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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF THE COMMISSIONER

Lori A. Shibinette
Commissioner

Lori A. Weaver
Deputy Commissioner

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December 13, 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, New Hampshire 03301

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services, Office of the Commissioner, to accept and expend federal funds from the American Rescue Plan Act (ARPA) in the amount of $15,015,000 which will be used to provide capital defrayment to Portsmouth Regional Hospital and its parent company HCA Healthcare, Inc. to develop a consolidated behavioral health hospital effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023 and further authorize the allocation of these funds in the accounts below. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts.[1] 100% Federal Funds.

05-095-094-940010-24650000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ARPA DHHS FISCAL RECOVERY FUNDS

[1] All direct program costs will be accounted for using activity 00FRF602PH9515A and all administrative and indirect costs will be accounted for using activity 00FRF602PH9515Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

Class/Obj	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-400338	Federal Funds	$66,357,158	$15,015,000	$81,372,158
	General Funds			
	Total Revenue	**$66,357,158**	**$15,015,000**	**$81,372,158**
020-500200	Current Expense	$1	$0	$1
030-500301	Equipment	$1	$0	$1
040-500800	Indirect Costs	$2,121,473	$0	$2,121,473
041-500801	Audit Fund Set Aside	$45,023	$15,000	$60,023
042-500620	Post-Retirement Benefits	$8,733	$0	$8,733
046-500464	Consultants	$1	$0	$1
047-500240	Own Forces Maintenance (Bldg	$1	$0	$1
048-500226	Contract Repairs; Bldg, Ground	$1	$0	$1
059-500117	Temp Full Time	$98,792	$0	$98,792
060-500601	Benefits	$126,251	$0	$126,251
102-500731	Contracts for Program Services	$52,685,657	$15,000,000	$67,685,657
103-502664	Contracts for Ops Services	$11,271,224	$0	$11,271,224
	Total Expenses	**$66,357,158**	**$15,015,000**	**$81,372,158**

EXPLANATION

Portsmouth Regional Hospital will work with the State on a consolidated behavioral health hospital in Epping, NH. Services provided at this hospital include:

- Inpatient Adult Beds (all to be licensed as voluntary/involuntary) – 68 beds
- Inpatient Geriatric Beds – 16 beds
- Inpatient Adolescent Beds (12 years of age and older) – 12 beds
- Outpatient Partial Hospitalization Program – Capacity of 15
- Two Specialty Programs (Child & Adolescent Partial Program, Eating Disorder Unit and/or Dual Diagnosis Unit for mental illness and substance use.

This new consolidated unit would increase HCA's current psychiatric capacity by the following amounts:

- Inpatient Adult Beds : 41.7%
- Inpatient Geriatric Beds: 60%
- Inpatient Adolescent Beds: 100%
- Partial Hospital Program : 100%

The estimated cost to build the behavioral health hospital is approximately $45 million. The State of New Hampshire would provide $15 million in capital defrayment at intervals throughout the build of the new facility. Portsmouth Regional Hospital has committed to run a minimum number of beds for psychiatric care (number yet to be determined), for a minimum of 7 years. Construction is anticipated to be complete in the fall of 2023.

This project is one of two capital defrayment projects that the Department of Health and Human Services will propose in the next 24 months.

Funds will be budgeted as follows:

Class 041 – The funds will be used to pay for audit fund set aside per State requirement.
Class 102 – The funds will be used to pay for the contract with Portsmouth Regional Hospital and its parent company HCA Healthcare, Inc.

Area served: Statewide

Source of Funds: These funds are 100% Federal.

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

Respectfully submitted,

Lori A. Shibinette
Commissioner