



STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6503
603-271-4741 1-800-852-3345 Ext. 4741
Fax: 603-271-4506 TDD Access: 1-800-735-2964



Jeffrey A. Meyers
Commissioner

Lisa Morris
Director

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December 22, 2016

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

Approved by Fiscal Committee [Signature] 1/13/17
Date

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Public Health Systems, Policy and Performance, Rural Health and Primary Care to accept and expend Other funds in the amount of \$97,000 from the New Hampshire Medical Malpractice Joint Underwriting Association (JUA) to fund the State Loan Repayment Program effective upon date of approval by the Fiscal Committee and Governor and Executive Council, through June 30, 2017, and further authorize the funds to be allocated as follows. 100% Other Funds

05-95-90-901010-79650000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS, POLICY AND PERFORMANCE, RURAL HEALTH AND PRIMARY CARE

Table with 5 columns: Class/Object, Class Title, Current Modified Budget, Increase (Decrease) Amount, Revised Modified Amount. Rows include Federal Funds, Agency Income, General Funds, Total Revenue, Personal Serv - Perm, Overtime, Current Expense, Organizational Dues, Equipment, and Telecommunications.

041-500801	Audit Fund Set Aside	\$456	\$0.00	\$456
042-500620	Transfer to COLA	\$16,583	\$0.00	\$16,583
046-500464	Consultants	\$1	\$0.00	\$1
050-500109	Personal Serv-Temp	\$389	\$0.00	\$389
060-500602	Benefits	\$85,098	\$0.00	\$85,098
070-500704	In State Travel	\$3,000	\$0.00	\$3,000
073-500578	Grants Non Federal	\$770,726	\$97,000	\$867,726
080-500710	Out of State Travel	\$11,050	\$0.00	\$11,050
102-500731	Contracts for Program Serv	\$264,625	\$0.00	\$264,625
103-502664	Contracts for Operational Serv	\$110,347	\$0.00	\$110,347
Total Expenses		\$1,443,056	\$97,000	\$1,540,056

EXPLANATION

The State Loan Repayment Program provides funds to health care providers working in areas of the state designated as being medically underserved. These medically underserved areas identified as Health Care Professional Shortage Areas, Mental Health Professional Shortage Areas, Dental Health Professional Shortage Areas, Medically Underserved Areas/Populations, and Governor's Exceptional Medically Underserved Populations are indicators that a shortage of health care professionals exists, posing a barrier to access healthcare services for the residents of these areas. As one of several approaches to improve access to healthcare services, the State Loan Repayment Program has proven to be a successful short and long-term strategy to recruit and retain physicians, dentists, and other healthcare professionals into New Hampshire's underserved communities. In addition, the health care provider and practicing site that are participating in the State Loan Repayment Program agree to provide direct primary health care services especially for uninsured residents who are residing in our medically underserved areas of New Hampshire. A significant percentage of New Hampshire residents continue to face difficulty accessing primary care, mental, and oral health care services, due to workforce challenges.

The JUA was established by the Commissioner of the Department of Insurance under RSA 404-C in 1975 to provide malpractice insurance at competitive rates to any eligible health care provider. Funds were awarded and kept in a Treasury Account in Fiscal Year 2015 and this is the only time such an award has been made to the program. The agreement with the JUA allows the program to move funds from the Treasury Account, each year, as needed. Fiscal (FIS 15-255) and Governor and Council item (12/16/2015 #24) was previously approved and added to the SFY 2017 budget, but additional funds are now needed in order to accommodate all of the State Loan Repayment Program applicants for this year. The additional funds requested in this letter will allow us to place as many as 5 additional providers in medically underserved areas throughout the state. These 5 providers will receive a range of payments from \$7,000 to \$30,000 equaling the \$97,000 this fiscal year as part of their overall contracts for the State Loan Repayment Program.

Funds are budgeted in Grants Non Federal (Class 073) for additional providers in medically underserved areas throughout the state.

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These funds may not be used to offset General Funds as they are specifically granted to the State for the purpose of providing the services described above.

These funds will not change the program eligibility levels. No new program will be established with the acceptance of these funds.

Area served: Statewide

Source of funds: These funds are 100% Other Funds from the New Hampshire Medical Malpractice Joint Underwriting Association to fund the State Loan Repayment Program.

In the event that these 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

LM/cl

**Award History
JUA**

Per JUA Award Letter 8/6/15	1,600,000
Expended Through 6/30/16	<u>(278,656)</u>
Available Award Balance 7/1/16	1,321,344
SFY 17 Appropriations *	(400,000)
brought forward	(123,955)
Available To Accept	<u>797,389</u>
Amount Requested this Action	<u>97,000</u>

	2017 Budget			Balance Forward	Total	This Action	Revised Budget
JUA (other funds)							
010-90-79650000-073	400,000			123,955	523,955	97,000	620,955
General Funds	<u>230,966</u>			15,805	246,771		246,771
Total	630,966	-	-	139,760	770,726	97,000	867,726

**ATTORNEY GENERAL
DEPARTMENT OF JUSTICE**

33 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

JOSEPH A. FOSTER
ATTORNEY GENERAL



ANN M. RICE
DEPUTY ATTORNEY GENERAL

August 6, 2015

Hand Delivered

William F. Dwyer, Treasurer
State of New Hampshire
25 Capitol Street, Room 121
Concord, NH 03301

Re: Modifying the escrow account established for the NH State Loan Repayment Program

Dear Bill:

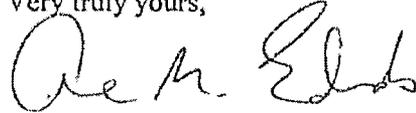
The NH Medical Malpractice Joint Underwriting Association ("JUA") is a mandatory risk sharing plan and a State entity established by the Commissioner of the Department of Insurance under RSA 404-C in 1975. On May 14, 2015, I submitted a letter, on behalf of the he JUA's Board of Directors, with oversight by the Commissioner of Insurance requesting establishment of an escrow account in the amount of \$800,000 for payments to be made to the NH State Loan Repayment Program and to be named the NHSLRP/JUA Escrow Account.

At its June 18, 2015 meeting, the JUA Board voted to add the remaining funds it had available, under RSA 404-C:14, V, to the escrow account. The total amount of funds deposited in the escrow account is in excess of \$1.6M, with the final funds being received by Treasury prior to July 1, 2015. Additionally, the JUA Board voted on June 18 to allow the NH State Loan Repayment Program ("NHSLRP") to withdraw funds from the Account at its discretion, rather than at the originally set schedule of distribution, based on the demand for loan repayment each year until the funds are exhausted.

The funds should be distributed the NHSLRP once it presents Treasury with approval from the Fiscal Committee to accept and expend these funds. The Commissioner of Health and Human Services is authorized to request distributions from the Account with the approval of the Fiscal Committee. This is a non-lapsing account.

If there are any questions regarding this request or if I can be of any assistance, please do not hesitate to contact me.

Very truly yours,



Anne M. Edwards
Associate Attorney General

cc: Rachel K. Miller, Chief Deputy Treasurer
Erin M. Zayac