STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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NH DIVISION OF Public Health Services
Improving health, preventing disease, reducing costs for all

Nicholas A. Toumpas
Commissioner

Marcella J. Bobinsky
Acting Director

August 19, 2015

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

Sole Source
Retroactive

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to enter into a **retroactive** amendment and exercise a **sole source** renewal option to an existing contract with New Hampshire Hospital Association, Purchase Order # 1032589 Vendor # 160051-B001, 125 Airport Road, Concord, NH 03301, by increasing the Price Limitation by $1,563,717 from $1,868,818 to an amount not to exceed $3,432,535 to provide Healthcare System Emergency Preparedness Planning, and extending the Completion Date from August 31, 2015 to June 30, 2017, **retroactive** to September 1, 2015, upon Governor and Council approval. This agreement was originally approved by Governor and Council on September 4, 2013, Item #50. 100% Federal Funds.

Funding to support this request is anticipated to be available in the following accounts in State FY 2016 and State FY 2017, upon the availability and continued appropriation of funds in the future operating budget, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
SFY 14	102-500731	Contracts for Prog Svc	90077700	778,674	0	778,674
SFY 15	102-500731	Contracts for Prog Svc	90077700	934,409	(240,691)	693,718
SFY 16	102-500731	Contracts for Prog Svc	90077700	155,735	462,580	618,315
SFY 17	102-500731	Contracts for Prog Svc	90077700	0	555,096	555,096
			Sub Total	$1,868,818	$776,985	$2,645,803

05-95-90-902510-5084 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, EBOLA GRANT

Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
SFY 16	102-500731	Contracts for Prog Svc	90027035	0	776,732	776,732
SFY 16	102-500731	Contracts for Prog Svc	90027030	0	10,000	10,000
			Sub Total	$0	$786,732	$786,732
			TOTAL	**$1,868,818**	**$1,563,717**	**$3,432,535**

EXPLANATION

This Amendment is **retroactive** because of delays encountered getting the funds appropriated in the State Operating Budget due to the Continuing Resolution. This is a **sole source** request because the New Hampshire Hospital Association (NHHA) was specified as the contracted work performer for these activities in the federal grant application, which was approved and awarded.

Funds in this Amendment will be used to provide the coordination and implementation of all-hazards planning to enhance the healthcare system preparedness capabilities of New Hampshire's 26 acute care hospitals, Veteran's Affairs Hospital and collaborating healthcare entities to respond to medical surges resulting from public health incidents, including those incidents requiring mass care in the setting of a large-scale outbreak of infectious disease such as pandemic influenza within their healthcare communities. It is mainly through this contract that the State achieves the grant requirement from the federal Hospital Preparedness Program grantor agency that the award must be allocated in large part to hospitals and healthcare partners.

Funds in this agreement will also be used to enhance Ebola and other infectious disease readiness among all statewide hospitals. NH Hospital Association coordinated and supported efforts in collaboration with the Division of Public Health Services to establish a tiered statewide strategy for Ebola response; identifying two (2) Ebola Assessment (capacity to manage an Ebola patient for up to 96 hours) hospitals and twenty-four (24) frontline (capacity to initially identify and isolate an infectious patient) hospitals. Dartmouth Hitchcock Medical Center and Frisbie Memorial Hospital will serve as Ebola Assessment hospitals. The outcome of this agreement is assuring the statewide ability to successfully identify, manage and safely transport to an Ebola Regional treatment center an Ebola or other highly infectious patient (such as novel influenza) improving infectious disease readiness.

The NH Hospital Association serves as the coordinating body for emergency preparedness and response activities for statewide acute care hospitals. The NH Hospital Association is a uniquely positioned organization providing consistent and successful leadership to enhance hospital and healthcare system preparedness planning and implementation activities included in this contract.

All New Hampshire citizens potentially benefit from the hospital emergency preparedness and response planning provided under this agreement. In the event of an incident causing a significant surge of patients upon the healthcare system, New Hampshire hospitals will respond with a higher level of readiness and coordination statewide. Work previously accomplished though this agreement has strengthened hospital response in numerous real events in recent years in New Hampshire, including:

a hepatitis outbreak involving a popular food establishment; H1N1 influenza in 2009-2010; a large-scale emergency vaccination campaign for meningitis; acute weather-related events with health impact and Ebola preparedness. The New Hampshire Hospital Mutual Aid Network has been established under the efforts of this agreement, with a written agreement among hospitals to provide assistance when a member hospital's capacity to respond in an emergency is being overwhelmed.

Should Governor and Executive Council not authorize this Request, the level of coordination between hospitals, the Division of Public Health Services and the Division of Homeland Security and Emergency Management on emergency response planning would be reduced, leaving the state's healthcare community more vulnerable to the negative health impact of large-scale emergencies.

As referenced in the original letter approved by Governor and Council, and in the Exhibit C of the contract, the Department of Health and Human Services in its sole discretion may decide to offer a two (2) year extension of this agreement, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council. In order to align the contract project term with the Federal Fiscal Year, the Department is only exercising 22 months of this option.

Over the term of the original contract, the vendor has consistently and successfully met the contract deliverables on a timely basis. The following performance measures will be used to measure the effectiveness of the agreements for each participating hospital as follows:

- Number of meetings of hospital representatives to advance the eight Healthcare System Preparedness Capabilities.
- Timely and complete submission of interim and final reports in accordance with federal grant requirements.
- Submission of completed and analyzed hospital survey data annually.
- Number of work plans and budgets by each sub recipient (hospital) submitted and approved.
- Number of trainings or technical assistance to address the eight Healthcare System Preparedness Capabilities.
- Number of hospital exercises conducted that test the eight Healthcare System Preparedness Preparedness Capabilities.
- Report the time, in minutes, it takes an assessment hospital to identify and isolate a patient with Ebola or other highly contagious disease following emergency department triage, as evidenced by a real-world case or no-notice exercise.
- The proportion of clinical, lab, and ancillary staff at Ebola Assessment hospitals rostered to support care for an Ebola patient with updated annual training certification on PPE donning/doffing.
- Participation in Ebola and other highly contagious disease tabletops and functional exercises.

Area served: Statewide.

Source of Funds: 100% Federal Funds from the Centers for Disease Control and Prevention, Coordinating Office for Terrorism Preparedness and Emergency Response and the US Department of Health and Human Services, Assistant Secretary for Preparedness & Response.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Marcella J. Bobinsky, MPH
Acting Director

Approved by:
Nicholas A. Toumpas
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the
Healthcare System Emergency Preparedness Planning Contract

This 1st Amendment to the Healthcare System Emergency Preparedness Planning contract (hereinafter referred to as "Amendment One") dated this 24th day of July, 2015, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and New Hampshire Hospital Association, (hereinafter referred to as "the Contractor"), a corporation with a place of business at 125 Airport Road, Concord, NH 03301.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 4, 2013, Item #50, 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, the State may modify the scope of work and the payment schedule of the contract by written agreement of the parties;

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, and modify the scope of services to support continued delivery of these services, and

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:

1. Amend Form P-37, Block 1.6, to add Account Number: 05-95-90-902510-5084-102-500731.
2. Amend Form P-37, Block 1.7, to read June 30, 2017.
3. Amend Form P-37, Block 1.8, to read $3,432,535.
4. Amend Form P-37, Block 1.9, to read Eric Borrin, Director of Contracts and Procurement.
5. Amend Form P-37, Block 1.10 to read 603-271-9558.
6. Delete Exhibit A in its entirety and replace with Exhibit A Amendment #1.
7. Add Exhibit A-1 Additional Scope of Services.
8. Delete Exhibit B in its entirety and replace with Exhibit B Amendment #1.
9. Delete Exhibit C in its entirety and replace with Exhibit C Amendment #1.
10. Add Exhibit C-1 Revisions to General Provisions.
11. Delete Exhibit G in its entirety and replace with Exhibit G Amendment #1.
12. Amend Budget to:
    - Delete Budget Form SFY 2015 and replace with Exhibit B-1 Amendment #1 Budget SFY 2015
    - Add Exhibit B-1 Amendment #1 Budget SFY 2016
    - Add Exhibit B-1 Amendment #1 Budget SFY 2017

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

Contractor Initials: KAHST
Date: 7/27/15

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

8/21/15
Date

Brook Dupee
Bureau Chief

New Hampshire Hospital Association

7/27/15
Date

NAME: KATHLEEN A. BIZARRE-THUNBERG
TITLE: EXECUTIVE VICE PRESIDENT

Acknowledgement:

State of New Hampshire, County of Merrimack on July 27, 2015, 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

Cynthia A. Morse, Notary Public
Name and Title of Notary or Justice of the Peace

CYNTHIA A. MORSE, Notary Public
My Commission Expires December 20, 2015

My Commission Expires: _____

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

OFFICE OF THE ATTORNEY GENERAL

9/13/15
Date

Name: Megan A. Lopez
Title: Attorney

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:

Exhibit A Amendment #1

Scope of Services

1. Provisions Applicable to All Services

1.1. 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.

1.2. 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.

2. Scope of Services

The Contractor shall:

2.1. Assist the Department of Health and Human Services (DHHS), the State of New Hampshire, and the participating acute care and specialty hospitals of the State, in planning, implementing and strengthening hospital and healthcare system emergency preparedness and response.

2.2. Provide training, technical assistance, and contract oversight to hospitals to support their progress toward achieving Capabilities as promulgated by the National Hospital Preparedness Program (HPP) funded by the Office of the Assistant Secretary for Preparedness and Response (ASPR) of the U.S. Department of Health and Human Services. These Capabilities are defined in the document Healthcare Preparedness Capabilities: National Guidance for Healthcare System Preparedness, (the Capabilities) published by the HPP in January 2012.

2.3. Support participating hospitals as they work with other community-based organizations, and state and federal agencies, to develop public health emergency preparedness capabilities.

2.4. Work with the hospitals to achieve the development of Regional Healthcare Coalitions, including their hospital networks in accordance with the following:

2.4.1. Continue to promote the New Hampshire Hospital Mutual Aid Network concept as the basis of hospital preparedness activities.

2.4.2. Endorse and advance coalition building across the healthcare continuum by working with hospitals to coordinate planning and exercises that address the Capabilities in order to leverage partnerships and resources for a stronger response capability.

2.4.3. Support hospital participation in the Public Health Network planning initiative and other regional planning where hospitals are a key stakeholder.

2.4.4. Outreach to partners at the Federal, State, Regional, Local and Facility levels to deepen understanding of hospital emergency preparedness and promote joint ventures, as appropriate.

2.5. Technical Assistance

2.5.1. Provide technical assistance to participating hospitals, and dedicate a minimum of 50% of a Hospital Preparedness Coordinator's position to provide direct technical assistance in support of the hospitals' emergency preparedness planning, training, exercises, and implementing priorities identified during these activities.

2.5.2. Provide technical assistance to participating hospitals on six of fifteen Healthcare System Preparedness Capabilities prioritized and listed sequentially below, and the associated performance and program measures. Federal funding announcements requires new and innovative efforts by the State, its contractors, and all subcontractors to engage multiple partners to form and enhance preparedness in the regional healthcare coalitions across the healthcare sector.

2.6. Six Capabilities

2.6.1. Capability 1: Healthcare System Preparedness

2.6.1.1. Assist hospitals and coordinate activities that facilitate achievement of overall healthcare system preparedness, including; development/sustainment of Healthcare Coalitions, preparedness of the healthcare system, identification of gaps in healthcare preparedness and resources for mitigation of the gaps, provide training, as required.

2.6.2. Capability 2: Healthcare System Recovery

2.6.2.1. Assist hospitals and coordinate activities that facilitate achievement of overall healthcare system recovery.

2.6.3. Capability 3: Emergency Operations Coordination

2.6.3.1. Assist hospitals and coordinate activities that facilitate achievement of effective coordination between the healthcare system and operational partners.

2.6.4. Capability 6: Information Sharing

2.6.4.1. Assist hospitals and coordinate activities that facilitate essential, reasonable and actionable information sharing between partners to provide situational awareness that contributes to a common operating picture. The Contractor shall assist hospitals and coordinate activities that lead to redundant, interoperable communications systems.

2.6.5. Capability 10: Medical Surge

2.6.5.1. Assist hospitals/healthcare coalitions and coordinate activities that improve response plans, including surge capacity and capability, shelter-in-place, evacuation, decontamination, incident command and functions.

2.6.6. Capability 14: Responder Safety and Health

2.6.6.1. Assist hospitals and coordinate activities regarding access to proper Personal Protective Equipment (PPE) for healthcare workers during response.

2.7. Dissemination of Information to Hospitals

2.7.1. Disseminate information from DHHS and other agencies/partners to all hospitals, as necessary.

2.7.2. Information to be disseminated will include, but is not limited to, emergency or routine messages, reports on statewide planning, training or exercising activities, notices of meetings, clarification on grant requirements and any information deemed pertinent to activities delineated in other sections of this Exhibit A Amendment #1 Scope of Services.

3. Subrecipients

3.1. Hospital Allocation Plan

3.1.1. Within 30 days of the award, the contractor shall develop a hospital allocation plan to support hospitals to meet mutually-agreed to planning needs aligned with the Capabilities. The allocation plan shall be approved by the DHHS prior to funds and / or resources being distributed.

3.2. Conditions of Support to Hospitals

3.2.1. The Contractor shall allocate funds to hospitals that have met the following conditions:

3.2.2. Participate actively in regional healthcare coalitions;

3.2.3. Affirm that emergency management and operations plans are being maintained;

3.2.4. Participate in the annual data collection process conducted by NH DHHS;

3.2.5. Provide current contact information for use in an emergency;

3.2.6. Participate in the New Hampshire Hospital Mutual Aid Network;

3.2.7. Work to integrate hospital-based plans with local and regional partners, in accordance with the Capabilities;

3.2.8. Participate in local, regional and State exercises, as appropriate;

3.2.9. Provide estimated budgets for each allocation, as requested the Contractor;

3.2.10. Provide semi-annual expenditure reports, as requested the Contractor;

3.2.11. Provide written self-certification of NIMS implementation to NHHA, as required by ASPR.

3.3. Based on this allocation plan and conditions of funding the Contractor shall consider every qualifying hospital sub recipients of funding. DHHS must be provided documentation of the subrecipient agreements. In addition, subrecipients must be held responsible to fulfill all relevant requirements included in this Exhibit.

3.4. In consultation with the DHHS, review budget proposals from each hospital.

4. Staffing

4.1. The Contractor shall continue support for a full-time Hospital Preparedness Coordinator position. The responsibilities will include, but are not limited to:

4.1.1. Provide leadership to hospital-based emergency planning and response activities which includes an emphasis on healthcare coalition planning;

4.1.2. Ensure that all activities in this Exhibit A Amendment #1 are carried out in an appropriate and timely manner;

4.1.3. Prepare and submit interim and final reports related to the ASPR HPP.

4.2. New Hires:

4.2.1. The Contractor shall notify the DHHS in writing within one month of hire of a key professional staff position who is essential to carrying out this scope of services. A resume of the employee shall accompany this notification.

4.3. Vacancies

4.3.1. The Contractor must notify the DHHS in writing if the key professional staff position funded under this agreement is vacant for more than three months.

5. Reporting Requirement

5.1. The Contractor shall submit to the DHHS/DPHS Bureau of Infectious Disease Control Hospital Emergency Preparedness Coordinator, or designee, the following data to monitor program performance:

5.1.1. Semi-annual comprehensive reports on progress in planning, preparedness as a result of the planning and exercises as reported by hospitals, as observed at on-site visits by the Contractor and through direct leadership of projects as described in the Exhibit A Amendment #1.

5.1.2. Reports will reflect the activities delineated in this Exhibit A Amendment #1 and directly relate to ASPR HPP program measures and indicators.

5.1.3. Reports will be due 30 days following the end of each semi-annual period.

5.1.4. Final cumulative report on program activities and accomplishments, in a format approved by DHHS/DPHS. Report will be due 45 days following the end of contract term.

6. Meetings

6.1. The contractor will convene and facilitate up to 6 meetings of hospital representatives to provide training and technical assistance related to meeting the Capabilities as outlined in Section 1.

6.1.1. The Hospital Emergency Management Group shall determine, with the guidance of the Contractor and the DHHS, the strategies and methodologies to achieve the goals of the ASPR HPP.

6.2. The Contractor or designee shall also chair sub-committees or workgroups of the Hospital Emergency Management Group. They shall be convened based on identified need to work on specific issues related to the HPP.

6.3. The Contractor shall be a member of state or regional committees and attend meetings related to public health, hospital, and healthcare system emergency preparedness representing participating hospitals, as requested.

6.4. The Contractor shall attend meetings convened by State agencies as requested to provide input on behalf of hospitals related to planning, exercising and equipment initiatives initiated by State partners.

7. Site Visits

The Contractor shall:

7.1. Participate in an annual or semi-annual site visit with DHHS Healthcare System Emergency Planning program staff. Site visits will include:

7.1.1. A review of the progress made toward meeting the deliverables and requirements described in this Exhibit A Amendment #1 based on an evaluation plan that includes performance measures;

7.1.2. On-site reviews may be waived or abbreviated at the discretion of the DHHS. Abbreviated reviews will focus on any deficiencies found in previous reviews, issues of compliance with this Exhibit A, and actions to strengthen performance as outlined in the agency Performance Work plan;

7.1.3. Corrective actions shall be implemented as advised by DHHS programs when contracted services are not found to be provided in accordance with this Exhibit A.

7.1.4. Participate in a financial audit in accordance with state and federal requirements.

7.1.5. Maintain the capability to accept and expend funds to support funded services.

7.1.6. All materials prepared during or resulting from the performance of the services of the Contract shall be in compliance with the terms described in Exhibit C Amendment #, paragraph 13.

7.1.7. Provide other programmatic and financial updates as requested by the DHHS.

8. Performance Measures

8.1. The Contractor shall ensure that following performance indicators are annually achieved and monitored monthly to measure the effectiveness of the agreement:

8.1.1. Number of meetings of hospital representatives to advance the six Healthcare System Preparedness Capabilities.

8.1.2. Timely and complete submission of interim and final reports in accordance with federal grant requirements.

8.1.3. Number of work plans and budgets by each sub recipient (hospital) submitted and approved.

8.1.4. Number of trainings or technical assistance to address the six Healthcare System Preparedness Capabilities.

8.1.5. Number of hospital exercises conducted that test the test Healthcare System Preparedness Preparedness Capabilities.

8.2. Annually, the Contractor shall develop and submit to the DHHS, a corrective action plan for any performance measure that was not achieved.

ADDITIONAL SCOPE OF SERVICES

1. Required Services

The Contractor shall:

1.1. Assist the State of New Hampshire through its DHHS and statewide healthcare system partners in strengthening healthcare system preparedness (HSP) through the distribution of Hospital Preparedness Program (HPP) Ebola Preparedness and Response project funds. While the focus will be on preparedness for Ebola Virus Disease (EVD), it is expected that preparedness for other novel, highly pathogenic diseases will also be enhanced through these activities.

1.2. Act as a fiscal agent and administer funding to New Hampshire's 26 acute care hospitals to enhance Ebola Virus Disease (EVD) preparedness and other highly infectious disease pathogens readiness to hospitals statewide. Two hospitals will serve as Ebola Assessment Hospitals and the remaining 24 hospitals will serve as Frontline Hospitals.

1.2.1. Ebola Assessment hospitals are defined as hospitals with the capacity to provide up to 96 hours of evaluation and care for a patient under investigation (PUI) for EVD until the diagnosis is either confirmed or ruled out and until discharge or transfer is completed.

1.2.2. Frontline hospitals include the remaining 24 acute care hospitals. Frontline hospitals are defined as hospitals with the capacity to identify, isolate and inform NH DHHS of an infectious disease patient; whether Ebola or other highly infectious pathogen.

1.3. Allocate funds to two New Hampshire acute care hospitals to serve as Ebola Assessment Hospitals: Dartmouth-Hitchcock Medical Center (DHMC) in Lebanon and Frisbee Memorial Hospital in Rochester. Both hospitals have met the Ebola Assessment Hospital definition, and have demonstrated leadership in developing preparedness plans for PUIs for EVD, and the location of each facility effectively encompasses the State's geography.

1.4. Allocate funds to New Hampshire's remaining 24 hospitals to serve as frontline hospitals for Ebola Virus Disease preparedness activities.

1.5. Develop a Chief Executive Officer (CEO) letter to each hospital outlining the criteria, as described in Section 3 Subrecipients, 4-Assessment Hospitals, 5-Frontline Hospitals and Section 6 Performance Measures, for all hospitals having met either the Ebola Assessment Hospital or Frontline Hospital definition as subrecipients of this funding.

1.6. The Contractor shall be responsible for coordinating and hosting, in consultation with the DHHS, a day long summit on Ebola and emerging infectious disease readiness.

2. Hospital Allocation Plan

2.1. The DHHS/DPHS established the following Hospital Allocation Plan, in collaboration with the NH Hospital Association (NHHA), to support hospitals to meet the criteria established for frontline (24) and assessment hospitals (2) as defined in the *Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities.*

2.1.1. Through Part A, *Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities* (CFDA #93.817), jurisdictions may use a portion of the funding to: compensate health care facilities for Ebola preparedness activities undertaken since July 2014, build additional capabilities to ensure the nation's health care system and health care workers are ready to safely and successfully identify, isolate, assess, transport, and treat patients under investigation with Ebola or confirmed to have Ebola, and be well prepared for a future Ebola-like event.

2.1.2. Within 30 days of the effective date of this contract amendment, the contractor shall allocate one-time funding amounts as follows:

2.1.2.1. $208,366 to each of the two Ebola Assessment hospitals.

2.1.2.2. $15,000 to each of the 24 Ebola Frontline Hospitals.

2.1.3. The Contractor shall consider every qualifying hospital subrecipients of funding that have met the Conditions of Funding outlined in the CEO letter.

3. Subrecipients

3.1. The Contractor shall retain the responsibility and accountability for the function(s) of this Agreement. The Contractor shall develop a written letter to each hospital CEO that specifies activities and reporting responsibilities of the subrecipient.. Subrecipients are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subrecipient compliance with those conditions. When the Contractor delegates a function to a subrecipient, the Contractor shall do the following:

3.1.1. Have a written letter with the subrecipient that specifies activities and reporting responsibilities.

3.1.2. Provide to DHHS, a copy of the hospital letter and subrecipient agreement for receipt of funds.

3.1.3. DHHS shall, at its discretion, review and approve all subrecipient agreements.

4. Ebola Assessment Hospital Subrecipients

4.1. The Contractor shall request as subrecipients of funding, that the two designated Ebola Assessment Hospitals will:

4.1.1. Provide a budget and narrative description for use of funds.

4.1.2. Schedule Infection Control Assessment and Response (ICAR) Team visits.

4.1.3. Establish a point of contact (and alternate contact) to inform a communications strategy with DHHS and to receive notifications of active monitoring (AM) and direct active monitoring (DAM) travelers.

4.1.4. Ensure funds for these activities will not be used for caring for persons under investigation for Ebola.

4.1.5. Participate and coordinate with DHHS/DPHS the development of a safe ground transportation plan (concept of operations) that allows for intra- (frontline to assessment) and inter-state transportation of potential or confirmed EVD patients to regional or other special pathogen treatment center.

4.1.6. Provide hospital-level training of staff and early recognition, isolation, and activation of the facility's EVD plan in accordance with state and federal guidelines.

4.1.7. Consider adjusting Electronic Health Records (EHRs) to ensure prompt staff screening for patients' travel histories and newly emerging diseases.

4.1.8. Send a minimum of two clinical staff members to the DHHS -sponsored tabletop exercises and functional drills.

4.1.9. Conduct /participate in annual exercises in coordination with the DHHS, which should include unannounced first encounter drills for EVD (and other infectious diseases, such as MERS-CoV and measles), patient transport exercises, and patient care simulation.

4.1.10. Demonstrate progress in achieving the eleven Ebola Assessment hospital capabilities established by federal partners through the project period.

4.1.11. Participate in the statewide Communicable Disease Epidemic Control Committee (CDECC) meetings to inform future policy for managing infectious diseases statewide.

4.1.12. Participate in the one-day hospital summit meeting sponsored by the contractor.

4.1.13. Implement the Knowledge Center software as the standard Incident Command and Situational Awareness System tool.

5. Ebola Frontline Hospital Subrecipients

5.1. The Contractor shall request as subrecipients of funding, that the 24 designated Frontline Hospitals will:

5.1.1. Provide a budget and narrative description for use of funds.

5.1.2. Ensure funds for these activities will not be used for caring of persons under investigation for Ebola.

5.1.3. Send at least one clinical staff member to State sponsored tabletop exercises and functional drills.

5.1.4. Participate in ongoing training, peer review, and an assessment of their readiness from the National Training and Education Center (to be established).

5.1.5. Consider reconfiguring patient flow in the emergency department to provide isolation capacity for EVD and other potentially infectious patients.

5.1.6. Consider adjusting Electronic Health Records (EHRs) to ensure prompt staff screening for patients' travel histories and newly emerging diseases.

5.1.7. Coordinate with DHHS/DPHS a safe ground transport plan that allows for intra-state (frontline to assessment) transport of potential EVD patients.

5.1.8. Consider participation in statewide Communicable Disease Epidemic Control Committee (CDECC) meetings to inform future policy for managing infectious diseases statewide.

5.1.9. Participate in a one-day hospital summit meeting sponsored by the contractor.

5.1.10. Implement the Knowledge Center software as the standard Incident Command and Situational Awareness System tool.

6. Performance Measures

6.1. The Contractor shall ensure that the following performance measures are reported to NH DHHS to measure the effectiveness of the agreement:

6.1.1.1. Completion of CEO letter and allocation of funds to hospitals for each Ebola Assessment and Frontline hospital, respectively, within 30 days of and effective date of this contract.

6.1.1.2. Evaluate the hospital summit and report the percentage of attendees that rate the summit evaluation as either "excellent" or "very good."

6.1.1.3. Specific Ebola performance measures outlined in the Conditions of Funding are identified in the CEO letter, and request that hospitals report to DHHS, which include:

A) Assessment Hospitals

1. Report the time, in minutes, it takes an assessment hospital to identify and isolate a patient with EVD or other highly contagious disease (e.g., MERS-CoV, measles, etc.) following emergency department triage, as evidenced by a real-world case or no-notice exercise (Goal: 5 minutes).

2. The proportion of clinical, lab, and ancillary staff at Ebola Assessment hospitals rostered to support care for an Ebola patient with updated annual training certification on PPE donning/doffing. (Goal: 100 percent)

3. Report the time, in minutes, it takes from an assessment hospital's notification to DHHS of the need for interfacility transfer of a patient with confirmed EVD to the arrival of a staffed and equipped EMS/interfacility transportation unit, as evidenced by a no-notice exercise (Goal: 4 hours).

4. Report the proportion of EVD assessment hospital staff necessary to implement the facility's EVD plan that has been rostered and trained (Goal: 100 percent).

5. Report the time it takes for the initial on-call team to report to the unit upon notification of an incoming Ebola patient, as evidenced by a real-world event or no-notice exercise. (Goal: 4 hours)

6. Participate in 100% of the DHHS sponsored tabletops or functional exercises.

7. Report on other EVD and other highly infectious diseases performance measures that may evolve and continue to be developed for the term of the Agreement.

B) Frontline Hospitals

1. Report the time, in minutes, it takes for a Frontline hospital's notification to DHHS of the need for interfacility transfer of a patient with suspect Ebola, to the arrival of a staffed and equipped EMS/interfacility transport unit to an assessment hospital, as evidenced by a no-notice exercise (Goal: 4 hours)

2. Participate in 100% of the DHHS sponsored tabletops or functional exercises.

6.2. On an annual basis, the Contractor shall submit to the DHHS, a corrective action plan for any performance measure that was not achieved by the Contractor.

Exhibit B Amendment #1
Method and Conditions Precedent to Payment

1) The State shall pay the contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

   1.1. This contract amendment is funded with funds from the following Catalog of Federal Domestic Assistance (CFDA) numbers:

   - $1,027,676 from CFDA #93.074, 100% federal funds from the Centers for Disease Control and Prevention, Coordinating Office for Terrorism Preparedness and Emergency Response. Federal Award Identification Number (FAIN), U90TP000535,
   - $776, 732 from CFDA #93.817, 100% federal funds from the US Department of Health and Human Services, Assistant Secretary for Preparedness & Response, CFDA #93.817, Federal Award Identification Number (FAIN), U3REP150490.

   1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.

2) Payment for said services shall be made monthly as follows:

   2.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item budgets shown in Exhibits B-1 Amendment #1 SFY 2016 and 2017.

   2.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment.

   2.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.

   2.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

   2.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed. Hard copies shall be mailed to:

   Department of Health and Human Services
   Division of Public Health Services
   29 Hazen Drive
   Concord, NH 03301

   Email address: DPHScontractbilling@dhhs.state.nh.us

3) Notwithstanding paragraph 18 of the General Provisions P-37, an amendment limited to adjustments to amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

Exhibit B-1 Amendment #1 Budget Form

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: NEW HAMPSHIRE HOSPITAL ASSOCIATION

Budget Request for: Healthcare System Emergency Preparedness Training
(Name of RFP)

Budget Period: SFY 2015

Line Item	Direct Incremental	Direct Reductions	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	$ 75,656.91	$ 0.09	$ 75,657.00	
2. Employee Benefits	$ 24,966.78	$ 0.22	$ 24,967.00	
3. Consultants	$ -	$ -	$ -	
4. Equipment:	$ -	$ -	$ -	
Rental	$ -	$ -	$ -	
Repair and Maintenance	$ -	$ -	$ -	
Purchase/Depreciation	$ 500.00	$ (500.00)	$ -	
5. Supplies:	$ -	$ -	$ -	
Educational	$ -	$ -	$ -	
Lab	$ -	$ -	$ -	
Pharmacy	$ -	$ -	$ -	
Medical	$ -	$ -	$ -	
Office	$ 500.00	$ 1,685.00	$ 2,185.00	
6. Travel	$ 9,298.31	$ (5,676.31)	$ 3,622.00	
7. Occupancy	$ 2,952.00	$ -	$ 2,952.00	
8. Current Expenses	$ -	$ -	$ -	
Telephone	$ 2,200.00	$ -	$ 2,200.00	
Postage	$ 135.00	$ -	$ 135.00	
Subscriptions	$ -	$ -	$ -	
Audit and Legal	$ 8,000.00	$ (1,500.00)	$ 6,500.00	
Insurance	$ -	$ -	$ -	
Board Expenses	$ -	$ -	$ -	
9. Software	$ 27,500.00	$ (27,500.00)	$ -	
10. Marketing/Communications	$ 7,200.00	$ (6,700.00)	$ 500.00	
11. Staff Education and Training	$ 500.00	$ (500.00)	$ -	
12. Subcontracts/Agreements	$ -	$ -	$ -	
13. Other (specific details mandatory):	$ -	$ -	$ -	
Hospital Allocations	$ 775,000.00	$ (200,000.00)	$ 575,000.00	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
TOTAL	**$ 934,409.00**	**$ (240,691.00)**	**$ 693,718.00**	

Indirect As A Percent of Direct

Exhibit B-1 Amendment #1 Budget Form

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: NEW HAMPSHIRE HOSPITAL ASSOCIATION

Budget Request for: Healthcare System Emergency Preparedness Training
(Name of RFP)

Budget Period: SFY 2016

1. Total Salary/Wages	$ 66,106.92	$ -	$ 66,106.92
2. Employee Benefits	$ 22,697.45	$ -	$ 22,697.45
3. Consultants	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -
Rental	$ -	$ -	$ -
Repair and Maintenance	$ 1,330.00	$ -	$ 1,330.00
Purchase/Depreciation	$ -	$ -	$ -
5. Supplies:	$ 650.00	$ -	$ 650.00
Educational	$ -	$ -	$ -
Lab	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -
Medical	$ -	$ -	$ -
Office	$ -	$ -	$ -
6. Travel	$ 3,000.63	$ -	$ 3,000.63
7. Occupancy	$ 2,500.00	$ -	$ 2,500.00
8. Current Expenses	$ 3,000.00	$ -	$ 3,000.00
Telephone	$ 1,550.00	$ -	$ 1,550.00
Postage	$ 25.00	$ -	$ 25.00
Subscriptions	$ -	$ -	$ -
Audit and Legal	$ 6,000.00	$ -	$ 6,000.00
Insurance	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -
9. Software	$ 187,000.00	$ -	$ 187,000.00
10. Marketing/Communications	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -
Hospital Allocations	$ 945,452.00	$ -	$ 945,452.00
Emerging Infectious Diseases Conferen	$ 10,000.00	$ -	$ 10,000.00
	$ -	$ -	$ -
	$ -	$ -	$ -
	$ -	$ -	$ -
TOTAL	**$ 1,249,312.00**	**$ -**	**$ 1,249,312.00**

Indirect As A Percent of Direct 0.0%

Exhibit B-1 Amendment #1 Budget Form

New Hampshire Department of Health and Human Services

Bidder/Contractor Name: NEW HAMPSHIRE HOSPITAL ASSOCIATION

Budget Request for: Healthcare System Emergency Preparedness Training
(Name of RFP)

Budget Period: SFY 2017

1. Total Salary/Wages	$ 80,254.51	$ -	$ 80,254.51
2. Employee Benefits	$ 29,376.54	$ -	$ 29,376.54
3. Consultants	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -
Rental	$ -	$ -	$ -
Repair and Maintenance	$ 1,680.00	$ -	$ 1,680.00
Purchase/Depreciation	$ -	$ -	$ -
5. Supplies:	$ 780.00	$ -	$ 780.00
Educational	$ -	$ -	$ -
Lab	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -
Medical	$ -	$ -	$ -
Office	$ -	$ -	$ -
6. Travel	$ 3,399.95	$ -	$ 3,399.95
7. Occupancy	$ 3,000.00	$ -	$ 3,000.00
8. Current Expenses	$ 3,600.00	$ -	$ 3,600.00
Telephone	$ 1,860.00	$ -	$ 1,860.00
Postage	$ 30.00	$ -	$ 30.00
Subscriptions	$ -	$ -	$ -
Audit and Legal	$ 6,500.00	$ -	$ 6,500.00
Insurance	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -
9. Software	$ 187,000.00	$ -	$ 187,000.00
10. Marketing/Communications	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -
Hospital Allocations	$ 237,615.00	$ -	$ 237,615.00
	$ -	$ -	$ -
	$ -	$ -	$ -
	$ -	$ -	$ -
	$ -	$ -	$ -
TOTAL	**$ 555,096.00**	**$ -**	**$ 555,096.00**

Indirect As A Percent of Direct 0.0%

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 within 60 days 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.

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 (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) 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.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

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.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

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

Exhibit C-1

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, 30 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 15 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.

3. Extension:

   This agreement has the option for a potential extension of up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

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.

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.

Contractor Name: New Hampshire Hospsital Association

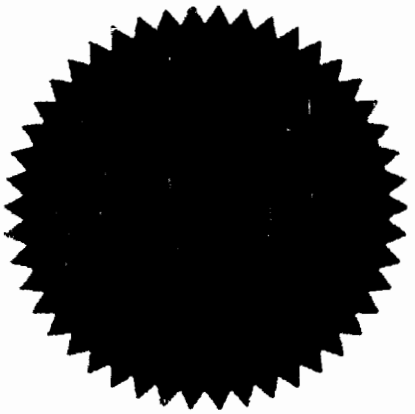
7/27/15
Date

Kathleen A. Bizarro-Thunberg
Name: KATHLEEN A. BIZARRO-THUNBERG
Title: EXECUTIVE VICE PRESIDENT

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 NEW HAMPSHIRE HOSPITAL ASSOCIATION is a New Hampshire nonprofit corporation formed April 26, 1967. 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 24th day of July A.D. 2015

William M. Gardner
Secretary of State

New Hampshire Hospital Association

CERTIFICATE OF VOTE

I, **Greg Walker**, do hereby certify that:

1. I am the duly elected clerk of the New Hampshire Hospital Association.

2. The following are true copies of the two resolutions duly adopted at the meeting of the Board of Directors of the Corporation duly held May 21, 2002:

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire acting through its Department of Health and Human Services, Office of Community and Public Health, for the provision of hospital emergency preparedness planning services.

RESOLVED: That the President or Executive Vice President are hereby authorized on behalf of this Corporation to enter into said contract with the State of New Hampshire 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 foregoing resolutions have not been amended or revoked and remain in full force as of July 27, 2015.

4. Steve Ahnen is the duly elected President of the Corporation and Kathy Bizarro-Thunberg is the duly appointed Executive Vice President.

Signature of the Secretary/Treasurer
Of the Corporation

7/27/2015
Date

State of New Hampshire
County of ~~Grafton~~ STRAFFORD

The foregoing instrument was acknowledged before me this 27th day of July 2015 by Greg Walker.

JACQUELYN M. SMALL -MY- COMMISSION EXPIRES JAN 11, 2017 NEW HAMPSHIRE NOTARY PUBLIC

Name of Notary: Jacquelyn M Small
Title: Notary Public
Commission Expires: Jan 11, 2017

Client#: 241406 NHHOSPITAL

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/31/2015

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	CONTACT NAME: Melissa Gabis	
HUB Healthcare Solutions HUB International New England 299 Ballardvale Street Wilmington, MA 01887	PHONE (A/C, No, Ext): 508-303-9475	FAX (A/C, No):
	E-MAIL ADDRESS: melissa.gabis@hubinternational.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Hartford Casualty Ins Co	
INSURED New Hampshire Hospital Assoc Attn: Linda Levesque 125 Airport Road Concord, NH 03301	INSURER B : Hartford Insurance Co	
	INSURER C : Hanover Insurance Co.	
	INSURER D :	
	INSURER E :	
	INSURER F :	

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			08SBAVW2923	06/22/2015	06/22/2016	EACH OCCURRENCE	$1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$300,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$2,000,000
C	POLICY PRO-JECT LOC			LHNA02932000	06/22/2015	06/22/2016	D&O/EPL	$2,000,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			08SBAVW2923	06/22/2015	06/22/2016	EACH OCCURRENCE	$2,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$2,000,000
	DED X RETENTION $10000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			08WECIV5293	06/22/2015	06/22/2016	WC STATU-TORY LIMITS OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$500,000
							E.L. DISEASE - POLICY LIMIT	$500,000
A	Blanket Bldg &BPP Bldg Max Limit			08SBAVW2923	06/22/2015	06/22/2016	$1,939,000 $1,581,300	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Evidence of coverage.

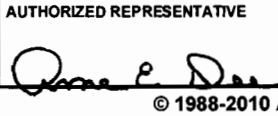
CERTIFICATE HOLDER

State of NH, DHHS
Contracts & Procurement Unit
129 Pleasant Street, 4th Floor
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



MG005

NHHA's Vision for New Hampshire

The NHHA vision is to be *THE* leading and respected voice for hospitals and health care delivery systems in New Hampshire working together to deliver compassionate, accessible, high quality, financially sustainable health care to the patients and communities they serve.

Our Mission

The NHHA mission is to provide leadership through advocacy, education and information in support of its member hospitals and health care delivery systems in delivering high quality health care to the patients and communities they serve.

Our Values

Leadership ... Innovation ... Integrity ... Excellence ... Efficiency ... Engagement ... Teamwork.

BerryDunn

[redacted]

New Hampshire Hospital Association

FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2014 and 2013

With Independent Auditor's Report

[redacted]

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Table of Contents

December 31, 2014 and 2013

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
New Hampshire Hospital Association

We have audited the accompanying consolidated financial statements of New Hampshire Hospital Association and Affiliates (the Association) which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the consolidated 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 Association'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Other Matter

Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information contained in Schedules 1 and 2 is presented for purposes of additional analysis, rather than to present the financial position and change in net assets of the individual entities, and is not a required part of the consolidated financial statements. The accompanying consolidated schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2015, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other rmatters. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
June 5, 2015

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Statements of Financial Position

December 31, 2014 and 2013

ASSETS

	2014	2013
Current assets		
Cash and cash equivalents	$ 1,257,427	$ 1,359,054
Accounts receivable	962,076	368,557
Prepaid expenses	24,418	23,995
Total current assets	2,243,921	1,751,606
Investments	2,140,207	1,953,733
Property and equipment, net	364,618	431,481
Other assets	997,290	991,870
Total assets	$ 5,746,036	$ 5,128,690

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 247,800	$ 30,463
Accrued payroll and related amounts	116,336	187,837
Deferred revenue	209,994	99,185
Other current liabilities	381,271	337,651
Total current liabilities and total liabilities	955,401	655,136
Net assets		
Unrestricted	3,550,976	3,348,667
Temporarily restricted	1,239,659	1,124,887
Total net assets	4,790,635	4,473,554
Total liabilities and net assets	$ 5,746,036	$ 5,128,690

The accompanying notes are an integral part of these consolidated financial statements.

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Statements of Activities

Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Membership dues	$ 1,220,636	$ 1,197,954
Foundation support	363,120	363,120
Program revenue	1,672,557	497,699
Seminars, meetings, and workshops	161,731	167,215
Rental income	64,871	61,258
Interest and dividend income	43,922	39,205
Miscellaneous	56,585	46,120
Net assets released from restriction used for operations	1,365,664	934,331
Total revenues	4,949,086	3,306,902
Expenses		
Salaries and related payroll	2,454,697	2,133,720
Other operating	259,865	257,071
Program services	1,854,268	808,550
Seminars, meetings, and workshops	182,418	142,937
Depreciation	66,863	74,187
Total expenses	4,818,111	3,416,465
Excess (deficiency) of revenues over expenses	130,975	(109,563)
Net realized and unrealized gain on investments	65,914	278,584
Change in cash surrender value of life insurance policies	5,420	28,891
Increase in unrestricted net assets	$ 202,309	$ 197,912

The accompanying notes are an integral part of these consolidated financial statements.

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Statements of Changes in Net Assets

Years Ended December 31, 2014 and 2013

	Unrestricted	Temporarily Restricted	Total
Balance, January 1, 2013	$ 3,150,755	$ 911,755	$ 4,062,510
Deficiency of revenues over expenses	(109,563)	-	(109,563)
Net realized and unrealized gain on investments	278,584	-	278,584
Change in cash surrender value of life insurance policies	28,891	-	28,891
Grants received	-	1,147,463	1,147,463
Net assets released from restriction used for operations	-	(934,331)	(934,331)
Change in net assets	197,912	213,132	411,044
Balance, December 31, 2013	3,348,667	1,124,887	4,473,554
Excess of revenues over expenses	**130,975**	**-**	**130,975**
Net realized and unrealized gain on investments	**65,914**	**-**	**65,914**
Change in cash surrender value of life insurance policies	**5,420**	**-**	**5,420**
Grants received	**-**	**1,480,436**	**1,480,436**
Net assets released from restriction used for operations	**-**	**(1,365,664)**	**(1,365,664)**
Change in net assets	**202,309**	**114,772**	**317,081**
Balance, December 31, 2014	**$ 3,550,976**	**$ 1,239,659**	**$ 4,790,635**

The accompanying notes are an integral part of these consolidated financial statements.

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Statements of Cash Flows

Years Ended December 31, 2014 and 2013

	2014	2013
Cash flows from operating activities		
Change in net assets	$ 317,081	$ 411,044
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	66,863	74,187
Net realized and unrealized gain on investments	(65,914)	(278,584)
Change in cash surrender value of life insurance policies	(5,420)	(28,891)
Decrease (increase) in		
Accounts receivable	(593,519)	62,562
Prepaid expenses	(423)	(154)
Increase (decrease) in		
Accounts payable	217,337	(15,367)
Accrued payroll and related amounts	(71,501)	21,702
Deferred revenue	110,809	64,736
Other current liabilities	43,620	6,620
Net cash provided by operating activities	18,933	317,855
Cash flows from investing activities		
Purchases of equipment	-	(34,383)
Purchases of investments	(728,806)	(1,074,512)
Proceeds from sale of investments	608,246	1,355,149
Net cash (used) provided by investing activities	(120,560)	246,254
Net (decrease) increase in cash and cash equivalents	(101,627)	564,109
Cash and cash equivalents, beginning of year	1,359,054	794,945
Cash and cash equivalents, end of year	$ 1,257,427	$ 1,359,054

The accompanying notes are an integral part of these consolidated financial statements.

Organization

New Hampshire Hospital Association (the Association) was organized to assist its members in improving the health status of the people receiving health care in New Hampshire. The Association controls Foundation for Healthy Communities (the Foundation) and owns 100% of the stock of Health Shared Services, Inc. (HSSI). The Foundation was organized to conduct various activities relating to health care delivery process improvement, health policy, and the creation of healthy communities. HSSI provides shared services to health care institutions.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Association and its controlled entities, the Foundation and HSSI. All significant intercompany balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting in the consolidated statements of cash flows, the Association and its controlled entities consider all bank deposits with an original maturity 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 earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. 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. Management believes all accounts receivable are collectible. Credit is extended without collateral.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. Interest and dividends are included in the excess (deficiency) of revenues over expenses unless they are restricted by donor or law. Realized and unrealized gains and losses on investments are excluded from the excess (deficiency) of revenues over expenses.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position and activities.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed by the straight-line method at rates that are intended to amortize the cost of assets over their estimated useful lives.

Employee Fringe Benefits

The Association and its controlled entities have an "earned time" plan under which each employee earns paid leave for each period worked. These hours of paid leave may be used for vacation or illnesses. Hours earned but not used are vested with the employee and may not exceed 30 days at year-end. The Association and its controlled entities accrue a liability for such paid leave as it is earned.

Revenue Recognition

Grants awarded in advance of expenditures are reported as temporarily restricted support if they are received with stipulations that limit the use of the grant funds. When a grant restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as "net assets released from restriction."

Grant funds conditional upon submission of documentation of qualifying expenditures or matching requirements are deemed to be earned and reported as revenues when the Association has met the grant conditions.

The amount of such funds the Association will ultimately receive depends on the actual scope of each program, as well as the availability of funds and, accordingly, is not reasonably determinable. The ultimate disposition of grant funds is subject to audit by the awarding agencies.

Resources received from service beneficiaries for specific projects, programs, or activities that have not yet taken place are recognized as deferred revenue to the extent that the earnings process has not been completed.

Contributions of long-lived assets are reported as unrestricted support unless donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Excess (Deficiency) of Revenues Over Expenses

The statements of activities include excess (deficiency) of revenues over expenses. Changes in unrestricted net assets that are excluded from excess (deficiency) of revenues over expenses include realized and unrealized gains and losses on investments and the change in cash surrender value of life insurance policies.

Income Taxes

The Association and Foundation are not-for-profit corporations as described in Sections 501(c)(6) and 501(c)(3), respectively, of the Internal Revenue Code (the Code). The Association and Foundation are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code; however, the Association pays federal income taxes on unrelated business income. HSSI is a for-profit organization subject to federal and state income taxes.

Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles, the Association has considered transactions or events occurring through June 5, 2015 which was the date that the consolidated financial statements were available to be issued.

2. Investments

The composition of investments as of December 31, is set forth in the following table. Investments are stated at fair value.

	2014	2013
Marketable equity securities	**$1,183,666**	$1,101,464
Mutual funds		
Marketable equity securities	**260,544**	236,975
Fixed income securities	**695,997**	615,294
	$2,140,207	$1,953,733

3. Property and Equipment

Property and equipment is summarized as follows as of December 31:

	2014	2013
Land and land improvements	$ 322,970	$ 322,970
Building and building improvements	1,146,809	1,146,809
Furniture and equipment	572,270	572,270
	2,042,049	2,042,049
Less accumulated depreciation	1,677,431	1,610,568
Property and equipment, net	$ 364,618	$ 431,481

4. Temporarily Restricted Net Assets

Temporarily restricted net assets of $1,239,659 and $1,124,887 consists of specific grant programs as of December 31, 2014 and 2013, respectively. The grant programs relate to improvements to access and the delivery of health care services as well as the support for the production and distribution of educational materials.

5. Retirement Plan

The Association and its controlled entities have a 401(k) profit-sharing plan that covers substantially all employees and allows for employee contributions of up to the maximum allowed under Internal Revenue Service regulations. Employer contributions are discretionary and are determined annually by the Association. Retirement plan expense for 2014 and 2013 was $85,618 and $74,593, respectively.

6. Rental Income

The Association leases space in the building to several unrelated organizations. Rental income under such leases was $60,891 and $58,918 for the years ended December 31, 2014 and 2013, respectively. The Association also earned rental income of $3,980 and $2,340 in 2014 and 2013, respectively, by providing conference room space to unrelated organizations.

7. Income Taxes

HSSI has accumulated a net operating loss carryforward which will begin to expire in 2020 if not used. The Association has placed a 100 percent valuation allowance against any related deferred tax asset, due to uncertainty regarding its realization.

8. Functional Expenses

Expenses related to services provided to the Association's members and for the public interest are as follows:

	2014	2013
Program services	$ 4,296,560	$ 2,941,212
General and administrative	521,551	475,253
	$ 4,818,111	$ 3,416,465

9. Concentrations of Credit Risk

The Association's and its controlled entities' total cash deposits from time-to-time exceed the federally insured limit. The Association has not incurred any losses and does not expect any in the future.

10. Fair Value Measurements

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Title 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles, and expands disclosures about fair value measurements.

FASB ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The Association's investments are measured at fair value on a recurring basis and are considered Level 1.

SUPPLEMENTARY INFORMATION

Schedule 1

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidating Statements of Financial Position

December 31, 2014 and 2013

ASSETS	New Hampshire Hospital Association		Foundation for Healthy Communities		Health Shared Services, Inc.		Eliminations		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Current assets										
Cash and cash equivalents	**$ 413,620**	$ 435,625	**$ 816,486**	$ 895,998	**$ 27,321**	$ 27,431	**$ -**	$ -	**$ 1,257,427**	$ 1,359,054
Accounts receivable	**174,961**	261,748	**787,115**	106,809	**-**	-	**-**	-	**962,076**	368,557
Due from affiliate	**49,190**	38,151	**90,780**	61,115	**-**	-	**(139,970)**	(99,266)	**-**	-
Prepaid expenses	**20,162**	19,633	**4,256**	4,362	**-**	-	**-**	-	**24,418**	23,995
Total current assets	**657,933**	755,157	**1,698,637**	1,068,284	**27,321**	27,431	**(139,970)**	(99,266)	**2,243,921**	1,751,606
Investments	**1,492,151**	1,344,053	**648,056**	609,680	**-**	-	**-**	-	**2,140,207**	1,953,733
Property and equipment, net	**357,137**	419,159	**7,481**	12,322	**-**	-	**-**	-	**364,618**	431,481
Investment in subsidiary	**40,000**	40,000	**-**	-	**-**	-	**(40,000)**	(40,000)	**-**	-
Other assets	**997,290**	991,870	**-**	-	**-**	-	**-**	-	**997,290**	991,870
Total assets	**$ 3,544,511**	$ 3,550,239	**$ 2,354,174**	$ 1,690,286	**$ 27,321**	$ 27,431	**$ (179,970)**	$ (139,266)	**$ 5,746,036**	$ 5,128,690
LIABILITIES AND NET ASSETS										
Current liabilities										
Accounts payable	**$ 15,025**	$ 12,948	**$ 232,775**	$ 17,515	**$ -**	$ -	**$ -**	$ -	**$ 247,800**	$ 30,463
Accrued payroll and related amounts	**64,763**	106,330	**51,573**	81,507	**-**	-	**-**	-	**116,336**	187,837
Due to affiliate	**90,780**	61,115	**49,190**	38,151	**-**	-	**(139,970)**	(99,266)	**-**	-
Deferred revenue	**4,058**	3,200	**205,936**	95,985	**-**	-	**-**	-	**209,994**	99,185
Other current liabilities	**381,271**	337,651	**-**	-	**-**	-	**-**	-	**381,271**	337,651
Total current liabilities and total liabilities	**555,897**	521,244	**539,474**	233,158	**-**	-	**(139,970)**	(99,266)	**955,401**	655,136
Net assets										
Common stock	**-**	-	**-**	-	**40,000**	40,000	**(40,000)**	(40,000)	**-**	-
Unrestricted (deficit)	**2,988,614**	3,028,995	**575,041**	332,241	**(12,679)**	(12,569)	**-**	-	**3,550,976**	3,348,667
Temporarily restricted	**-**	-	**1,239,659**	1,124,887	**-**	-	**-**	-	**1,239,659**	1,124,887
Total net assets	**2,988,614**	3,028,995	**1,814,700**	1,457,128	**27,321**	27,431	**(40,000)**	(40,000)	**4,790,635**	4,473,554
Total liabilities and net assets	**$ 3,544,511**	$ 3,550,239	**$ 2,354,174**	$ 1,690,286	**$ 27,321**	$ 27,431	**$ (179,970)**	$ (139,266)	**$ 5,746,036**	$ 5,128,690

Schedule 2

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidating Statements of Activities and Changes in Unrestricted Net Assets (Deficit)

Years Ended December 31, 2014 and 2013

	New Hampshire Hospital Association		Foundation for Healthy Communities		Health Shared Services, Inc.		Eliminations		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Revenues										
Membership dues	**$ 1,220,636**	$ 1,197,954	**$ -**	$ -	**$ -**	$ -	**$ -**	$ -	**$ 1,220,636**	$ 1,197,954
Foundation support	**-**	-	**363,120**	363,120	**-**	-	**-**	-	**363,120**	363,120
Program revenue	**9,645**	4,600	**1,662,912**	493,099	**-**	-	**-**	-	**1,672,557**	497,699
Seminars, meetings, and workshops	**-**	-	**161,731**	167,215	**-**	-	**-**	-	**161,731**	167,215
Rental income	**111,533**	107,866	**-**	-	**-**	-	**(46,662)**	(46,608)	**64,871**	61,258
Interest and dividend income	**28,733**	28,512	**15,189**	10,693	**-**	-	**-**	-	**43,922**	39,205
Miscellaneous	**56,585**	46,120	**-**	-	**-**	-	**-**	-	**56,585**	46,120
Net assets released from restriction used for operations	**-**	-	**1,365,664**	934,331	**-**	-	**-**	-	**1,365,664**	934,331
Total revenues	**1,427,132**	1,385,052	**3,568,616**	1,968,458	**-**	-	**(46,662)**	(46,608)	**4,949,086**	3,306,902
Expenses										
Salaries and related payroll	**1,095,370**	1,082,389	**1,359,327**	1,051,331	**-**	-	**-**	-	**2,454,697**	2,133,720
Other operating	**169,185**	172,824	**137,232**	130,712	**110**	143	**(46,662)**	(46,608)	**259,865**	257,071
Program services	**190,902**	181,099	**1,663,366**	627,451	**-**	-	**-**	-	**1,854,268**	808,550
Seminars, meetings, and workshops	**-**	-	**182,418**	142,937	**-**	-	**-**	-	**182,418**	142,937
Depreciation	**62,022**	67,572	**4,841**	6,615	**-**	-	**-**	-	**66,863**	74,187
Total expenses	**1,517,479**	1,503,884	**3,347,184**	1,959,046	**110**	143	**(46,662)**	(46,608)	**4,818,111**	3,416,465
(Deficiency) excess of revenues over expenses	**(90,347)**	(118,832)	**221,432**	9,412	**(110)**	(143)	**-**	-	**130,975**	(109,563)
Net realized and unrealized gain on investments	**44,546**	196,053	**21,368**	82,531	**-**	-	**-**	-	**65,914**	278,584
Change in cash surrender value of life insurance policies	**5,420**	28,891	**-**	-	**-**	-	**-**	-	**5,420**	28,891
(Decrease) increase in unrestricted net assets	**(40,381)**	106,112	**242,800**	91,943	**(110)**	(143)	**-**	-	**202,309**	197,912
Unrestricted net assets (deficit), beginning of year	**3,028,995**	2,922,883	**332,241**	240,298	**(12,569)**	(12,426)	**-**	-	**3,348,667**	3,150,755
Unrestricted net assets (deficit), end of year	**$ 2,988,614**	$ 3,028,995	**$ 575,041**	$ 332,241	**$ (12,679)**	$ (12,569)	**$ -**	$ -	**$ 3,550,976**	$ 3,348,667

SUPPLEMENTARY INFORMATION

GOVERNMENTAL REPORTS

BerryDunn

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
New Hampshire Hospital Association

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of New Hampshire Hospital Association and Affiliates (the Association) which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of activities, change in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Association's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Trustees
New Hampshire Hospital Association

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Associations's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
June 5, 2015

BerryDunn

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees
New Hampshire Hospital Association

Report on Compliance for the Major Federal Program

We have audited New Hampshire Hospital Association and Affiliates' (the Association) compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2014. The Association's major federal program is identified in the summary of auditor's results section of the accompanying consolidated schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Association's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Association's compliance.

Opinion on the Major Federal Program

In our opinion, the Association complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2014.

Board of Trustees
New Hampshire Hospital Association

Report on Internal Control Over Compliance

Management of the Association is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Association's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
June 5, 2015

[redacted]

[redacted]

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Schedule of Findings and Questioned Costs

Year Ended December 31, 2014

1. **Summary of Auditor's Results**

Consolidated Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	____ yes	__x__ no	
Significant deficiency(ies) identified not considered to be material weaknesses?	____ yes	__x__	none reported
Noncompliance material to financial statements noted?	____ yes	__x__ no	

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	____ yes	__x__ no	
Significant deficiency(ies) identified not considered to be material weaknesses?	____ yes	__x__	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	____ yes	__x__ no	

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
93.889	National Bioterrorism Hospital Preparedness Program

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000		
Auditee qualified as low-risk auditee?	_____yes	__x__ no	

2. **Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standards***

   None

3. **Federal Award Findings and Questioned Costs**

   None

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Summary Schedule of Prior Audit Findings

Year Ended December 31, 2014

Federal Award Findings and Questioned Costs

None

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Consolidated Schedule of Expenditures of Federal Awards

Year Ended December 31, 2014

Federal Program	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services			
Pass-through programs:			
State of New Hampshire Department of Health and Human Services			
Division of Public Health			
National Bioterrorism Hospital Preparedness Program	93.889	05-95-90-902510-2239	$ 1,351,825
Centers for Disease Control and Prevention -Investigations and Technical Assistance Bureau of Prevention Services, Comprehensive Cancer Control	93.283	010-090-5659-072-509073	147,774
Small Rural Hospital Improvement Grant Program	93.301	05-95-90-901010-2219	24,071
State Rural Hospital Flexibility Program	93.241	05-95-90-902010-2218	43,149
Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds	93.761	90FP0013-01-00	1,865
Total federal expenditures			$ 1,568,684

NEW HAMPSHIRE HOSPITAL ASSOCIATION AND AFFILIATES

Notes to the Consolidated Schedule of Expenditures of Federal Awards

Year Ended December 31, 2014

1. Basis of Presentation

The accompanying consolidated Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of New Hampshire Hospital Association and Affiliates (the Association) under programs of the federal government for the year ended December 31, 2014. The information in the Schedule is presented in accordance with the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a portion of the operations of the Association, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Association.

2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Subrecipients

Certain funds are passed through to sub-grantee organizations by the Association. Expenditures incurred by the sub-grantees and reimbursed by the Association are included in the Schedule. Of the federal expenditures presented in the Schedule, the Association provided federal awards to subrecipients as follows:

CFDA Number	Program Name	Amounts Provided to Subrecipients
93.889	National Bioterrorism Hospital Preparedness Program	$ 1,351,825
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance Bureau of Prevention Services, Comprehensive Cancer Control	147,774
		$ 1,499,599

BOARD OF TRUSTEES

September 2014 –September 2015

OFFICERS/EXECUTIVE COMMITTEE

Chair	**Henry Lipman, Senior VP** LRGHealthcare
Vice Chair	**Scott McKinnon, CEO** Memorial Hospital
Secretary/Treasurer **AHA RPB Delegate**	**Greg Walker, CEO** Wentworth-Douglass Hospital
Immediate Past Chair	**Art Nichols, CEO** Cheshire Medical Center
President ***ex officio***	**Stephen Ahnen**
AHA RPB Delegate **Alternate**	**Peter Wright, President/CEO** Valley Regional Hospital

TRUSTEES

Richard Boehler, MD	President/CEO St. Joseph Hospital
Michael Connolly	President & CEO Huggins Hospital
Stephen LeBlanc	COO Dartmouth-Hitchcock
***Cynthia McGuire**	CEO Monadnock Community Hospital
Sue Mooney, MD, MS	President & CEO Alice Peck Day Memorial Hospital
Joseph Pepe, MD	President/CEO Catholic Medical Center
Donald Shumway	President Crotched Mountain Rehabilitation Center
***Keith Shute, MD**	Chief Medical Officer & Senior Vice President Androscoggin Valley Hospital
***Robert Steigmeyer**	CEO Concord Hospital
Warren West	CEO Littleton Regional Healthcare

*New members in 2014-2015

Stephen M. Ahnen, MBA

Work Experience

New Hampshire Hospital Association
Concord, NH

President and Chief Executive Officer 2008-present

- Strategic and operational leader for this 32 member state hospital association with an annual operating budget of $2 million and a combined staff of 20 employees. Serve as a member of the NHHA Board of Trustees and Executive Committee, as well as an officer of the Board of the Association's education and research arm, the Foundation for Healthy Communities.

American Hospital Association
Washington, D.C.

Senior Vice President, Association Development 2007-2008

- Leader in developing internal staff and organization competencies through the strategic and operational execution of AHA's people strategies or human resources policies. Leader in developing the Association's relationships with the national business community as part of our efforts to engage key stakeholders to improve care, reduce costs and improve efficiency in the health care system. Also responsible for helping support the operations of the state and metropolitan hospital associations across the country to best serve our mutual members.

Senior Vice President, Office of the President 2000-2006
Vice President and Special Assistant to the President 1995-2000
Senior Associate Director, Federal Relations 1994-1995
Associate Director, Federal Relations 1992-1994

U.S. House of Representatives 1989-1992
Washington, D.C.

Legislative Assistant

- Legislative aide for two different members of Congress from my home state of Kansas -- Representative Jan Meyers and Representative Bob Whittaker.

Education

Executive MBA in Health Administration July, 2000
University of Colorado

Bachelor of Arts, Political Science and German May, 1989
University of Kansas

Professional and Other Activities

Member, New Hampshire Automated External Defibrillator (AED) Commission

- Appointed to this Commission by Governor John Lynch and serve as Chair of the Finance Committee, to help educate the public on the need for AED's and to raise funds to help purchase devices for use in public school buildings across New Hampshire.

Member, Advisory Committee on Self-Regulation of the Charitable Sector

- Appointed to this panel of national leaders from nonprofit organizations to develop recommendations to Congress on ways to strengthen accountability in the nonprofit community.

Member, American Society of Association Executives

- Member, APAC Committee, ASAE's political action committee.
- Member, Tax Exempt Advisory Task Force.

Member, American College of Healthcare Executives

- Member, Association Advisory Committee.

Student Preceptor, Institute for Diversity in Health Management

Community Volunteer, Youth Sports Coach

Personal--Married, three children (David-15, Matthew-12, Catherine-8).

References Available Upon Request

KATHLEEN A. BIZARRO-THUNBERG, MBA, FACHE
125 Airport Rd, Concord, NH
kbizarro@nhha.org

Summary of Qualifications

Thirty-year professional career in hospital association management, including eleven years as executive vice president of statewide organization. Excellent communication, financial and management skills. Expertise in developing strategies and implementing statewide initiatives to support hospital issues, including HIPAA, hospital pricing, data collection and other healthcare policies.

Experience

New Hampshire Hospital Association, Concord, NH

Executive Vice President / Federal Relations – 8/04 to Present

- Responsible for monitoring and responding to hospital issues at the state and federal level and developing relationships with U.S. congressional staff
- Act as liaison between NHHA and the American Hospital Association for congressional actions
- Work with senior management staff on all aspects of advocacy support for the membership
- Represent the President, both internally and externally, in his absence
- Oversee internal NHHA and Foundation for Healthy Communities financial operations and budget development (approx. $4 million annual combined operating budget) and information technology support.
- Supervise Director of Hospital Emergency Preparedness, Office Manager/Director of Environmental Affairs and Healthcare Data Analysis
- Continue previous duties as EVP of NHHA, including hospital emergency preparedness activities, health policy issues, and special projects.

New Hampshire Hospital Association / Foundation for Healthy Communities, Concord, NH

Executive Vice President (NHHA) – 11/01 to 8/04
Vice President / Strategic Information Services (FHC) – 1/96 to 8/04

- Lead and coordinated all data collection activities among all New Hampshire hospitals, Foundation for Healthy Communities and outside agencies;
- Lead the oversight and execution of multi-year statewide data collection contract with NH Department of Health and Human Services (Approx. $500,000 annual contract from 1985 to 2004).
- Lead the oversight and execution of multi-year hospital emergency preparedness contract (Approx. $750,000-$1 million per year contract from 2002 to present)
- Developed new relationships with state and federal agencies for representation of hospitals for emergency preparedness activities.
- Co-chaired two-state HIPAA project to assist healthcare providers in implementing standardized HIPAA policies and procedures.

- Worked with multi-disciplinary teams of hospital and health plan representatives in monitoring and influencing data needs for the healthcare industry in the state legislature;
- Represented the Foundation on statewide health data policy issues.
- Assisted President with organization-wide projects such as specialized financial reporting and budgeting.
- Supervised Hospital Emergency Preparedness Coordinator, Data Collection Manager and Information Services Programmer. Shared supervision of Research Assistant.

New Hampshire Hospital Association, Concord, NH

Vice President / Strategic Information Services – 8/94 to 1/96
- Developed NHHA's web site as a premier communication tool for membership;
- Directed and implemented major changes to statewide hospital databases according to industry and State of NH standards;
- Supervised Data Collection Manager, Information Services Programmer and Information Services Intern.

Director of Information Services – 1/91 to 8/94
- Provided staff support to statewide health reform initiatives including involving NHHA, NH Medical Society, Home Care Assn of NH, Business and Industry Assn and others;
- Worked with a multi-disciplinary team of hospital representatives to develop and implement a voluntary statewide ambulatory surgery utilization database;
- Oversaw the fee-for-service activities of the department;
- Trained all NHHA staff members in the use of computers and maintained all hardware and software.

Associate Director of Information Services – 7/87 to 12/90
Data Technician – 6/85 to 6/87
- Created the Information Services Department by setting schedules for utilization and financial data collection, establishing contacts with hospitals for verification of data, establishing computer network for organization and working with staff to promote the activities of the new department.

Education

Master in Business Administration in Leadership, 2008
Franklin Pierce University, Concord, NH
Graduated with 3.98 GPA, Sigma Beta Delta International Honor Society for Business, Management and Administration member

Bachelor of Science in Health Management and Policy, 1992
University of New Hampshire, Durham, NH
Graduated Summa Cum Laude

Associate in Science in Computer Information Systems, 1985
New Hampshire Technical Institute, Concord, NH
Graduated with honors, Sachem Honor Society member

Certifications

Fellow
American College of Healthcare Executives

Awards

- American College of Healthcare Executives – Three-Star Exemplary Service Award (2010)
- American College of Healthcare Executives – Two-Star Outstanding Service Award (2008)
- American College of Healthcare Executives Regent's Award for Leadership (2001)
- Franklin Pierce University, Master of Business Administration, Outstanding Student Award (2008)
- State of New Hampshire, Department of Health and Human Services, Certificate of Appreciation for hospital based influenza vaccine redistribution efforts (2005)
- University of New Hampshire, Health Management and Policy Alumni Recognition Award (2007) (inaugural award)

Elected Positions

- American College of Healthcare Executives, Board of Governors (2013-2016)
- American College of Healthcare Executives, Nominating Committee (2010-2011)
- American College of Healthcare Executives, Regent for New Hampshire (2006-2009)
- New Hampshire Association of Health Care Executives (President 2000-2002, Secretary/Treasurer 2002 - 2005)
- Northern New England Association of Healthcare Executives (Board member - 2005 to present, President-Elect 2006-2008, President 2009-2010, Past-President 2011-2012)

Memberships

- Alliance for Health Data Access & Privacy (Co-Founder) (2001-2004)
- American College of Healthcare Executives (1988 to present)
- American College of Healthcare Executives – New Hampshire Regents Advisory Council (1997-2009)
- American College of Healthcare Executives – Regents Assessment Committee (2007-2009, Chair 2008-2009)
- Allied Association Information Resources Network (A2IRNET) (1994 to present, Chair 1994, 2005)
- Home Care Resources Development, Inc. (Board Member 9/94 - 9/95, Vice President 9/95 - 9/97)

- New Hampshire Association of Health Care Executives (President 2000-2002, Secretary/Treasurer 2002 - 2005)
- New Hampshire Association for Healthcare Quality (Secretary 9/91 - 5/93)
- NH CODES Project (Crash Outcomes Data Evaluation System) (Chairman 1/98 - 2004)
- NHVSHIP (New Hampshire Vermont Strategic HIPAA Implementation Plan) (Co-Founder) (2001- 2006)
- Northern New England Association of Healthcare Executives (2005 to present, President- Elect 2006-2008, President 2009-2010, Past-President 2011-2012)

Appointments

- American College of Healthcare Executives, Board Policy Committee (2015-2016)
- American College of Healthcare Executives, Regents Assessment Committee (2007-2008, Chair 2008)
- Claims Data Release Advisory Committee for Limited Use Data Sets (Dept of Health and Human Services appointment) (2007 to present)
- Communicable Disease Epidemiological Control Committee (Dept of Health and Human Services appointment) (2002 to present)
- NH Anti-Terrorism Task Force (Dept of Safety appointment) (2002 - 2005)
- NH Public Health Ethics Committee (2008 to present)
- NH Governor's Y2K Commission (Governor appointment) (1999-2000)
- NH Privacy Task Force (Governor appointment) (2001-2003)
- NH Hospital Bioterrorism Committee (Governor appointment, serving as co-chairman) (2001 to present)
- NH Trauma Medical Review Committee (Dept of Safety appointment) (1997 to present)
- NH Vital Records Institutional Review Board (IRB) (Dept of Health and Human Services appointment, serving as Chair) (2005 to 2008)
- University of New Hampshire, Health Management and Policy Advisory Committee (2008 to present)

Community Participation

- Brownie Troop #149 (volunteer 2006 to 2007)
- Friends of the South Sutton Schoolhouse (Secretary / Treasurer 1/95 - 12/96)
- Granite United Way, Community Impact Committee (2012 to present)
- Granite United Way, Education Review Committee (2010 to present, Chair 2013 to present)
- Granite United Way, Finance Review Committee (2011 to present)
- Sutton Business Council (1997, 1998)
- Sutton Historical Society (Member – 1994 to present / Secretary 10/94 - 9/96, Vice President 10/96 - 9/98, President 10/98 - 9/99)
- Sutton Zoning Board of Adjustment (5/98-7/00)
- Woodside School, Inc. (Class Parent Representative 2003 - 2005, Board member 1/04 - 10/06, Vice Chair 10/04 - 10/05, Chair 10/05 - 10/06)

125 Airport Rd, Concord, NH 03301

Deborah Yeager

Objective

Experienced emergency planner and versatile project management professional seeking to leverage advanced skills in both areas into a challenging position.

Summary of Strengths

Over 30 years emergency planning and management experience – extensive experience planning for response to natural and man-made disasters of varying scale, including development of plans and procedures, conducting training and developing and directing exercises.

Excellent project management skills – builds consensus, encourages collaboration and optimum performance. Develops strategies, establishes goals ensures follow-through.

Ability to foster relationships and connect diverse partners – develops partnerships with local, State and Federal entities, community officials and private organizations. Nationwide experience with appointments in nine states.

Strong written and verbal communication skills – simplifies and conveys complex technical issues with clarity. Writes and speaks persuasively and passionately, when communicating issues and ideas.

Work Experience

2003-present **Director of Emergency Preparedness**

New Hampshire Hospital Association - Combines emergency management and healthcare experience to manage the Hospital Preparedness Program through a contract with the NH Department of Health and Human Services (NH DHHS) to implement the requirements of the Assistant Secretary of Preparedness and Response (ASPR) grant. Works directly with representatives of NH's 26 acute care and 4 specialty hospitals to formulate and execute state-wide preparedness initiatives including surge capacity (both state-wide and cross-border), isolation capability, hazmat and decontamination policies and training, pandemic influenza planning, facility evacuation planning, communications capabilities, pharmaceutical cache development and other requirements of the grant guidelines. Convenes this group of hospital representatives and government partners to work on strategic planning and specific preparedness issues, discuss lessons learned and share best practices. Maintains statistics on current hospital preparedness. Distributes and directs expenditures of grant funds. Serves as the hospital liaison to NH Department of Safety, HSEM, NH DHHS, Bureau of Emergency Medical Services and other partners. Serves on numerous advisory committees including the Advisory Council on Emergency Preparedness and Security, the ASPR New England Regional Planning Group and chairs all subcommittees of the Hospital Emergency Preparedness Group. Will act as the Hospital Liaison for Emergency Support Function 8, Health and Medical, in the event of an emergency.

1999 – 2003 **Director of Communications**

New Hampshire Health Care Association - Independently managed all aspects of communications and public relations programs for nonprofit Association of 80 long-term care providers and 30 business members. Responsible for ensuring consistency and appropriateness of image and message for all external communications whether to the public, government or media. Improved system to electronically communicate State and Federal regulatory information, industry news, legislative activity and relevant community matters to members. Designed and wrote all communications materials for members, legislators and the public, including oversight of web site content to effectively relay information that is pertinent and in step with industry trends.

Determined appropriate strategy and implementation for intensive grassroots campaign to call attention to the inadequacies in the state Medicaid system. Rallied members to write letters make phone calls and testify at hearings to persuade government leaders to enact change.

1993 – 1999 **Senior Emergency Planner**

Massachusetts Emergency Management Agency - Skillfully managed large-scale, multifaceted government programs requiring compliance with complex regulations and integration of the public and private sectors. Wrote and edited emergency plans, procedures, scenarios and related documents for emergency preparedness programs. Coordinated all aspects of exercise preparation and conduct, including scenario development, extent of play, controller manuals, and player, controller and FEMA evaluator briefings. Developed and coordinated emergency public instruction for immediate media outlet distribution. Developed and conducted training programs for professional staff, related agency personnel and volunteers at state and local level. Held emergency response positions for the State Emergency Operations Center at MEMA Headquarters, including Technical Hazards Officer and Public Affairs Officer. Supervised teams of planners and program facilitators to ensure teamwork and optimum performance. Analyzed and restructured work plans, set milestones and realigned roles to maximize team contributions. Effectively streamlined operations ensuring regulatory compliance.

1981 – 1992 **Emergency Planner/Consultant**

As a consultant for HMM Associates Inc., Concord, MA; S. E. Technologies, Harrisburg, PA; and Stone & Webster Engineering Corp, Boston; provided emergency planning services to the State of Connecticut, Cowlitz County, Washington, US Army Chemical Stockpile Demilitarization Program, Jefferson County, Arkansas and Calhoun County, Alabama, the State of Pennsylvania, Harford County, Maryland, Vogtle Electric Generating Plant in Georgia, and Seabrook Station in New Hampshire.

Education

University of New Hampshire – BA Theatre and Communications

University of Massachusetts, Donahue Institute–Massachusetts State Agency Management Development Program

Emergency Management Institute, MD - Advanced Public Information, Emergency Public Information, Radiological Emergency Preparedness Exercise Evaluation, Intro to Incident Command System

University of New Hampshire: Public Relations for Non-profits, Grant Writing, Advanced Grant Writing

American Medical Society: Basic and Advanced Disaster Life Support

Keene State College, OSHA Training Center: Hospital First Receiver Train-the-Trainer Program

FEMA: NIMS certification courses IS-100, 200 and 700, HSEEP

****Have Amateur Radio Operator License ****

Awards and Certifications

2011 Stovepipe Award – statewide award given by the Department of Homeland Security and Emergency Management to an individual who works beyond traditional boundaries to form partnerships and strengthen emergency preparedness in NH.

Certified Healthcare Emergency Professional – given by the International Board for Certification of Safety Managers for healthcare emergency directors, managers, coordinators, associates, consultants, and others who work with or coordinate real world issues with the health sector. The program relies on information, standards, and best practices from reliable sources including organizations such NFPA, ASTM, DHS, EPA, OSHA, FEMA, and accrediting organizations such as the Joint Commission.

KEY ADMINISTRATIVE PERSONNEL

NH Department of Health and Human Services

Contractor Name: NEW HAMPSHIRE HOSPITAL ASSOCIATION

Name of Program: Healthcare System Emergency Preparedness Training

Stephen Ahnen	President & CEO	$267,713	0.00%
Kathy A. Bizarro-Thunberg	Executive Vice President	$107,347	5.00%
Deborah Yeager	Director, Hospital Preparedness	$60,740	100.00%
		$0	0.00%
		$0	0.00%
		$0	0.00%
TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)			

Stephen Ahnen	President & CEO	$325,006	0.00%
Kathy A. Bizarro-Thunberg	Executive Vice President	$130,320	5.00%
Deborah Yeager	Director, Hospital Preparedness	$73,739	100.00%
		$0	0.00%
		$0	0.00%
		$0	0.00%
TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)			

50

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4493 1-800-852-3345 Ext. 4493
Fax: 603-271-0545 TDD Access: 1-800-735-2964

NH DIVISION OF Public Health Services
Improving health, preventing disease, reducing costs for all

Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

G&C APPROVED
Date: 9/4/13
Item # 50

August 13, 2013

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

Sole source
Retro active

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Infectious Disease Control, to enter into a **sole source** agreement with New Hampshire Hospital Association, Vendor #160051-B001, 125 Airport Road, Concord, NH 03301, in an amount not to exceed $1,868,818.00, to provide Healthcare System Emergency Preparedness Planning, to be effective **retroactive** to August 31, 2013 through August 30, 2015.

100% Federal funds

Funds are available in the following account for SFY 2014/SFY 2015, and are anticipated to be available in SFY 2016 upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-90-902510-2239 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, HOSPITAL PREPAREDNESS

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
2014	102-500731	Contracts for Prog Svc	90077700	778,674.00
2015	102-500731	Contracts for Prog Svc	90077700	934,409.00
2016	102-500731	Contracts for Prog Svc	90077700	155,735.00
			Total	$1,868,818.00

EXPLANATION

This is a **sole source** request because the New Hampshire Hospital Association was specified as the contracted work performer for these activities in the federal grant application, which was approved and awarded. As the coordinating body for the State's hospitals, the New Hampshire Hospital Association is uniquely qualified, and is the organization already providing leadership in this effort to conduct the hospital preparedness planning and implementation activities included in this contract. The Hospital Association has very successfully conducted this program under agreement with the State since December 4, 2002, after the receipt of the first post-9/11 federal award for hospital preparedness.

This is a **retroactive** request because official notification of the award of federal funds for this contract was received on June 28, 2013, which did not allow adequate time to finalize the scope of work and present this agreement to Governor and Council in August, 2013.

Funds in this agreement will be used to used to provide the coordination and implementation of all-hazards planning to upgrade the preparedness capabilities of New Hampshire's 26 acute care hospitals, Veteran's Affairs Hospital and collaborating healthcare entities to respond to significant medical surges resulting from large-scale incidents, including those incidents requiring mass immunization, treatment, isolation and quarantine in the aftermath of bioterrorism or other outbreaks of infectious disease within their communities and regions such as pandemic influenza. It is mainly through this contract that the State achieves the grant requirement from the federal Hospital Preparedness Program grantor agency that the award must be allocated in large part to hospitals and healthcare partners.

All New Hampshire citizens potentially benefit from the hospital emergency preparedness and response planning provided under this agreement. In the event of an incident causing a significant surge of patients, New Hampshire hospitals will respond with a higher level of readiness and coordination, especially for situations requiring decontamination, isolation or mass evacuation of patients. Additional attention is paid in emergency preparedness planning to the special needs of populations with special medical or mobility needs.

Work accomplished though this agreement has strengthened hospital response in numerous real events in recent years in New Hampshire, including: a large hepatitis outbreak involving a popular food establishment; H1N1 influenza in 2009-2010; a large-scale emergency vaccination campaign for meningitis; and acute weather-related events including floods, a tornado, severe winter and ice storms, and severe wind events. The New Hampshire Hospital Mutual Aid Network has been established under the efforts of this agreement, with a written agreement among hospitals to provide assistance when a member hospital's capacity to respond in an emergency is being overwhelmed.

Should Governor and Executive Council not authorize this Request, the level of coordination between hospitals, the Division of Public Health Services and the Division of Homeland Security and Emergency Management on emergency response planning would be reduced, leaving the state's healthcare community less prepared to respond to large-scale emergencies.

The Department of Health and Human Services, in its sole discretion, may decide to offer a two (2) year renewal of this agreement, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

The following performance measures will be used to measure the effectiveness of the agreement:

- Number of meetings of hospital representatives to advance the eight Healthcare System Preparedness Capabilities.
- Timely and complete submission of interim and final reports in accordance with federal grant requirements.
- Submission of completed and analyzed hospital survey data annually.
- Number of work plans and budgets by each sub recipient (hospital) submitted and approved.
- Number of trainings or technical assistance to address the eight Healthcare System Preparedness Capabilities.

- Number of hospital exercises conducted that test the eight Healthcare System Preparedness Preparedness Capabilities.

Area served: Statewide.

Source of Funds: 100% Federal Funds from the US Department of Health and Human Services, Assistant Secretary for Preparedness and Response.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

José Thier Montero, MD, MHCDS
Director

Approved by:
Nicholas A. Toumpas
Commissioner

Subject: Healthcare System Emergency Preparedness Planning

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 Public Health Services	**1.2 State Agency Address** 29 Hazen Drive Concord, NH 03301-6504
1.3 Contractor Name New Hampshire Hospital Association	**1.4 Contractor Address** 125 Airport Road Concord, NH 03301

1.5 Contractor Phone Number 603-225-0900	**1.6 Account Number** 05-95-90-902510-2239-102-500731	**1.7 Completion Date** August 30, 2015	**1.8 Price Limitation** $1,868,818.00

1.9 Contracting Officer for State Agency Lisa L. Bujno, MSN, APRN Bureau Chief	**1.10 State Agency Telephone Number** 603-271-4501
1.11 Contractor Signature	**1.12 Name and Title of Contractor Signatory** Stephen Ahnen, President

1.13 Acknowledgement: State of NH, County of Merrimack

On 8/5/13 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]

CYNTHIA A. MORSE, Notary Public
My Commission Expires December 20, 2015

1.13.2 Name and Title of Notary or Justice of the Peace

Cynthia A. Morse, Executive Assistant

1.14 State Agency Signature	**1.15 Name and Title of State Agency Signatory** Lisa L. Bujno, Bureau Chief

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)

By: On: 8/16/13

1.18 Approval by the Governor and Executive Council

By: On:

NH Department of Health and Human Services

Exhibit A

Scope of Services

Healthcare System Emergency Preparedness Planning

CONTRACT PERIOD: August 31, 2013 through August 30, 2015

CONTRACTOR NAME: **New Hampshire Hospital Association**

ADDRESS: **125 Airport Road**
Concord, NH 03301
Executive Vice President: **Kathy Bizarro**
TELEPHONE: **(603) 415-4252**
E-MAIL: **kbizarro@nhha.org**

The Contractor shall:

On behalf of the New Hampshire Department of Health and Human Services (DHHS), the contractor agrees to assist DHHS, the State of New Hampshire, and the participating acute care and specialty hospitals of the State, in planning, implementing and strengthening hospital and healthcare system emergency preparedness and response. The Contractor will provide training, technical assistance, and contract oversight to hospitals to support their progress toward achieving Capabilities as promulgated by the National Hospital Preparedness Program (HPP) funded by the Office of the Assistant Secretary for Preparedness and Response (ASPR) of the U.S. Department of Health and Human Services. These Capabilities are defined in the document Healthcare Preparedness Capabilities: National Guidance for Healthcare System Preparedness, (the Capabilities) published by the HPP in January 2012. The contractor also agrees to support participating hospitals as they work with other community-based organizations, and state and federal agencies, to develop public health emergency preparedness capabilities. The contractor will work with the hospitals to achieve the development of Regional Healthcare Coalitions, including their hospital networks in accordance with the following:

- Continue to promote the New Hampshire Hospital Mutual Aid Network concept as the basis of hospital preparedness activities.
- Endorse and advance coalition building across the healthcare continuum by working with hospitals to coordinate planning and exercises that address the Capabilities in order to leverage partnerships and resources for a stronger response capability.
- Support hospital participation in the Public Health Network planning initiative and other regional planning where hospitals are a key stakeholder.
- Outreach to partners at the Federal, State, Regional, Local and Facility levels to deepen understanding of hospital emergency preparedness and promote joint ventures, as appropriate.

1. Technical Assistance

The contractor shall dedicate, at a minimum, 50% of the Coordinator's time to provide direct technical assistance to hospitals in support of their emergency preparedness planning, training, exercises, and implementing priorities identified during these activities. This assistance shall be based on the priorities identified by ASPR and all activities shall be conducted with the intent of making progress toward the eight HPP Capabilities.

Contractor Initials: _____

Date: 8/5/13

1.1 The Capabilities

The contractor will provide technical assistance to participating hospitals on the eight Capabilities below and the associated performance and program measures. Federal funding announcements requires new and innovative efforts by the State, its contractors, and all subcontractors to engage multiple partners to form and enhance preparedness in the regional healthcare coalitions across the healthcare sector. These efforts will focus on the Capabilities as follows:

1.1.1 Capability 1: Healthcare System Preparedness

The Contractor shall assist hospitals and coordinate activities that facilitate achievement of overall healthcare system preparedness in order to carry out the following functions:

Function 1: Develop, refine, or sustain Healthcare Coalitions;
Function 2: Prepare the healthcare system for a disaster;
Function 3: Identify and prioritize essential healthcare assets and services;
Function 4: Determine gaps in the healthcare preparedness and identify resources for mitigation of these gaps;
Function 5: Provide training to assist healthcare responders to develop the necessary skills in order to respond;
Function 6: Improve healthcare response Capabilities through coordinated exercise and Evaluation;
Function 7: Participate in planning for at-risk individuals and those with special medical needs, as Appropriate.

1.1.2 Capability 2: Healthcare System Recovery

The Contractor shall assist hospitals and coordinate activities that facilitate achievement of overall healthcare system recovery in order to carry out the following functions:

Function 1: Develop recovery processes for the healthcare delivery system;
Function 2: Assist healthcare organizations to develop and implement Continuity of Operations Plans.

1.1.3 Capability 3: Emergency Operations Coordination

The Contractor shall assist hospitals and coordinate activities that facilitate achievement of effective coordination between the healthcare system and operational partners in order to carry out the following functions:

Function 1: Support Healthcare organization multi-agency representation and coordination with emergency operations;
Function 2: Assess and notify stakeholders of healthcare delivery;
Function 3: Support healthcare response efforts through coordination of resources;
Function 4: Demobilize and evaluate healthcare operations.

1.1.4 Capability 5: Fatality Management

The Contractor shall assist hospitals and coordinate activities that facilitate hospital involvement in fatality management in order to carry out the following functions:

Contractor Initials: _____
Date: 8/5/13

Function 1: Coordinate surges of deaths and human remains at healthcare organizations with community fatality management operations;
Function 2: Coordinate surges of concerned citizens with community agencies responsible for family assistance;
Function 3: Mental/behavioral support at the healthcare organization level.

1.1.5 Capability 6: Information Sharing

The Contractor shall assist hospitals and coordinate activities that facilitate essential, reasonable and actionable information sharing between healthcare systems and State, regional and healthcare coalition partners in order to carry out the following functions:

Function 1: Provide healthcare situational awareness that contributes to the incident common operating picture;
Function 2: Develop, refine, and sustain redundant interoperable communication systems.

1.1.6 Capability 10: Medical Surge

The Contractor shall assist hospitals and coordinate activities that ensure capability of the healthcare coalitions to respond to medical surge in order to carry out the following functions:

Function 1: The Healthcare Coalition assists with the coordination of the healthcare organization response during incidents that require medical surge;
Function 2: Coordinate integrated healthcare surge operations with pre-hospital Emergency Medical Services (EMS) operations;
Function 3: Assist healthcare organizations with surge capacity and capability;
Function 4: Assist in developing Crisis Standards of Care guidance;
Function 5: Provide assistance to healthcare organization regarding evacuation and shelter in place operations.

1.1.7 Capability 14: Responder Safety and Health

The Contractor shall assist hospitals and coordinate activities that facilitate hospital involvement in responder safety and health in order to carry out the following functions:

Function 1: Assist healthcare organizations with additional pharmaceutical protection for healthcare workers;
Function 2: Provide assistance to healthcare organizations with access to additional Personal Protective Equipment (PPE) for healthcare workers during response.

1.1.8 Capability 15: Volunteer Management

The Contractor shall assist hospitals and coordinate activities that facilitate hospital involvement in volunteer management in order to carry out the following functions:

Function 1: Participate with volunteer planning processes to determine the need for volunteers in healthcare organizations.

Contractor Initials: SA
Date: 5/5/13

2. Other Requirements

2.1 Dissemination of Information to Hospitals

The contractor shall disseminate information from DHHS and other agencies/partners to hospitals, as necessary. Information to be disseminated will include, but is not limited to, emergency or routine messages, reports on statewide planning, training or exercising activities, notices of meetings, clarification on grant requirements and any information deemed pertinent to activities delineated in other sections of Exhibit A.

2.2 Meetings

The contractor will convene and facilitate at least 6 meetings of hospital representatives to provide training and technical assistance related to meeting the Capabilities as outlined in Section 1. The Hospital Emergency Management Group shall determine, with the guidance of the Contractor and the DHHS, the strategies and methodologies to achieve the goals of the ASPR HPP.

The contractor shall also chair sub-committees of the Hospital Emergency Management Group to further advance the Capabilities. Current sub-committees include:

- Communications Committee;
- Evacuation Committee;
- Implementation and Sustainability Committee;
- Regional Medical Surge Advisory Committee (includes Public Health Network partners).

Other committees shall be coordinated by the Contractor on an ad hoc basis according to an identified need to work on a specific issues related to the ASPR HPP or other public health topic.

2.3 The Contractor shall be a member of state or regional committees and attend meetings related to public health, hospital, and healthcare system emergency preparedness representing participating hospitals, as requested.

2.4 The Contractor shall attend meetings convened by State agencies as requested to provide input on behalf of hospitals related to planning, exercising and equipment initiatives initiated by State partners.

3. Personnel for Preparedness and Response Development

The Contractor shall continue support for a Hospital Preparedness Coordinator position. The Preparedness Coordinator responsibilities will include, but are not limited to:

- Providing leadership to hospital-based emergency planning and response activities which includes an emphasis on healthcare coalition planning;
- Ensuring that all activities in this Exhibit A are carried out in an appropriate and timely manner;
- Preparing and submitting interim and final reports related to the ASPR HPP.

Contractor Initials: SA
Date: 8/5/13

4. Sub recipients

4.1 Hospital Allocation Plan

Within 30 days of the award, the contractor shall develop a hospital funding allocation plan to support hospitals to meet mutually-agreed to planning needs aligned with the Capabilities. The allocation plan shall be approved by the DHHS prior to funds being distributed.

4.2 Conditions of Funding to Hospitals

4.2.1 The Contractor shall allocate funds to hospitals that have met the following conditions:

- Participate actively in regional healthcare coalitions;
- Affirm that emergency management and operations plans are being maintained;
- Participate in the annual data collection process conducted by the Contractor;
- Provide current contact information for use in an emergency;
- Attend at least 4 Hospital Emergency Preparedness Group meetings ;
- Participate in the New Hampshire Hospital Mutual Aid Network;
- Work to integrate hospital-based plans with local and regional partners, in accordance with the Capabilities;
- Participate in local, regional and State exercises, as appropriate;
- Provide estimated budgets for each allocation, as requested the Contractor;
- Provide semi-annual expenditure reports, as requested the Contractor;
- Provide written self-certification of NIMS implementation to NHHA, as required by ASPR.

4.2.2 Based on this allocation plan and conditions of funding the Contractor shall consider every qualifying hospital sub recipients of funding. DHHS must be provided documentation of the sub recipient agreement. In addition, sub recipients must be held responsible to fulfill all relevant requirements included in this Exhibit.

4.2.2.1 In consultation with the DHHS, review work plan and budget proposals from each hospital.

4.2.2.2 Collect semi-annual programmatic and financial reports from each hospital.

5. Contract Administration and Management

Progress and Financial Reporting, Contract Monitoring and Performance Evaluation Activities

5.1 In collaboration with the DHHS, the Contractor will develop, conduct, compile and analyze annual surveys of all participating hospitals to collect data required by ASPR and will conduct adhoc data collection as needed. The contractor shall collect and report to DHHS on the program and performance measures relevant to all hospitals participating in the HPP program. semi-annually.

5.2 The Contractor will submit a comprehensive written progress report on a semi-annual basis to the DHHS Hospital Emergency Preparedness Coordinator, or designee. These reports will be based on progress in planning and preparedness reported as a result of planning and exercises as reported by hospitals; as observed at on-site visits by the contractor; as indicated by results of the annual data survey and analysis; and through direct leadership of projects as described in this Exhibit. Reports will reflect the activities delineated in this Exhibit and directly relate to ASPR HPP program measures and indicators.

Contractor Initials: SA

Date: 5/15/13

5.3 Participate in an annual or semi-annual site visit with DHHS Healthcare System Emergency Planning program staff.

5.3.1 Site visits will include:

- A review of the progress made toward meeting the deliverables and requirements described in this Exhibit A based on an evaluation plan that includes performance measures;
- On-site reviews may be waived or abbreviated at the discretion of the DHHS. Abbreviated reviews will focus on any deficiencies found in previous reviews, issues of compliance with this Exhibit, and actions to strengthen performance as outlined in the agency Performance Work plan;
- Corrective actions shall be implemented as advised by DHHS programs when contracted services are not found to be provided in accordance with this Exhibit.

5.3.2 Participate in a financial audit in accordance with state and federal requirements.

5.3.3. Maintain the capability to accept and expend funds to support funded services.

5.3.4 Submit monthly invoices within 20 working days after the end of each calendar month in accordance with the terms described in Exhibit B, paragraph 3, on forms provided by the DHHS.

5.3.5 All materials prepared during or resulting from the performance of the services of the Contract shall be in compliance with the terms described in Exhibit C, paragraph 14.

5.3.6 Provide other programmatic and financial updates as requested by the DHHS.

6. Staffing Provisions

6.1 New Hires

The Contractor shall notify the DHHS in writing within one month of hire when a new administrator or coordinator or any staff person essential to carrying out this scope of services is hired to work in the program. A resume of the employee shall accompany this notification.

6.2 Vacancies

The Contractor must notify the DHHS in writing if any of the key professional staff positions funded under this agreement are vacant for more than three months. This may be done through a budget revision.

7. State and Federal Laws

The Contractor is responsible for compliance with all relevant state and federal laws. Special attention is called to the following statutory responsibilities:

Contractor Initials: SA
Date: 8/5/13

NH Department of Health and Human Services

Exhibit B

Purchase of Services
Contract Price

Healthcare System Emergency Preparedness Planning

Vendor #160051-B001 Job #90077700 Appropriation #05-95-90-902510-2239-102-500731

1. The total amount of all payments made to the Contractor for cost and expenses incurred in the performance of the infectious disease medical epidemiology services during the period of the contract shall not exceed:

    - $1,868,818 funded from 100% Federal Funds from the US Department of Health and Human Services, Assistant Secretary for Preparedness and Response, (CFDA #93.889);

TOTAL: $1,868,818

2. The Contractor agrees to use and apply all contract funds from the State for direct and indirect costs and expenses including, but not limited to, personnel costs and operating expenses related to the Services, as detailed in the attached budgets. Allowable costs and expenses shall be determined by the State in accordance with applicable state and federal laws and regulations. The Contractor agrees not to use or apply such funds for capital additions or improvements, entertainment costs, or any other costs not approved by the State.

3. This is a cost-reimbursement contract based on an approved budget for the contract period. Reimbursement shall be made monthly based on actual costs incurred during the previous month.

4. Invoices shall be submitted by the Contractor to the State in a form satisfactory to the State for each of the Service category budgets. Said invoices shall be submitted within twenty (20) working days following the end of the month during which the contract activities were completed, and the final invoice shall be due to the State no later than sixty (60) days after the contract Completion Date. Said invoice shall contain a description of all allowable costs and expenses incurred by the Contractor during the contract period.

5. Payment will be made by the State agency subsequent to approval of the submitted invoice and if sufficient funds are available in the Service category budget line items submitted by the Contractor to cover the costs and expenses incurred in the performances of the services.

6. The Contractor may amend the contract budget for any Service category through line item increases, decreases, or the creation of new line items provided these amendments do not exceed the contract price for that particular Service category. Such amendments shall only be made upon written request to and written approval by the State. Budget revisions will not be accepted after June 20th of each contract year.

7. The Contractor shall have written authorization from the State prior to using contract funds to purchase any equipment with a cost in excess of three hundred dollars ($300) and with a useful life beyond one year.

Contractor Initials: SA
Date: 8/5/13

Budget Form

New Hampshire Department of Health and Human Services

Bidder/Program Name: New Hampshire Hospital Association

Budget Request for: Healthcare System Emergency Preparedness Planning
(Name of RFP)

Budget Period: SFY 16 - Jul 1, 2015 through Aug 30, 2015

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	$ 8,858.65	$ -	$ 8,858.65	
2. Employee Benefits	$ 2,923.35	$ -	$ 2,923.35	
3. Consultants	$ -	$ -	$ -	
4. Equipment:	$ -	$ -	$ -	
Rental	$ -	$ -	$ -	
Repair and Maintenance	$ -	$ -	$ -	
Purchase/Depreciation	$ -	$ -	$ -	
5. Supplies:	$ -	$ -	$ -	
Educational	$ -	$ -	$ -	
Lab	$ -	$ -	$ -	
Pharmacy	$ -	$ -	$ -	
Medical	$ -	$ -	$ -	
Office	$ 80.00	$ -	$ 80.00	
6. Travel	$ 1,400.00	$ -	$ 1,400.00	
7. Occupancy	$ 500.00	$ -	$ 500.00	
8. Current Expenses	$ -	$ -	$ -	
Telephone	$ 360.00	$ -	$ 360.00	
Postage	$ 25.00	$ -	$ 25.00	
Subscriptions	$ -	$ -	$ -	
Audit and Legal	$ 2,000.00	$ -	$ 2,000.00	
Insurance	$ -	$ -	$ -	
Board Expenses	$ -	$ -	$ -	
9. Software	$ -	$ -	$ -	
10. Marketing/Communications	$ 1,588.00	$ -	$ 1,588.00	
11. Staff Education and Training	$ -	$ -	$ -	
12. Subcontracts/Agreements	$ -	$ -	$ -	
13. Other (specific details mandatory):	$ -	$ -	$ -	
Hospital Allocations	$ 138,000.00	$ -	$ 138,000.00	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
	$ -	$ -	$ -	
TOTAL	**$ 155,735.00**	**$ -**	**$ 155,735.00**	
Indirect As A Percent of Direct		0.0%		

For DPHS use only

Maximum Funds Available - (DPHS program to enter total funds availa	**$ 155,735.00**
Reconciliation - (this line must be equal to or greater than $0)	**$ (0.00)**

NH Department of Health and Human Services

Exhibit C

SPECIAL PROVISIONS

1. **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:

2. **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.

3. **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.

4. **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.

5. **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.

6. **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.

7. **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.

8. **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 Contractor's 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 fundors 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 fundors, the Department may elect to:

    8.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

Contractor Initials: _____

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8.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

8.3 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:

9. **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:

9.1 **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.

9.2 **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 recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

9.3 **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

10. **Audit:** Contractor shall submit an annual audit to the Department within nine months 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.

10.1 **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.

10.2 **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.

11. **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 directed 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

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responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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.

12. **Reports: Fiscal and Statistical**: The Contractor agrees to submit the following reports at the following times if requested by the Department

12.1 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.

12.2 Final Report: A final report shall be submitted within sixty (60) 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.

13. **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.

14. **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:

14.1 The preparation of this (report, document, etc.), was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, Division of Public Health Services, with funds provided in part or in whole 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.

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 government 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.

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16. **Insurance:** Select either (1) or (2) below:

As referenced in the Request for Proposal, Comprehensive General Liability Insurance Acknowledgement Form, the Insurance requirement checked under this section is applicable to this contract:

Insurance Requirement for (1) - 501(c) (3) contractors whose annual gross amount of contract work with the State does not exceed $500,000, per RSA 21-I:13, XIV, (Supp. 2006): The general liability insurance requirements of standard state contracts for contractors that qualify for nonprofit status under section 501(c)(3) of the Internal Revenue Code and whose annual gross amount of contract work with the state does not exceed $500,000, is comprehensive general liability insurance in amounts of not less than $1,000,000 per claim or occurrence and $2,000,000 in the aggregate.

☐ (1) The contractor certifies that it **IS** a 501(c) (3) contractor whose annual total amount of contract work with the State of New Hampshire does **not** exceed $500,000.

Insurance Requirement for (2) - All other contractors who do not qualify for RSA 21-I:13, XIV, (Supp. 2006), Agreement P-37 General Provisions, 14.1 and 14.1.1. Insurance and Bond, shall apply: 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, both for the benefits of the State, the following insurance: comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per incident or occurrence.

☑ (2) The contractor certifies it does **NOT** qualify for insurance requirements under RSA 21-I:13, XIV (Supp. 2006).

17. Renewal:

DHHS, in its sole discretion, may decide to offer a two (2) year renewal of this agreement, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

18. Authority to Adjust

Notwithstanding paragraph 18 of the P-37 and Exhibit B, Paragraph 1 Funding Sources, to adjust funding from one source of funds to another source of funds that are identified in the Exhibit B Paragraph 1 and within the price limitation, and to adjust amounts if needed and justified between State Fiscal Years and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of Governor and Council.

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19. **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.

20. **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, 30 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 15 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.

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SPECIAL PROVISIONS – 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: Whenever 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 time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

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

Contractor Initials: SA

Date: 8/5/13

NH Department of Health and Human Services

Standard Exhibit G

CERTIFICATION REGARDING THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

[signature]	Stephen Ahnen, President
Contractor Signature	**Contractor's Representative Title**
New Hampshire Hospital Association	8/5/13
Contractor Name	**Date**