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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FINANCIAL SERVICES

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October 25, 2021

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court and

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

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services to budget and expend additional federal revenue in the amount of \$35,629,624 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2023, and further authorize the allocation of these funds in the account below. 100% Federal Funds

**05-95-47-470010-7051, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
HHS: DIVISION OF MEDICAID SERVICES, OFC OF MEDICAID SERVICES, CHILD HEALTH INSURANCE PROGRAM**

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
000-403978	Federal Funds	\$68,545,764	\$442,220	\$68,987,984
007-407145	Agency Income Drug Rebates	\$1,500,000		\$1,500,000
	General Fund	\$31,862,718		\$31,862,718
	Total Revenue	\$101,908,482	\$442,220	\$102,350,702
041-500801	Audit Set Aside	\$92,907	\$442	\$93,349
101-500729	Medical Payments to Providers	\$101,815,575	\$441,778	\$102,257,353
	Total Expense	\$101,908,482	\$442,220	\$102,350,702

The Current Modified Budget in this account includes \$2,366,275 of additional federal funds which were budgeted assuming the Public Health Emergency would end as of December 31, 2021. The increase amount is the balance of the amount needed for quarter ending December 31, 2021.

05-95-47-470010-7207, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: DIVISION OF MEDICAID SERVICES, OFC OF MEDICAID SERVICES, MEDICAID TO SCHOOLS PROGRAM

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
000-403978	Federal Funds	\$14,665,224	\$334,646	\$14,999,870
	General Fund	\$364,776		\$364,776
	Total Revenue	\$15,030,000	\$334,646	\$15,364,646
041-500801	Audit Set Aside	\$30,000	\$334	\$30,334
511-500351	Medical Payments to Providers	\$15,000,000	\$334,312	\$15,334,312
	Total Expense	\$15,030,000	\$334,646	\$15,364,646

05-95-47-470010-7937, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: DIVISION OF MEDICAID SERVICES: OFC OF MEDICAID SERVICES, MEDICAID ADMINISTRATION

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
000-403978	Federal Funds	\$40,246,892	\$1,879,711	\$42,126,603
000-406762	Federal Funds	\$146,341		\$146,341
	General Fund	\$8,102,427		\$8,102,427
	Total Revenue	\$48,495,660	\$1,879,711	\$50,375,371
010-500100	Personal Services - Perm Classified	\$1,773,209		\$1,773,209
012-500128	Personal Services - Unclassified	\$564,650		\$564,650
018-500106	Overtime	\$7,500		\$7,500
020-500200	Current Expenses	\$70,669		\$70,669
026-500251	Organizational Dues	\$12,200		\$12,200
030-500300	Equipment New/Replacement	\$4,000		\$4,000
039-500188	Telecommunications	\$18,000		\$18,000
040-500800	Indirect Costs	\$920,882		\$920,882
041-500801	Audit Set Aside	\$39,641	\$1,879	\$41,520
042-500620	Additional Fringe benefits	\$104,604		\$104,604
049-500294	Transfer to other State Agencies	\$29,121,685	\$1,877,832	\$30,999,517
050-500109	Personal Services Temp/Appoin	\$145,743		\$145,743
059-500117	Temp Full time	\$126,360		\$126,360
060-500602	Health Insurance Benefit - Perm	\$1,171,724		\$1,171,724
066-500543	Employee Training	\$1,000		\$1,000
070-500704	In-State Travel	\$1,500		\$1,500
080-500714	Out-of State Travel	\$0		\$0
101-500729	Medical Payments to Providers	\$364,617		\$364,617
102-500731	Contracts for Program Services	\$14,047,679		\$14,047,679
211-500200	Property and Casualty Insurance	\$0		\$0
	Total Expense	\$48,495,660	\$1,879,711	\$50,375,371

05-95-47-470010-7948, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: DIVISION OF MEDICAID SERVICES, OFC OF MEDICAID SERVICES, MEDICAID CARE MANAGEMENT

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
000-403978	Federal Funds	\$454,578,027	\$20,320,203	\$474,898,230
001-403187	Trans from Other Agy	(\$50,575)		(\$50,575)
005-402201	Agency Income: Medicaid Enhancement - Local	\$135,261,583		\$135,261,583
007-407145	Agency Income Drug Rebates	\$29,120,743		\$29,120,743
009-406848	Agency Income MEAD	\$168,378		\$168,378
009-405615	Agency - MCO Liquid Damages	(\$2,599)		(\$2,599)
	General Fund	\$247,098,381		\$247,098,381
	Total Revenue	\$866,173,938	\$20,320,203	\$886,494,141
041-500801	Audit Set Aside	\$521,863	\$20,300	\$542,163
101-500729	Medical Payments to Providers	\$813,199,108	\$18,918,056	\$832,117,164
535-500376	Out of Home Placements	\$33,254,841	\$788,002	\$34,042,843
563-500915	Community Based Services	\$19,198,126	\$593,845	\$19,791,971
	Total Expense	\$866,173,938	\$20,320,203	\$886,494,141

The Current Modified Budget in this account includes \$10,000,000 of additional federal funds which were budgeted assuming the Public Health Emergency would end as of December 31, 2021. The increase amount is the balance of the amount needed for quarter ending December 31, 2021.

05-95-48-482010-2152, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: ELDERLY & ADULT SVCS DIV, WAIVER AND NURSING FACILITIES, WAIVER/NF PMTS-COUNTY PARTIC

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404362	Federal Funds	\$157,918,324	\$9,212,497	\$167,130,821
005-403011	Private Local Funds	\$123,689,436		\$123,689,436
009-407129	Agency Income-Other Income	\$11,000,000		\$11,000,000
	General Fund	\$29,455,541		\$29,455,541
	Total Revenue	\$322,063,301	\$9,212,497	\$331,275,798
041-500801	Audit Set Aside	\$160,098	\$9,212	\$169,310
502-500891	Payments to Providers	\$3,011,457	\$0	\$3,011,457
504-500893	Nursing Home Payments	\$228,743,428	\$6,769,821	\$235,513,249
505-500894	Mid Level Care Expenses	\$14,376,119	\$382,856	\$14,758,975
506-500895	Home Support Waiver Services	\$66,904,671	\$1,751,055	\$68,655,726
529-500370	Home Health Care Waiver Services	\$8,867,528	\$299,553	\$9,167,081
	Total Expense	\$322,063,301	\$9,212,497	\$331,275,798

05-95-48-482010-2154, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: ELDERLY & ADULT SVCS DIV, WAIVER AND NURSING FACILITIES, NURSING SERVICES

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404362	Federal Funds	\$9,746,178	\$241,799	\$9,987,977
	General Fund	\$9,900,514	\$0	\$9,900,514
	Total Revenue	\$19,646,692	\$241,799	\$19,888,491
041-500801	Audit Set Aside	\$12,665	\$242	\$12,907
101-500729	Medical Payments to Providers	\$8,699,652	\$106,425	\$8,806,077
504-500893	Nursing Home Payments	\$4,267,541	\$0	\$4,267,541
509-500897	Home Health Care Waiver Services	\$6,666,834	\$135,132	\$6,801,966
	Total Expense	\$19,646,692	\$241,799	\$19,888,491

05-95-48-482010-2157, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: ELDERLY & ADULT SVCS DIV, WAIVER AND NURSING FACILITIES, MQIP PAYMENTS

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404362	Federal Funds	\$56,427,076	\$2,844,550	\$59,271,626
007-402241	Agency Income	\$54,863,322		\$54,863,322
	Total Revenue	\$111,290,398	\$2,844,550	\$114,134,948
041-500801	Audit Set Aside	\$44,549	\$2,845	\$47,394
516-500358	Medicaid Quality incentive	\$111,245,849	\$2,841,705	\$114,087,554
	Total Expense	\$111,290,398	\$2,844,550	\$114,134,948

05-95-92-920010-7155, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: BEHAVIORAL HEALTH DIV, DIV BEHAVIORAL HLTH OPERATIONS, MEDICAID PAYMENTS NHH & GH

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404663	Federal Funds	\$8,640,813	\$353,998	\$8,994,811
	General Fund	\$0		\$0
	Total Revenue	\$8,640,813	\$353,998	\$8,994,811
041-500801	Audit Sct Aside	\$8,632	\$354	\$8,986
510-500898	Medicaid to Institutions	\$8,632,181	\$353,644	\$8,985,825
	Total Expense	\$8,640,813	\$353,998	\$8,994,811

EXPLANATION

The public health emergency for COVID-19 was declared by the Secretary of Health and Human Services on January 31, 2020. The current PHE was renewed on October 18, 2021 for an additional 90 days. Section 6008(a) of the Families First Coronavirus Response Act (FFCRA) provides a temporary 6.2 percentage point increase to the Federal Medical Assistance Percentage (FMAP) under section 1905(b) of the Social Security Act effective beginning January 1, 2020 and is available for each calendar quarter during the public health emergency (PHE), through the end of the quarter in which the public health emergency including any extensions, ends.

The Department is requesting to accept and expend the federal matching dollars to support anticipated costs of the increase in Medicaid caseload resulting from the COVID-19 pandemic. NH Medicaid caseload, including both Standard Medicaid and Granite Advantage Healthcare Program has increased by 52,414 or 29.5% for the period of March 16, 2020 through October 18, 2021. The Standard Medicaid program, for which this funding is requested, has increased by 21,982 or 17.4% for the period March 16, 2020 through October 18, 2021.

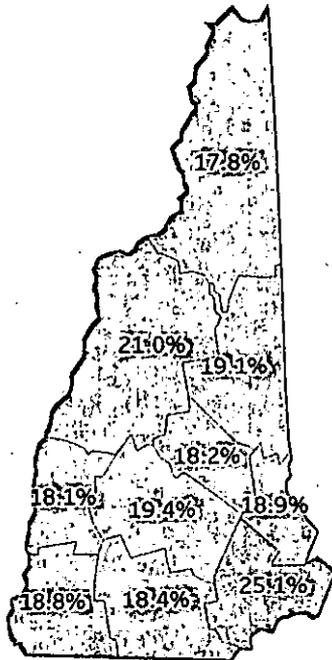
Medicaid caseloads have been directly impacted as a result of the COVID-19 pandemic and the continuous coverage requirement of the Families First Coronavirus Response Act, which requires states, as a condition of receiving an enhanced federal match for Medicaid (except for adult expansion) to suspend termination of eligibility for Medicaid except for members who die, move out of state, or request ending Medicaid coverage. The costs driven by the increase in caseloads have been funded by the increased 6.2% federal match.

States will receive a sixty day advance notice of the end date of the PHE as promised to Governors by the Federal government. The most recent guidance from the Centers for Medicare & Medicaid Services (CMS) gives states up to 12 months to complete income eligibility redeterminations for its Medicaid members. The Department is diligently developing an unwind plan with the goal of ensuring that there are no gaps in medical coverage, whether that coverage is continued Medicaid or other sources of private or Marketplace coverage, and which is consistent with the budget in managing coverage transfer or disenrollment within a three to four month timeframe.

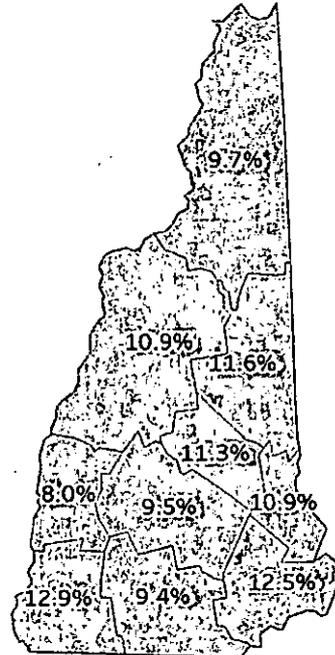
The map below shows the increase during the pandemic and is evident across all counties in the state.

Percent Change in NH Medicaid Enrollment by County Since the Start of COVID-19 Pandemic

Standard - Income Based



Standard - Disabled/Elderly/Foster Care



Pursuant to Chapter 91, Section 35 (Laws of 2021): "Department of Health and Human Services; Change in Federal Match Revenue. During the biennium ending June 30, 2023 any item submitted to the fiscal committee of the general court which increases a draw on federal funds, as a result of miscalculation of or change in the state's share of a federal match program in excess of \$100,000 in an accounting unit, shall include an explanation stating if any general funds have been supplanted, and if so, for what purpose those supplanted general funds will be used, and the amount of supplanted general funds anticipated to lapse." For all of the accounting units included in this request, the general funds being supplanted are going to be used to support the programs due to the increased enrollment and the continuation of the public health emergency for which the federal funds were not previously budgeted. DHHS does not anticipate any of these funds to lapse.

Respectfully submitted,

Lori A. Shibinette
Commissioner

The Department of Health and Human Services' Mission is to join communities and families in providing opportunities for citizens to achieve health and independence.