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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF FINANCE AND PROCUREMENT

Lori A. Shibinette
Commissioner

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Kerrin A. Rounds
Chief Financial Officer

March 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

Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services (DHHS), to accept and expend federal funds in the amount of \$3,963,186 from the American Rescue Plan Act (ARPA) to fund a lease for warehouse space storing COVID-related supplies and equipment and managing health and human services-related emergency logistics, 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. 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

SFY2022

Class/Obj	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-400338	Federal Funds	\$56,824,293	\$3,963,186	\$60,787,479
	General Funds			
	Total Revenue	\$56,824,293	\$3,963,186	\$60,787,479
020-500200	Current Expense	\$1	\$0	\$1
022-500248	Rents-Leases Other than State	\$0	\$3,959,227	\$3,959,227
030-500301	Equipment	\$1	\$0	\$1
040-500800	Indirect Costs	\$2,121,473	\$0	\$2,121,473
041-500801	Audit Fund Set Aside	\$35,495	\$3,959	\$39,454
042-500620	Post-Retirement Benefits	\$8,733	\$0	\$8,733

¹ All direct program costs will be accounted for using activity 00FRF602PH9521A and all administrative and indirect costs will be accounted for using activity 00FRF602PH9521Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

046-500464	Consultants	\$1	\$0	\$1
047-500240	Own Forces Maintenance (Bldg-Grnds)	\$1	\$0	\$1
048-500226	Contract Repairs; Bldg, Grounds	\$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	\$42,662,320	\$0	\$42,662,320
103-502664	Contracts for Ops Services	\$11,771,224	\$0	\$11,771,224
	Total Expenses	\$56,824,293	\$3,963,186	\$60,787,479

EXPLANATION

The Department is requesting to accept and expend American Rescue Plan Act (ARPA) funding to continue leasing the space at 19 & 23 Terrill Park Drive, Concord, NH to support pandemic response and health and human service-related emergency operations that include the storage and distribution of Personal Protective Equipment (PPE), durable medical equipment, testing supplies, and vaccine-related supplies. Additionally, the space ensures the Division of Public Health Services can stay prepared for any future infectious disease or other all-hazard threat or incident that requires logistical support from the Department. The PPE and medical supplies are designated to serve healthcare providers, critical social infrastructure (e.g. schools), first responders and continuity of government if future critical supply shortages were to arise. The DHHS warehouse recently reactivated supply operations in response to the Omicron surge supporting testing, vaccination, and PPE needs of healthcare, schools, first response and other entities to mitigate the effects of Omicron on the healthcare system and the continuity of social services. Having supplies on hand allowed New Hampshire to continue to operate in spite of critical shortages in tests, PPE, and durable medical supplies at a national level.

With the start of the COVID-19 Pandemic, New Hampshire found itself needing to support various public and non-profit agencies with PPE in order to protect healthcare workers, first responders, correctional workers, mental health workers, critical infrastructure, school staff and others throughout the state due to major disruptions in the global supply chain. The State's intervention was critical in preventing the spread of COVID-19 at critical organizations that needed to stay operational to keep our State functioning and safe. In April 2021, a proposal for a State stockpile was developed in order to support healthcare, first responders and key social service partners in the event that another supply shortfall from the COVID-19 Pandemic or additional major emergency event disrupted global supplies. This stockpile was calculated incorporating data gathered during the pandemic and assumptions regarding the need to support agencies and organizations across the State in the event of a major health emergency or disruptive global event.

This funding will be used to start a new lease with the vendor to allow the Department to maintain and deploy critical response equipment and supplies, through December 31, 2026, as needed. The space and relevant equipment will be evaluated annually by May 1 each year by DHHS, the Governor's Office for Emergency Relief and Recovery, and the Department of Administrative Services to determine ongoing space needs.

The funds are to be budgeted as follows:

- Class 022 The funds will be used to pay for warehouse space.
- Class 041 The funds will be used to pay for audit fund set aside per State requirement.

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In summary, additional funding is requested to continue leasing the space at 19 & 23 Terrill Park Drive, Concord, NH to support pandemic response operations in the State in the event of additional emergencies and related medical supply needs.

Source of Funds is 100% Federal Funds.

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

Respectfully submitted,

A handwritten signature in black ink that reads "Lori A. Shibinette". The signature is written in a cursive, flowing style.

Lori A. Shibinette
Commissioner