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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

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Nicholas A. Toumpas
Commissioner

Nancy L. Rollins
Associate Commissioner

BUREAU OF BEHAVIORAL HEALTH

105 PLEASANT STREET, CONCORD, NH 03301
603-271-5000 1-800-852-3345 Ext. 5000
Fax: 603-271-5058 TDD Access: 1-800-735-2964

April 15, 2013

*71% General
29% Federal
#2 - Retroactive*

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

Requested Action

1) Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, to **amend** an agreement (purchase order 1023836) with The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health, 111 Church Street, Laconia, NH 03246, vendor number 154480, to provide additional federal Medicaid Incentive for Prevention of Chronic Disease funds to improve the cardiac and metabolic health of individuals with serious mental illness by increasing the price limitation by \$6,314 from \$422,669 to an amount not to exceed \$428,983, effective May 15, 2013, or date of Governor and Council approval, whichever is later, through June 30, 2013. The Governor and Council approved the original agreement on June 20, 2012, Item Number 89A.

2) Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, to **amend** an agreement (purchase order 1023836) **retroactive** to April 1, 2013, with The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health, 111 Church Street, Laconia, NH 03246, vendor number 154480, to use federal Balancing Incentive Program funds to fund training for workforce development in the community mental health system by increasing the price limitation by \$60,268 from \$428,983 to an amount not to exceed \$489,251, effective April 1, 2013, through June 30, 2013. The Governor and Council approved the original agreement on June 20, 2012, Item Number 89A.

Funds to support this request are available in the following accounts in Fiscal Year 2013:

05-95-40-403010-5855 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: CHILDREN AND YOUTH, SERV FOR CHILD AND FAMILIES, CHILD FAMILY SERVICES

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
550-0398	Assessment and Counseling	40150001	\$ 1,770	\$ 0	\$ 1,770

05-95-92-920010-5945 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
102-0731	Contracts for Program Services	92205945	\$ 5,000	\$ 0	\$ 5,000

05-95-92-920010-7010 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
 BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, COMMTY MENTAL HEALTH SVCS

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
502-0891	Payments to Providers	92207010	\$ 339,252	\$ 0	\$ 339,251

05-95-92-920010-2087 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
 BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, MIPCD GRANT

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
102-0731	Contracts for Program Svs	92202087	\$ 76,648	\$ 6,314	\$ 82,962

05-95-95-958010-3316 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
 COMMISSIONER-COMMUNITY BASED CARE SERVICES, BALANCING INCENTIVE PROGRAM

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
102-0731	Contracts for Program Svs	95803316	\$ 0	\$ 60,268	\$ 60,268
Total			\$ 422,669	\$ 66,582	\$ 489,251

Explanation

Relative to Requested Action 1, the purpose of this request is to add a .5 FTE staff position to the Wellness Incentives Program, also known as the Healthy Choices Healthy Changes Program. This position and program is federally funded and designed to promote healthy lifestyles among individuals with mental illness by reducing their risk of cardiovascular and other diseases. Persons with serious mental illness have some of the highest per capita health expenditure costs due to high rates of cardiovascular disease, diabetes, chronic lung disease, and obesity. As a result, their life expectancy is 25 years less than the rest of the U.S. population. This program promotes healthier lifestyles by providing incentives for exercise, improved nutrition, and smoking cessation.

The .5 FTE position being funded is a part-time Health Mentor who will serve an estimated 40 persons in the program. Funding for the program began in SFY12, but because of slow start-up, positions could not be filled until SFY13. The unused federal funds from SFY12 were carried forward into SFY13 and will be used to pay the salary and benefits for this position.

Relative to Requested Action 2, the purpose of this request is to use federal Balancing Incentive Program funds to provide training to staff within the community mental health system that treat adults with serious mental illness and children with serious emotional disturbance. The Bureau requests that this amendment be retroactive. The approval to spend these federal funds occurred late in the fiscal year. In order to take advantage of the appropriation of these funds in SFY13, the Bureau authorized the contractor to begin organizing the trainings in April. The contractor is on target to complete the trainings by the end of the fiscal year.

The purpose of the Balancing Incentive Program grant that was awarded to the New Hampshire Department of Health and Human Services was to rebalance Medicaid spending between institutional and non-institutional long-term care and to improve access to and offerings of home and community-based long-term services and supports to allow those needing long-term care through Medicaid to remain in their homes and communities to the greatest extent possible rather than in nursing homes and hospitals.

The training to be provided to community mental health center staff ties into priority initiatives identified in the Bureau of Behavioral Health's 10-Year Olmstead Plan. Examples of training include Cognitive Behavioral Therapy, Dialectical Behavior Therapy, Trauma-informed Psychotherapy, Integrated treatment of co-occurring disorders, and Illness Management and Recovery. A better-trained workforce within the community mental health system will be better able to treat clients and prevent them from needing hospitalization.

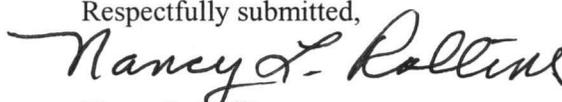
Should the Governor and Council not approve Requested Action 1, the federal Medicaid Incentive for Prevention of Chronic Disease funds will be returned and potentially up to 40 persons will not benefit from the Wellness Incentives program, and the Bureau will not meet the enrollment goals submitted in the original grant application to the Centers for Medicare and Medicaid Services (CMS). Should the Governor and Council not approve Requested Action 2, the state will be foregoing the opportunity to use federal funds to improve the clinical expertise of the community mental health system workforce with an end toward treating people in their communities and preventing the need for hospitalizations and other forms of institutional care. In addition, this would hamper the Department's progress towards achievement of the Balancing Incentive Program goals of spending at least 50% of all Medicaid long-term care funds on non-institutional long-term supports and services, a requirement by the end of September 2015.

Area served: For the catchment area served, please see the attached list of communities.

Source of funds: 71% General Funds and 29% Federal Funds.

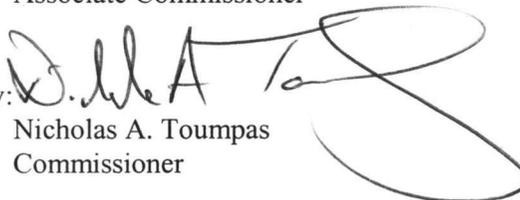
In the event that the Federal Funds become no longer available, General Funds shall not be requested to support these programs.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by:



Nicholas A. Toumpas
Commissioner

NLR/PBR/sl

G&C FY13 Region 3 Amendment #1

Enclosures

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

Communities Served:

Alexandria
Alton
Ashland
Barnstead
Belmont
Bridgewater
Bristol
Campton
Center Harbor
Ellsworth
Gilford
Gilmanton
Groton
Hebron
Holderness
Laconia
Meredith
New Hampton
Plymouth
Rumney
Sanbornton
Thornton
Tilton
Wentworth

Amendment to Agreement

This Amendment to Agreement (hereinafter called the "Amendment") is dated this ^{10th} day of **May, 2013**, between the State of New Hampshire, Division of Community Based Care Services, Bureau of Behavioral Health of the Department of Health and Human Services (hereinafter called "BBH") and **The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health**, a non-profit corporation organized under the laws of the State of New Hampshire with a place of business at 111 Church Street, Laconia, New Hampshire 03246 (hereinafter referred to as the "Contractor").

WHEREAS, pursuant to an Agreement dated **June 9, 2012**, the Contractor has agreed to provide certain services upon the terms and conditions specified in the Agreement, in consideration of payment by BBH of certain sums specified therein; and

WHEREAS, pursuant to Paragraph 17. of the Agreement, the Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties thereto and only after approval of such amendment, waiver, or discharge by the Governor and Council of the State of New Hampshire;

WHEREAS, BBH and the Contractor have agreed to amend the Agreement in certain respects;

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

1. Amendment and Modification of Agreement.

1.1. The Agreement is hereby amended as follows:

By deleting, in Subparagraph 1.8. of the General Provisions \$422,669. and substituting therefore the number \$489,251.

2. Amendment and Modification to Exhibit A, Scope of Work

2.1. Add Section: **XIV. BALANCING INCENTIVE PROGRAM** as follows:

XIV. BALANCING INCENTIVE PROGRAM (BIP)

- A.** The Balancing Incentive Program (BIP) federal funds are available to enhance the capacity of the Community Mental Health Centers through trainings to serve adults with Serious Mental Illness and children with Serious Emotional Disturbance. The trainings supported by this agreement involve unique specialized service models and tools that will improve the core competencies of provider staff to utilize practices that are proven successful in improving outcomes for individuals served and keeping those in need of behavioral health long-term services and supports in their communities and out of institutions.

Contractor Initials:

Date: 

B. Payment Method: The Contractor shall draw down these funds by submitting monthly invoices ("green sheets") to BBH.

3. Amendment and Modification to Exhibit B, Methods of Payment.

3.1. By changing Paragraph 7. to read, "The following Program funds shall only be expended by the Contractor as directed by BBH. Failure to expend Program funds as directed may, at the discretion of BBH, result in financial penalties not greater than the amount of the directed expenditure:

Div. for Children, Youth and Families Consultation	\$ 1,770
Refugee Interpreter Services	5,000
Emergency Services	339,251
Medicaid Incentive for the Prevention of Chronic Disease	82,962
Balancing Incentive Program	60,268
Total	\$489,251

3.2. By deleting paragraph 13. and replacing it with the following:

13. This Agreement is funded by the New Hampshire General Fund and by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund: \$346,022

Federal Funds:

CFDA #: 93.536
Federal Agency: U.S. Department of Health and Human Services
Program Title: Medicaid Incentives for Prevention of Chronic Diseases (MIPCD)
Amount: \$82,962

CFDA #: 93.778
Federal Agency: U.S. Department of Health and Human Services
Program Title: Balancing Incentive Program (BIP)
Amount: \$60,268

4. Effective Date of Amendment: The Effective Date of Requested Action 1 is May 15, 2013, or date of Governor and Council approval, whichever is later, through June 30, 2013. The Effective Date of Requested Action 2 is retroactive to April 1, 2013, through June 30, 2013.

5. Continuance of Agreement: Except as specifically amended and modified by the terms and conditions of this Agreement, the Agreement and the obligations of the parties there under shall remain in full force and effect in accordance with the terms and conditions set forth therein.

Contractor Initials:

Date:

mp
5/13

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year written above.

DHHS - Division of Community Based Care Services
The Bureau of Behavioral Health

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

By: Nancy L. Rollins
Nancy L. Rollins
Associate Commissioner

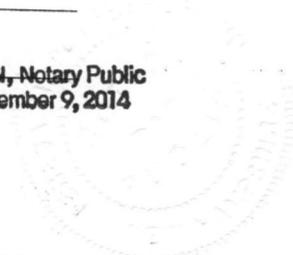
By: Margaret M Pritchard
Margaret Pritchard
Executive Director

STATE OF NEW HAMPSHIRE
COUNTY OF Belknap

The forgoing instrument was acknowledged before me this ^{10th} (day) of May, 2013, by
Margaret M Pritchard
(Designated Signor Above)

Teresa M. Potter-Brown

Notary Public / Justice of the Peace
Commission Expires:
TERESA M. POTTER-BROWN, Notary Public
My Commission Expires September 9, 2014



Approved as to form, execution and substance:

OFFICE OF THE ATTORNEY GENERAL

By: Jeannet F. Herrick
Attorney Jeannet F. Herrick

Date: 27 May 2013

Contractor Initials: MP
Date: 5/10/13

CERTIFICATE OF VOTE

I, Susan Stearns, do hereby certify that:

1. I am the duly elected ^{PRES,} Clerk of The Lakes Region Mental Health Center, Inc.
DBA Genesis Behavioral Health
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on May 10, 2013.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, concerning the following matter:

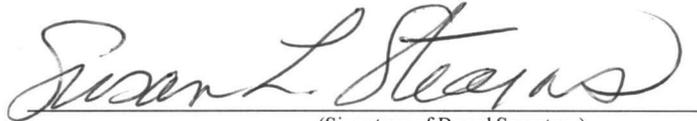
To Provide: Mental Health Services BIP Funds

RESOLVED: That the Executive Director hereby is authorized on behalf of this Corporation 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 (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of May 10, 2013.

4. Margarte M. Pritchard is duly elected Executive Director of the Corporation.

(Seal)
(Corporation)


(Signature of Board Secretary)
President

State of New Hampshire

County of Belknap

The foregoing instrument was acknowledged before me this 10th day of May, 2013.

by Susan Stearns.



Name: **Terri Potter**
Title: Notary Public/Justice of the Peace

(Seal)
(Notary Public)

Commission Expires: _____

TERESA M. POTTER-BROWN, Notary Public
My Commission Expires September 9, 2014



Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health and Affiliate

We have audited the accompanying consolidating statement of financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) and its affiliate Mid State Mental Health Foundation, Inc. as of June 30, 2012, and the related consolidating statements of activities and cash flows for the year then ended. These consolidating financial statements are the responsibility of the Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) and its affiliate Mid State Mental Health Foundation, Inc.'s management. Our responsibility is to express an opinion on these consolidating financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidating financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidating financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health and its affiliate Mid State Mental Health Foundation, Inc. as of June 30, 2012, and the respective changes in its financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2012 on our consideration of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health and Affiliate
Page 2

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The supplementary information on pages 11 through 14 is presented for purposes of additional analysis and is 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 audit 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.

Kittell Branagan & Synt

St. Albans, Vermont
August 30, 2012

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health and Affiliate
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2012

ASSETS

	<u>LRMH</u>	<u>Mid State Foundation</u>	<u>Consolidating Entries</u>	<u>Consolidated Total</u>
CURRENT ASSETS				
Cash	\$ 7,637	\$ 236,275	\$ -	\$ 243,912
Investments	334,468	569,915	-	904,383
Accounts receivable (net of \$337,000 allowance)	683,053	-	-	683,053
Prepaid expenses and other current assets	33,415	-	-	33,415
Due from affiliated organizations	<u>806,190</u>	<u>-</u>	<u>(806,190)</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>1,864,763</u>	<u>806,190</u>	<u>(806,190)</u>	<u>1,864,763</u>
PROPERTY AND EQUIPMENT - NET	<u>1,469,190</u>	<u>-</u>	<u>-</u>	<u>1,469,190</u>
OTHER ASSETS				
Restricted cash	<u>47,452</u>	<u>-</u>	<u>-</u>	<u>47,452</u>
TOTAL ASSETS	<u>\$ 3,381,405</u>	<u>\$ 806,190</u>	<u>\$ (806,190)</u>	<u>\$ 3,381,405</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable	\$ 123,148	\$ -	\$ -	\$ 123,148
Current portion--long-term debt	42,236	-	-	42,236
Due to related organization	-	806,190	(806,190)	-
Deferred income	18,025	-	-	18,025
Accrued vacation	209,970	-	-	209,970
Accrued expenses	<u>195,101</u>	<u>-</u>	<u>-</u>	<u>195,101</u>
TOTAL CURRENT LIABILITIES	<u>588,480</u>	<u>806,190</u>	<u>(806,190)</u>	<u>588,480</u>
LONG-TERM DEBT, less current portion	<u>551,209</u>	<u>-</u>	<u>-</u>	<u>551,209</u>
TOTAL LIABILITIES	<u>1,139,689</u>	<u>806,190</u>	<u>(806,190)</u>	<u>1,139,689</u>
NET ASSETS				
Temporarily restricted	52,673	-	-	52,673
Unrestricted	<u>2,189,043</u>	<u>-</u>	<u>-</u>	<u>2,189,043</u>
TOTAL NET ASSETS	<u>2,241,716</u>	<u>-</u>	<u>-</u>	<u>2,241,716</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,381,405</u>	<u>\$ 806,190</u>	<u>\$ (806,190)</u>	<u>\$ 3,381,405</u>

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health and Affiliate
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2012

	LRMH			Mid-State Foundation	Consolidating Entries	Consolidated Total
	Unrestricted Funds	Temporarily Restricted Funds	All Funds			
PUBLIC SUPPORT AND REVENUES						
Public support -						
Federal	\$ 161,122	\$ -	\$ 161,122	\$ -	\$ -	\$ 161,122
State of New Hampshire - DBH	8,000	-	8,000	-	-	8,000
Other public support	1,085,284	49,982	1,135,266	-	(822,692)	312,574
Total Public Support	<u>1,254,406</u>	<u>49,982</u>	<u>1,304,388</u>	<u>-</u>	<u>(822,692)</u>	<u>481,696</u>
Revenues -						
Program service fees	7,308,967	-	7,308,967	-	-	7,308,967
Rental income	68,794	-	68,794	-	-	68,794
Investment income (loss)	(1,054)	-	(1,054)	24,542	-	23,488
Other revenue	13,039	-	13,039	-	-	13,039
Net assets released from restriction	10,988	(10,988)	-	-	-	-
Total Revenues	<u>7,400,734</u>	<u>(10,988)</u>	<u>7,389,746</u>	<u>24,542</u>	<u>-</u>	<u>7,414,288</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>8,655,140</u>	<u>38,994</u>	<u>8,694,134</u>	<u>24,542</u>	<u>(822,692)</u>	<u>7,895,984</u>
EXPENSES						
BBH funded program services -						
Children Services	2,270,886	-	2,270,886	-	-	2,270,886
Intake	206,304	-	206,304	-	-	206,304
Multi-service	3,364,812	-	3,364,812	-	-	3,364,812
Emergency Services	554,244	-	554,244	-	-	554,244
Housing Services	192,282	-	192,282	-	-	192,282
Non-Eligible	786,473	-	786,473	-	-	786,473
Non-BBH funded program services	547,526	-	547,526	824,641	(822,692)	549,475
TOTAL EXPENSES	<u>7,922,527</u>	<u>-</u>	<u>7,922,527</u>	<u>824,641</u>	<u>(822,692)</u>	<u>7,924,476</u>
INCREASE (DECREASE) IN NET ASSETS	732,613	38,994	771,607	(800,099)	-	(28,492)
NET ASSETS, beginning	1,456,430	13,679	1,470,109	800,099	-	2,270,208
NET ASSETS, ending	<u>\$ 2,189,043</u>	<u>\$ 52,673</u>	<u>\$ 2,241,716</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,241,716</u>

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health and Affiliate
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2012

	LRMH	Mid State Foundation	Consolidating Entries	Consolidated Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Increase (decrease) in net assets	\$ 771,607	\$ (800,099)	\$ -	\$ (28,492)
Adjustments to reconcile to net cash provided by operations:				
Depreciation	154,219	-	-	154,219
Unrealized (gain) loss on investments	8,606	(8,589)	-	17
(Increase) decrease in:				
Accounts receivable	(1,505)	-	-	(1,505)
Prepaid expenses	4,775	50	-	4,825
Due from affiliated organizations	(801,940)	-	801,940	-
Restricted Cash	(2)	-	-	(2)
Increase (decrease) in:				
Accounts payable & accrued liabilities	(83,827)	-	-	(83,827)
Deferred income	(11,580)	-	-	(11,580)
Due to related organizations	-	801,940	(801,940)	-
	<u>40,353</u>	<u>(6,698)</u>	<u>-</u>	<u>33,655</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property and equipment	(223,051)	-	-	(223,051)
Purchase of investments	(7,103)	(9,768)	-	(16,871)
	<u>(230,154)</u>	<u>(9,768)</u>	<u>-</u>	<u>(239,922)</u>
NET CASH USED BY INVESTING ACTIVITIES				
CASH FLOWS FROM FINANCING ACTIVITIES				
Principal payments on long-term debt	(37,691)	-	-	(37,691)
	<u>(227,492)</u>	<u>(16,466)</u>	<u>-</u>	<u>(243,958)</u>
NET DECREASE IN CASH				
CASH AT BEGINNING OF YEAR	235,129	252,741	-	487,870
	<u>7,637</u>	<u>236,275</u>	<u>-</u>	<u>243,912</u>
CASH AT END OF YEAR				
SUPPLEMENTAL DISCLOSURE				
Cash Payments for Interest	\$ 29,140	\$ -	\$ -	\$ 29,140
Debt Incurred for the Purchase of Propety and Equipment	\$ 100,000	\$ -	\$ -	\$ 100,000

See Notes to Financial Statements



The mission of Genesis Behavioral Health is to provide direct services that enhance the emotional and mental health of our communities.
(Revised June 2009)

Our Vision

Genesis Behavioral Health is the leading health care provider recognized for its excellence in delivering accessible, quality mental health care and support in our communities.

Our Values

- | | |
|--------------------------|--|
| <u>RESPECT</u> | We conduct our business and provide services with respect and professionalism. |
| <u>ADVOCATE</u> | We advocate for those we serve through enhanced collaborations, community relations and political action. |
| <u>INTEGRITY</u> | We work with integrity and transparency, setting a moral compass for the agency. |
| <u>STEWARDS</u> | We are effective stewards of our resources for our clients and our agency's health. |
| <u>EXCELLENCE</u> | We are committed to excellence in all programming and services. |

KEY ADMINISTRATIVE PERSONNEL - FY2013

GENESIS BEHAVIORAL HEALTH

Postion	Name	FTEs	Salary	Salary contributed from BBH	% of Salary from BBH
Executive Director	Margaret Pritchard	1.00	\$ 105,000.00	\$ 41,032.06	39%
Chief Financial Officer	Eugene Friedman	1.00	\$ 82,870.00	\$ 32,384.06	39%
Medical Director	Vladimir Jenlov	1.00	\$ 230,000.00	\$ 89,879.74	39%
Chief Operations Officer	Vacant	0.00	\$ -	\$ -	#DIV/0!

Margaret M. Pritchard

Objective: Administer programs which assist disabled people in obtaining or maintaining quality independent life

Experience: Current Genesis Behavioral Health Laconia, NH

Executive Director

2004-2007 Community Partners Dover, NH

Chief Operating Officer, Behavioral Health & Developmental Services of Strafford County, Inc.

- Oversee day-to-day operations of this non-profit company
- Establish and monitor revenue projections for approximately 17 million dollars worth of business
- Supervise all clinical directors of programs
- Participate in all board meetings and prepares monthly reports for presentation to the board
- Implemented and maintains a cohesive corporate identity between two previously separate corporations
- Serves on Division committees as needed
- Acting CEO on an as-needed basis
- Advocates politically for the corporation

2001-2004 Community Partners Dover, NH

Chief Operating Officer, Behavioral Health Division

- Responsible for incorporating 7 million dollar CMHC operations into an existing developmental services agency as a result of the closing of Strafford Guidance Center

2000-2001 Genesis Behavioral Health Laconia, NH

Director, Clinical Operations

- Established multidisciplinary teams and set standards of care
- Monitored various contractor agreements
- Established revenue projections for 5.2 million dollar operations
- Served on both internal and external organization committees

1994-2000 Riverbend CMHC Concord, NH

Director, Community Support Program

- Hire, fire and supervise middle managers and direct care staff (approx 100 staff)
- Established productivity expectations consistent with budget target of approx 4 million dollars
- Monitored and implemented quality assurance standards to satisfy regulators including NH DBH, Medicaid, Medicare, NHHFA, etc
- Developed policies and procedures
- Established and ensured a full range of services for people with psychiatric disabilities

1992-1994 The Mental Health Center Manchester, NH

Director, Emergency Services

- Managed the 24-hour psychiatric assessments and emergency care Supervised, recruited and trained personnel internal and external to the department
- Liaison to local police hospitals, homeless shelters and refugee center

Emergency Service Clinician

- Provided crisis intervention, assessments and emergency care to people in acute distress

1987-1989 Community Council Nashua, NH

Director, Community Education

- Developed and implemented agency-wide staff development plan
- Submitted grants and responded to RFPs for special projects that assisted the agency in promoting education and prevention services

1986-1989 NE Non-profit Housing Manchester, NH

Social Worker Property management and general contractor for CDBH/"Mod Rehab" housing projects

- Screened individuals and families for housing assistance through Section 8 and other subsidy programs
- Co-authored HUD grant for 2.5 million dollars for "VWomen in Transition"
- Conducted housing inspections and worked with code department and local authority to assure compliance standards

1986 Region IV Agency Concord, NH

Case Manager

- Developed and monitored treatment plans for 25 developmentally disabled adults

1982-1985 The Mental Health Center Manchester, NH

Manager: Crisicare Care Unit/SRO/Respite Care/Shared Apartment Program

- Supervised and trained direct care staff in implementing treatment related to independent living skills and community-based living
- Screened and assessed clients for appropriate services and placement.
- Liaison with local housing authority and police

Residential Staff

- Wrote and implemented residential service plans for 40 psychiatrically disabled adults.

Education: 1998-2000 New England College Henniker, NH

- MS Community Mental Health Counseling

1977-1981 SUNY Brockport Brockport, NY

- BS Social Work

Interests: 1989-Present

Granite State Critical Incident Street Management Team-Coodinator

**The Lakes Region Mental Health Center, Inc.
DBA GENESIS Behavioral Health
Board of Directors
October 24, 2012**

**PRESIDENT
Susan Stearns**

**VICE PRESIDENT
Deborah Pendergast**

**TREASURER
Cydney Shapleigh-Johnson**

**SECRETARY
Cinde Warmington**

MEMBERS AT LARGE

Elizabeth "Bette" Baker

Lori Boelig

Jack Elzroth

Trudy Fletcher

Jim Hundrieser

Miller Lovett

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Rae Mello-Andrews

Liz Merry

Carol Pierce

Jennifer Sereni

Matthew Soza

Peter Stewart

Jannine Sutcliffe

Kelley White, MD

HONORARY BOARD MEMBER

Esther Peters

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 GENESIS BEHAVIORAL HEALTH is a New Hampshire trade name registered on May 26, 2000 and that THE LAKES REGION MENTAL HEALTH CENTER, INC presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having 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 8th day of April, A.D. 2013

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

William M. Gardner
Secretary of State

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 THE LAKES REGION MENTAL HEALTH CENTER, INC is a New Hampshire nonprofit corporation formed July 14, 1969. 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 8th day of April A.D. 2013

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: USI Insurance Svcs of NE, Inc. PO Box 6360 Manchester, NH 03108-6360 603 625-1100. CONTACT NAME: PHONE (A/C, No, Ext): 603 625-1100 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE: INSURER A: Ace American Insurance Company NAIC #: 22667 INSURER B: AIM Mutual Insurance Company NAIC #: 33758

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL SUBR INSR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include: A GENERAL LIABILITY (SVRD37803601002), A AUTOMOBILE LIABILITY (CALH08618574), A UMBRELLA LIAB (XOOG2551654002), B WORKERS COMPENSATION AND EMPLOYERS' LIABILITY (ECC4000245012013), A Professional (OGLG2551662A).

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) This certificate covers all operations usual and customary to the Insured's business.

CERTIFICATE HOLDER CANCELLATION

CERTIFICATE HOLDER: Bureau of Behavioral Health Attn: Sandy Lawrence Contract Management 105 Pleasant St, Main Bld, Rm 214S Concord, NH 03301. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: E. Arnold Lawrence



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED CARE SERVICES

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

BUREAU OF BEHAVIORAL HEALTH
 105 PLEASANT STREET, CONCORD, NH 03301
 603-271-5000 1-800-852-3345 Ext. 5000
 Fax: 603-271-5058 TDD Access: 1-800-735-2964

June 6, 2012

His Excellency, Governor John H. Lynch
 and the Honorable Executive Council
 State House
 Concord, NH 03301

Approved by GTC
 Date 6-20-12
 Item No. 89A

Requested Action

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, to enter into an agreement with The Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health, 111 Church Street, Laconia, NH 03246, vendor number 154480, to provide mental health services in Region 3 in an amount not to exceed \$422,669.00 effective July 1, 2012, or date of Governor and Executive Council approval, whichever is later, through June 30, 2013. Funds to support this request are available in the following accounts in Fiscal Year 2013:

05-95-40-403010-5855 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: CHILDREN AND YOUTH, SERV FOR CHILD AND FAMILIES, CHILD FAMILY SERVICES

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2013</u>
550-0398	Assessment and Counseling	40150001	\$ 1,770

05-95-92-920010-5945 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2013</u>
102-0731	Contracts for Program Services	92205945	\$ 5,000

05-95-92-920010-7010 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, COMMTY MENTAL HEALTH SVCS

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2013</u>
502-0731	Payments to Providers	92207010	\$ 339,251

05-95-92-920010-2087 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, MIPCD GRANT

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2013</u>
102-0731	Contracts for Program Services	92202087	\$ 76,648

Total \$ 422,669

Explanation

This agreement is for community mental health services for approximately 4,000 adults, children and families. The services are specified in NH Administrative Rule He-M 426 and include 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. Services to be provided 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. Included in this agreement are estimates on the number of clients to be served and the projected units of service for each program.

The agreement also provides for the transition to Medicaid Care Management for individuals who are eligible to enroll.

The services provided by this vendor are of two types:

- 1.) services provided to Medicaid clients; and
- 2.) non-Medicaid related services, such as, Emergency Services to adults, children and families without insurance.

For the State Fiscal Year ending June 30, 2013, funding for the vendor is anticipated as follows:

	<u>Federal</u>	<u>General</u>	<u>Total</u>
<u>Services provided to Medicaid clients:</u>	\$2,879,002	\$2,879,002	\$5,758,004
<u>Non-Medicaid related services:</u>			
Div for Children, Youth, and Families, Mental Health Assessments	\$ 0	\$ 1,770	\$ 1,770
Refugee Interpreter Services	\$ 0	\$ 5,000	\$ 5,000
Emergency Services	\$ 0	\$ 339,251	\$ 339,251
Wellness Incentives Program	\$ 76,648	\$ 0	\$ 76,648
Total Non-Medicaid	\$ 76,648	\$ 346,021	\$ 422,669

- Division for Children, Youth and Families funds are used to provide mental health consultation related to mental health assessments and/or treatment for children served by the Division for Children, Youth and Families through local District Offices.
- Refugee Interpreter Services provide language interpreter services to non-English speaking refugees receiving mental health services through the agency.
- Emergency Services funding supports the provision of emergency services to adults, children and families with no insurance.

- The Wellness Incentives Program, also known as "Healthy Choices Healthy Changes Program", is a federally funded health promotion program to reduce the risk of cardiovascular disease in those individuals with mental illness. Persons with serious mental illness have some of the highest per capita health expenditure costs due to high rates of cardiovascular disease, diabetes, chronic lung disease and obesity. As a result, their life expectancy is 25 years less than the rest of the U.S. population. This program will promote healthier lifestyles by providing incentives for exercise, improved nutrition, and smoking cessation.

Should Governor and Executive Council determine not to approve this Request, approximately 4,000 adults, children and families in this region will not receive community mental health services, as required by NH RSA 135-C:13. Many of these individuals will experience a relapse of symptoms. They will seek costly services at hospital emergency departments due to the risk of harm to themselves or others and will be at significant risk without treatment or interventions. These individuals will 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.

This agreement is not subject to the competitive bidding requirement of NH ADM 601.03. The Bureau of Behavioral Health contracts for services through the community mental health center 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.

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.

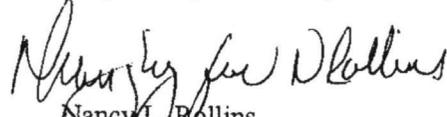
All residential and partial hospital programs are licensed/certified when required by State laws and regulations in order to provide for the life safety of the persons served in these programs. Copies of all applicable licenses/certifications are on file with the Department of Health and Human Services.

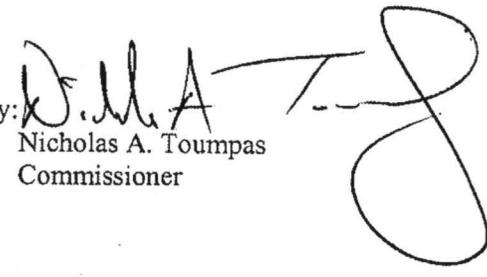
Area served: For the catchment area served, please see the attached list of communities.

Source of funds: 82% General Funds and 18% Federal Funds.

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

Respectfully submitted,


Nancy L. Rollins
Associate Commissioner

Approved by: 
Nicholas A. Toumpas
Commissioner

NLR/PBR/sl
G&C FY13 Region 3

Enclosures

Budget Form

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Lakes Region Mental Health Center, Inc dba
Bidder/Program Name: Genesis Behavioral Health

Budget Request for: Community Mental Health Services
(Name of RFP)

Budget Period: SFY June 30, 2013

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	\$ 5,080,008	\$ 523,272	\$ 5,603,280	BBH RFP instructions
2. Employee Benefits	\$ 1,307,382	\$ 140,730	\$ 1,448,112	% of salary
3. Consultants	\$ 1,913	\$ 7,000	\$ 8,913	Direct costs
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ 10,017	\$ 831	\$ 10,848	Direct costs
Repair and Maintenance	\$ 35,466	\$ 1,095	\$ 36,561	Direct costs
Purchase/Depreciation	\$ 80,719	\$ 12,779	\$ 93,498	Sq. footage or time spend by prgm
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ 418	\$ -	\$ 418	Not applicable
Office	\$ 42,779	\$ 4,024	\$ 46,803	FT E's
6. Travel	\$ 154,082	\$ 2,585	\$ 156,667	Direct costs
7. Occupancy	\$ 346,505	\$ 24,347	\$ 370,852	FTE's (different staff occupy same space)
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ 205,905	\$ 14,787	\$ 220,692	FTE's
Postage	\$ 21,729	\$ 1,353	\$ 23,082	FTE's
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ 22,376	\$ 18,975	\$ 41,351	Discrete costs to program
Insurance	\$ 63,030	\$ 7,476	\$ 70,506	Discrete costs to program
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ 121,225	\$ 14,946	\$ 136,171	Direct costs
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ 113,357	\$ 2,783	\$ 116,140	Direct costs
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	
Advertising & Printing	\$ 26,713	\$ 3,159	\$ 29,872	Direct costs
Assistance to Clients & evaluations	\$ 38,015	\$ -	\$ 38,015	Not applicable
Interest expense (not mortgage)	\$ -	\$ 3,498	\$ 3,498	100% to Indirect
Other expenditures	\$ 15,735	\$ 19,616	\$ 35,351	Direct costs
Substitute staff	\$ 112,350	\$ -	\$ 112,350	Not applicable
Membership dues	\$ 15,000	\$ 1,296	\$ 16,296	Direct costs
TOTAL	\$ 7,814,724	\$ 804,552	\$ 8,619,276	

Indirect As A Percent of Direct

10.3%