



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF LONG TERM SUPPORTS AND SERVICES

Lori A. Shibbinette
Commissioner

Deborah D. Scheetz
Director

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April 5, 2021

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court, and

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Health and Human Services, Division of Long Term Supports and Services to accept and expend Nursing Facility Quality Assessment (NFQA) tax funds from the New Hampshire Department of Revenue in the amount of \$4,873,984 effective upon date of Fiscal Committee and Governor and Executive Council approval, through June 30, 2021, and further authorize the funds to be allocated as follows. 100% Other Funds.
2. Contingent upon the approval of Requested Action #1, pursuant to RSA 14:30-a, VI, authorize the Department of Health and Human Services, Division of Long Term Supports and Services to accept and expend matching federal funds from the Centers for Medicare & Medicaid Services in the amount of \$4,878,863 effective upon date of Fiscal Committee and Governor and Executive Council approval, through June 30, 2021, and further authorize the funds to be allocated as follows. 100% Federal Funds

**05-95-48-482010-21570000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
 ELDERLY & ADULT SVCS DIV, WAIVER AND NURSING FACILITIES, MQIP PAYMENTS**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
SFY 2021				
000-404362	Federal Funds	\$53,855,079	\$4,878,863	\$58,733,942
007-402241	Agency Income	\$49,477,093	\$4,873,984	\$54,351,077
	General Funds	\$0	\$0	\$0
Total Revenue		<u>\$103,332,172</u>	<u>\$9,752,847</u>	<u>\$113,085,019</u>
041-500801	Audit Fund Set Aside	\$44,056	\$4,879	\$48,935
516-500731	Medicaid Quality Incentive	<u>\$103,288,116</u>	<u>\$9,747,968</u>	<u>\$113,036,084</u>
Total Expense		<u>\$103,332,172</u>	<u>\$9,752,847</u>	<u>\$113,085,019</u>

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EXPLANATION

The Department of Health and Human Services, Division of Long Term Supports and Services, seeks approval to accept and expend Nursing Facility Quality Assessment tax funds and the federal matching funds for Medicaid Quality Incentive Program (MQIP). The MQIP program provides quarterly supplemental rates to nursing facilities for each paid Medicaid bed day at their facility in the prior quarter. This is done through a three-step process as follows:

1. Every licensed nursing home pays a Nursing Facility Quality Assessment (NFQA) tax of 5.5% of net patient services revenue to the New Hampshire Department of Revenue, each quarter.
2. The aggregate funds are then transferred to the Department of Health and Human Services (DHHS), which is then matched with Federal Medicaid funds.
3. Nursing facilities that accept Medicaid reimbursement are then paid an MQIP payment. These supplemental Medicaid payments are based on the paid Medicaid bed days at each facility and are adjusted to fill shortfalls in initial rates due to the application of a budget adjustment factor.

Funds will be budgeted as follows:

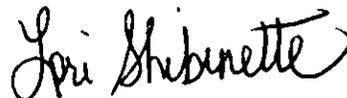
Class 041 Audit fund set aside expense.
Class 102 MQIP payments to eligible nursing facilities.

Area served: Statewide.

Source of Funds: 50% Other Nursing Facility Quality Assessment tax funds and 50% Federal from the Centers for Medicare and Medicaid Services.

In the event that federal funds become no longer available, general funds will not be requested to support the program expenditures.

Respectfully submitted,



Lori A. Shibinette
Commissioner