



Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9200 1-800-852-3345 Ext. 9200  
Fax: 603-271-9200 TDD Access: 1-800-735-2964

October 4, 2016

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Bureau of Mental Health Services, to amend an agreement with Northern Human Services (Vendor #177222), 87 Washington Street, Conway, NH, for the provision of non-Medicaid Community Mental Health Services; by increasing the price limitation by \$30,000 from \$377,039 to \$407,039 with no change to the completion date of June 30, 2017, effective upon Governor and Executive Council approval. The Governor and Executive Council approved the original agreement on June 29, 2016 (item #24). 100% General Funds.

Funds to support this request are available in State Fiscal Year 2017.

**FISCAL DETAIL ATTACHED**

**EXPLANATION**

The purpose of the amendment is to provide additional funding to Northern Human Services for certain non-billable services. Each community mental health center in the State receives base funding for Adult Assertive Community Treatment (ACT) Teams. The ACT Teams are comprised of multi-disciplinary groups between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The Teams also have members who have been trained and are competent to provide substance misuse support services, housing assistance and supported employment. The \$225,000 in base funding is utilized by the agencies for non-billable services including, but not limited to: outreach; coordination of care with community service providers; and interactions with law enforcement and landlords.

Adult ACT Teams meet the Substance Abuse Mental Health Services Administration (SAMHSA) Model and are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00 am. At a minimum, Adult ACT Teams deliver comprehensive, individualized and flexible services, supports, targeted case management, treatment and rehabilitation in a timely manner as needed onsite in the individuals' homes and in other natural environments as well as community settings or via telephone where appropriate to meet the needs of the individual.

There are unique challenges present in the delivery of ACT services in the North County. Due to its widespread geographic area, one ACT Team has been insufficient to meet the needs of individuals who require this level of service throughout the region. Due to the increased need, the Contractor is increasing the current number of Adult ACT Teams from one (1) to three (3). The additional funds will be used to support the expansion of ACT services throughout the region.

In addition to Adult ACT Team services, the Contractor provides Community Mental Health Services as identified in NH Administrative Rule He-M 426, including Emergency Services, Individual and Group Psychotherapy, Targeted Case Management, Medication Services, Functional Support Services and Evidence Based Practices including Illness Management and Recovery, Evidence Based Supported Employment, Trauma Focused Cognitive Behavioral Therapy and Community Residential Services.

Should Governor and Executive Council not approve this request; the Contractor may not have a sufficient number of ACT Teams to meet the requirement of one (1) ACT Team per every ten (10) to twelve (12) individuals, which may result in hospital re-admissions.


Source of Funds: 100% General Funds

Respectfully submitted



Katja S. Fox  
Director

Approved by:



Jeffrey A. Meyers  
Commissioner

**NORTHERN HUMAN SERVICES  
NH DHHS MENTAL HEALTH CENTER CONTRACT  
SFY 2017 FISCAL DETAIL**

**095-092-920010-59450000 HEALTH AND HUMAN SERVICES, HHS: DIVISION OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT**

<b>Fiscal Year</b>	<b>Class/ Account</b>	<b>Title</b>	<b>Activity Code</b>	<b>Current Budget</b>	<b>Increase/ (Decrease)</b>	<b>Modified Budget</b>
2017	102/500731	Contract for Program Services	92205945	\$349,249	\$30,000	\$379,249
			<i>Subtotals:</i>	<i>\$349,249</i>	<i>\$30,000</i>	<i>\$379,249</i>

**095-092-920010-78510000 HEALTH AND SOCIAL SERVICES, HHS: DIVISION OF BEHAVIORAL HEALTH, MENTAL HEALTH DATA COLLECTION**

<b>Fiscal Year</b>	<b>Class/ Account</b>	<b>Title</b>	<b>Activity Code</b>	<b>Current Budget</b>	<b>Increase/ (Decrease)</b>	<b>Modified Budget</b>
2017	102/500731	Contract for Program Services	92207851	\$5,000	\$0	\$5,000
			<i>Subtotals:</i>	<i>\$5,000</i>	<i>\$0</i>	<i>\$5,000</i>

**095-042-421010-29580000 HEALTH AND SOCIAL SERVICES, HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD – FAMILY SERVICES**

<b>Fiscal Year</b>	<b>Class/ Account</b>	<b>Title</b>	<b>Activity Code</b>	<b>Current Budget</b>	<b>Increase/ (Decrease)</b>	<b>Modified Budget</b>
2017	102/500731	Contract for Program Services	42105824	\$5,310	\$0	\$5,310
			<i>Subtotals:</i>	<i>\$5,310</i>	<i>\$0</i>	<i>\$5,310</i>

**095-049-490510-29850000 HEALTH AND SOCIAL SERVICES, HHS: DIVISION OF COMMUNITY BASED CARE SERVICES, BALANCE INCENTIVE PROGRAM (BIP)**

<b>Fiscal Year</b>	<b>Class/ Account</b>	<b>Title</b>	<b>Activity Code</b>	<b>Current Budget</b>	<b>Increase/ (Decrease)</b>	<b>Modified Budget</b>
2017	102/500731	Contract for Program Services	49053316	\$17,480	\$0	\$17,480
			<i>Subtotals:</i>	<i>\$17,480</i>	<i>\$0</i>	<i>\$17,480</i>
			<b>TOTALS:</b>	<b>\$377,039</b>	<b>\$30,000</b>	<b>\$407,039</b>



**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the Mental Health Services**

This 1st Amendment to the Mental Health Services contract (hereinafter referred to as "Amendment #1") dated this, August 25, 2016 is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Northern Human Services (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business located at 87 Washington Street, Conway, NH 03818.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 29, 2016 (item #24), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Agreement, the State amend the terms and conditions by written agreement of the parties and approval of the Governor and Executive Council; and;

WHEREAS, the parties agree to increase the price limitation;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

To amend as follows:

1. Form P-37, General Provisions, Item 1.8, Price Limitation to read:  
\$407,039



New Hampshire Department of Health and Human Services  
Mental Health Services

This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

10/4/16  
Date

Katia S. Fox  
Katia S. Fox  
Director, Division of Behavioral Health

Northern Human Services

9/2/16  
Date

James Salmon  
Name: James Salmon  
Title: Treasurer

Acknowledgement:

State of New Hampshire, County of Carroll on Sept 2, 2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

James Johnson  
Name and Title of Notary or Justice of the Peace  
my commission expires 2/22/2017

New Hampshire Department of Health and Human Services  
Mental Health Services

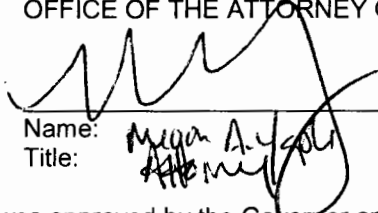
---



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

Date 10/10/16

  
Name: Megan A. Goggin  
Title: Attorney General

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Northern Human Services is a New Hampshire nonprofit corporation formed March 3, 1971. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 1<sup>st</sup> day of April A.D. 2016

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Madelene Costello, do hereby certify that:

(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Northern Human Services.

(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of

the Agency duly held on January 25, 2016:

(Date)

**RESOLVED:** That the Treasurer

(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of

the 2nd day of September, 2016.

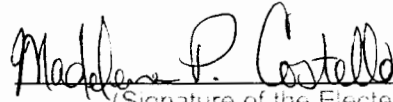
(Date Contract Signed)

4. James Salmon is the duly elected Treasurer

(Name of Contract Signatory)

(Title of Contract Signatory)

of the Agency.



(Signature of the Elected Officer)


STATE OF NEW HAMPSHIRE

County of Carroll

The forgoing instrument was acknowledged before me this 2nd day of September, 2016,

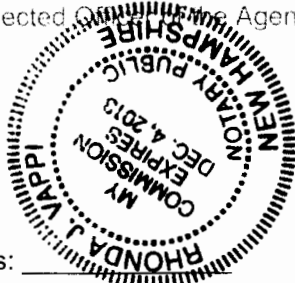
By Madelene Costello.

(Name of Elected Officer of the Agency)



(Notary Public, Justice of the Peace)

(NOTARY SEAL)



Commission Expires: \_\_\_\_\_





### **MISSION STATEMENT**

To assist and advocate for people affected by mental illness, developmental disabilities and related disorders in living meaningful lives.

### **STATEMENT OF VISION**

Everyone who truly needs our services can receive them, as we strive to meet ever-changing needs through advocacy, innovation, collaboration and skill.

*Financial Statements*

---

**NORTHERN HUMAN SERVICES, INC.**

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014  
AND  
INDEPENDENT AUDITORS' REPORT

*Leone,  
McDonnell  
& Roberts*  
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

**NORTHERN HUMAN SERVICES, INC.**

**JUNE 30, 2015 AND 2014**

**TABLE OF CONTENTS**

	<b><u>Page(s)</u></b>
Independent Auditors' Report	1 - 2
<b><u>Financial Statements:</u></b>	
Statements of Financial Position	3
Statement of Activities	4
Statements of Cash Flows	5
Statement of Functional Expenses, Totals For All Programs	6
Statement of Functional Expenses, Mental Health	7 - 9
Statement of Functional Expenses, Developmental Services	10 - 12
Notes to Financial Statements	13 - 22
<b><u>Supplementary Information:</u></b>	
Schedule of Functional Revenues and Expenses, Totals For All Programs	23
Schedule of Functional Revenues and Expenses, Mental Health	24 - 26
Schedule of Functional Revenues and Expenses, Developmental Services	27 - 29

# Leone, McDonnell & Roberts

Professional Association  
**CERTIFIED PUBLIC ACCOUNTANTS**  
WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

To the Board of Directors of  
Northern Human Services, Inc.  
Conway, New Hampshire

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Northern Human Services, Inc. (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended June 30, 2015.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Human Services, Inc. as of June 30, 2015 and 2014, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2015 in accordance with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited the Northern Human Services, Inc. June 30, 2014 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 3, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional revenues and expenses on pages 23 - 29 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Leone, McDonnell & Roberts,  
Professional Association*

September 21, 2015  
North Conway, New Hampshire

**NORTHERN HUMAN SERVICES, INC.**

**STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2015 AND 2014**

**ASSETS**

	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents, undesignated	\$ 6,930,491	\$ 4,837,929
Cash and cash equivalents, designated	318,202	318,202
Accounts receivable, less allowance of \$156,000 and \$280,000 for 2015 and 2014, respectively	1,820,318	2,199,034
Grants receivable	44,350	44,350
Assets, limited use	506,492	471,779
Due from related party	-	291,041
Prepaid expenses and deposits	<u>219,676</u>	<u>198,857</u>
Total current assets	<u>9,839,529</u>	<u>8,361,192</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	<u>458,085</u>	<u>201,211</u>
<b>OTHER ASSETS</b>		
Investments	1,587,019	1,548,598
Cash value of life insurance	<u>358,521</u>	<u>335,635</u>
Total other assets	<u>1,945,540</u>	<u>1,884,233</u>
Total assets	<u>\$ 12,243,154</u>	<u>\$ 10,446,636</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 630,016	\$ 286,929
Wages payable	1,048,403	521,864
Compensated absences payable	707,877	701,567
Other grants payable	63,982	25,453
Refundable advances	35,378	89,400
Deferred revenue	107,782	7,069
Client funds held in trust	198,341	183,422
Due to related party	<u>9,366</u>	<u>-</u>
Total liabilities	<u>2,801,145</u>	<u>1,815,704</u>
<b>NET ASSETS</b>		
Unrestricted		
Undesignated	8,870,020	8,059,025
Board designated	<u>318,202</u>	<u>318,202</u>
Total unrestricted	9,188,222	8,377,227
Temporarily restricted	1,370	1,288
Permanently restricted	<u>252,417</u>	<u>252,417</u>
Total net assets	<u>9,442,009</u>	<u>8,630,932</u>
Total liabilities and net assets	<u>\$ 12,243,154</u>	<u>\$ 10,446,636</u>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.****STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
<b>PUBLIC SUPPORT</b>					
State and federal grants	\$ 591,594	\$ -	\$ -	\$ 591,594	\$ 773,864
Other public support	457,273	-	-	457,273	510,884
Local and county support	160,045	-	-	160,045	70,197
Donations	71,631	4,720	-	76,351	358,213
Total public support	<u>1,280,543</u>	<u>4,720</u>	<u>-</u>	<u>1,285,263</u>	<u>1,713,158</u>
<b>REVENUES</b>					
Program service fees	35,466,264	-	-	35,466,264	34,051,950
Production income	508,099	-	-	508,099	483,562
Other revenues	240,735	-	-	240,735	391,694
Total revenues	<u>36,215,098</u>	<u>-</u>	<u>-</u>	<u>36,215,098</u>	<u>34,927,206</u>
Total public support and revenues	<u>37,495,641</u>	<u>4,720</u>	<u>-</u>	<u>37,500,361</u>	<u>36,640,364</u>
<b>EXPENSES</b>					
<u>Program Services</u>					
Mental health	10,378,535	-	-	10,378,535	10,431,530
Developmental services	21,858,503	-	-	21,858,503	20,412,640
Total program services	32,237,038	-	-	32,237,038	30,844,170
General management	4,521,537	-	-	4,521,537	4,354,703
Total expenses	<u>36,758,575</u>	<u>-</u>	<u>-</u>	<u>36,758,575</u>	<u>35,198,873</u>
<b>EXCESS OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES</b>	<u>737,066</u>	<u>4,720</u>	<u>-</u>	<u>741,786</u>	<u>1,441,491</u>
<b>NON-OPERATING INCOME (LOSS)</b>					
Investment return	48,531	-	-	48,531	143,598
(Loss) gain on sale of property	(2,693)	-	-	(2,693)	1,024
Change in cash value of life insurance	22,886	-	-	22,886	24,230
Interest income	4	563	-	567	364
Net assets released from restrictions	5,201	(5,201)	-	-	-
Total non-operating income (loss)	<u>73,929</u>	<u>(4,638)</u>	<u>-</u>	<u>69,291</u>	<u>169,216</u>
Change in net assets	810,995	82	-	811,077	1,610,707
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>8,377,227</u>	<u>1,288</u>	<u>252,417</u>	<u>8,630,932</u>	<u>7,020,225</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 9,188,222</u>	<u>\$ 1,370</u>	<u>\$ 252,417</u>	<u>\$ 9,442,009</u>	<u>\$ 8,630,932</u>

See Notes to Financial Statements



**NORTHERN HUMAN SERVICES, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 811,077	\$ 1,610,707
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	73,591	14,041
Unrealized loss (gain) on investments	36,595	(83,806)
Realized gain on investments	(57,784)	(41,406)
Loss (gain) on sale of property	2,693	(1,024)
Change in cash value of life insurance	(6,750)	(6,487)
(Increase) decrease in assets:		
Accounts receivable	378,716	722,739
Grants receivable	-	13,718
Assets, limited use	(34,713)	(104)
Due from related party	291,041	(147,249)
Prepaid expenses and deposits	(20,819)	14,975
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	343,087	(4,337)
Wages payable	526,539	78,405
Compensated absences payable	6,310	6,863
Other grants payable	38,529	(7,104)
Refundable advances	(54,022)	(113,557)
Deferred revenue	100,713	7,069
Medicaid contingency payments, State of New Hampshire	-	(1,596,143)
Client funds held in trust	14,919	(2,509)
Due to related party	9,366	-
	<u>2,459,088</u>	<u>464,791</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property	(334,886)	(121,689)
Proceeds from sale of property	1,728	4,200
Purchases of investments	(358,905)	(1,487,996)
Proceeds from sales of investments	369,015	82,996
Reinvested dividends	(27,342)	(18,386)
Change in cash value of life insurance	(16,136)	(17,743)
	<u>(366,526)</u>	<u>(1,558,618)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	2,092,562	(1,093,827)
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	<u>5,156,131</u>	<u>6,249,958</u>
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<u>\$ 7,248,693</u>	<u>\$ 5,156,131</u>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b><u>Mental</u></b>	<b><u>Developmental</u></b>		<b><u>General</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
	<b><u>Health</u></b>	<b><u>Services</u></b>	<b><u>Subtotals</u></b>	<b><u>Management</u></b>	<b><u>Total</u></b>	<b><u>Total</u></b>
<b>EXPENSES</b>						
Salaries and wages	\$ 6,383,958	\$ 7,018,948	\$ 13,402,906	\$ 2,855,110	\$ 16,258,016	\$ 15,965,425
Employee benefits	1,466,552	1,716,709	3,183,261	697,539	3,880,800	3,430,580
Payroll taxes	452,072	531,928	984,000	198,357	1,182,357	1,215,557
Client wages	168,563	224,494	393,057	-	393,057	367,361
Professional fees	164,860	10,244,001	10,408,861	250,931	10,659,792	9,653,540
Staff development and training	17,965	16,316	34,281	13,260	47,541	67,287
Occupancy costs	513,660	539,948	1,053,608	176,158	1,229,766	1,246,674
Consumable supplies	203,826	262,605	466,431	59,987	526,418	550,700
Equipment expenses	61,935	59,074	121,009	30,759	151,768	129,102
Communications	168,225	114,483	282,708	86,230	368,938	370,358
Travel and transportation	277,565	799,595	1,077,160	41,087	1,118,247	1,149,112
Assistance to individuals	10,699	78,470	89,169	3,909	93,078	88,497
Insurance	50,048	58,890	108,938	25,059	133,997	128,884
Membership dues	42,210	28,485	70,695	61,751	132,446	121,685
Bad debt expense	392,281	70,930	463,211	-	463,211	687,543
Other expenses	4,116	93,627	97,743	21,400	119,143	26,568
<b>Total expenses</b>	<b><u>\$ 10,378,535</u></b>	<b><u>\$ 21,858,503</u></b>	<b><u>\$ 32,237,038</u></b>	<b><u>\$ 4,521,537</u></b>	<b><u>\$ 36,758,575</u></b>	<b><u>\$ 35,198,873</u></b>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
MENTAL HEALTH**

**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b><u>Non-Specialized Outpatient</u></b>	<b><u>State Eligible Adult Outpatient</u></b>	<b><u>Outpatient Contracts</u></b>	<b><u>Children and Adolescents</u></b>	<b><u>Emergency Services Non-BBH</u></b>	<b><u>Other Non-BBH</u></b>
<b>EXPENSES</b>						
Salaries and wages	\$ 484,279	\$ 767,787	\$ 162,083	\$ 778,395	\$ 496,148	\$ 148,820
Employee benefits	126,695	176,689	41,313	186,899	72,054	38,976
Payroll taxes	31,358	50,374	10,354	53,404	33,592	9,946
Client wages	-	-	-	-	-	-
Professional fees	14,929	15,964	3,593	34,464	7,674	4,831
Staff development and training	5,438	1,110	166	1,489	156	3,416
Occupancy costs	49,049	50,182	11,440	56,523	22,961	10,577
Consumable supplies	15,686	8,454	2,839	12,956	3,621	2,783
Equipment expenses	8,495	3,556	742	5,156	1,943	721
Communications	20,449	18,681	4,435	23,513	16,112	4,173
Travel and transportation	5,381	8,323	1,947	43,254	1,284	7,747
Assistance to individuals	3,135	-	-	1,832	-	-
Insurance	4,523	6,701	1,311	6,705	2,676	1,329
Membership dues	7,498	5,077	1,485	4,189	1,082	784
Bad debt expense	15,439	27,207	-	10,579	21,907	784
Other expenses	<u>1,222</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>35</u>	<u>-</u>
Total expenses	<u>\$ 793,576</u>	<u>\$ 1,140,115</u>	<u>\$ 241,708</u>	<u>\$ 1,219,358</u>	<u>\$ 681,245</u>	<u>\$ 234,887</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.STATEMENT OF FUNCTIONAL EXPENSES  
MENTAL HEALTHFOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	<u>Bureau of Drug &amp; Alcohol Services</u>	<u>Health Mentors</u>	<u>Vocational Services</u>	<u>Restorative Partial Hospital</u>	<u>Case Management</u>	<u>Supportive Living</u>
<b>EXPENSES</b>						
Salaries and wages	\$ 82,108	\$ 6,793	\$ 96,446	\$ 92,974	\$ 765,945	\$ 688,918
Employee benefits	23,315	4,517	21,620	22,575	182,494	145,034
Payroll taxes	6,009	575	14,090	6,826	54,040	49,930
Client wages	-	-	86,353	-	-	-
Professional fees	1,845	325	2,004	1,413	22,868	11,484
Staff development and training	523	14	787	156	514	158
Occupancy costs	6,790	1,461	9,525	12,121	54,790	46,048
Consumable supplies	952	350	4,316	31,298	17,716	19,118
Equipment expenses	478	121	6,525	1,805	8,403	4,782
Communications	1,791	391	2,056	1,897	18,979	14,710
Travel and transportation	1,143	1,615	14,924	663	63,665	66,600
Assistance to individuals	-	-	74	60	51	1,153
Insurance	802	129	803	804	6,476	5,651
Membership dues	1,346	7,037	315	301	3,208	2,875
Bad debt expense	15,669	-	4,533	12,757	188,823	47,200
Other expenses	-	-	531	-	1,762	373
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<u>\$ 142,771</u>	<u>\$ 23,328</u>	<u>\$ 264,902</u>	<u>\$ 185,650</u>	<u>\$ 1,389,734</u>	<u>\$ 1,104,034</u>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.****STATEMENT OF FUNCTIONAL EXPENSES  
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Community Residences</u>	<u>Disaster Behavioral Health (DBHRT)</u>	<u>Victims of Crime Act Program</u>	<u>ACT Team</u>	<u>Other Mental Health Programs</u>	<u>Total Mental Health Programs</u>	<u>2014 Total</u>
<b>EXPENSES</b>							
Salaries and wages	\$ 636,951	\$ 48,868	\$ 393,626	\$ 700,157	\$ 33,660	\$ 6,383,958	\$ 6,341,322
Employee benefits	144,371	10,617	106,912	154,398	8,073	1,466,552	1,298,714
Payroll taxes	45,943	3,623	24,774	47,792	9,442	452,072	468,116
Client wages	-	-	-	210	82,000	168,563	169,401
Professional fees	3,969	894	11,063	26,559	981	164,860	171,021
Staff development and training	49	1,679	1,589	712	9	17,965	35,572
Occupancy costs	42,873	4,319	29,419	77,961	27,621	513,660	519,437
Consumable supplies	21,361	773	4,555	12,295	44,753	203,826	203,786
Equipment expenses	5,497	203	2,727	4,801	5,980	61,935	72,323
Communications	10,910	2,017	10,080	10,831	7,200	168,225	156,058
Travel and transportation	10,233	2,261	8,808	33,957	5,760	277,565	300,752
Assistance to individuals	4,295	-	65	34	-	10,699	14,576
Insurance	1,673	428	3,674	6,055	308	50,048	48,182
Membership dues	623	176	2,784	2,565	865	42,210	45,236
Bad debt expense	7,725	-	1,612	38,046	-	392,281	585,572
Other expenses	<u>159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>4,116</u>	<u>1,462</u>
Total expenses	<u>\$ 936,632</u>	<u>\$ 75,858</u>	<u>\$ 601,688</u>	<u>\$ 1,116,373</u>	<u>\$ 226,676</u>	<u>\$ 10,378,535</u>	<u>\$ 10,431,530</u>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b><u>Service Coordination</u></b>	<b><u>School District Contracts</u></b>	<b><u>Day Programs</u></b>	<b><u>Early Supports &amp; Services</u></b>	<b><u>Residential Only</u></b>
<b>EXPENSES</b>					
Salaries and wages	\$ 638,279	\$ 125,866	\$ 2,777,241	\$ 327,531	\$ -
Employee benefits	163,900	25,854	717,926	65,945	-
Payroll taxes	45,351	10,485	218,138	23,367	-
Client wages	-	4,843	184,534	-	-
Professional fees	51,525	679	69,992	129,047	16,297
Staff development and training	113	3	2,130	3,965	-
Occupancy costs	48,348	5,999	230,481	5,976	-
Consumable supplies	8,196	1,629	71,100	12,123	-
Equipment expenses	3,157	441	41,220	799	-
Communications	7,210	2,945	43,623	14,205	-
Travel and transportation	21,937	16,355	489,097	82,112	-
Assistance to individuals	16	101	31,797	129	-
Insurance	5,478	942	24,612	2,412	-
Membership dues	714	1,344	10,985	322	-
Bad debt expense	-	-	7,226	50,499	-
Other expenses	-	-	3,883	109	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	\$ 994,224	\$ 197,486	\$ 4,923,985	\$ 718,541	\$ 16,297

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.****STATEMENT OF FUNCTIONAL EXPENSES  
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b>Independent Living <u>Services</u></b>	<b>Family Residence <u>Residence</u></b>	<b>Combined Day/ Residential Vendor <u>Vendor</u></b>	<b>Individual Supported Living <u>Living</u></b>	<b>Children's Housing <u>Housing</u></b>
<b>EXPENSES</b>					
Salaries and wages	\$ 286,662	\$ 1,548,286	\$ -	\$ 195,246	\$ -
Employee benefits	72,577	386,139	-	53,342	-
Payroll taxes	20,700	115,016	-	13,886	-
Client wages	-	15,328	-	1,979	-
Professional fees	24,426	4,320,221	1,896,423	1,089	3,744
Staff development and training	337	4,545	-	6	-
Occupancy costs	19,073	149,582	-	44,012	-
Consumable supplies	3,681	126,919	-	7,104	-
Equipment expenses	1,328	8,331	-	621	-
Communications	3,078	32,394	-	2,138	-
Travel and transportation	17,621	73,140	-	6,862	-
Assistance to individuals	2,425	6,117	-	5	-
Insurance	2,568	12,910	-	1,633	-
Membership dues	362	3,090	-	206	-
Bad debt expense	4,965	7,578	-	-	-
Other expenses	-	455	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<b>\$ 459,803</b>	<b>\$ 6,810,051</b>	<b>\$ 1,896,423</b>	<b>\$ 328,129</b>	<b>\$ 3,744</b>

See Notes to Financial Statements

**NORTHERN HUMAN SERVICES, INC.****STATEMENT OF FUNCTIONAL EXPENSES  
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b>Consolidated <u>Services</u></b>	<b>Combined Day/ Residential <u>Services</u></b>	<b>Acquired Brain <u>Disorder</u></b>	<b>Other Developmental Services <u>Programs</u></b>	<b>Total Developmental Services <u>Programs</u></b>	<b>2014 <u>Total</u></b>
<b>EXPENSES</b>						
Salaries and wages	\$ 502,812	\$ 30,117	\$ 41,236	\$ 545,672	\$ 7,018,948	\$ 6,792,154
Employee benefits	69,212	4,814	57,257	99,743	1,716,709	1,554,200
Payroll taxes	39,193	2,141	1,485	42,166	531,928	536,675
Client wages	-	-	-	17,810	224,494	197,960
Professional fees	813,158	407,204	125,179	2,385,017	10,244,001	9,230,934
Staff development and training	87	1	13	5,116	16,316	22,275
Occupancy costs	-	621	7,313	28,543	539,948	560,428
Consumable supplies	2,695	2,341	5,604	21,213	262,605	277,676
Equipment expenses	369	70	1,067	1,671	59,074	37,965
Communications	2,525	151	1,995	4,219	114,483	129,638
Travel and transportation	57,538	-	3,019	31,914	799,595	803,475
Assistance to individuals	15,720	-	-	22,160	78,470	71,328
Insurance	1,250	202	3,153	3,730	58,890	56,388
Membership dues	8,785	26	461	2,190	28,485	27,226
Bad debt expense	-	-	-	662	70,930	101,971
Other expenses	-	-	-	89,180	93,627	12,347
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	\$ 1,513,344	\$ 447,688	\$ 247,782	\$ 3,301,006	\$ 21,858,503	\$ 20,412,640

See Notes to Financial Statements



**NORTHERN HUMAN SERVICES, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General**

Northern Human Services, Inc. (the Organization), is a New Hampshire nonprofit corporation, and was created to develop and provide a comprehensive program of mental health, developmental disabilities, and rehabilitative care to the residents of Northern New Hampshire.

**Basis of Accounting**

The financial statements of Northern Human Services, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

**Unrestricted:** Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

**Temporarily Restricted:** Net assets whose use is limited by donor-imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Absent explicit donor stipulations about how long long-lived assets must be maintained or the manner of their disposition, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reports expirations of continuing donor restrictions regarding use or disposition of long-lived assets over the assets' expected useful lives.

**Permanently Restricted:** Net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

As of June 30, 2015 and 2014, the Organization had unrestricted, temporarily restricted and permanently restricted net assets.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

### **Cash Equivalents**

The Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to activities and a credit to a valuation allowance based on historical account write-off patterns by the payor, adjusted as necessary to reflect current conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Organization has no policy for charging interest on overdue accounts nor are its accounts receivable pledged as collateral.

It is the policy of the Organization to provide services to all eligible residents of northern New Hampshire without regard to ability to pay. As a result of this policy, all charity care write-offs are recorded as reductions of revenue in the period in which services are provided. The accounts receivable allowance includes the estimated amount of charity care and contractual allowances included in the accounts receivable balances. The computation of the contractual allowance is based on historical ratios of fees charged to amounts collected.

### **Property and Depreciation**

Property and equipment are recorded at cost or, if contributed, at estimated fair value at the date of contribution. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Vehicles	5 – 10 years
Equipment	3 – 10 years

Costs for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

### **Investments**

Investments consist of mutual funds and interest bearing investments and are stated at fair value on the statements of financial position based on quoted market prices. The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility, which may substantially impact the fair value of such investments at any given time.

### **Accrued Earned Time**

The Organization has accrued a liability for future compensated absences that its employees have earned and which is vested with the employees.

### **Refundable Advances**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are provided or costs are incurred.

### **Program Service Fee Revenue**

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include reimbursed costs, discounted charges, and per diem payments. Program service fee revenue is reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with the third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

### **Advertising**

The Organization expenses advertising costs as incurred.

### **Summarized Financial Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting activities benefited.

### **Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation.

Management has evaluated the Organization's tax positions and concluded that the Organization has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2011.

### **Subsequent Events**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through September 21, 2015, the date the June 30, 2015 financial statements were available for issuance.

2. **ASSETS, LIMITED USE**

As of June 30, 2015 and 2014, assets, limited use consisted of the following:

	<b><u>2015</u></b>	<b><u>2014</u></b>
Donor restricted cash	\$ 253,787	\$ 253,705
Client funds held in trust	198,341	183,422
Employee benefits	<u>54,364</u>	<u>34,652</u>
Total assets, limited use	<u>\$ 506,492</u>	<u>\$ 471,779</u>

3. **PROPERTY AND DEPRECIATION**

As of June 30, 2015 and 2014, property and equipment consisted of the following:

	<b><u>2015</u></b>	<b><u>2014</u></b>
Vehicles	\$ 488,496	\$ 489,702
Equipment	<u>3,007,273</u>	<u>2,744,980</u>
Total property and equipment	3,495,769	3,234,682
Less accumulated depreciation	<u>3,037,684</u>	<u>3,033,471</u>
Property and equipment, net	<u>\$ 458,085</u>	<u>\$ 201,211</u>

Depreciation expense was \$73,591 and \$14,041 for the years ended June 30, 2015 and 2014, respectively.

4. **INVESTMENTS**

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of June 30, 2015 and 2014:

	<b><u>2015</u></b>		<b><u>2014</u></b>	
	<b><u>Market Value</u></b>	<b><u>Cost</u></b>	<b><u>Market Value</u></b>	<b><u>Cost</u></b>
<b>Investments</b>				
Money market funds	\$ 7,336	\$ 7,336	\$ 12,227	\$ 12,227
Domestic equity funds	710,094	652,034	665,979	612,068
International equity funds	320,819	320,155	330,138	309,600
Fixed income funds	507,439	513,071	495,610	482,758
Other mutual funds	<u>41,331</u>	<u>42,030</u>	<u>44,644</u>	<u>43,058</u>
<b>Total</b>	<u>\$ 1,587,019</u>	<u>\$ 1,534,626</u>	<u>\$ 1,548,598</u>	<u>\$ 1,459,711</u>

Investments in common stock and U.S. government securities are valued at the closing price reported in the active market in which the securities are traded. Management considers all investments to be long term in nature.

	<u>2015</u>	<u>2014</u>
<b><u>Components of Investment Return:</u></b>		
Interest and dividends	\$ 27,342	\$ 18,386
Unrealized (losses) gains on investments	(36,595)	83,806
Realized gains on investments	<u>57,784</u>	<u>41,406</u>
	<u>\$ 48,531</u>	<u>\$ 143,598</u>

Investment management fees for the years ended June 30, 2015 and 2014 were \$10,110 and \$5,081, respectively.

## 5. **FAIR VALUE MEASUREMENTS**

*FASB ASC Topic No. 820-10* provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with *FASB ASC 820-10*, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, *ASC Topic 820* establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under *ASC Topic 820* are described as follows:

**Level 1** - Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

**Level 2** - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

**Level 3** - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The Organization's financial instruments consist of cash, short-term receivables and payables, and refundable advances. The carrying value for all such instruments, considering the terms, approximates fair value at June 30, 2015 and 2014.

The table below segregates all financial assets and liabilities as of June 30, 2015 and 2014 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	<u>2015</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Money Market Funds</b>	\$ 7,336	\$ -	\$ -	\$ 7,336
<b>Mutual Funds</b>				
Domestic equity funds	710,094	-	-	710,094
International equity funds	320,819	-	-	320,819
Fixed income funds	507,439	-	-	507,439
Other funds	<u>41,331</u>	<u>-</u>	<u>-</u>	<u>41,331</u>
Total investments at fair value	<u>\$ 1,587,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,587,019</u>

	<u>2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Money Market Funds</b>	\$ 12,227	\$ -	\$ -	\$ 12,227
<b>Mutual Funds</b>				
Domestic equity funds	665,979	-	-	665,979
International equity funds	330,138	-	-	330,138
Fixed income funds	495,610	-	-	495,610
Other funds	<u>44,644</u>	<u>-</u>	<u>-</u>	<u>44,644</u>
Total investments at fair value	<u>\$ 1,548,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,548,598</u>

**6. RETIREMENT PLAN**

The Organization maintains a retirement plan for all eligible employees. Under the plan employees can make voluntary contributions to the plan of up to 100% of pretax or after tax annual compensation up to the maximum annual limit provided by the Internal Revenue Service. All employees who work one thousand hours per year are eligible to participate after one year of employment, as defined by the plan. During the year ended June 30, 2014, the Organization implemented a 2% discretionary contribution allocated each pay period until further notice. Contributions totaled \$279,097 and \$92,346 for the years ended June 30, 2015 and 2014, respectively.

**7. CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances that, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the years ended June 30, 2015 and 2014. In addition to FDIC coverage, the Organization maintains a tri-party collateralization agreement with its financial institution and a trustee. The trustee maintains mortgage-backed collateralization of 102% of the Organization's deposits at its financial institution. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At June 30, 2015 and 2014, cash balances in excess of FDIC coverage aggregated \$7,395,034 and \$5,209,293, respectively.

**8. CONCENTRATION OF RISK**

For each of the years ended June 30, 2015 and 2014, approximately 87% of the total revenue was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

In order for the Organization to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, and Bureau of Developmental Services as the provider of services for individuals with mental health illnesses and developmentally disabled individuals, for that region. The Organization was originally scheduled for re-designation during May 2015; however, the State has rescheduled the re-designation for Spring 2016.

Medicaid receivables comprise approximately 83% and 85% of the total accounts receivable balances at June 30, 2015 and 2014, respectively.

**9. LEASE COMMITMENTS**

The Organization has entered into various operating lease agreements to rent certain facilities and office equipment. The terms of these leases range from one to five years. Rent expense under these agreements aggregated \$880,320 and \$889,364 for the years ended June 30, 2015 and 2014, respectively.

The approximate future minimum lease payments on the above leases for the year ending June 30, 2016 are \$866,895.

See the Related Party Transactions footnote for information regarding lease agreements with a related party.

**10. RELATED PARTY TRANSACTIONS**

The Organization is related to the nonprofit corporation Shallow River Properties, Inc. (Shallow River) as a result of common board membership. Shallow River was incorporated under the laws of the State of New Hampshire on September 13, 1988, for the purpose of owning, maintaining, managing, selling, and leasing real property associated with the provision of residential, treatment, and administrative services for the clients and staff of the Organization.

The Organization has transactions with Shallow River during its normal course of operations. The significant related party transactions are as follows:

**Due to/from Related Party**

At June 30, 2015, the Organization had a due to Shallow River balance in the amount of \$9,366. At June 30, 2014, the Organization had a receivable due from Shallow River in the amount of \$291,041.

**Rental Expense**

The Organization leases various properties, including office space, and properties occupied by the Organization's clients from Shallow River under the terms of tenant at will agreements. The Organization has the perpetual right to extend the leases. Total rental expense paid under the terms of the leases was \$728,525 for each of the years ended June 30, 2015 and 2014.

**Management Fee**

The Organization charges Shallow River for administrative expenses incurred on its behalf. Management fee revenue aggregated \$74,649 for each of the years ended June 30, 2015 and 2014.

**Donation**

Although not required by an agreement between Shallow River and the Organization, Shallow River must donate the excess of its revenues over expenses to the Organization in order to maintain its 501(c)(2) tax-exempt status with the Internal Revenue Service. Donation revenue, from Shallow River to the Organization, aggregated \$53,784 and \$327,277 for the years ended June 30, 2015 and 2014, respectively.

**11. COMMITMENTS AND CONTINGENCIES**

The Organization receives funding under various state and federal grants. Under the terms of these grants, the Organization is required to use the money within the grant period for purposes specified in the grant proposal. If expenditures for the grant were found not to have been made in compliance with the proposal, the Organization may be required to repay the grantor's funds.

Excess funds generated from state and/or Medicaid funded programs may be expended, at the Organization's discretion, to increase or improve service delivery within the program. The excess funds may not be used to increase spending for personnel, professional fees, fringe benefits, or capital expenditures without prior written approval of the State of New Hampshire.

The Organization has contracts with certain third-party payors requiring specific performance to supervise and document certain events relating to client treatment. These agencies periodically audit the performance of the Organization in fulfilling these requirements. If the payments were found not to have been made in compliance with the contracts, the Organization may be required to repay the funds received under the contract.

The Organization insures its medical malpractice risks on a claims-made basis under a policy, which covers all of its employees. The Organization intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Contracts with the State of New Hampshire and various federal agencies require that the properties supported be used for certain programs and/or to serve specified client populations. If Shallow River or the Organization should stop using the property to provide services acceptable to these grantors, the grantors would be entitled to all or part of the proceeds from the disposition of the property. These stipulations affect substantially all of the properties owned by Shallow River. The affected amount and the disposition are determined by negotiation with the granting authority at the time the property is sold.

**12. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2015</u>	<u>2014</u>
Dream Team Fund	\$ 1,273	\$ 1,132
Income earned on the Memorial Fund	<u>97</u>	<u>156</u>
Total temporarily restricted net assets	<u>\$ 1,370</u>	<u>\$ 1,288</u>

**13. ENDOWMENT FUND AND PERMANENTLY RESTRICTED NET ASSETS**

As a result of the June 30, 2006 merger of The Center of Hope For Developmental Disabilities, Inc. (Center of Hope), with and into the Organization, the Organization assumed responsibility for certain assets of Center of Hope that are subject to charitable restrictions and designated for particular purposes, namely the Memorial Fund (the Fund).



The Fund was created by the Center of Hope in 1989 for the purpose of seeking out and funding experiences that make life more interesting and full for people with disabilities. In or around 1992, additional funds were added to the Fund as a result of a testamentary bequest of Dorothy M. Walters, for the purpose of providing "maintenance funds" for programs for individuals with mental and developmental disabilities. The Center of Hope interpreted the terms of this bequest as consistent with the purpose of the Fund, and the bequest meets the definition of an endowment fund.

The Not-for-Profit Entities Topic of the *FASB ASC (ASC 958-205 and subsections)* intends to improve the quality of consistency of financial reporting of endowments held by not-for-profit organizations. This Topic provides guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of the Uniform Prudent Management Institutional Funds Act (UPMIFA). New Hampshire has adopted UPMIFA. The Topic also requires additional financial statement disclosures on endowments and related net assets.

The Organization has followed an investment and spending policy to ensure a total return (income plus capital change) necessary to preserve the principal of the fund and at the same time, provide a dependable source of support for life-enhancing activities of eligible individuals. The Organization will only distribute income generated by the fund, leaving the original corpus intact.

In recognition of the prudence required of fiduciaries, the Organization only invests the fund in certificates of deposits, which ensures that a majority of the balance of the Fund is covered by the FDIC. The Organization has taken a risk adverse approach to managing the Fund in order to mitigate financial market risk such as interest rate, credit and overall market volatility, which could substantially impact the fair value of the Fund at any given time.

As of June 30, 2015 and 2014, the endowment was entirely composed of permanently restricted net assets.

Changes in endowment net assets (at fair value) as of June 30, 2015 were as follows:

	<b><u>Temporarily Restricted</u></b>	<b><u>Permanently Restricted</u></b>	<b><u>Total</u></b>
Certificates of deposit, beginning of year	\$ -	\$ 252,417	\$ 252,417
Interest income	563	-	563
Withdrawals	<u>(563)</u>	<u>-</u>	<u>(563)</u>
Certificates of deposit end of year	<u>\$ -</u>	<u>\$ 252,417</u>	<u>\$ 252,417</u>

Changes in endowment net assets (at fair value) as of June 30, 2014 were as follows:

	<b><u>Temporarily Restricted</u></b>	<b><u>Permanently Restricted</u></b>	<b><u>Total</u></b>
Certificates of deposit, beginning of year	\$ -	\$ 252,417	\$ 252,417
Interest income	341	-	341
Withdrawals	<u>(341)</u>	<u>-</u>	<u>(341)</u>
Certificates of deposit, end of year	<u>\$ -</u>	<u>\$ 252,417</u>	<u>\$ 252,417</u>

**14. RECLASSIFICATIONS**

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. These classifications had no effect on the previously reported change in net assets, or net assets amounts.

**NORTHERN HUMAN SERVICES, INC.**

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**

**TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2015**

**WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b><u>Mental</u></b>	<b><u>Developmental</u></b>		<b><u>General</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
	<b><u>Health</u></b>	<b><u>Services</u></b>	<b><u>Subtotals</u></b>	<b><u>Management</u></b>	<b><u>Total</u></b>	<b><u>Total</u></b>
<b>REVENUES</b>						
Program service fees:						
Client fees	\$ 644,822	\$ 3,423	\$ 648,245	\$ -	\$ 648,245	\$ 650,723
Residential fees	39,537	131,145	170,682	-	170,682	149,637
Blue Cross	176,772	32,988	209,760	-	209,760	190,600
Medicaid	11,106,765	22,271,772	33,378,537	-	33,378,537	31,887,339
Medicare	616,788	-	616,788	-	616,788	666,284
Other insurance	157,180	47,036	204,216	-	204,216	282,854
Local educational authorities	-	187,388	187,388	-	187,388	169,596
Vocational rehabilitation	7,241	10,280	17,521	-	17,521	16,314
Other program fees	80	33,047	33,127	-	33,127	38,603
Production/service income	261,767	242,838	504,605	3,494	508,099	483,562
Public support:						
Local/county government	136,715	23,330	160,045	-	160,045	70,197
Donations/contributions	3,703	17,715	21,418	54,933	76,351	358,213
Other public support	284,399	-	284,399	-	284,399	290,687
Division of Alcohol and Drug Abuse						
Prevention/Recovery	970	-	970	-	970	149,460
Bureau of Developmental Services						
and Bureau of Behavioral Health	365,865	70,720	436,585	-	436,585	425,868
Other federal and state funding:						
HUD	129,535	-	129,535	-	129,535	132,449
Other	20,412	-	20,412	4,092	24,504	66,087
Private foundation grants	172,874	-	172,874	-	172,874	220,197
Other revenues	<u>70,587</u>	<u>51,995</u>	<u>122,582</u>	<u>118,153</u>	<u>240,735</u>	<u>391,694</u>
 Total revenues	 <u>14,196,012</u>	 <u>23,123,677</u>	 <u>37,319,689</u>	 <u>180,672</u>	 <u>37,500,361</u>	 <u>36,640,364</u>
<b>EXPENSES</b>						
Salaries and wages	\$ 6,383,958	\$ 7,018,948	\$ 13,402,906	\$ 2,855,110	\$ 16,258,016	\$ 15,965,425
Employee benefits	1,466,552	1,716,709	3,183,261	697,539	3,880,800	3,430,580
Payroll taxes	452,072	531,928	984,000	198,357	1,182,357	1,215,557
Client wages	168,563	224,494	393,057	-	393,057	367,361
Professional fees	164,860	10,244,001	10,408,861	250,931	10,659,792	9,653,540
Staff development and training	17,965	16,316	34,281	13,260	47,541	67,287
Occupancy costs	513,660	539,948	1,053,608	176,158	1,229,766	1,246,674
Consumable supplies	203,826	262,605	466,431	59,987	526,418	550,700
Equipment expenses	61,935	59,074	121,009	30,759	151,768	129,102
Communications	168,225	114,483	282,708	86,230	368,938	370,358
Travel and transportation	277,565	799,595	1,077,160	41,087	1,118,247	1,149,112
Assistance to individuals	10,699	78,470	89,169	3,909	93,078	88,497
Insurance	50,048	58,890	108,938	25,059	133,997	128,884
Membership dues	42,210	28,485	70,695	61,751	132,446	121,685
Bad debt expense	392,281	70,930	463,211	-	463,211	687,543
Other expenses	<u>4,116</u>	<u>93,627</u>	<u>97,743</u>	<u>21,400</u>	<u>119,143</u>	<u>26,568</u>
 Total expenses	 <u>10,378,535</u>	 <u>21,858,503</u>	 <u>32,237,038</u>	 <u>4,521,537</u>	 <u>36,758,575</u>	 <u>35,198,873</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>						
<b>OVER EXPENSES</b>	<b><u>\$ 3,817,477</u></b>	<b><u>\$ 1,265,174</u></b>	<b><u>\$ 5,082,651</u></b>	<b><u>\$ (4,340,865)</u></b>	<b><u>\$ 741,786</u></b>	<b><u>\$ 1,441,491</u></b>

**NORTHERN HUMAN SERVICES, INC.**

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
MENTAL HEALTH**

**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<b>Non-Specialized <u>Outpatient</u></b>	<b>State Eligible Adult <u>Outpatient</u></b>	<b>Outpatient <u>Contracts</u></b>	<b>Children and <u>Adolescents</u></b>	<b>Emergency Services <u>Non-BBH</u></b>	<b>Other <u>Non-BBH</u></b>
<b>REVENUES</b>						
Program service fees:						
Client fees	\$ 60,664	\$ 68,830	\$ -	\$ 24,494	\$ 27,877	\$ 1,684
Residential fees	-	-	-	-	-	-
Blue Cross	60,281	59,141	-	34,742	10,189	187
Medicaid	105,577	729,262	564,639	2,911,985	113,910	199,718
Medicare	146,722	394,414	-	-	11,657	-
Other insurance	43,250	46,196	-	44,564	8,973	989
Local educational authorities	-	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-	-
Other program fees	80	-	-	-	-	-
Production/service income	-	-	-	-	-	-
Public support:						
Local/county government	136,715	-	-	-	-	-
Donations/contributions	1,303	-	-	2,200	-	-
Other public support	38,349	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	98,305	-
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	2,400	2,317	244	3,666	357	1,969
Private foundation grants	11,782	-	-	1,092	-	160,000
Other revenues	<u>68,060</u>	<u>-</u>	<u>-</u>	<u>378</u>	<u>-</u>	<u>-</u>
 Total revenues	 <u>675,183</u>	 <u>1,300,160</u>	 <u>564,883</u>	 <u>3,023,121</u>	 <u>271,268</u>	 <u>364,547</u>
<b>EXPENSES</b>						
Salaries and wages	\$ 484,279	\$ 767,787	\$ 162,083	\$ 778,395	\$ 496,148	\$ 148,820
Employee benefits	126,695	176,689	41,313	186,899	72,054	38,976
Payroll taxes	31,358	50,374	10,354	53,404	33,592	9,946
Client wages	-	-	-	-	-	-
Professional fees	14,929	15,964	3,593	34,464	7,674	4,831
Staff development and training	5,438	1,110	166	1,489	156	3,416
Occupancy costs	49,049	50,182	11,440	56,523	22,961	10,577
Consumable supplies	15,686	8,454	2,839	12,956	3,621	2,783
Equipment expenses	8,495	3,556	742	5,156	1,943	721
Communications	20,449	18,681	4,435	23,513	16,112	4,173
Travel and transportation	5,381	8,323	1,947	43,254	1,284	7,747
Assistance to individuals	3,135	-	-	1,832	-	-
Insurance	4,523	6,701	1,311	6,705	2,676	1,329
Membership dues	7,498	5,077	1,485	4,189	1,082	784
Bad debt expense	15,439	27,207	-	10,579	21,907	784
Other expenses	<u>1,222</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>35</u>	<u>-</u>
 Total expenses	 <u>793,576</u>	 <u>1,140,115</u>	 <u>241,708</u>	 <u>1,219,358</u>	 <u>681,245</u>	 <u>234,887</u>
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	 <u>\$ (118,393)</u>	 <u>\$ 160,045</u>	 <u>\$ 323,175</u>	 <u>\$ 1,803,763</u>	 <u>\$ (409,977)</u>	 <u>\$ 129,660</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**MENTAL HEALTH**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	<b>Bureau of Drug &amp; Alcohol Services</b>	<b>Health Mentors</b>	<b>Vocational Services</b>	<b>Restorative Partial Hospital</b>	<b>Case Management</b>	<b>Supportive Living</b>
<b>REVENUES</b>						
Program service fees:						
Client fees	\$ 17,048	\$ -	\$ 6,359	\$ 20,784	\$ 267,738	\$ 71,165
Residential fees	-	-	-	-	-	-
Blue Cross	6,927	-	-	-	-	-
Medicaid	69,168	-	183,075	239,209	1,801,451	2,193,613
Medicare	26,809	-	-	-	888	1,212
Other insurance	5,198	-	-	-	107	164
Local educational authorities	-	-	-	-	-	-
Vocational rehabilitation	-	-	7,241	-	-	-
Other program fees	-	-	-	-	-	-
Production/service income	-	-	70,661	-	-	-
Public support:						
Local/county government	-	-	-	-	-	-
Donations/contributions	-	-	-	-	-	-
Other public support	-	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	970	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	20,561	-	-	-	-
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	570	-	228	114	5,362	-
Private foundation grants	-	-	-	-	-	-
Other revenues	-	-	-	345	10	-
<b>Total revenues</b>	<b>126,690</b>	<b>20,561</b>	<b>267,564</b>	<b>260,452</b>	<b>2,075,556</b>	<b>2,266,154</b>
<b>EXPENSES</b>						
Salaries and wages	\$ 82,108	\$ 6,793	\$ 96,446	\$ 92,974	\$ 765,945	\$ 688,918
Employee benefits	23,315	4,517	21,620	22,575	182,494	145,034
Payroll taxes	6,009	575	14,090	6,826	54,040	49,930
Client wages	-	-	86,353	-	-	-
Professional fees	1,845	325	2,004	1,413	22,868	11,484
Staff development and training	523	14	787	156	514	158
Occupancy costs	6,790	1,461	9,525	12,121	54,790	46,048
Consumable supplies	952	350	4,316	31,298	17,716	19,118
Equipment expenses	478	121	6,525	1,805	8,403	4,782
Communications	1,791	391	2,056	1,897	18,979	14,710
Travel and transportation	1,143	1,615	14,924	663	63,665	66,600
Assistance to individuals	-	-	74	60	51	1,153
Insurance	802	129	803	804	6,476	5,651
Membership dues	1,346	7,037	315	301	3,208	2,875
Bad debt expense	15,669	-	4,533	12,757	188,823	47,200
Other expenses	-	-	531	-	1,762	373
<b>Total expenses</b>	<b>142,771</b>	<b>23,328</b>	<b>264,902</b>	<b>185,650</b>	<b>1,389,734</b>	<b>1,104,034</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (16,081)</b>	<b>\$ (2,767)</b>	<b>\$ 2,662</b>	<b>\$ 74,802</b>	<b>\$ 685,822</b>	<b>\$ 1,162,120</b>

NORTHERN HUMAN SERVICES, INC.SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
MENTAL HEALTH

FOR THE YEAR ENDED JUNE 30, 2015

WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Community <u>Residences</u>	Disaster Behavioral <u>Health (DBHRT)</u>	Victims of Crime Act <u>Program</u>	ACT <u>Team</u>	Other Mental Health <u>Programs</u>	Total Mental Health <u>Programs</u>	2014 <u>Total</u>
<b>REVENUES</b>							
Program service fees:							
Client fees	\$ 13,624	\$ -	\$ 4,058	\$ 60,497	\$ -	\$ 644,822	\$ 649,585
Residential fees	19,177	-	-	20,360	-	39,537	29,530
Blue Cross	-	-	5,261	44	-	176,772	154,948
Medicaid	1,055,839	-	74,776	864,543	-	11,106,765	9,938,252
Medicare	-	-	16,179	18,907	-	616,788	666,284
Other insurance	-	-	7,739	-	-	157,180	217,692
Local educational authorities	-	-	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-	7,241	7,070
Other program fees	-	-	-	-	-	80	71
Production/service income	-	-	-	-	191,106	261,767	236,293
Public support:							
Local/county government	-	-	-	-	-	136,715	69,197
Donations/contributions	200	-	-	-	-	3,703	3,880
Other public support	-	68,650	177,400	-	-	284,399	290,687
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	970	149,460
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	246,999	-	365,865	321,272
Other federal and state funding:							
HUD	129,535	-	-	-	-	129,535	132,449
Other	683	-	2,161	341	-	20,412	41,750
Private foundation grants	-	-	-	-	-	172,874	214,086
Other revenues	<u>1,735</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>33</u>	<u>70,587</u>	<u>63,142</u>
Total revenues	<u>1,220,793</u>	<u>68,650</u>	<u>287,574</u>	<u>1,211,717</u>	<u>191,139</u>	<u>14,196,012</u>	<u>13,185,648</u>
<b>EXPENSES</b>							
Salaries and wages	\$ 636,951	\$ 48,868	\$ 393,626	\$ 700,157	\$ 33,660	\$ 6,383,958	\$ 6,341,322
Employee benefits	144,371	10,617	106,912	154,398	8,073	1,466,552	1,298,714
Payroll taxes	45,943	3,623	24,774	47,792	9,442	452,072	468,116
Client wages	-	-	-	210	82,000	168,563	169,401
Professional fees	3,969	894	11,063	26,559	981	164,860	171,021
Staff development and training	49	1,679	1,589	712	9	17,965	35,572
Occupancy costs	42,873	4,319	29,419	77,961	27,621	513,660	519,437
Consumable supplies	21,361	773	4,555	12,295	44,753	203,826	203,786
Equipment expenses	5,497	203	2,727	4,801	5,980	61,935	72,323
Communications	10,910	2,017	10,080	10,831	7,200	168,225	156,058
Travel and transportation	10,233	2,261	8,808	33,957	5,760	277,565	300,752
Assistance to individuals	4,295	-	65	34	-	10,699	14,576
Insurance	1,673	428	3,674	6,055	308	50,048	48,182
Membership dues	623	176	2,784	2,565	865	42,210	45,236
Bad debt expense	7,725	-	1,612	38,046	-	392,281	585,572
Other expenses	<u>159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>4,116</u>	<u>1,462</u>
Total expenses	<u>936,632</u>	<u>75,858</u>	<u>601,688</u>	<u>1,116,373</u>	<u>226,676</u>	<u>10,378,535</u>	<u>10,431,530</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 284,161</u>	<u>\$ (7,208)</u>	<u>\$ (314,114)</u>	<u>\$ 95,344</u>	<u>\$ (35,537)</u>	<u>\$ 3,817,477</u>	<u>\$ 2,754,118</u>

**NORTHERN HUMAN SERVICES, INC.**

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Service Coordination</u>	<u>School District Contracts</u>	<u>Day Programs</u>	<u>Early Supports &amp; Services</u>	<u>Residential Only</u>
<b>REVENUES</b>					
Program service fees:					
Client fees	\$ -	\$ -	\$ 319	\$ 3,104	\$ -
Residential fees	-	-	-	-	-
Blue Cross	-	-	-	32,988	-
Medicaid	1,030,510	-	4,517,382	748,689	-
Medicare	-	-	-	-	-
Other insurance	-	-	-	47,036	-
Local educational authorities	-	187,388	-	-	-
Vocational rehabilitation	-	-	10,280	-	-
Other program fees	-	-	33,047	-	-
Production/service income	-	-	182,960	-	-
Public support:					
Local/county government	-	-	23,330	-	-
Donations/contributions	-	100	17,615	-	-
Other public support	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	7,779	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	-	313	40,892	2,773	-
<b>Total revenues</b>	<u>1,030,510</u>	<u>187,801</u>	<u>4,825,825</u>	<u>842,369</u>	<u>-</u>
<b>EXPENSES</b>					
Salaries and wages	\$ 638,279	\$ 125,866	\$ 2,777,241	\$ 327,531	\$ -
Employee benefits	163,900	25,854	717,926	65,945	-
Payroll taxes	45,351	10,485	218,138	23,367	-
Client wages	-	4,843	184,534	-	-
Professional fees	51,525	679	69,992	129,047	16,297
Staff development and training	113	3	2,130	3,965	-
Occupancy costs	48,348	5,999	230,481	5,976	-
Consumable supplies	8,196	1,629	71,100	12,123	-
Equipment expenses	3,157	441	41,220	799	-
Communications	7,210	2,945	43,623	14,205	-
Travel and transportation	21,937	16,355	489,097	82,112	-
Assistance to individuals	16	101	31,797	129	-
Insurance	5,478	942	24,612	2,412	-
Membership dues	714	1,344	10,985	322	-
Bad debt expense	-	-	7,226	50,499	-
Other expenses	-	-	3,883	109	-
<b>Total expenses</b>	<u>994,224</u>	<u>197,486</u>	<u>4,923,985</u>	<u>718,541</u>	<u>16,297</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 36,286</u>	<u>\$ (9,685)</u>	<u>\$ (98,160)</u>	<u>\$ 123,828</u>	<u>\$ (16,297)</u>

**NORTHERN HUMAN SERVICES, INC.****SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Independent Living Services</u>	<u>Family Residence</u>	<u>Combined Day/ Residential Vendor</u>	<u>Individual Supported Living</u>	<u>Children's Housing</u>
<b>REVENUES</b>					
Program service fees:					
Client fees	\$ -	\$ -	\$ -	\$ -	\$ -
Residential fees	-	96,089	-	24,996	-
Blue Cross	-	-	-	-	-
Medicaid	516,312	7,920,870	1,777,268	279,980	100
Medicare	-	-	-	-	-
Other insurance	-	-	-	-	-
Local educational authorities	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-
Other program fees	-	-	-	-	-
Production/service income	-	17,925	-	1,961	-
Public support:					
Local/county government	-	-	-	-	-
Donations/contributions	-	-	-	-	-
Other public support	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	<u>15</u>	<u>2,657</u>	<u>-</u>	<u>2,854</u>	<u>-</u>
Total revenues	<u>516,327</u>	<u>8,037,541</u>	<u>1,777,268</u>	<u>309,791</u>	<u>100</u>
<b>EXPENSES</b>					
Salaries and wages	\$ 286,662	\$ 1,548,286	\$ -	\$ 195,246	\$ -
Employee benefits	72,577	386,139	-	53,342	-
Payroll taxes	20,700	115,016	-	13,886	-
Client wages	-	15,328	-	1,979	-
Professional fees	24,426	4,320,221	1,896,423	1,089	3,744
Staff development and training	337	4,545	-	6	-
Occupancy costs	19,073	149,582	-	44,012	-
Consumable supplies	3,681	126,919	-	7,104	-
Equipment expenses	1,328	8,331	-	621	-
Communications	3,078	32,394	-	2,138	-
Travel and transportation	17,621	73,140	-	6,862	-
Assistance to individuals	2,425	6,117	-	5	-
Insurance	2,568	12,910	-	1,633	-
Membership dues	362	3,090	-	206	-
Bad debt expense	4,965	7,578	-	-	-
Other expenses	<u>-</u>	<u>455</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>459,803</u>	<u>6,810,051</u>	<u>1,896,423</u>	<u>328,129</u>	<u>3,744</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 56,524</u>	<u>\$ 1,227,490</u>	<u>\$ (119,155)</u>	<u>\$ (18,338)</u>	<u>\$ (3,644)</u>



**NORTHERN HUMAN SERVICES, INC.****SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2015  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Consolidated Services</u>	<u>Combined Day/ Residential Services</u>	<u>Acquired Brain Disorder</u>	<u>Other Developmental Services Programs</u>	<u>Total Developmental Services Programs</u>	<u>2014 Total</u>
<b>REVENUES</b>						
Program service fees:						
Client fees	\$ -	\$ -	\$ -	\$ -	\$ 3,423	\$ 1,138
Residential fees	-	-	7,860	2,200	131,145	120,107
Blue Cross	-	-	-	-	32,988	35,652
Medicaid	1,779,411	523,069	308,635	2,869,546	22,271,772	21,949,087
Medicare	-	-	-	-	-	-
Other insurance	-	-	-	-	47,036	65,162
Local educational authorities	-	-	-	-	187,388	169,596
Vocational rehabilitation	-	-	-	-	10,280	9,244
Other program fees	-	-	-	-	33,047	38,532
Production/service income	-	-	-	39,992	242,838	245,222
Public support:						
Local/county government	-	-	-	-	23,330	1,000
Donations/contributions	-	-	-	-	17,715	25,035
Other public support	-	-	-	-	-	-
Division of Alcohol and Drug Abuse Prevention/Recovery	-	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	62,941	70,720	104,596
Other federal and state funding:						
HUD	-	-	-	-	-	-
Other	-	-	-	-	-	14,603
Private foundation grants	-	-	-	-	-	-
Other revenues	67	-	390	2,034	51,995	147,971
<b>Total revenues</b>	<b>1,779,478</b>	<b>523,069</b>	<b>316,885</b>	<b>2,976,713</b>	<b>23,123,677</b>	<b>22,926,945</b>
<b>EXPENSES</b>						
Salaries and wages	\$ 502,812	\$ 30,117	\$ 41,236	\$ 545,672	\$ 7,018,948	\$ 6,792,154
Employee benefits	69,212	4,814	57,257	99,743	1,716,709	1,554,200
Payroll taxes	39,193	2,141	1,485	42,166	531,928	536,675
Client wages	-	-	-	17,810	224,494	197,960
Professional fees	813,158	407,204	125,179	2,385,017	10,244,001	9,230,934
Staff development and training	87	1	13	5,116	16,316	22,275
Occupancy costs	-	621	7,313	28,543	539,948	560,428
Consumable supplies	2,695	2,341	5,604	21,213	262,605	277,676
Equipment expenses	369	70	1,067	1,671	59,074	37,965
Communications	2,525	151	1,995	4,219	114,483	129,638
Travel and transportation	57,538	-	3,019	31,914	799,595	803,475
Assistance to individuals	15,720	-	-	22,160	78,470	71,328
Insurance	1,250	202	3,153	3,730	58,890	56,388
Membership dues	8,785	26	461	2,190	28,485	27,226
Bad debt expense	-	-	-	662	70,930	101,971
Other expenses	-	-	-	89,180	93,627	12,347
<b>Total expenses</b>	<b>1,513,344</b>	<b>447,688</b>	<b>247,782</b>	<b>3,301,006</b>	<b>21,858,503</b>	<b>20,412,640</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 266,134</b>	<b>\$ 75,381</b>	<b>\$ 69,103</b>	<b>\$ (324,293)</b>	<b>\$ 1,265,174</b>	<b>\$ 2,514,305</b>

**NORTHERN HUMAN SERVICES  
BOARD OF DIRECTORS**

		<u>Office</u>	<u>Home</u>	<u>Term M/Y</u> <u>Began / End</u>
<b>Officers:</b>	Eric Johnson, CEO (Cell: 728-5434)	447-3347	[REDACTED]	
	Marti Faulkner, President			10.14 / 10.16
	Steve Michaud, Vice President			10.14 / 10.16
	James Salmon, Treasurer			10.15 / 10.17
	Maddie Costello, Secretary			10.15 / 10.17

<b>Staff:</b>	Dale Heon, CFO	447-3347		
	Susan Wiggin, Executive Assistant	447-3347		
	Suzanne Gaetjens-Olsen, MH Reg Administrator	447-3347		
	Liz Charles, DD Reg Administrator	447-3347		

**Term  
Expire**

	<u>The Mental Health Center</u> [REDACTED]	Charlie Cotton Area Director	752-7404	
'16	Margaret McClellan, [REDACTED]		[REDACTED]	6/01
'17	*Stephen Michaud, [REDACTED]		[REDACTED]	11/02
	<u>The Mental Health Center</u> [REDACTED]	Jane MacKay Area Director	447-2111	
	[REDACTED]		569-1884	
	<u>New Horizons</u> [REDACTED]	Shanon Mason DS Director	356-6310	
'18	*Madelene Costello, [REDACTED]		[REDACTED]	9/06
'18	James Salmon, [REDACTED]		[REDACTED]	11/03
	<u>The Mental Health Center</u> [REDACTED]	Steve Arnold MH Director	237-4955	
	[REDACTED]		636-2555	
	<u>Vershire Center</u> [REDACTED]	Michelle Goudreau DS Director	636-2555	
'16	Judy Houghton, [REDACTED]		[REDACTED]	7/13
'17	Georgia Caron, [REDACTED]		[REDACTED]	[5/08]
	<u>White Mountain Mental Health</u> [REDACTED]	Jane MacKay Area Director	444-5358	
	<u>Common Ground</u> [REDACTED]	Mark Vincent, DS Director	837-9547	
'17	*Marti Faulkner, [REDACTED]		[REDACTED]	1994
'16	Bob Fink, [REDACTED]		[REDACTED]	1/07, 3/13
'18	*Amy Mitz, [REDACTED]		[REDACTED]	10/12
	<u>Honorary Board Members</u> Caroline Gale, [REDACTED]		[REDACTED]	1984
	Natalie Peterson, [REDACTED]		[REDACTED]	1981
	*Felix Weingart, Jr., [REDACTED]		[REDACTED]	1984

Executive Committee: Marge McClellan, Stephen Michaud, James Salmon, Marti Faulkner, Maddie Costello, Eric Johnson  
Finance Committee: Marti Faulkner, Marge McClellan, Steve Michaud, Jim Salmon, Bob Fink, Dale Heon  
Program Committee: Amy Mitz, Marge McClellan, Judy Houghton, Maddie Costello, Suzanne Gaetjens-Olsen, Liz Charles

\*Member representing consumer with developmental disability

# ERIC M. JOHNSON

---

## SENIOR MANAGEMENT EXECUTIVE

### Cross-Functional Experience & Cross System Expertise

---

2013 – Present CEO

Responsible for the management of a \$37 million mental health and developmental service organization. Assuring the delivery and quality of essential services to individuals living in a rural environment. Northern Human Services serves over 5,000 individuals and employs over 600 employees.

Highly qualified Executive Manager offering more than 25 years of non-profit management and diverse program leadership experience within human service delivery systems. Results-focused and effectual leader with proven ability to provide stability in business despite unpredictable external forces. Talent for proactively identifying and resolving problems – reversing negative financial results, controlling costs, maximizing productivity, and delivering positive results. Strength and direct experience in:

- \*Contract Development & Monitoring
- \*Budget Development
- \*Consumer Rights Protection
- \*Policy Development
- \*Inter-Agency Collaboration

- \*Corporate Compliance
- \*Quality Assurance
- \*Program Development
- \*Grant Writing
- \*Personnel Management

---

## PROFESSIONAL EXPERIENCE

Northern Human Services - Conway, NH

1984 – Present

- **CHIEF OF OPERATIONS** (1997 - Present)
- **ASSOCIATE DIRECTOR OF DEVELOPMENTAL SERVICES** (1996 – 1997)
- **AREA DIRECTOR** (1994 – 1996)
- **REGIONAL COORDINATOR** (1987 - 1995)

Recruited initially as a Case Manager in 1984 to provide service coordination to individuals with long term mental illness and developmental disabilities. Promoted to Team Leader/Supervisor within first year of employment. Promoted again within two years to assume region-wide responsibilities, including the supervision of Program Managers in regional offices.

Appointed Area Director in 1994 for a declining operation that had experienced major staff turnover and financial losses over several years. Successfully stabilized the business and program functions and turned around financial losses. Advanced quickly to role as Associate Director of Developmental Services overseeing a budget of \$8 million. Promoted again in 1997 to Chief of Operations, which included absorbing the roles of two former full-time Associate Directors.

**ERIC M. JOHNSON**

**-Page 2-**

---

**CURRENTLY:** Direct all operations of the agency and maintain compliance with three major State contracts totaling more than \$34 million dollars. Provide leadership for a 500-person workforce and hold full responsibility for the day to day management of the agency. Oversee Area Directors, Quality Assurance/Corporate Compliance, Human Resources, specific Developmental Services program functions and client complaint resolution processes. Also have provided coverage for the CEO and other Management Team staff vacancies on an ongoing basis as needed.

**Examples of Leadership:**

- Led agency’s consolidation with the former organization known as The Center of Hope, which entailed hiring 200 employees and the integration of an \$8 million dollar operations budget.
  - Successfully managed through the turnover of three previous Chief Financial Officers; oriented and supported each of the new CFO hires in annual budget development as they learned the complexities of the job.
  - Provided interim leadership and supported program operations of both New Horizons and the Mental Health Center in Conway while recruiting for new Area Directors on four separate occasions.
  - Have maintained strong collaborative relationships with all of the State Bureau’s and various funding sources over entire career with the agency.
  - Have led multiple agency projects by mentoring and supervising staff who were charged with specific outcomes; this included the Tele-psychiatry Project, the recent Electronic Medical Record initiative, the Columbia House Residential Treatment Program, the Family Support Program, and numerous other program initiatives.
  - Have represented the agency at state-level meetings when the CEO has been unavailable. This has included meetings with several DHHS Commissioners, all Bureau Chiefs and the Governor of NH.
- 

**Northern NH Council on Alcoholism - Dummer, NH** **1983 -1985**

- **DRUG AND ALCOHOL COUNSELOR**

**NH Office of Alcohol and Drug Abuse & Prevention – Concord, NH** **1982 - 1983**

- **VISTA VOLUNTEER**
- 

**EDUCATION**

**Masters of Human Service Administration (MSHSA)**  
Springfield College – Springfield, MA

**Bachelor of Arts (BA)**  
University of NH – Durham, NH

## DALE HEON

### EMPLOYMENT HISTORY:

Apr. 2007 - Present

**NORTHERN HUMAN SERVICES INC.**, Conway, NH

**Job Title: Chief Financial Officer**

Provide strategic management of the accounting and finance functions of a private non-profit corporation.

Lead and supervise Controller, Accounting and Payroll staff. Direct accounting policies, procedures and internal controls. Recommend and implement improvements to ensure the integrity of the company's financial information.

Budget preparation and submission to State of NH Department of Health and Human Services. Quarterly reporting to State of NH of budget vs. actual expenses and revenue. Oversee financial system implementations and upgrades. Federal and State grant management and accounting.

Lead and supervise Director of Information Technology and collaborate on technology decisions. Computer network encompasses multiple sites in rural northern locations.

Manage relationships with banking, investment institutions, and outside audit firm. Identify and manage business risks and insurance requirements. Present monthly financial data to the Finance Committee of the Board of Directors.

Jan. 2007 – Apr. 2007

**Robert Half International**, Manchester, NH

**Job Title: Interim Chief Financial Officer (client)**

Worked exclusively at client location (Northern Human Services Inc). See list of duties and responsibilities above. Hired directly by Northern after successful completion of budget submission to State of New Hampshire.

Jul. 1999 - Oct. 2006

**BRANDPARTNERS INC.** (formerly Willey Brothers, Inc.), Rochester, NH

**Job Title: Controller**

Helped grow a new division (commercial construction management) from \$5 million in revenue per year in 1999 to over \$30 million in 2006. Total company revenue estimated to be over \$50 million in 2006.

Instrumental in successful implementation of new project accounting software during period of high growth.

Responsible for revenue recognition and accruing all work-in-process costs each month using the percentage of completion method. Full profit & loss report responsibility.

Balance sheet account reconciliation, A/P, A/R including collections, revenue forecasting, budgeting, and exposure to SEC reporting 10Q/10-K. Reviewed and signed off on SEC reporting related to my division.

Prepared corporate cash flow forecasting, prepared and entered monthly journal entries, helped create customized detailed profitability analysis report by job.

Produced pro-forma income statements for new endeavors or potential acquisitions. Interfaced with outside auditors at quarter-end and year-end for financial statement verification.

Dec 1995 - July 1999

**CABLETRON SYSTEMS, INC.**, Rochester, NH

**Job Title: Senior Credit Analyst**

Collected commercial overdue accounts receivable for this \$1+ Billion revenue high tech company. Collection territory consisted mostly of government resellers; leasing companies and averaged \$12-\$15 million per month.

Set-up and maintained Escrow Agreements between banks and 8A or minority owned businesses to ensure payment on multi-million dollar government contracts.

Prepared journal entries for reconciliation of customer accounts; prepared short-term rental quotes for customers.

Acted as liaison between our sales force, outside leasing companies (GE Capital Etc.) and our customers. Managed multi-million dollar stocking orders-including billing, collections, and inventory management.

Recruited, supervised, and trained college interns.

Oct. 1989 to Dec 1995

**WILLEY BROTHERS, INC.**, Rochester, NH

**Job Title: Assistant Financial Manager**

As part of the Senior Management Team, maintained all accounting systems for this \$11m manufacturing company: G/L, A/R including collections, A/P, fixed assets, payroll, Personnel/Human Resources, state sales taxes, cash flow analysis and projection, financial report generation, and budgets.

Responsible for computer network, all telecommunication needs, maintain rental property - collect rent, building maintenance and upkeep, negotiate and prepare lease agreements.

### **EDUCATION:**

1996-1999:

**PLYMOUTH STATE UNIVERSITY**, Plymouth, NH - Master of Business Administration Program

**M.B.A. - Graduated with Honors -GPA 3.88/4.00; Member of Delta Mu Delta - National Honor Society**

1987 - 1991:

**UNIVERSITY OF NEW HAMPSHIRE**, Durham, NH - Whittemore School of Business and Economics

**B.S. in Business Administration**

### **SOFTWARE RESOURCES:**

Microsoft Great Plains Dynamics ERP (Project Accounting, A/R, A/P, Sales Order Processing); SAP ERP (Credit Management, A/R, Order Entry); Solomon Accounting; Microsoft Excel, Word, and PowerPoint; Lotus 1-2-3; Dbase IV.

## ***Suzanne Gaetjens-Oleson, MACP, LCMHC***

### ***Educational History:***

Bachelor of Arts, Psychology Major, Hampshire College, Amherst, MA, 1993

Master of Counseling Psychology, Antioch New England Graduate School, Keene, NH, 1996

### ***Employment History:***

***Regional Mental Health Administrator***, Northern Human Services, May 2013-present Direct the regional management, operations and provision of services to individuals with mental illness and substance abuse in accordance with Agency Policy, federal and state laws and regulations. Responsible for overseeing compliance efforts in the Agency, supervising the Medical Records Auditor and the members of the Quality Improvement and Compliance Team. Responsible for overseeing the Electronic Medical Record team and leading the agencies efforts to comply with Meaningful Use Requirements.

***Director, Quality Improvement/Compliance***, Northern Human Services, February 2012-May 2013, Responsibility for Corporate Compliance and Quality Improvement functions such as assisting management with the ongoing review and amendment of administrative and treatment policies; investigating and acting on matters related to compliance, including management of internal reports of concern, leading and coordinating the preparation for reviews of the Agency by external entities, maintaining quality improvement processes that measure outcomes of services delivered, using data from information technology systems to analyze, create and disseminate reports that summarize service utilization and trends; coordinating regional planning processes and developing plan documents for funding sources as required. Coordinate, synthesize and provide summary reports of quality indicators to MC on a regular basis. Provide necessary compliance trainings to staff.

***Director of Children's Services***, June 2000-February 2012 Northern Human Services, White Mountain Mental Health, June 2000 to present. Responsible for the supervision and management of the "children's team", represent Northern Human Services at Children's Director's state team meeting, writing small grants, developing and sustaining positive collaborative relationships with other child serving systems, maintain children's charts to Medicaid and federal standards, maintain clinical caseload.

***Clinician***, White Mountain Mental Health and Developmental Services, May 1996-June 2000. Assessment and ongoing counseling with children and families. Daytime emergency service coverage.

***Emergency Service Clinician***, White Mountain Mental Health and Development Services, April 1995-May 1996. Day and night coverage of emergency services to psychiatric patients including psychosocial assessments and emergency evaluations and interventions.

***Charge Counselor***, Northern New Hampshire Youth Services, and Bethlehem NH. May 1993-November 1994. Conducted psychosocial assessments, emergency evaluations, provided direct counseling services and staff supervision at this group home for emotionally disturbed adolescent females. (This home has changed ownership since I was employed there and is now part of the NFI system.)

***Continuing Education Experiences:***

-Two intensive weeklong seminars with Daniel Hughes, which focused on work with children who have suffered trauma, loss, and disrupted attachment.

-Seminars required for License (total 65 continuing education credits during every two-year license period, including six ethics credits)

-Trauma Focused Cognitive Behavioral Therapy--trained with Dartmouth, received weekly supervision with Craig Donnelly, MD and Sarah Sterns, PhD.

Helping the Non-compliant Child-trained with Dartmouth, received weekly supervision with Sarah Sterns, PhD.

***Goal: To continue working in a capacity that supports people affected by mental illness and promotes their ability to be positive contributors and participants in their communities.***

***References Available Upon Request***



**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Eric Johnson	CEO	\$135,000	0%	
Dale Heon	CFO	\$92,587	0%	
Suzanne Gaetjens-Olsen	MH Regional Administrator	\$68,266	0%	

BM

24 am



STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF BEHAVIORAL HEALTH

Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9422 1-800-852-3345 Ext. 9422  
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 31, 2016

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

*Sole Source*

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Bureau of Mental Health Services, formally Behavioral Health Services, to enter into **sole source** Contracts with the ten (10) vendors identified in the table below to provide non-Medicaid community mental health services, in an amount not to exceed \$6,521,006 in the aggregate, effective July 1, 2016, or date of Governor and Council approval through June 30, 2017. Funds are 7.31% Federal Funds, .77% Other Funds, and 91.92% General Funds.

Funds to support this request are available in State Fiscal Year 2017.

Summary of contracted amounts by vendor:

Vendor	New Hampshire Locations	Amount
Northern Human Services	Conway	377,039
West Central Services DBA West Central Behavioral Health	Lebanon	341,741
The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health	Laconia	347,365
Riverbend Community Mental Health, Inc.	Concord	468,353
Monadnock Family Services	Keene	413,840
Community Council of Nashua, NH, DBA Greater Nashua Mental Health Center at Community Council	Nashua	1,243,349
The Mental Health Center of Greater Manchester, Inc.	Manchester	1,707,970
Seacoast Mental Health Center, Inc.	Portsmouth	889,015
Behavioral Health & Developmental Svs of Strafford County, Inc., DBA Community Partners of Strafford County	Dover	332,793
The Mental Health Center for Southern New Hampshire, DBA CLM Center for Life Management	Derry	399,541
<b>TOTAL</b>		<b>\$6,521,006</b>

Please see attached financial detail.

**EXPLANATION**

These ten (10) agreements are **sole source** because community mental health services are not subject to the competitive bidding requirement of NH ADM 601.03. The Bureau of Mental Health Services' contracts for services through the community mental health centers are designated by the Bureau to serve the towns and cities within a designated geographic region as outlined in NH RSA 135-C and State regulation NH He-M 403.

These ten (10) agreements include provisions for:

1. Non-Medicaid services;
2. Compliance with the Community Mental Health Agreement (CMHA);
3. Funding for the CMHA for Fiscal Year 2017; and
4. Continuation of a military liaison program.

Approval of these ten (10) contracts will allow the Department to continue to provide community mental health services for approximately 45,000 adults, children and families in New Hampshire. The Contractors will provide community mental health services as identified in NH Administrative Rule He-M 426 and additional services such as Emergency Services, Individual and Group Psychotherapy, Targeted Case Management, Medication Services, Functional Support Services, and Evidence Based Practices including Illness Management and Recovery, Evidence Based Supported Employment, Trauma Focused Cognitive Behavioral Therapy, and Community Residential Services. Community mental health services are designed to build resiliency, promote recovery within a person-centered approach, promote successful access to competitive employment, reduce inpatient hospital utilization, improve community tenure, and assist individuals and families in managing the symptoms of mental illness.

Community Mental Health Services will be provided to Medicaid clients, and non-Medicaid clients for related services, such as, Emergency Services to adults, children and families without insurance. The Contractors will seek reimbursement for Medicaid services through an agreement with the Managed Care contractors when a client is enrolled in managed care and through Medicaid fee-for-service when a client is enrolled as a fee-for-service client. The Contracts do not include funding for the Medicaid dollars as they are not paid for through these contracts. The Contracts include funding for the other community mental health services such as Adult and Children Assertive Community Treatment teams, Projects for Assistance in Transition from Homelessness, rental housing subsidies, and emergency services.

Should Governor and Executive Council determine not to approve this Request, approximately 45,000 adults, children and families in the state may not receive community mental health services, as required by NH RSA 135-C:13. Many of these individuals may experience a relapse of symptoms. They may seek costly services at hospital emergency departments due to the risk of harm to themselves or others and may be at significant risk without treatment or interventions. These individuals may also have increased contact with local law enforcement, county correctional programs and primary care physicians, none of which will have the services or supports available to provide assistance.

In conformance with RSA 135-C:7, performance standards have been included in this contract. Those standards include individual outcome measures and fiscal integrity measures. The effectiveness of services will be measured through the use of the Child and Adolescent Needs and Strengths Assessment and the Adult Needs and Strengths Assessment. The individual level outcomes tools are designed to measure improvement over time, inform the development of the treatment plan, and engage the individual and family in monitoring the effectiveness of services. In addition, follow-up in the community after discharge from New Hampshire Hospital will be measured.

The fiscal integrity measures include generally accepted performance standards to monitor the financial health of non-profit corporations on a monthly basis. The vendor is required to provide a corrective action plan in the event of deviation from a standard. Failure to maintain fiscal integrity, or to make services available, could result in the termination of the contract and the selection of an alternate provider.

All residential and partial hospital programs are licensed/certified when required by State laws and regulations in order to provide for the life safety of the persons served in these programs. Copies of all applicable licenses/certifications are on file with the Department of Health and Human Services.

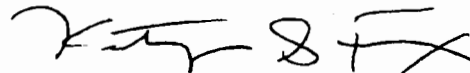
Area served: Statewide.

Her Excellency, Margaret Wood Hassan  
and Her Honorable Council  
Page 3 of 3

Source of funds: 7.31% Federal Funds from the US Department of Health and Human Services, Projects for Assistance in Transition from Homelessness, Balancing Incentive Program, Title IIID: Preventative Health Money from the Administration for Community Living, and Substance Abuse Prevention and Treatment Block Grant, .077% Other Funds from Behavioral Health Services Information System, and 91.92% General Funds.

In the event that the Federal or Other Funds become no longer available, General Funds shall not be requested to support these programs.

Respectfully submitted



Katja S. Fox  
Director

Approved by:



Jeffrey A. Meyers  
Commissioner

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

**05-95-92-920010-5945, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT  
100% General Funds**

**CFDA # N/A  
FAIN N/A**

Northern Human Services

Vendor # 177222

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	349,249
		Sub Total		349,249

West Central Svcs, Inc., DBA West Behavioral Health

Vendor # 177654

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	312,878
		Sub Total		312,878

The Lakes Region Mental Health Center., Inc. DBA Genesis Behavioral Health

Vendor # 154480

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	328,115
		Sub Total		328,115

Riverbend Community Mental Health, Inc.

Vendor # 177192

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	381,653
		Sub Total		381,653

Monadnock Family Services

Vendor # 177510

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	357,590
		Sub Total		357,590

Community Council of Nashua, NH DBA Greater Nashua Mental Health Center at

Vendor # 154112

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	1,183,799
		Sub Total		1,183,799

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

The Mental Health Center of Greater Manchester, Inc.

Vendor # 177184

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	1,646,829
		Sub Total		1,646,829

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	746,765
		Sub Total		746,765

Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community

Vendor # 177278

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	313,543
		Sub Total		313,543

The Mental Health Center for Southern New Hampshire DBA CLM Center for Life

Vendor # 174116

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92205945	350,791
		Sub Total		350,791
		<b>SUB TOTAL</b>		<b>5,971,212</b>

**05-95-92-920010-7851, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, MENTAL HEALTH DATA  
COLLECTION**

100% Other Funds

CFDA #  
FAIN

N/A  
N/A

Northern Human Services

Vendor # 177222

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

West Central Svcs, Inc., DBA West Behavioral Health

Vendor # 177654

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

The Lakes Region Mental Health Center., Inc. DBA Genesis Behavioral Health

Vendor # 154480

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

Riverbend Community Mental Health, Inc.

Vendor # 177192

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

Monadnock Family Services

Vendor # 177510

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

Community Council of Nashua, NH DBA Greater Nashua Mental Health

Vendor # 154112

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

The Mental Health Center of Greater Manchester, Inc.

Vendor # 177184

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community

Vendor # 177278

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

The Mental Health Center for Southern New Hampshire DBA CLM Center for Life

Vendor # 174116

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	92207851	5,000
		Sub Total		5,000
		<b>SUB TOTAL</b>		<b>50,000</b>

**05-95-42-421010-2958, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD - FAMILY SERVICES**

**100% General Funds**

**CFDA #**

**N/A**

**FAIN**

**N/A**

Northern Human Services

Vendor # 177222

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	5,310
		Sub Total		5,310

West Central Svcs, Inc., DBA West Behavioral Health

Vendor # 177654

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

The Lakes Region Mental Health Center., Inc. DBA Genesis Behavioral Health

Vendor # 154480

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

Riverbend Community Mental Health, Inc.

Vendor # 177192

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

Monadnock Family Services

Vendor # 177510

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770



**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

Community Council of Nashua, NH DBA Greater Nashua Mental Health

Vendor # 154112

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

The Mental Health Center of Greater Manchester, Inc.

Vendor # 177184

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	3,540
		Sub Total		3,540

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community

Vendor # 177278

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770

The Mental Health Center for Southern New Hampshire DBA CLM Center for Life

Vendor # 174116

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	1,770
		Sub Total		1,770
		<b>SUB TOTAL</b>		<b>23,010</b>

**05-95-42-423010-7926, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: HUMAN SERVICES, HOMELESS & HOUSING, PATH GRANT**

**100% Federal Funds**

CFDA #  
FAIN

**93.150  
SM016030-14**

Riverbend Community Mental Health, Inc.

Vendor # 177192

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42307150	36,250
		Sub Total		36,250

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

Monadnock Family Services

Vendor # 177510

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42307150	37,000
		Sub Total		37,000

Community Council of Nashua, NH DBA Greater Nashua Mental Health

Vendor # 154112

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42307150	40,300
		Sub Total		40,300

The Mental Health Center of Greater Manchester, Inc.

Vendor # 177184

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42105824	40,121
		Sub Total		40,121

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42307150	25,000
		Sub Total		25,000

The Mental Health Center for Southern New Hampshire DBA CLM Center for Life

Vendor # 174116

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	42307150	29,500
		Sub Total		29,500
		<b>SUB TOTAL</b>		208,171

**05-95-49-490510-2985, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: DIV OF COMM BASED CARE SVC, COMMUNITY BASED CARE SERVICES, BALANCE INCENTIVE PROGRAM BIP**

100% Federal Funds

CFDA #  
FAIN

93.778

05-1505NHBIPP

Northern Human Services

Vendor # 177222

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	17,480
		Sub Total		17,480

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

West Central Svcs, Inc., DBA West Behavioral Health

Vendor # 177654

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	22,093
		Sub Total		22,093

The Lakes Region Mental Health Center., Inc. DBA Genesis Behavioral Health

Vendor # 154480

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

Riverbend Community Mental Health, Inc.

Vendor # 177192

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	43,680
		Sub Total		43,680

Monadnock Family Services

Vendor # 177510

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

Community Council of Nashua, NH DBA Greater Nashua Mental Health

Vendor # 154112

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

The Mental Health Center of Greater Manchester, Inc.

Vendor # 177184

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

**NH DHHS COMMUNITY MENTAL HEALTH CENTER CONTRACTS  
SFY 2017 FINANCIAL DETAIL**

Behavioral Health & Developmental Services of Strafford County, Inc. DBA Community Vendor # 177278

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480

The Mental Health Center for Southern New Hampshire DBA CLM Center for Life Vendor # 174116

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49053316	12,480
		Sub Total		12,480
		<b>SUB TOTAL</b>		<b>170,613</b>

**05-95-49-491510-2988, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, PREVENTION  
SERVICES**

100% Federal Funds

CFDA # 93.959  
FAIN T1010035-14

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	49156502	63,000
		Sub Total		63,000
		<b>SUB TOTAL</b>		<b>63,000</b>

**05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,  
HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, HEALTH PROMOTION CONTRACTS**

100% Federal Funds

CFDA # 93.043  
FAIN 15AANHT3PH

Seacoast Mental Health Center, Inc.

Vendor # 174089

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2017	102/500731	Contracts for Program Services	48108462	35,000
		Sub Total		35,000
		<b>SUB TOTAL</b>		<b>35,000</b>
		<b>TOTAL</b>		<b>6,521,006</b>

Subject: Mental Health Services

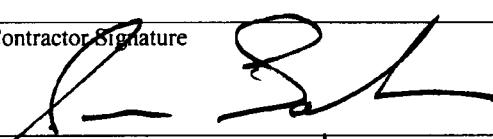
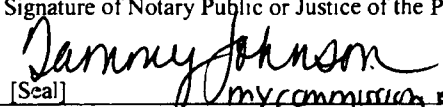
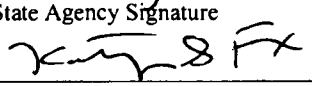
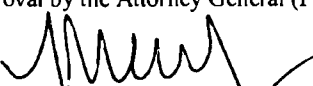
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services Division of Behavioral Health, Bureau of Mental Health Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Northern Human Services		1.4 Contractor Address 87 Washington Street Conway, NH 03818	
1.5 Contractor Phone Number 603-447-3347	1.6 Account Number See Exhibit B	1.7 Completion Date June 30, 2017	1.8 Price Limitation \$377,039
1.9 Contracting Officer for State Agency Eric Borrin, Director of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory James Salmon Treasurer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Carroll</u> On <u>May 24, 2016</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] <u>my commission expires 2/22/17</u>			
1.13.2 Name and Title of Notary or Justice of the Peace <u>Tammy L. Johnson</u>			
1.14 State Agency Signature  Date: <u>5/27/16</u>		1.15 Name and Title of State Agency Signatory Katja S. Fox, Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>4/12/16</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials

Date 5/24/16

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

**8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.


**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

Contractor Initials   
Date 5/24/16

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials

Date 5/24/16



**New Hampshire Department of Health and Human Services**  
**Exhibit A**  
**Scope of Work**  
**SFY 2017**



**I. SERVICES**

- A. The Contractor shall provide behavioral health services in accordance with applicable federal and state law, including administrative rules and regulations.
- B. Subject to the provisions of this Agreement and RSA 135-C:13, the Contractor shall provide services as defined in RSA 135-C and He-M 426 to persons who are eligible under RSA 135-C:13 and He-M 401. However, no person determined eligible shall be refused any of the services provided hereunder because of an inability to pay a fee.
- C. The Contractor shall provide services that are intended to promote recovery from mental illness for eligible residents in the State of New Hampshire. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may impact on the services described herein, the State has the right to modify service priorities and expenditure requirements under the Agreement so as to achieve compliance therewith.
- D. The Contractor acknowledges the requirements of the Community Mental Health Agreement and shall demonstrate progress toward meeting the following terms in the Community Mental Health Agreement: 1.) Assertive Community Treatment Teams; 2.) Evidence-Based Supported Employment; and 3.) transition planning for individuals at New Hampshire Hospital and Glenciff Home. Further, the Contractor shall participate in annual Quality Service Reviews (QSR) conducted under the terms of the Agreement.
- E. Should the Contractor fail to demonstrate progress toward meeting the Agreement's terms noted in section D above after consultation with and technical assistance from the Department, the Department may terminate the contract with the Contractor under the provisions detailed in Exhibit C-1.

**II. QUALITY IMPROVEMENT**

- A. The Contractor shall perform, or cooperate with the performance of, such quality improvement and/or utilization review activities as are determined to be necessary and appropriate by the DHHS within timeframes reasonably specified by DHHS in order to ensure the efficient and effective administration of services.
- B. In order to document consumer strengths, needs, and outcomes, the community mental health program shall ensure that all clinicians who provide community mental health services are certified in the use of the New Hampshire version of the Child and Adolescent Needs and Strengths Assessment (CANS) if they are a clinician serving the children's population, and the New Hampshire version of the Adult Needs and Strengths Assessment (ANSA) if they are a clinician serving the adult population.
  - 1. Clinicians shall be certified as a result of successful completion of a test approved by the Praed Foundation.
  - 2. Ratings generated by the New Hampshire version of the CANS or ANSA assessment shall be:
    - a. Employed to develop an individualized, person-centered treatment plan;
    - b. Utilized to document and review progress toward goals and objectives and assess continued need for community mental health services; and
    - c. Submitted to the database managed for the State that will allow client-level, regional, and statewide outcome reporting.
  - 3. Documentation of re-assessment using the New Hampshire version of the CANS

New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



or ANSA shall be conducted at least every three (3) months.

- C. In order to measure Consumer and Family Satisfaction, DHHS shall contract with a private vendor during fiscal year 2017 to assist the Contractor and DHHS with the completion of a consumer satisfaction survey.
1. The Contractor agrees to furnish (within HIPAA regulations) information the private vendor will need to sample consumers according to vendor specifications and to complete an accurate survey of consumer satisfaction;
  2. The Contractor agrees to furnish complete and current contact information so that consumers selected can be contacted by the vendor; and
  3. The Contractor will support the efforts of DHHS and the vendor to conduct the survey, and will encourage all consumers sampled to participate. The Contractor will display posters and other materials provided by DHHS to explain the survey and otherwise support attempts by DHHS to increase participation in the survey.

**III. SUBSTANCE USE SCREENING**

In order to address the issue of substance use, and to utilize that information in implementing interventions to support recovery, the Contractor shall screen eligible consumers for substance use at the time of intake and annually thereafter. The performance standard for fiscal year 2017 shall be 95% of all eligible consumers screened as determined by an examination of a statistically valid sample of consumer records by the annual DHHS Quality Assurance and Compliance Review. In the event that a consumer screens positive for substance use, the Contractor shall utilize that information in the development of the individual service plan.

**IV. COORDINATION OF CARE WITH NEW HAMPSHIRE HOSPITAL**

- A. The Contractor shall designate a member of its staff to serve as the primary liaison to New Hampshire Hospital (NHH) to assist in the coordinated discharge planning for the consumer to receive services at the contractor or community as appropriate.
- B. The Contractor shall not close the case of any of its consumers admitted to NHH. Notwithstanding the aforesaid, the Contractor shall be deemed to be in compliance with all He-M 408 rules if it is noted in the record that the consumer is an inpatient at NHH. All documentation requirements as per He-M 408 will be required to resume upon re-engagement of services following the consumer's discharge from NHH. The Contractor shall participate in transitional and discharge planning.
- C. The Contractor shall work with DHHS, payers and guardians (if applicable) to review cases of consumers that NHH, and/or the Contractor has indicated will have difficulty returning to the community, identify barriers to discharge, and develop an appropriate plan to transition into the community.
- D. The Contractor shall make a face-to-face appointment available to a consumer leaving NHH who desires to reside in the region served by the Contractor within seven (7) calendar days of receipt of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later.
- E. Prior to referring an individual to NHH, the Contractor shall make all reasonable efforts to ensure that no appropriate bed is available at any other Designated Receiving Facility (DRF) or Adult Psychiatric Residential Treatment Program (APRTP).

New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



F. The Contractor shall collaborate with NHH and Transitional Housing Services (THS) in the development and execution of conditional discharges from NHH to THS in order to ensure that individuals are treated in the least restrictive environment. DHHS will review the requirements of He-M 609 to ensure obligations under this section allow CMHC delegation to the THS vendors for clients who reside there.

V. **COORDINATION WITH PRIMARY CARE PROVIDER**

A. The Contractor shall request written consent from the consumer who has a primary care provider to release information to coordinate care regarding mental health services or substance abuse services or both, with the primary care provider.

B. In the event that the consumer refuses to provide consent, the Contractor shall document the reason(s) consent was refused on the release of information form.

VI. **TRANSITION OF CARE**

A. The role of the Contractor in providing information to consumers on the selection of a managed care plan shall be limited to linkage and referral to the managed care enrollment broker, and/or DHHS approved enrollment materials specifically developed for the selection of a managed care plan. The Contractor shall not steer, or attempt to steer, the enrollee toward a specific plan or limited number of plans or to opt out of managed care.

B. In the event that a consumer requests that the Contractor transfer the consumer's medical records to another provider, the Contractor shall transfer at least the past two (2) years of the consumer's medical records within ten (10) business days of receiving a written request from the consumer and the remainder of the consumer's medical records within thirty (30) business days.

VII. **APPLICATION FOR OTHER SERVICES**

The Contractor will provide assistance to eligible consumers in accordance with He-M 401, in completing applications for all sources of financial, medical, and housing assistance, including but not limited to, Medicaid, Medicare, Social Security Disability Income, Veterans Benefits, Public Housing, and Section 8 subsidy according to their respective rules, requirements and filing deadlines.

VIII. **COMMUNITY MENTAL HEALTH PROGRAM (CMHP) STATUS**

The Contractor shall be required to meet the approval requirements of He-M 403 as a governmental or non-governmental non-profit agency, or the contract requirement of RSA 135-C:3 as an individual, partnership, association, public or private, for profit or nonprofit, agency or corporation to provide services in the state mental health services system.

IX. **MAINTENANCE OF FISCAL INTEGRITY**

A. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor and all related parties that are under the Parent Corporation of the mental health provider organization. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. These statements shall be individualized by providers, as well as a consolidated (combined) statement that includes all subsidiary organizations. Statements shall be submitted within thirty (30) calendar days after each month end.

New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



1. **Days of Cash on Hand:**
  - a. **Definition:** The days of operating expenses that can be covered by the unrestricted cash on hand.
  - b. **Formula:** Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
  - c. **Performance Standard:** The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) calendar days with no variance allowed.
2. **Current Ratio:**
  - a. **Definition:** A measure of the Contractor's total current assets available to cover the cost of current liabilities.
  - b. **Formula:** Total current assets divided by total current liabilities.
  - c. **Performance Standard:** The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.
3. **Debt Service Coverage Ratio:**
  - a. **Rationale:** This ratio illustrates the Contractor's ability to cover the cost of their current portion of their long-term debt.
  - b. **Definition:** The ratio of Net Income to the year to date debt service.
  - c. **Formula:** Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
  - d. **Source of Data:** The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
  - e. **Performance Standard:** The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed.
4. **Net Assets to Total Assets:**
  - a. **Rationale:** This ratio is an indication of the Contractor's ability to cover their liabilities.
  - b. **Definition:** The ratio of the Contractor's net assets to total assets.
  - c. **Formula:** Net assets (total assets less total liabilities) divided by total assets.
  - d. **Source of Data:** The Contractor's Monthly Financial Statements.
  - e. **Performance Standard:** The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

- B. In the event that the Contractor does not meet either:
1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
  2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months.

DHHS may require that the Contractor meet with DHHS staff to explain the reasons that the Contractor has not met the standards. DHHS may require the Contractor to submit a comprehensive corrective action plan within thirty (30) calendar days of notification that B. 1. and/or B. 2 has not been met. The plan shall be updated at least every thirty (30) calendar days until compliance is achieved. DHHS may request additional information



Exhibit A  
Scope of Work  
SFY 2017

to assure continued access to services. The Contractor shall provide requested information in a timeframe agreed upon by both parties.

- C. The Contractor shall inform the Director of the Bureau of Mental Health Services by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with DHHS.
- D. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) calendar days after the end of each month.
- E. The Contractor shall provide their Revenue and Expense Budget within fifteen (15) calendar days of the contract effective date.
  - 1. The Contractor shall complete the Revenue and Expense Budget on the Department supplied form (Budget Form A), which shall include but not be limited to, all the Contractor's cost centers. If the Contractor cost centers are a combination of several local cost centers, the Contractor shall display them separately so long as the cost center code is unchanged.
  - 2. The Contractor shall provide to the Department quarterly Revenue and Expense Reports (Budget Form A), within thirty (30) calendar days after the end of each quarter. A quarter is defined as July 1 to September 30, October 1 to December 31, January 1 to March 31, and April 1 to June 30.

**X. REPORTING REQUIREMENTS**

- A. On a quarterly basis, the Contractor shall provide to DHHS the following:
  - 1. For BMHS Eligible Clients: For clients with Medicaid or insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received.
  - 2. For Non-BMHS Eligible Clients: For clients with Medicaid or insurance other than Medicaid or for those with no insurance, the number of clients served, the type of services provided and the cost of providing those services for which no reimbursement was received. Emergency services provided to these individuals must be reported separately.
- B. BMHS eligible is defined as those clients who are clinically eligible under SPMI, SMI, LU, SED, and SEDIA.
- C. The Department approved template will be used for reporting. The first report will be for the quarter ending September 30 and shall be due within thirty (30) calendar days after the respective quarter end. Quarter is defined as July 1 to September 30, October 1 to December 31, January 1 to March 31, and April 1 to June 30.

**New Hampshire Department of Health and Human Services**  
**Exhibit A**  
**Scope of Work**  
**SFY 2017**



**XI. REDUCTION OR SUSPENSION OF FUNDING**

- A.** In the event that the State funds designated as the Price Limitation in Block 1.8. of the General Provisions are materially reduced or suspended, DHHS shall provide prompt written notification to the Contractor of such material reduction or suspension.
- B.** In the event that the reduction or suspension in federal or state funding allocated to the Contractor by DHHS shall prevent the Contractor from providing necessary services to consumers, the Contractor shall develop a service reduction plan, detailing which necessary services will no longer be available.
- C.** Any plan devised pursuant to Subsection B., above, shall be submitted to DHHS for review. DHHS shall review the plan within ten (10) business days and shall approve the plan so long as the Contractor agrees to make its best efforts, with respect to eligible consumers residing in the Contractor's region, in the following areas:
  - 1.** All new applicants for services shall receive an evaluation and, if eligible, an individual service plan. The Contractor shall notify DHHS of any necessary services which are unavailable;
  - 2.** The Contractor shall continue to provide emergency services to all consumers;
  - 3.** The Contractor shall serve individuals who meet the criteria for involuntary admission to a designated receiving facility; and
  - 4.** The Contractor shall provide services to persons who are on a conditional discharge pursuant to RSA 135-C:50 and He-M 609.

**XII. ELIMINATION OF PROGRAMS AND SERVICES BY CONTRACTOR**

- A.** Except in situations covered by Paragraph XI., above, prior to the elimination of or a significant reduction in a program which delivers services contracted by DHHS, and paid for, in whole or in part, by State Funds, the Contractor shall provide DHHS with at least thirty (30) calendar days written notice or notice as soon as possible if the Contractor is faced with a more sudden reduction in ability to deliver said services.
- B.** The Contractor and DHHS will consult and collaborate prior to such elimination or reduction in order to reach a mutually agreeable solution as to the most effective way to provide necessary services.
- C.** In the event that DHHS is not in agreement with such elimination or reduction prior to the proposed effective date, DHHS may require the Contractor to participate in a mediation process with the Commissioner and invoke an additional thirty (30) calendar day extension to explain the decision of its Board of Directors and continue dialogue on a mutually agreeable solution. If the parties are still unable to come to a mutual agreement within the thirty (30) calendar day extension, the Contractor may proceed with its proposed program change so long as proper notification to eligible consumers has been provided.
- D.** The Contractor shall not redirect funds allocated in the budget for the program or service that has been eliminated or substantially reduced to another program or service without the mutual agreement of both parties. In the event that agreement cannot be reached, DHHS shall control the expenditure of the unspent funds.

New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



**XIII. DATA REPORTING**

- A.** The Contractor agrees to submit to DHHS data needed by DHHS to comply with federal or other reporting requirements.
- B.** The Contractor shall submit consumer demographic and encounter data, including data on non-billable consumer specific services and rendering staff providers on all encounters, to the DHHS Phoenix system, or its successors, in the format, content, completeness, frequency, and timeliness as specified by DHHS.
- C.** General requirements for the Phoenix system are as follows:
1. All data collected in the Phoenix system is the property of DHHS to use as it deems necessary;
  2. The Contractor shall ensure that submitted Phoenix data files and records are consistent with DHHS file specification and specification of the format and content requirements of those files;
  3. Errors in data returned by DHHS to the Contractor shall be corrected and returned to DHHS within ten (10) business days;
  4. Data shall be kept current and updated in the Contractor's systems as required for federal reporting and as specified by DHHS to ensure submitted data is current; and
  5. The Contractor shall implement review procedures to validate data submitted to DHHS. The review process will confirm the following:
    - a. All data is formatted in accordance with the file specifications
    - b. No records will reject due to illegal characters or invalid formatting.
  6. The Contractor shall meet the following standards:
    - a. Timeliness: monthly data shall be submitted no later than the fifteenth (15<sup>th</sup>) of each month for the prior month's data unless otherwise agreed to by DHHS;
    - b. Completeness: submitted data shall represent at least ninety-eight percent (98%) of billable services provided and consumers served by the Contractor;
    - c. Accuracy: submitted service and member data shall conform to submission requirements for at least ninety-eight percent (98%) of the records, except that one-hundred percent (100%) of member identifiers shall be accurate and valid and correctly uniquely identify members. DHHS may waive accuracy requirements for fields on a case by case basis. The waiver shall specify the percentage the Contractor will meet and the expiration date of the waiver. In all circumstances waiver length shall not exceed one (1) year.
    - d. Where the Contractor fails to meet timeliness, completeness, or accuracy standards: the Contractor shall submit to DHHS a corrective action plan within thirty (30) calendar days of being notified of an issue. After approval of the plan by DHHS, the Contractor shall carry out the plan. Failure to carry out the plan may require another plan or other remedies as specified by DHHS.

**XIV. PRE-ADMISSION SCREENING AND RESIDENT REVIEW**

The Contractor shall assist the Department with Pre-Admission Screening and Resident Review (PASRR) to meet the requirements of the PASRR provisions of the Omnibus Budget

New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



Reconciliation Act of 1987. Upon request by the Department the Contractor shall provide the information necessary to determine the existence of mental illness or mental retardation in a nursing facility applicant or resident and shall conduct evaluations and examinations needed to provide the data to determine if a person being screened or reviewed requires nursing facility care and has active treatment needs.

**XV. EMERGENCY SERVICES**

The Contractor shall use Emergency Services funds, if available, to offset the cost of providing Emergency Services to individuals with no insurance or to those with unmet deductibles who meet the income requirements to have been eligible for a reduced fee had they been uninsured.

**XVI. ADULT ASSERTIVE COMMUNITY TREATMENT TEAMS (ACT)**

**A.** The Contractor shall maintain Adult ACT teams that meet the SAMHSA Model and are available twenty-four (24) hours per day, seven (7) days per week, with on-call availability from midnight to 8:00am. At a minimum, Adult ACT teams shall deliver comprehensive, individualized, and flexible services, supports, targeted case management, treatment, and rehabilitation in a timely manner as needed, onsite in the individuals homes and in other natural environments and community settings, or alternatively, via telephone where appropriate to meet the needs of the individual. Each Adult ACT team shall be composed of a multi-disciplinary group of between seven (7) and ten (10) professionals, including, at a minimum, a psychiatrist, a nurse, a Masters-level clinician (or functional equivalent therapist), functional support worker and a peer specialist. The team also will have members who have been trained and are competent to provide substance abuse support services, housing assistance and supported employment. Caseloads for Adult ACT teams serve no more than ten (10) to twelve (12) individuals per Adult ACT team member (excluding the psychiatrist who will have no more than seventy (70) people served per 0.5 FTE psychiatrist).

**B.** The Contractor shall report their level of compliance with the above listed requirements on a monthly basis at the individual staff level in the format, content, completeness, and timeliness as specified by DHHS. The Adult ACT Infrastructure Compliance Report shall be included with the invoices submitted for payment of Adult ACT Team funds as defined in Exhibit B.

**C.** The Contractor shall ensure that all services delivered to Adult ACT consumers are identified in the Phoenix submissions as part of the Adult ACT cost center.

**XVII. EVIDENCE-BASED SUPPORTED EMPLOYMENT (EBSE)**

**A.** The Contractor shall provide EBSE to eligible consumers in accordance with the Dartmouth model.

**B.** The Contractor shall increase the penetration rate of individuals receiving EBSE to 18.6 percent by June 30, 2017. The penetration rate is determined by dividing the number of BMHS eligible adults (SPMI, SMI, LU) receiving EBSE by the number of BMHS eligible adults being served by the Contractor.

**C.** The Contractor shall conduct a self-assessment of fidelity to the Dartmouth model using the SAMHSA toolkit and report the results to DHHS by October 15, 2016.



New Hampshire Department of Health and Human Services  
Exhibit A  
Scope of Work  
SFY 2017



**XVIII. TRANSITION PLANNING FOR INDIVIDUALS AT NEW HAMPSHIRE HOSPITAL AND GLENCLIFF HOME**

- A. The Contractor shall participate in the development of plans to transition individuals at NHH and Glenclyff to the community.
- B. The Contractor shall participate in the development of plans to conduct in-reach activities with individuals at NHH, Glenclyff, and Transitional Housing Services that will include, among other things, explaining the benefits of community living and facilitating visits to community settings.

**XIX. DIVISION FOR CHILDREN, YOUTH AND FAMILIES (DCYF) CONSULTATION**

Division for Children, Youth & Family (DCYF) funds are to be used by the Contractor to provide mental health consultation to staff at DCYF District Offices related to mental health assessments and/or ongoing treatment for children served by DCYF.

**XX. BEHAVIORAL HEALTH SERVICES INFORMATION SYSTEM (BHSIS)**

A. The Contractor may receive funding for data infrastructure projects or activities, depending upon the receipt of federal funds and the criteria for use of those funds as specified by the federal government.

B. The Contractor shall seek approval from DHHS before planning to use or committing any BHSIS or federal data infrastructure funds.

C. Activities that may be funded:

- 1. Costs Associated with Phoenix Database:
  - a. Contractors performing rewrites to database and/or submittal routines;
  - b. Information Technology (IT) staff time used for re-writing, testing, validating Phoenix data (to include overtime);
  - c. Software and/or training purchased to improve Phoenix data collection; or
  - d. Staff training for collecting new data elements.
- 2. Costs associated with developing other BBH-requested data reporting system.
- 3. The Contractor shall be reimbursed for costs as defined in Exhibit B.

D. Other conditions for payment:

- 1. Progress Reports from the Contractor shall:
  - a. Outline activities related to Phoenix database;
  - b. Include any costs for software, scheduled staff trainings; and
  - c. Include progress to meet anticipated deadlines as specified.
- 2. Payments:
  - a. Payments, according to need, shall be made upon receipt of progress reports from Contractor's IT department;
  - b. Final payment shall be issued upon successful submission of complete Phoenix data; and
  - c. Contractor may request other payment schedule based on documented need.

**XXI. MILITARY CULTURE/AWARENESS INITIATIVE**

A. The Contractor shall designate a military liaison/s who will participate in a one (1) hour conference call each month with the State CMHC Military Liaison, as well as with the other CMHC Military Liaisons from across the State. The purpose of these calls is to

New Hampshire Department of Health and Human Services



Exhibit A  
Scope of Work  
SFY 2017

share successes, challenges and opportunities for serving veterans, service members, and their families who receive care at the CMHC.

- B.** The Contractor's Military Liaison/s shall participate in four (4) statewide CMHC Military Liaison Training & Planning Retreats, scheduled quarterly throughout the contract year.
- C.** CMHC Military Liaisons will plan, schedule, and market at least one (1) sustainability activity per month. These activities should increase awareness, provide education, and/or introduce resources to help CMHC staff meet the needs of veterans, service members, and their families. These sustainability activities can include group participation in military specific webinars, Brown Bag Lunch and Learn, incorporation of Veterans Health Administration (VA), Vet Center, Care Coordination, or National Guard staff into department meetings or continuing education opportunities, meetings with CMHC leadership or Board of Directors, and other opportunities to strengthen services and supports to veterans, service members and their families.
- D.** The Contractor shall "Ask the Question" during their intake process to identify service members, veterans and family members seeking services. The Contractor shall provide training and review sessions with their intake staff, as needed, to ensure that their staff are comfortable with "asking the question" and answering any questions that military members might have. The Contractor shall conduct at last two (2) baseline reviews on their data collection during the contract year.
- E.** The State CMHC Military Liaison will coordinate monthly conference calls, schedule and plan quarterly retreats, visit each CMHC at least once during the contract year, and provide ongoing support, supervision, and guidance to all CMHC Military Liaisons as needed. The State CMHC Military Liaison will also maintain weekly contact with DHHS Military Programs' staff.
- F.** The Contractor's Military Liaison/s shall serve as the contact both within the CMHC and within the Region for issues related to serving veterans, service members and their families. The Contractor's Military Liaison/s shall provide at least one (1) of the following each month:
1. Serve as a military culture subject matter expert/consultant for clinicians, providing support and guidance as needed;
  2. Promote ongoing military culture and competence within the CMHC;
  3. Work with admissions and administrative staff to determine if currently serving veterans, service members and family members are being assessed by emergency services or seeking treatment;
  4. Evaluate agency-wide level of military cultural competence and ability to treat veterans, service members, and their families;
  5. Become familiar with the VA, Vet Center, National Guard, Care Coordination, and military medical staff resources and services to assist CMHC staff in developing relationships and making referrals;
  6. Network with military-civilian service providers;
  7. Develop relationships and partnerships with military resources while enhancing quality of care for veterans, service members, and their families;
  8. Coordinate and facilitate agency military teams and/or internal workgroups;

New Hampshire Department of Health and Human Services



Exhibit A  
Scope of Work  
SFY 2017

- 
9. Help to serve and support justice involved veterans by collaborating with the courts, VA, Vet Center, and other community resources;
10. Promote enhanced ability to serve veterans, service members, and their families; and
11. Other duties as identified by the Contractor and approved by DHHS.
- G. The Contractor's Military Liaison/s shall provide up to a total of sixteen (16) hours per month on the activities defined in Sections A, B, C, D, and F above.
- H. The Contractor shall promote military culture and military competencies, to all CMHC staff on an ongoing basis. The Contractor's staff will ideally be trained in having an overall understanding of the service delivery system in serving veterans, service members and their families within the CMHC and within its Region.
- I. The Contractor shall provide an updated work plan, using the existing work plan as a guide, within thirty (30) calendar days from the effective date of the contract for DHHS approval. The Contractor shall include in the work plan at a minimum, the activities, deliverables, and due dates, and who will perform the activities. The Liaison will track and report activities monthly to include: the number of educational opportunities shared and attended, outreach and marketing activities, agency workgroup participation (if applicable), internal communication/ promotion with agency staff (i.e. newsletter, educational opportunities, community events), and meetings and outreach activities with military and community partners.
- XXII. NO WRONG DOOR SYSTEM OF ACCESS TO LTSS FOR ALL POPULATIONS AND PAYERS OF NEW HAMPSHIRE (NHCAREPATH) MODEL**
- A. The Contractor shall participate as an agency under the NHCarePath model by operating as an eligibility and referral partner for individuals who may require or may benefit from community long term supports and services (LTSS). The Contractor shall ensure that individuals accessing the system experience the same process and receive the same information about Medicaid-funded community LTSS options whenever they enter the system;
- B. The Contractor shall ensure individuals experience a streamlined eligibility determination process through standardized procedures in coordination and as specified by NH DHHS;
- C. The Contractor shall ensure that individuals connect to LTSS options that will be covered out of pocket or through other community resources in close coordination with other NHCarePath Partners including but not limited to ServiceLink, Area Agencies, and DHHS Division of Client Services;
- D. To the extent possible, the Contractor will participate in state and regional meetings for NHCarePath. It is expected that there will be up to four (4) local NHCarePath Partner meetings in the Contractors region and up to three (3) statewide meetings for all partners.
- E. The Contractor shall operate the NHCarePath model in accordance with the Department's policies and procedures and as directed by DHHS;
- F. The Contractor shall at a minimum:
1. Conduct case management functions involving assessments, referral and linkage to needed Long Term Services and Supports (LTSS) through a core standardized assessment process and through monitoring and ensuring the linkage of referrals between agencies, employing a warm hand-off of individuals from one agency to another when necessary;

**New Hampshire Department of Health and Human Services**  
**Exhibit A**  
**Scope of Work**  
**SFY 2017**



2. Follow standardized processes established by DHHS for providing information, screening, referrals, and eligibility determinations for LTSS;
3. Support individuals seeking LTSS services through the completion of applications, financial and functional assessments and eligibility determinations;
4. Fulfill DHHS specified NWD partner relationship expectations; and
5. Participate in NHCarePath outreach, education and awareness activities.

**XXIII. RENEW SUSTAINABILITY (Rehabilitation for Empowerment, Education, and Work)**

The Contractor shall sustain activities to deliver the RENEW (Rehabilitation for Empowerment, Education and Work) intervention with fidelity to transition-aged youth who qualify for state-supported community mental health services, in accordance with the UNH-IOD model. As part of these efforts, the Contractor shall obtain support and coaching from the Institute on Disability at UNH to improve the competencies of implementation team members and agency coaches. These funds may also be used for RENEW facilitator or coach training (up to 5 slots) for the purpose of maintaining recommended staffing levels. These funds will also support travel and materials for RENEW activities.

Activity	# of Units/YR and Cost/Unit	Total Cost
Coaching for Implementation Team and agency coaches	(20) hours @ \$150/hr	\$3,000
(5) slots for Facilitator or Coach's training	\$99 per person	\$ 495
Travel and copies	Average \$450 per agency	\$ 450
		<b>\$3,945</b>

**XXIV. CRISIS HOUSING MORTGAGE SUBSIDY**

The Contractor shall provide use of a building located at 179 Emery Street, Berlin, NH, for alternative housing for state eligible consumers. The Department shall reimburse the Contractor for the use of the building in accordance with Exhibit B.

**EXHIBIT B**  
**METHODS OF PAYMENT**  
**SFY 2017**

**A.** The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement, Form P-37, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

**B.** Services are funded with New Hampshire General Funds and with federal funds made available by the United States Department of Health and Human Services under:

CFDA #: 93.778  
Federal Agency: U.S. Department of Health and Human Services  
Program Title: Balancing Incentive Program (BIP)  
FAIN #: 05-1505NHBIPP

1. The Contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

**C.** The General provisions (Form P-37) Block 1.6 Account Numbers are as follows:

1. 05-95-92-920010-5945-102-500731
2. 05-95-92-920010-7851-102-500731
3. 05-95-42-421010-2958-102-500731
4. 05-95-49-490510-2985-102-500731

**D.** Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

**E.** DHHS reserves the right to recover any program funds not used, in whole or in part, for the purposes stated in this Agreement from the Contractor within one hundred and twenty (120) days of the Completion Date.

**F.** Mental Health Services provided by the Contractor shall be paid by the New Hampshire Department of Health and Human Services as follows:

1. Medicaid enrolled individuals:

- a. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
- b. Medicaid Fee for Service: The vendor shall bill Medicaid for services on the Fee for Service (FFS) schedule.

2. Other insurance/payors:

- a. The vendor shall directly bill the other insurance or payors.

**G.** For the purpose of Medicaid billing and all other reporting requirements, a Unit of Service is defined as fifteen (15) minutes. The Contractor shall report and bill in whole units. The intervals of time in the below table define how many units to report or bill.

Direct Service Time Intervals	Unit Equivalent
0-7 minutes	0 units
8-22 minutes	1 unit
23-37 minutes	2 units
38-52 minutes	3 units
53-60 minutes	4 units

H. Other Contract Programs:

1. The table below summarizes the other contract programs and their maximum allowable amounts.

Program To Be Funded	Amount
Crisis Housing Mortgage Subsidy	22,000
Div. for Children Youth and Families (DCYF) Consultation	5,310
Assertive Community Treatment Team (ACT)	225,000
Emergency Services	98,304
Behavioral Health Services Information System (BHSIS)	5,000
Military Culture/Awareness Initiative	17,480
Rehabilitation for Empowerment, Natural Supports, Education, and Work (RENEW)	3,945
<b>Total</b>	<b>\$377,039</b>

2. Payment for each contracted service in the above table (Except for Crisis Housing Mortgage) shall be made on cost reimbursement basis only, for allowable expenses and in accordance with the Department approved individual program budgets.
  - a. The Contractor shall provide individual program budgets within ten (10) days from the effective date of the contract for Departments approval.
  - b. The Contractor shall provide invoices on Department supplied forms.
  - c. The Contractor shall provide supporting documentation to support evidence of actual expenditures, in accordance with the Department approved individual program budgets.
  - d. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
  - e. Failure to expend Program funds as directed may, at the discretion of DHHS, result in financial penalties not greater than the amount of the directed expenditure.
3. The Contractor shall submit an invoice for each program above by the tenth (10<sup>th</sup>) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each DHHS approved invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:

Financial Manager  
Bureau of Behavioral Health  
Department of Health and Human Services  
105 Pleasant Street, Main Building  
Concord, NH 03301

4. Emergency Services: The Department shall reimburse the Contractor only for those Emergency Services provided to clients defined in Exhibit A, Section XV, Emergency Services.
5. Division for Children, Youth, and Families (DCYF) Consultation: The Contractor shall be reimbursed at a rate of \$73.75 per hour for a maximum of two (2) hours per month for each of the twelve (12) months in the fiscal year.
6. Military Culture/Awareness Initiative: The Contractor shall be reimbursed at a rate of \$65 per hour for the military liaison. The Contractor shall be reimbursed \$65 per hour for all other staff to attend training as defined in Exhibit A, Section XXIII. Military Support. The vendor shall not invoice the Department from more than one (1) funding source for staff to attend trainings.
7. Crisis Housing Mortgage Subsidy: The Contractor shall use the funding to assist with the mortgage payments on the building defined in Exhibit A, Section XXIV. The Department shall pay the Contractor according to a mortgage payment schedule approved by the Department. Total payments to the Contractor shall not exceed the total of the Contractor's mortgage invoices. The Contractor shall submit copies of their mortgage invoices each month with the invoice defined in Section 2, above.



**SPECIAL PROVISIONS**

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;





- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
  - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
  - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department by November 1, after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
  - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services  
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

**17. Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

**18. Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

**19. Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 
- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

#### DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

**COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

**DEPARTMENT:** NH Department of Health and Human Services.

**PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

**UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

**FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

**SUPPLANTING OTHER FEDERAL FUNDS:** The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



**REVISIONS TO GENERAL PROVISIONS**

1. Subparagraph 4. of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

4. **CONDITIONAL NATURE OF AGREEMENT**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6. of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10. of the General Provisions of this contract, Termination, is amended by adding the following language:

- 10.1. The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 120 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
  - 10.2. In the event of early termination, the Contractor shall, within 60 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
  - 10.3. The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
  - 10.4. In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
  - 10.5. The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
  - 10.6. In the event of termination under Paragraph 10. of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall entitle the Contractor to receive that portion of the Price Limitation earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by DHHS.
  - 10.7. In the event of termination under Paragraph 10., of the General Provisions of this Agreement, the approval of a Termination Report by DHHS shall in no event relieve the



Contractor from any and all liability for damages sustained or incurred by DHHS as a result of the Contractor's breach of its' obligations hereunder.

- 10.8. The Contractor shall notify DHHS if it expects to be generally unable to provide services as the result of a natural disaster, dissolution, bankruptcy, a financial crisis, or similar occurrence. In such event, or in the event that DHHS has given the Contractor written notice of its intent to terminate the Contractor under Paragraph 10. of these General Provisions on account of such circumstances, the Contractor agrees to collaborate and cooperate with the DHHS and other community mental health programs to ensure continuation of necessary services to eligible consumers during a transition period, recovery period, or until a contract with a new provider can be executed. Such cooperation and collaboration may include the development of an interim management team, the provision of direct services, and taking other actions necessary to maintain operations.
3. Add the following regarding "Contractor Name" to Paragraph 1.:
  - 1.3.1. The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or are an affiliate of, or are affiliated with an affiliate of the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement whether for-profit or not-for-profit.
4. Add the following regarding "Compliance by Contractor with Laws and Regulations: Equal Employment Opportunity" to Paragraph 6.:
  - 6.4. The Contractor shall comply with Title II of P.L. 101-336 - the Americans with Disabilities Act of 1990 and all applicable Federal and State laws.
5. Add the following regarding "Personnel" to Paragraph 7.:
  - 7.4. Personnel records and background information relating to each employee's qualifications for his or her position shall be maintained by the Contractor for a period of seven (7) years after the Completion Date and shall be made available to the Department of Health and Human Services (DHHS) upon request.
  - 7.5. No officer, director or employee of the Contractor, and no representative, officer or employee of BBH shall participate in any decision relating to this Agreement or any other activity pursuant to this Agreement which directly affects his or her personal or pecuniary interest, or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested, even though the transaction may also seem to benefit any party to this Agreement, including the Contractor or DHHS. This provision does not prohibit an employee of the Contractor from engaging in negotiations with the Contractor relative to the salary and wages that he or she receives in the context of his or her employment.
    - 7.5.1. Officers and directors shall act in accord with their duty of loyalty to the organizations they represent and shall avoid self-dealing and shall participate in no financial transactions or decisions that violate their duty not to profit.
    - 7.5.2. Officers and directors shall act in accord with their fiduciary duties and shall actively participate in the affairs of their organization in carrying out the provisions of this Agreement.
    - 7.5.3. All financial transactions between board members and the organization they represent shall conform to applicable New Hampshire law.
6. Replace Subparagraphs 8.1. through 8.1.3., and add Subparagraphs 8.1.4. through 8.1.16. regarding "Event of Default, Remedies" with the following:
  - 8.1. Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (hereinafter referred to as "Events of



Default”):

- 8.1.1. Failure to perform the services satisfactorily or on schedule during the Agreement term;
  - 8.1.2. Failure to submit any report or data within requested timeframes or comply with any record keeping requirements as specified in this Agreement;
  - 8.1.3. Failure to impose fees, to establish collection methods for such fees, or to make a reasonable effort to collect such fees;
  - 8.1.4. Failure to either justify or correct material findings noted in a DHHS financial review;
  - 8.1.5. Failure to comply with any applicable rules of the Department;
  - 8.1.6. Failure to expend funds in accordance with the provisions of this Agreement;
  - 8.1.7. Failure to comply with any covenants or conditions in this Agreement;
  - 8.1.8. Failure to correct or justify to DHHS's satisfaction deficiencies noted in a quality assurance report;
  - 8.1.9. Failure to obtain written approval in accordance with General Provisions, Paragraph 12. before executing a Sub-Contract or assignment;
  - 8.1.10. Failure to attain the performance standards established in Exhibit A., Section IX.
  - 8.1.11. Failure to make a face-to-face appointment available to consumers leaving New Hampshire Hospital who desire to reside in the region served by the Contractor within seven (7) calendar days of notification of the consumer's discharge, or within seven (7) calendar days of the consumer's discharge, whichever is later. New Hampshire Hospital shall notify the Contractor of discharge by speaking directly to a designated staff member of the Contractor in advance of the discharge. Leaving a voicemail message shall not constitute notice of discharge for the purposes of this provision;
  - 8.1.12. Failure to transfer at least the past two (2) years of the medical record of a consumer to another provider within ten (10) business days of receiving a written request from the consumer or failure to transfer the remainder of the medical record within thirty (30) business days;
  - 8.1.13. Failure to maintain the performance standard regarding Days of Cash on Hand (Exhibit A., IX., A. 1.) and failure to maintain the performance standard regarding the Current Ratio (Exhibit A., IX., A. 2.) for two (2) consecutive months during the contract period;
  - 8.1.14. Failure to maintain three (3) or more of the Maintenance of Fiscal Integrity performance standards (Exhibit A., IX.) for three (3) consecutive months during the contract period;
  - 8.1.15. Failure to meet the standard for Assertive Community Treatment Team infrastructure established in Exhibit A., XVI., A.
  - 8.1.16. Failure to provide Evidence Based Supported Employment in fidelity to the Dartmouth model in accordance with Exhibit A., XVII.
7. Add the following regarding "Event of Default, Remedies" to Subparagraph 8.2.:

8.2.5. Give the Contractor written notice of default in the event that the

Exhibit C-1 – Revisions to Standard Provisions

Contractor Initials

EMJ

Date 5/24/16



Contractor has failed to maintain Fiscal Integrity performance standards as specified in Exhibit A., Section IX., A., and Exhibit C-1, Subparagraph 8.1.13. or 8.1.14. The notice shall require the Contractor, within thirty (30) calendar days, to submit a corrective action plan which would include, as one element, additional financial reports as specified by the State. The Contractor shall have sixty (60) days from the notice of default to meet the performance standards. Upon failure to do so, the State may take one, or more, of the following actions:

**8.2.5.1.** Require the Contractor to submit an additional corrective action plan within thirty (30) days that will result in the Contractor attaining the performance standards within thirty (30) days of submission;

**8.2.5.2.** Conduct a financial audit of the Contractor; and/or

**8.2.5.3.** Terminate the contract effective sixty (60) days from the date of notice unless the Contractor demonstrates to the State its ability to continue to provide services to eligible consumers.

- 8.** Add the following regarding "Event of Default, Remedies" to Paragraph 8.:
- 8.3.** Upon termination, the Contractor shall return to DHHS all unencumbered program funds in its possession. DHHS shall have no further obligation to provide additional funds under this Agreement upon termination.
- 9.** Add the following regarding "Data: Access, Confidentiality, Preservation" to Paragraph 9.:
- 9.4.** The Contractor shall maintain detailed client records, client attendance records specifying the actual services rendered, and the categorization of that service into a program/service. Except for disclosures required or authorized by law or pursuant to this Agreement, the Contractor shall maintain the confidentiality of, and shall not disclose, clinical records, data and reports maintained in connection with services performed pursuant to this Agreement, however, the Contractor may release aggregate information relating to programs generally.
- 9.5.** The Contractor shall submit to DHHS all reports as requested by DHHS in electronic format on such schedule that DHHS shall request. These submissions shall be complete, accurate, and timely. These reports shall include data from Sub-Contractors. All submissions are due within thirty (30) days of the end of the reporting period, with the exception of the reports required by Exhibit A., X., A.
- 9.5.1.** The Contractor shall submit the following fiscal reports:
- 9.5.1.1.** The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) days after the end of each month.
- 9.5.1.2.** Quarterly Revenue and Expense (Budget Form A) shall follow the same format of cost centers and line items as included in the Budget Form A attached to this Contract. However, if Contract cost centers are a combination of several local cost centers, the latter shall be displayed separately so long as the cost center code is unchanged. These reports are due quarterly within thirty (30) days after the end of each quarter.





- 9.5.1.3. The Contractor shall maintain detailed fiscal records. Fiscal records shall be retained for seven (7) years after the completion date and thereafter if audit observations have not been resolved to the State's satisfaction.
- 9.5.1.4. The Contractor shall submit to DHHS financial statements in a format in accordance with the American Institute of Certified Public Accountants Guidelines together with a management letter, if issued, by a Certified Public Accountant for any approved Sub-Contractor, or any person, natural or fictional, which is controlled by, under common ownership with, or an affiliate of the Contractor. In the event that the said audited financial statement and management letter are unavailable or incomplete, the Contractor shall have ninety (90) days to complete and submit said statement and letter to DHHS.
- 9.5.1.5. On or before November 1, 2016, the Contractor shall submit their independent audit with cover letter and Management Letter, if issued, as defined in section 9.5.1.3. of this Exhibit to DHHS in PDF format for fiscal year 2016, including the funds received under the fiscal year 2016 Agreement.
- 9.5.1.6. If the federal funds expended under this or any other Agreement from any and all sources exceeds seven hundred fifty thousand, five hundred dollars (\$750,500) in the aggregate in a one (1) year period, the required audit shall be performed in accordance with the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and Chapter 2 Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- 9.5.2. The Contractor shall ensure that submitted Phoenix data files and records are consistent with DHHS file specification and specification of the format and content requirements of those files.
- 9.5.3. For required federal reports, the Contractor shall:
- 9.5.3.1. Cooperate with data requests from the Substance Abuse and Mental Health Services Administration (SAMHSA), US Department of Health and Human Services and adhere to the timelines required by SAMHSA;
- 9.5.3.2. Unless the following data is collected by a DHHS contracted vendor, the Contractor shall select a statistically valid random sample of consumers including elders, adults, children/ adolescents and their families, and administer the federally standardized Consumer Satisfaction Surveys to the selected sample of consumers on or before June 30<sup>th</sup> of each fiscal year; and
- 9.5.3.3. Submit to DHHS all reasonable additional reports and data files as requested on such schedule and in such electronic format that DHHS shall request. These reports, similar to the reports outlined above, shall include data from Sub-Contractors.
- 9.5.3.4. The Contractor agrees to submit to DHHS reports on high profile and sentinel events in accordance with the Bureau of Mental Health Services policy.
11. Replace Paragraph 12. entitled "Assignment, Delegation and Sub-Contracts" with the following:



ASSIGNMENTS, SUB-CONTRACTS, MERGER AND SALE.

- 12.1. The Contractor shall not delegate or transfer any or all of its interest in this Agreement or enter into any Sub-Contract for direct services to clients in an amount exceeding ten thousand dollars (\$10,000) without the prior written consent of DHHS. As used in this Paragraph, "Sub-Contract" includes any oral or written Agreement entered into between the Contractor and a third party that obligates any State funds provided pursuant to this Agreement to the Contractor under this Agreement. DHHS approval of the Contractor's proposed budget shall not relieve the Contractor from the obligation of obtaining DHHS's written approval where any assignment or Sub-Contract has not been included in the Contractor's proposed budget. The Contractor shall submit the written Sub-Contract or assignment to DHHS for approval and obtain DHHS's written approval before executing the Sub-Contract assignment. This approval requirement shall also apply where the Contractor's total Sub-Contracts with an individual or entity equal, or exceed ten thousand dollars (\$10,000) in the aggregate. Failure of DHHS to respond to the approval request within thirty (30) business days shall be deemed approval.
  - 12.2. The Contractor further agrees that no Sub-Contract or assignment for direct services to clients, approved by DHHS in accordance with this Paragraph, shall relieve the Contractor of any of its obligations under this Agreement and the Contractor shall be solely responsible for ensuring, by Agreement or otherwise, the performance by any Sub-Contractor or assignee of all the Contractor's obligations hereunder. Contractor will require at least annually a third party independent audit of all Sub-Contractors of direct service to clients and will monitor audits to ensure that all Sub-Contractors are meeting the service requirements established by DHHS for the Contractor in Exhibit A. The Contractor will notify DHHS within ten (10) business days of any service requirement deficiencies and provide a corrective action plan to address each deficiency.
  - 12.3. The purchase of the Contractor by a third party, or the purchase of all or substantially all of the Contractor's assets by a third party, or any other substantial change in ownership, shall render DHHS's obligations under this Agreement null and void unless, prior to the sale of the Contractor, or sale of all or substantially all of the Contractor's assets, or other substantial change in ownership, DHHS approves in writing the assignment of this Agreement to the third party. In the event that, prior to the sale of the Contractor, DHHS approves the assignment of the Agreement, the third party shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
  - 12.4. Any merger of the Contractor with a third party shall render DHHS's obligations under this Agreement null and void unless, prior to the merger, DHHS approves in writing the assignment of this Agreement to the merged entity. In the event that, prior to the merger of the Contractor with the third party, DHHS approves the assignment of the Agreement, the merged entity shall be bound by all of the provisions of this Agreement to the same extent and in the same manner as was the Contractor.
  - 12.5. In the event that through sale, merger or any other means the Contractor should become a subsidiary corporation to another corporation or other entity, DHHS's obligations under this Agreement shall become null and void unless, prior to such sale, merger or other means, DHHS shall agree in writing to maintain the Agreement with the Contractor. Should DHHS agree to maintain the Agreement, the Contractor shall continue to be bound by all of the provisions of the Agreement.
12. Renumber Paragraph 13. regarding "Indemnification" as 13.1. and add the following to Paragraph 13.:
- 13.2. The Contractor shall promptly notify the Director of the Bureau of Mental Health Services of any and all actions or claims related to services brought against the Contractor, or any Sub-Contractor approved under Paragraph 12. of the General



Provisions, or its officers or employees, on account of, based on, resulting from, arising out of, or which may be claimed to arise out of their acts or omissions.

13. Replace Paragraph 14.1.1. with the following:
  - 14.1.1. Comprehensive general liability insurance against all claims of bodily injury, death, or property damage, in amounts of not less one million (\$1,000,000) per occurrence and three million (\$3,000,000) in aggregate. An Umbrella policy in the amount of three million (\$3,000,000) or more will fulfill the requirements for three million (\$3,000,000) in aggregate.
14. Add the following regarding "Insurance and Bond" to Paragraph 14.:
  - 14.1.3. A fidelity bond, covering the activities of all the Contractor's employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to 1/12th of the Price Limitation in Paragraph 1.8. of the General Provisions plus 1/12th of the Contractor's budgeted Medicaid revenue;
  - 14.1.4. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services set forth in Exhibit A.; and
  - 14.1.5. Tenant's or homeowner's insurance coverage for all housing owned or operated by the Contractor for claims of personal injury or death or damage to property in reasonable amounts satisfactory to DHHS and any mortgagee.
- 14.4. The maintenance of insurance by the Contractor pursuant to this Paragraph shall not be construed in any manner as a waiver of sovereign immunity by the State, its officers and employees in any regard, nor is the existence of said insurance to be construed as conferring or intending to confer any benefit upon a third person or persons not party to this Agreement.
15. Add the following regarding "Special Provisions" to Paragraph 22.:
  - 22.1. Federal funds to assist homeless mentally ill persons (PATH) shall not be used:
    - 22.1.1. To provide inpatient services;
    - 22.1.2. To make cash payments to intended recipients of health services;
    - 22.1.3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase any major medical equipment;
    - 22.1.4. To satisfy any requirement for the expenditure of non-Federal funds as a condition of a receipt of Federal funds; or
    - 22.1.5. To provide services to persons at local jails or any correctional facility.
  - 22.2. If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with the provisions of Section 319 of the Public Law 101-121, Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions; with the provisions of Executive Order 12549 and 45 CFR Subpart A, B, C, D, and E Section 76 regarding Debarment, Suspension and Other Responsibility Matters, and shall complete and submit to the State the appropriate certificates of compliance upon approval of the Agreement by the Governor and Council.
  - 22.3. In accordance with the requirements of P.L. 105-78, Section 204, none of the funds appropriated for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a



grant or other extramural mechanism, at a rate in excess of one hundred and twenty-five thousand dollars (\$125,000) per year.

- 22.4.** The Contractor agrees that prior contracts with the State have purported to impose conditions upon the use and/or disposition of real property which is presently owned by the Contractor and which was purchased with State funds, as defined in those contracts.
- 22.5.** Notwithstanding those prior contracts, DHHS agrees that the State has no interest in the Contractor's real property that has been donated to the Contractor by parties other than the State or purchased by the Contractor using funds donated exclusively by parties other than the State.
- 22.6.** In the event that the Contractor hereafter proposes to dispose of any of its existing real property, other than property described in Paragraph 22.5., having a then fair market value of fifty thousand dollars (\$50,000) or more, the Contractor agrees to notify DHHS in advance. The Contractor shall provide DHHS with a written plan of disposition that includes:
- 22.6.1.** The identity of the party to whom the property is to be sold or otherwise transferred;
- 22.6.2.** The consideration, if any, to be paid;
- 22.6.3.** The use to which the transferred property is to be put by the transferee;
- 22.6.4.** The use to which the proceeds of the disposition, if any, are to be put by the Contractor; and
- 22.6.5.** Any documentation of specific restrictions that may exist with respect to the use or disposition of the property in question.
- 22.7.** DHHS shall evaluate the plan to determine whether the property, or the proceeds of its disposition, if any, will be used for the benefit of persons eligible for State mental health services, as defined in this Agreement. If DHHS finds that eligible persons will probably benefit, DHHS shall approve the disposition. If DHHS finds that eligible persons probably will not benefit, DHHS may disapprove the disposition. Failure by DHHS to disapprove a plan of disposition within thirty (30) days (unless extended by written agreement of the parties) shall be deemed an approval thereof.
- 22.8.** In the event that DHHS does not approve of the disposition, the Contractor and DHHS shall meet in a good faith effort to reach a compromise.
- 22.9.** In the event that the parties cannot resolve their differences, the Contractor shall not execute its plan of disposition unless and until it shall have secured the approval of the Probate Court for the county in which the Contractor's principal office is located. In the event that the Contractor brings an action for Probate Court approval, DHHS and the Director of the Division of Charitable Trusts shall be joined in such action as necessary parties.
- 22.10.** Neither the existence of this Agreement, nor the relationship of the parties, nor the provision by the State of money to the Contractor pursuant to this Agreement or otherwise shall impose any conditions upon the use or disposition of real property acquired hereafter by the Contractor. Such conditions, if any, shall arise only by a separate, express written agreement of the parties.
- 22.11.** The terms and conditions of this section shall survive the term of expiration of this Agreement.
- 22.12.** The requirement of Paragraph 12.1. of this Exhibit that the Contractor or approved Sub-Contractor shall receive the prior written approval of DHHS shall apply only to actions taken which occur subsequent to the Effective Date of this Agreement.



---

**REVISIONS TO EXHIBIT C, SPECIAL PROVISIONS**

1. Paragraph 9 of the Exhibit C of this contract, Audit, is deleted.
2. Add the following to Paragraph 17:
  - 17.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
3. Add the following to Paragraph 1:
  - 1.1. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check  if there are workplaces on file that are not identified here.

5/24/16  
Date

Contractor Name: Northern Human Services

Eric M. Johnson  
Name: Eric M. Johnson  
Title: CEO



**CERTIFICATION REGARDING LOBBYING**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Northern Human Services

Name: Eric M. Johnson  
Title: CEO

5/24/16  
Date





**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

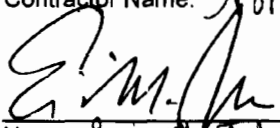
**PRIMARY COVERED TRANSACTIONS**

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (l)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

**LOWER TIER COVERED TRANSACTIONS**

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
  - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

5/24/16  
Date

Contractor Name: Northern Human Services  
  
Name: Eric M. Johnson  
Title: CEO



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

EMJ

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

5/24/16  
Date

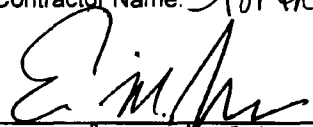
Contractor Name: Northern Human Services  
  
Name: Eric M. Johnson  
Title: CEO

Exhibit G

Contractor Initials EMJ

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

5/24/16  
Date

Contractor Name: Northern Human Services

Eric M Johnson  
Name: Eric M Johnson  
Title: CEO



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- I. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI





Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services  
The State

Katja S. Fox  
Signature of Authorized Representative

Katja S. Fox  
Name of Authorized Representative

Director  
Title of Authorized Representative

5/27/16  
Date

Northern Human Services  
Name of the Contractor

Eric M. Johnson  
Signature of Authorized Representative

Eric M. Johnson  
Name of Authorized Representative

CEO  
Title of Authorized Representative

5/24/16  
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY  
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
  - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
  - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Northern Human Services

Name: Eric M. Johnson  
Title: CEO

5/24/16  
Date



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 073973059
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO  YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO  YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____