



Lori A. Weaver
Interim Commissioner

Nathan D. White
Chief Financial Officer

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF FINANCE AND PROCUREMENT

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April 20, 2023

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, NH 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Health and Human Services to accept and expend additional other income, Disproportionate Share Hospital (DSH) Audit Recoupment revenue, in the amount of \$46,640,973, to ensure that receipts from overpayments are distributed to the underpaid hospitals as required per New Hampshire's Medicaid's State Plan, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023, and further authorize the allocation of these funds in the account below. 100% Other Funds (DSH Audit Recoupment).

**05-95-47-470010-XXXX, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS
DEPT OF HHS: DIVISION OF MEDICAID SERVICES, OFC OF MEDICAID SERVICES,
UNCOMPENSATED CARE REDISTRIBUTION**

CLASS OBJ GROUP	CLASS TITLE	Current Authorized Budget	Increase / (Decrease) Amount	Revised Authorized Budget
005-405242-04	DSH Audit Recoupment	\$0	\$46,640,973	\$46,640,973
	Total Revenue	\$0	\$46,640,973	\$46,640,973
515-500357	Hospital Uncomp Care Pool	\$0	\$46,640,973	\$46,640,973
	Total Expense	\$0	\$46,640,973	\$46,640,973

EXPLANATION

The Department requests to create a new accounting unit to be used exclusively for processing the redistribution of Disproportionate Share Hospital (DSH-Uncompensated Care) payments. The Department is required to have independent audits of DSH payments, per Section 1923(j) of the Social Security Act. However, Federal and state litigation has prevented the Department from conducting the reconciliation and redistribution process for DSH since State Fiscal Year 2011. The creation of a new

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accounting unit will provide for increased public transparency to ensure that receipts from overpayments are distributed to the underpaid hospitals as required per New Hampshire's Medicaid's State Plan. For context, the State Plan and all amendments to it, are approved by the Centers for Medicare & Medicaid Services (CMS) and represents the agreement between New Hampshire and CMS detailing the nature and scope of the state's Medicaid plan.

The funds will be budgeted as follows:

Class 515 Funds to be redistributed to underpaid hospitals per New Hampshire's Medicaid State Plan.

Respectfully submitted,



Lori A. Weaver
Interim Commissioner