



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

FINANCIAL SERVICES

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February 7, 2022

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

- 1. Pursuant to the provisions of RSA 9:16-a, Transfers Authorized authorize the Department of Health and Human Services, Office of Medicaid Services to reduce General funds of \$4,200,000 and matching Federal funds of \$4,204,200 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. 50% Federal funds and 50% General funds.

**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	\$471,394,730	(\$4,204,200)	\$467,190,530
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	\$168,379		\$168,379
009-405615	Agency - MCO Liquid Damages	(\$2,600)		(\$2,600)
	General Fund	\$243,598,381	(\$4,200,000)	\$239,398,381
	Total Revenue	\$879,490,641	(\$8,404,200)	\$871,086,441
041-500801	Audit Set Aside	\$538,663	(\$4,200)	\$534,463
101-500729	Medical Payments to Providers	\$825,117,164	(\$8,400,000)	\$816,717,164
535-500376	Out of Home Placements	\$34,042,843		\$34,042,843
563-500915	Community Based Services	\$19,791,971		\$19,791,971
	Total Expense	\$879,490,641	(\$8,404,200)	\$871,086,441

2. Contingent upon approval of Requested Action #1, pursuant to the provisions of RSA 9:16-a, Transfers Authorized authorize the Department of Health and Human Services, Office of Medicaid Services to transfer General funds of \$4,200,000 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% General funds.

**05-95-47-470010-7051, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: OFC 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	\$75,494,484		\$75,494,484
007-407145	Agency Income Drug Rebates	\$1,500,000		\$1,500,000
	General Fund	\$35,362,718	\$4,200,000	\$39,562,718
	Total Revenue	\$112,357,202	\$4,200,000	\$116,557,202
041-500801	Audit Set Aside	\$99,849		\$99,849
101-500729	Medical Payments to Providers	\$112,257,353	\$4,200,000	\$116,457,353
	Total Expense	\$112,357,202	\$4,200,000	\$116,557,202

3. Contingent upon approval of Requested Action #2, pursuant to RSA 14:30-a, VI, Additional Revenues authorize the Department of Health and Human Services to accept and expend additional federal funds in the amount of \$7,807,800 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 accounts below. 100% Federal Funds.

**05-95-47-470010-7051, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: OFC 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	\$75,494,484	\$7,807,800	\$83,302,284
007-407145	Agency Income Drug Rebates	\$1,500,000		\$1,500,000
	General Fund	\$39,562,718		\$39,562,718
	Total Revenue	\$116,557,202	\$7,807,800	\$124,365,002
041-500801	Audit Set Aside	\$99,849	\$7,800	\$107,649
101-500729	Medical Payments to Providers	\$116,457,353	\$7,800,000	\$124,257,353
	Total Expense	\$116,557,202	\$7,807,800	\$124,365,002

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EXPLANATION

The Division of Medicaid Services requests to transfer general funds from AU 7948 Medicaid Care Management to AU 7051 Child Health Insurance Program and accept additional federal funds within AU 7051 Child Health Insurance Program. Due to the Coronavirus Public Health Emergency (PHE), the Division of Medicaid Services has been allowed to claim additional enhanced federal medical assistance percentage (E-FMAP) of 6.2% related to qualifying Medicaid expenses. The acceptance of these additional federal funds has provided state general fund relief to cover costs associated with the increased caseload due to the COVID pandemic.

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 January 16, 2022 for an additional 90 days. Due to the PHE enrollment related to the pandemic since March of 2020, the Division of Medicaid Services has seen an increase of over 41.8% for the CHIP population and 11.8% growth for low income children non-CHIP. This increase in population served has created a shortfall within AU 7051. The requested funds are needed to make payments to managed care organizations for monthly capitation, fee for service expenses related to provider payments, dental, and prescriptions for carve out drugs and other acute medical services.

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 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