



49 (7)

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

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301
 603-271-9410 1-800-852-3345 Ext. 8560
 Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nancy L. Rollins
 Associate Commissioner

March 4, 2013

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court, and

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

REQUESTED ACTION

Pursuant to the provisions of Chapter 224:14, II, Laws of 2011, Additional Revenues, authorize the Department of Health and Human Services, Division of Community Based Care Services, to accept and expend State Innovation Models Grant federal funds from the Centers for Medicare and Medicaid Services in the amount of \$1,569,378.00 effective upon date of Fiscal Committee and Governor and Executive Council approval, through June 30, 2013, and further authorize the allocation of these funds in the accounts below.

**05-95-95-958010-1225 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
 HHS: COMMISSIONER-COMMUNITY BASED CARE SERVICES, STATE INNOVATION MODELS
 GRANT**

Class/Object	Class Title	Chapter 224, Laws of 2011 Operating Budget	Increase/ (Decrease) Amount	Revised Modified Budget
SFY 2013				
000-401933	Federal Funds	\$0.00	\$1,569,378.00	\$1,569,378.00
	General Fund	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Revenue		<u>\$0.00</u>	<u>\$1,569,378.00</u>	<u>\$1,569,378.00</u>
020-500200	Current Expenses	\$0.00	\$16,150.00	\$16,150.00
030-500301	Equipment	\$0.00	\$36,800.00	\$36,800.00
041-500801	Audit Fund Set Aside	\$0.00	\$1,569.00	\$1,569.00
070-500704	In-State Travel Reimbursement	\$0.00	\$3,330.00	\$3,330.00
080-500713	Out-Of State Travel Reimbursement	\$0.00	\$36,620.00	\$36,620.00
102-500731	Contracts for Program Services	\$0.00	\$1,397,191.00	\$1,397,191.00
502-500891	Payments to Providers	\$0.00	\$77,718.00	\$77,718.00
Total Expense		<u>\$0.00</u>	<u>\$1,569,378.00</u>	<u>\$1,569,378.00</u>

EXPLANATION

The Department of Health and Human Services, Division of Community Based Care Services seeks approval to accept and expend in State Fiscal Year 2013 State Innovation Models grant funds in the amount of \$1,569,378.00 from the Centers for Medicare and Medicaid Services. The Department will use the grant funds to design a new State Health Care Innovation Model. It is intended that this new model will support the establishment of Phase II of the Medicaid managed care program, which will cover foster care children, dual eligible beneficiaries and long-term care for people with chronic conditions. A copy of the grant award is attached.

The Department will focus its model design on individuals who are either in need of or at-risk for needing long-term support services. This population was chosen because:

1. This population has complex health needs that are served by multiple service delivery systems that struggle to coordinate care across those systems;
2. Multiple payers access these delivery systems with little commonality in their approach to care management, the role of consumers and measurement of outcomes; and
3. There is no current mechanism to look across the delivery systems and across the payers to measure the cost effectiveness of the provided services or to measure their performance in improving the health status and quality of life for the consumers they serve.

The broad goal of this project is to transform the current service payment model into a system that:

1. Empowers consumers to access services across the service delivery system "silos" and improves care and service coordination across those systems;
2. Aligns the payers for long term care support services around a common goals and outcomes; and
3. Employs a payment system that creates global accountability for cost effectiveness and outcomes.

The Department has actively engaged a large and diverse group of stakeholders to assist in the development of the new service delivery system and payment model. The Department intends to leverage numerous ongoing activities, several of which are currently supported by the Center for Medicare & Medicaid Services in the development of the new system and will also align ongoing state and national quality initiatives with the new system.

Should Fiscal Committee and Governor and Executive Council determine not to approve this request, more individuals in need of or at-risk of needing long-term support services will continue to drive costs higher and strain a system that is already struggling to meet the needs of this population.

Since the project period of this federal grant ends September 30, 2013, three months into the new biennium, the department has not requested the program be budgeted. The Department's intention is to return to Fiscal Committee and Governor and Executive Council in June to request approval to continue this grant program through September 30, 2013.

Geographic area served: Statewide.

Source of Funds: 100% Federal.

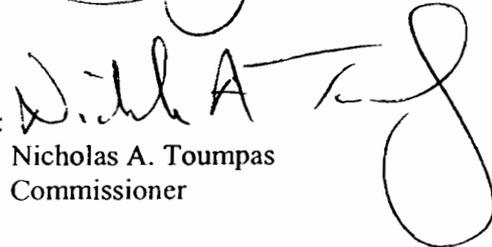
The Honorable Mary Jane Wallner, Chairman, and
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If federal funds become no longer available, general funds will not be requested to support the program expenditures.

Respectfully submitted,


Nancy L. Rollins
Associate Commissioner

Approved by:


Nicholas A. Toumpas
Commissioner

Enclosures

Division of Community Based Care Services

State Innovation Models Grant

Fiscal Situation

05-95-095-958010-12250000

State Fiscal Year 2013 Current Authorized	\$0.00
State Innovation Model Award**	<u>1,569,378.00</u>
Total Revised SFY 2013 Authorized	<u>\$1,569,378.00</u>

** Federal Share	\$1,569,378.00
Non-Federal Share	<u>36,000.00</u>
Total Award	<u>\$1,605,378.00</u>

7500 Security Boulevard
 Baltimore, MD 21244

SUPERSEDES AWARD NOTICE dated
 except that any additions or restrictions previously imposed remain
 in effect unless specifically rescinded

AWARD NO. 1CMS331172-01-00	STATUS New
PROJECT PERIOD From 04/01/2013	Through 09/30/2013
BUDGET PERIOD From 04/01/2013	Through 09/30/2013

NOTICE OF AWARD
 AUTHORIZATION (Legislation/Regulations)
 Section 1115A of the Social Security Act (added by section 3021 of the
 Patient Protection and Affordable Care Act (P.L. 111-148))

8. TITLE OF PROJECT (OR PROGRAM)
 State Innovation Models: Funding for Model Design

9. GRANTEE NAME AND ADDRESS New Hampshire Department of Health and Human Services 129 Pleasant St Community Based Care Services Concord, NH 03301-3852	10. GRANTEE PROJECT DIRECTOR Mr. Erik Riera 129 PLEASANT ST CONCORD, NH 03301-3852 Phone: 603-271-5007
11. GRANTEE AUTHORITY OFFICIAL Ms. Nancy Rollins Gov. Gallen State Office Park South Community Based Care Services Concord, NH 03301-3857 Phone: 603-271-9470	12. FEDERAL PROJECT OFFICER Mr. James Johnston 7500 Security Blvd Baltimore, MD 21244-1849 Phone: 410-786-2817

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes HHS Direct Assistance)

I HHS Grant Funds Only

II Total project costs including grant funds and all other financial participation

a. Salaries and Wages	33,259.00
b. Fringe Benefits	12,638.00
c. Total Personnel Costs	45,897.00
Equipment	36,800.00
Supplies	11,250.00
f. Travel	39,950.00
g. Construction	0.00
h. Other	122,730.00
i. Contractual	1,315,361.00
j. TOTAL DIRECT COSTS	1,571,988.00
k. INDIRECT COSTS	33,390.00
l. TOTAL APPROVED BUDGET	1,605,378.00
m. Federal Share	1,605,378.00
n. Non-Federal Share	36,000.00

12. AWARD COMPUTATION FOR GRANT

a. Amount of HHS Financial Assistance (from item 11 m)	1,605,378.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	0.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS AWARD	1,605,378.00
13. TOTAL FEDERAL FINANCIAL ASSISTANCE FOR DIRECT COSTS OF FEDERAL FUNDS	1,605,378.00

14. RECOMMENDED FUTURE SUPPORT
 (Subject to the availability of funds and satisfactory progress of the project):

YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:

a. DEDUCTION	
b. ADDITIONAL COSTS	
c. MATCHING	
d. OTHER RESEARCH (Add / Deduct Option)	
e. OTHER (See REMARKS)	

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, HHS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:

- The grant program legislation cited above
- The grant program regulations cited above
- This award notice including terms and conditions, if any, noted below under REMARKS
- HHS Grants Policy Statement including addenda in effect as of the beginning date of the budget period
- 45 CFR Part 74 or 45 CFR Part 92 as applicable

In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

REMARKS (Other Terms and Conditions Attached - Yes No)

GRANTS MANAGEMENT OFFICER: Michelle Feagins, Grants Management Officer

CLASS 4115	SPONSOR CODE 1026000618B4	LINE IN 026000618	LEDGERS 011040545	FINANCIAL DIST 02
FY-AOUNT NO. 3-5991321	DOCUMENT NO. SIMM131172	ADMINISTRATIVE CODE SIM	AMT ACTION FIN ASST \$1,605,378.00	ACCRORATION 75X0522
23. a.	b.	c.	d.	e.

