perm	\$127,318		\$127,318
070-500704	In-State Travel	\$3,000		\$3,000
080-500714	Out-of State Travel	\$15,000		\$15,000
102-500731	Contracts for Program Services	\$48,272,484	\$2,031,276	\$50,303,760
	Total Expense	\$48,740,690	\$2,031,276	\$50,771,966

#3) Contingent upon approval of Requested Action #2 and pursuant to the provisions of RSA 9:16-a, Transfers Authorized, authorize the Department of Health and Human Services, Office of Medicaid Business and Policy to transfer general funds in the amount of \$2,031,276 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2018, and further authorize the allocation of these funds in the accounts below. 100% General Funds.

**05-95-47-470010-5201, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
 DEPT OF, HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY,
 IDN FUND**

Class/Object	Class Title	Adjusted Authorized	Increase/Decrease Budget	Adjusted Authorized
401861-000	Federal Funds	\$24,380,773		\$24,380,773
407079-009	Agency income	\$4,182,031		\$4,182,031
	General Funds	\$22,209,162	(\$2,031,276)	\$20,177,886
	Total Revenue	\$50,771,966	(\$2,031,276)	\$48,740,690
010-500100	Personal Services - Perm Classified	\$276,908		\$276,908
039-500188	Telecommunication	\$3,000		\$3,000
041-500801	Audit Set Aside	\$24,805		\$24,805
042-500620	Additional Fringe Benefits	\$18,175		\$18,175
060-500602	Health Insurance Benefit - Perm	\$127,318		\$127,318
070-500704	In-State Travel	\$3,000		\$3,000
080-500714	Out-of State Travel	\$15,000		\$15,000
102-500731	Contracts for Program Services	\$50,303,760	(\$2,031,276)	\$48,272,484
	Total Expense	\$50,771,966	(\$2,031,276)	\$48,740,690

**05-95-47-470010-7939, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
 DEPT OF, HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY,
 STATE PHASE DOWN**

Class/Object	Class Title	Adjusted Authorized	Increase/Decrease Budget	Adjusted Authorized
	General Funds	\$43,907,676	\$2,031,276	\$45,938,952
	Total Revenue	\$43,907,676	\$2,031,276	\$45,938,952
503-500892	State Phase Down	\$43,907,676	\$2,031,276	\$45,938,952
	Total Expense	\$43,907,676	\$2,031,276	\$45,938,952

EXPLANATION

The Department is requesting to (i) accept additional agency federal DSHP revenue in the Bureau of Drug & Alcohol Services, (ii) transfer other funds from the Bureau of Drug & Alcohol Services to the Medicaid IDN Fund and (iii) transfer general funds from Medicaid to the State Phase Down account.

The Department seeks to accept additional DSHP revenue not budgeted in the Bureau of Drug & Alcohol Services to allow for the transfer of other funds to the Office of Medicaid Services IDN Fund. As part of the New Hampshire Building Capacity for Transformation 1115 Waiver from the Centers for Medicare and Medicaid Services (CMS), CMS has granted authority for DHHS to receive federal matching funds for costs not otherwise matched.

The Department seeks to utilize additional agency income earned in the IDN Fund to supplant general funds to lapse at year end to meet the Department's lapse target amount. The IDN Fund serves as the vehicle for Delivery System Reform Incentive payments (DSRIP) to regionally based Integrated Delivery Networks (IDNs) that furnish Medicaid services. IDNs are comprised of individual providers that form coalitions and are used as a means to foster relationships between behavioral health providers and other community health care providers to achieve the vision of a transformative integrated delivery system. IDN payments are not direct reimbursement for expenditures for services. Rather payments from the IDN fund are intended to support IDNs and their participating providers for integrating behavioral and physical health, expanding provider capacity, and reducing gaps in care during transitions.

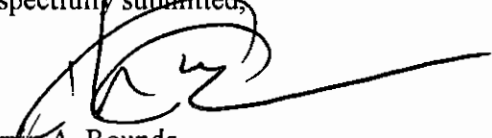
The Department requests to transfer the general funds from 52010000 IDN Fund as the account contains a budget footnote *F*. *This appropriation shall not lapse until June 30, 2019.* The general funds are requested to be transferred to the State Phase Down 79390000 accounting unit where the general funds will lapse at state fiscal year end.


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

- A. Justification: As noted above, this accept and expend request is utilizing available surplus. The DSHP revenue was under budgeted and Bureau of Drug & Alcohol Services has earned more than anticipated.
- B. Does this transfer involve continuing programs or one-time projects?
This transfer involves continuing programs.
- C. Is this transfer required to maintain existing program levels or will it increase the program level?
This transfer is required to maintain existing program levels and to lapse surplus general funds at state fiscal year end.
- D. Cite any requirements which make this program mandatory.
The programs of the Department are mandated by various state and federal laws.
- E. Identify the source of funds on all accounts listed on this transfer.
047-5201 is 50.63% federal funds, 43.8% general funds and 5.57% other funds;
047-7939 is 100% general funds;
092-3382 is 17% federal; 36% general funds; 47% other funds
- F. Will there be any effect on revenue if this transfer is not approved? Yes, the surplus funds currently reside in a non-lapsing account. If this transfer is not approved, the surplus general funds would be carried forward into state fiscal year 2019 and would not lapse.
- G. Are funds expected to lapse if this transfer is not approved? AU 3382 Bureau of Drug and Alcohol and AU 5201 IDN Fund are non-lapsing accounts
- H. Are personnel services involved?
No positions are being transferred as a result of this request.

Geographic area served: Statewide

Respectfully submitted,


For Kerri A. Rounds
Chief Financial Officer

Approved by: 
Jeffrey A. Meyers
Commissioner