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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

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Nicholas A. Toumpas
Commissioner

Kathleen A. Dunn
Associate Commissioner

April 22, 2015

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

[Signature]
Approved by Fiscal Committee 5/15/15 Date

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI Additional Revenues, authorize the Department of Health and Human Services, Office of Medicaid Business and Policy, to accept and expend other funds from the Medicaid Enhancement Tax and matching federal funds, for Disproportionate Share Hospital payment in the amount of \$15,876,692 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2015 and further authorize the allocation of the funds in the accounts below. 50% Other funds; 50% Federal funds.

SFY 2015

**05-95-47-470010-7943, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY
UNCOMPENSATED CARE FUND**

CLASS OBJ	CLASS TITLE	Current Authorized Budget	Increase/ (Decrease)	Revised Modified Budget
010-79430000-403978	Federal Funds	\$26,429,969	\$7,942,313	\$34,372,282
010-79430000-402201	Uncompensated Care Funds	\$26,220,216	\$7,934,379	\$34,154,595
010-79430000	General Fund	\$88,419		\$88,419
Total Revenue		\$52,738,604	\$15,876,692	\$68,615,296
041-500801	Audit Set Aside	\$26,335	\$7,934	\$34,269
102-500731	Contracts for Program Services	\$615,534		\$615,534
515-500357	Hospital Uncomp Care Pool	\$52,096,735	\$15,868,758	\$67,965,493
Total Expense		\$52,738,604	\$15,876,692	\$68,615,296

EXPLANATION

The Department of Health and Human Services (DHHS) is seeking approval to accept additional revenue generated by the Medicaid Enhancement Tax (MET) and to expend the additional funds on disproportionate share hospital (DSH) payments to the non-Critical Access Hospitals in New Hampshire. The SFY 2015 budget included revenue estimates from the Medicaid Enhancement Tax of \$190.3 million. In SFY 2015, Chapter Law 158, Laws of 2014, was enacted. This chapter reflects the ratification of SB 369 (2014) that provides specific direction on the distribution of the MET revenue including any revenue generated by the MET and paid to the State via the Department of Revenue Administration (DRA), greater than \$190.3 million. The MET receipts as reported to DHHS by DRA equals \$198.2 million.

The amount available for non-Critical Access Hospital's Disproportionate Share Hospital payments in SFY15 equals the amount of total Medicaid Enhancement Tax revenue in excess of \$190.3 million ("excess MET"), plus the Federal matching dollars. Thus the additional \$15,876,692 is to be accepted into the Uncompensated Care Funds appropriation and then distributed to the non-Critical Access Hospitals in the form of a DSH payment via the Uncompensated Care Pool appropriation.

Source of funds: 50% Federal Funds, 50% Other Funds.

Area Served: Statewide

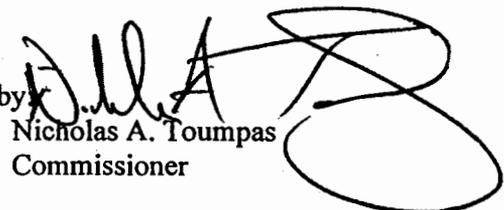
In the event the Federal Funds become no longer available, General Funds will not be required to support this activity.

Respectfully submitted,



Kathleen A. Dunn, MPH
Associate Commissioner

Approved by



Nicholas A. Toumpas
Commissioner