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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HAMPSTEAD HOSPITAL & RESIDENTIAL TREATMENT FACILITY

Lori A. Weaver
Interim Commissioner

Kathleen E. Collins
Chief Executive Officer

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May 24, 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, Hampstead Hospital and Residential Treatment Facility to amend the accept and expend item approved by the Fiscal Committee on April 15, 2022 (FIS 22-152), and Governor and Council on April 20, 2022 (Item #6), by reallocating funds in the amount of $150,000 for the purpose of level setting Class 12 - Unclassified Personal Services expenses, effective upon Fiscal Committee and Governor and Executive Council approvals through June 30, 2023. Funding source: 100% Other Funds (Agency Income).

05-95-098-980010-2648 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HAMPSTEAD HOSPITAL, HAMPSTEAD HOSPITAL OPERATIONS

Class	Object	Class Title	Current Adjusted Authorized Budget	Increase / (Decrease) Amount	Revised Budget
000	400338-16	Federal Funds	$9,088,811	$0	$9,088,811
001	484947-69	Trans from Other Agcy (NHH)	$1,300,000	$0	$1,300,000
001	484947-69	Trans from Other Agcy (Medicaid)	$2,309,766	$0	$2,309,766
009	405921-68	Agency Income	$20,438,859	$0	$20,438,859
		Total Revenue	$33,137,436	$0	$33,137,436
012	500128	Personal Services Unclass	$526,020	$150,000	$676,020
018	500106	Overtime	$210,629	($150,000)	$60,629
019	500105	Holiday Pay	$2,105	$0	$2,105
020	500200	Current Expense	$25,000	$0	$25,000
023	500291	Heat Electricity Water	$561,235	$0	$561,235
024	500225	Maint Other Than Build-Grn	$147,054	$0	$147,054
026	500251	Organizational Dues	$42,000	$0	$42,000
027	582703	Transfers To DoIT	$250,000	$0	$250,000
030	500301	Equipment New Replacement	$350,000	$0	$350,000
037	500166	Technology-Hardware	$10,000	$0	$10,000
038	500175	Technology-Software	$5,000	$0	$5,000
039	500181	Telecommunications	$10,000	$0	$10,000

041	500801	Audit Fund Set Aside	$22,749	$0	$22,749
042	500620	Additional Fringe Benefits	$131,728	$0	$131,728
047	500240	Own Forces Maint- Build-Grn	$112,989	$0	$112,989
048	500226	Contractual Maint Build-Grn	$292,820	$0	$292,820
049	584923	Transfer To Other State Age	$245,822	$0	$245,822
050	500109	Personal Service Temp Appoi	$1,404,195	$0	$1,404,195
057	500533	Books Periodicals Subscript	$2,500	$0	$2,500
060	500612	Benefits	$1,100,234	$0	$1,100,234
061	500536	Unemployment Compensation	$856	$0	$856
062	500537	Workers Compensation	$5,000	$0	$5,000
066	500556	Employee Training	$14,000	$0	$14,000
070	500700	In-State Travel	$12,000	$0	$12,000
080	500710	Out-Of-State Travel	$3,500	$0	$3,500
102	500731	Contracts For Program Serv	$27,650,000	$0	$27,650,000
		Total Expenses	$33,137,436	$0	$33,137,436

EXPLANATION

The state of New Hampshire acquired Hampstead Hospital and Residential Treatment Facility (HHRTF) on June 8, 2022, a psychiatric inpatient and residential treatment facility focusing on the behavioral health needs of children, youth, and young adults. The Department established six unclassified positions for the HHRTF Executive Team. These positions have all since been filled at higher wages than the originally projected budget provided for. As a result, Class 012 - Unclassified Personal Services will exceed budgeted amounts by a projected $150,000. DHHS requests to reallocate funds from a payer class that has available funds, Class 018 – Overtime to address the projected shortfall.

The following is provided in accordance with the Budget Officer's instructional memorandum, dated April 17, 1985, in support of the requested actions:

1. Does the transfer involve continuing programs or one-time projects?
   Transfers are for continuing programs.

2. Is this transfer required to maintain existing program level or will it increase program level?
   Transfers are to maintain existing program levels.

3. Cite any requirements, which make this program necessary.
   These programs are supported 100% by Other Funds through Hospital Agency Income.

4. Identify the source of funds on all account listed on this transfer.
   100% Other Funds (Agency Income)

5. Will there be any effect on revenue if this transfer is approved or disapproved?
   DHHS draws the revenue based on actual expenditures; the transfer will not have any effect on revenues to be drawn for actual expenditures.

6. Are funds expected to lapse is this transfer is not approved?
   No.

7. Are personal services involved?
   No new positions are being created as a result of this transfer.

Area served: Statewide.

Source of Funds: 100% Other Funds

In the event that Other Funds become no longer available, general funds may be requested to support the program expenditures.

Respectfully Submitted,

Lori A. Weaver
Interim Commissioner

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Lori A. Shibinette
Commissioner

Lori A. Weaver
Deputy Commissioner

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF THE COMMISSIONER

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April 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 14:30-a, VI, authorize the Department of Health and Human Services, Office of the Commissioner, to accept and expend $33,137,436, of which $9,088,811 represents funding from the American Rescue Plan Act (ARPA), to establish an operating budget for Hampstead 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. These funds will be used for the operation of Hampstead Hospital, a 111-bed licensed and accredited hospital in Hampstead, New Hampshire to improve the State's ability to provide inpatient psychiatric, behavioral and substance use services. 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. Source of Funds: 27% Federal; 11% Inter-agency and 62% Agency Income.

2. Contingent upon approval of Requested Action #1, pursuant to RSA 124:15, authorize the Department of Health and Human Services to establish 21 full-time, temporary positions effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023. Source of Funds: 15% Inter-agency and 85% Agency Income.

[1]All direct program costs will be accounted for using activity 00FRF602PH9525A and all administrative and indirect costs will be accounted for using activity 00FRF602PH9525Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services. ARPA funds will only be used for Class 102, as a funding of last resort.

05-95-98-980010-XXXX0000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HAMPSTEAD HOSPITAL, HAMPSTEAD HOSPITAL OPERATIONS

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
000-400338-16	FEDERAL FUNDS	-	9,088,811	9,088,811
001-484947-69	TRANSFERS FROM OTHER AGENCY (NHH)	-	1,300,000	1,300,000
001-484947-69	TRANSFERS FROM OTHER AGENCY (Medicaid)	-	2,309,766	2,309,766
009-405921-68	AGENCY INCOME	-	20,438,859	20,438,859
	Total Revenue:	-	33,137,436	33,137,436
Expense				
012-500128	PERSONAL SERVICES UNCLASSIFI	-	526,020	526,020
018-500106	OVERTIME	-	210,629	210,629
019-500105	HOLIDAY PAY	-	2,105	2,105
020-500200	CURRENT EXPENSES	-	25,000	25,000
023-500291	HEAT ELECTRICITY WATER	-	561,235	561,235
024-500225	MAINT OTHER THAN BUILD-GRN	-	147,054	147,054
026-500251	ORGANIZATIONAL DUES	-	42,000	42,000
027-582703	TRANSFERS TO DOIT	-	250,000	250,000
030-500301	EQUIPMENT NEW REPLACEMENT	-	350,000	350,000
037-500166	TECHNOLOGY- HARDWARE	-	10,000	10,000
038-500175	TECHNOLOGY- SOFTWARE	-	5,000	5,000
039-500181	TELECOMMUNICATIONS	-	10,000	10,000
041-500801	AUDIT FUND SET ASIDE	-	22,749	22,749
042-500620	ADDITIONAL FRINGE BENEFITS	-	131,728	131,728
047-500240	OWN FORCES MAINT BUILD-GRN	-	112,989	112,989
048-500226	CONTRACTUAL MAINT BUILD-GRN	-	292,820	292,820
049-584923	TRANSFER TO OTHER STATE AGEN (Safety)	-	245,822	245,822
050-500109	PERSONAL SERVICE TEMP APPOIN	-	1,404,195	1,404,195
057-500533	BOOKS PERIODICALS SUBSCRIPTI	-	2,500	2,500
060-500612	BENEFITS	-	1,100,234	1,100,234
061-500536	UNEMPLOYMENT COMPENSATION	-	856	856
062-500537	WORKERS COMPENSATION	-	5,000	5,000
066-500556	EMPLOYEE TRAINING	-	14,000	14,000
070-500700	IN STATE TRAVEL REIMBURSEMEN	-	12,000	12,000
080-500710	OUT OF STATE TRAVEL REIMB	-	3,500	3,500
102-500731	CONTRACTS FOR PROGRAM SERVIC	-	27,650,000	27,650,000
	Total Expense:	-	33,137,436	33,137,436

EXPLANATION

Hampstead Hospital has served an important role as New Hampshire has adapted its behavioral health system to meet population needs across the lifespan. This includes moving pediatric services outside of the New Hampshire Hospital campus to ensure appropriate focus on child-specific treatment needs while allowing more treatment and space options for transitional and supported housing for New Hampshire Hospital's adult patients. Through its contract with DHHS, Hampstead Hospital has been an important partner in addressing the needs of children.

To build on this foundation while serving an even greater number of children and types of behavioral health needs, New Hampshire is purchasing Hampstead Hospital. This item is to budget the operating budget through FY2023. This operating budget has been created as a collaborative effort between the Chief Financial Officer (CFO) of DHHS, the CFO of NHH, and current employees of Hampstead Hospital. The methodology for each line is described in detail below, but it is critical to note that until DHHS has owned the facility for a few years, the budget will include many assumptions and will likely change throughout the year.

Funds will be budgeted as follows:

000-400338 FEDERAL FUNDS
ARPA Funds. When budgeted for FY24/25, these are anticipated to be general funds.

001-484947 TRANSFER FROM OTHER AGENCY (NHH)
These are General Funds currently appropriated to NHH for the existing Hampstead agreement.

001-484947 TRANSFER FROM OTHER AGENCY (MEDICAID)
Calculated based on a non-certified rate of 25%, and a collections rate of 60%, which is an appropriately conservative approach based on NHH's historical DSH collections on pediatric claims.

009-405921 AGENCY INCOME
Average (or anticipated) payment per day X current (or anticipated) census X number of billable days X historical pediatric collections rate at NHH. Assumes 45 beds at acquisition, an additional 11 beds after 3 months, and an additional 12 Psychiatric Residential Treatment Facility (PRTF) beds after 3 months. The number of beds is only an estimate for budgeting revenue, and actual available beds will depend on a number of factors.

012-500128 PERSONAL SERVICES UNCLASSIFI
Half a year of wages, in anticipation that the JCEC process will be completed by January 2023 and funds budgeted for non-classified in purchase accounting unit.

018-500106 OVERTIME
Estimated as 15% of class 50

019-500105 HOLIDAY PAY
Calculated based on state holidays for Facilities staff

020-500200 CURRENT EXPENSES
Estimation for office supplies and miscellaneous items

023-500291 HEAT ELECTRICITY WATER
Based on cost per bed at NHH. Added 10% because of increasing utility costs.

024-500225 MAINT OTHER THAN BUILD-GRN
Based on cost per bed at NHH, plus $100,000 for year 1.

026-500251 ORGANIZATIONAL DUES
Hospital Association Fees, plus $30,000 for the Joint Commission accreditation fee that will be required for the PRTF.

027-582703 TRANSFER TO DOIT

Anticipated costs for additional billing and admission systems modifications as a bridge to FY24/25 capital budget request for a new electronic medical record.

030-500301 EQUIPMENT NEW REPLACEMENT
Estimations for new and replacement furniture and equipment. Behavioral health grade items are very expensive as compared to traditional equipment needs.

037-500166 TECHNOLOGY-HARDWARE
Estimation based on computer replacement schedules for State of NH staff

038-500175 TECHNOLOGY-SOFTWARE
Based on State of NH positions

039-500181 TELECOMMUNICATIONS
Potential need for cell phones.

041-500801 AUDIT FUND SET ASIDE
Calculated based on statewide guidelines.

042-500620 ADDITIONAL FRINGE BENEFITS
Calculated based on statewide guidelines.

047-500240 OWN FORCES MAINT BUILD-GRN
Based on cost per bed at NHH

048-500226 CONTRACTUAL MAINT BUILD-GRN
Based on cost per bed at NHH

049-584923 TRANSFER TO OTHER STATE AGEN (SAFETY)
Based on 2 Department of Safety Police Positions plus an extra $20,000 for safety related expenses

050-500109 PERSONAL SERVICE TEMP APPOIN
Finance and facilities classified positions. See details below.

057-500533 BOOKS PERIODICALS SUBSCRIPTI
Potential need for statute books and other related subscriptions.

060-500612 BENEFITS
Used the Fiscal Note Worksheet to calculate.

061-500536 UNEMPOYMENT COMPENSATION
Based on cost per employee for NHH

062-500537 WORKERS COMPENSATION
Best estimate.

066-500556 EMPLOYEE TRAINING
Anticipating need for training

070-500700 IN STATE TRAVEL REIMBURSEMEN
Estimate. Numerous trips to Concord anticipated.

080-500710 OUT OF STATE TRAVEL REIMB
Funding for travel to out of state facilities

102-500731 CONTRACTS FOR PROGRAM SERVIC
To pay contractor for operating the facility and for other smaller contracts that will likely be required.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

1) List of personnel involved:

State Title	State Classification	Is this a new position or existing position for Hampstead Hospital?
Director of Support Services	Administrator III	Existing position
Medical Records Technician	Medical Records Technician	Existing position
AP Specialist	Accountant I	Existing position
Patient Financial Services Coordinator	Financial Agent I	Existing position
Patient Financial Services Coordinator	Financial Agent I	Existing position
Patient Financial Services Coordinator	Financial Agent I	Existing position
Plant & Property Manager	Administrator III	Existing position
Biller	Accountant II	Existing position
Medical Coder	Medical Coding Technician	Existing position
Transcriptionist	Medical Records Technician	Existing position
Utilization Review Manager	Assistant Administrator	Existing position
Utilization Reviewer	Senior Psychiatric Social Worker	Existing position
Utilization Reviewer	Senior Psychiatric Social Worker	Existing position
Utilization Reviewer	Senior Psychiatric Social Worker	Existing position
Director- Rev Cycle	Administrator III	New position
Finance Manager	Administrator III	New position
Federal Reporting Administrator	Business Administrator III	New position
Maintenance Technician	Maintenance Tech	New position
IT/IS Manager	Information Technology Manager V	New position
IS Systems Development Specialist	System Development Specialist VI	New position
IS Analyst	BSA II	New position

2) Nature, Need, and Duration:

Fourteen of the positions above are for roles and functions that currently exist at Hampstead Hospital, and are required to exist in the future to ensure continuity of operations. The remaining seven new positions are necessary to assist Hampstead Hospital in managing to the unique systems, processes, and workflows associated with being a government owned healthcare facility. These new positions will also assist in new forms of revenue collection for Hampstead Hospital, such as disproportionate share hospital (DSH) payments, or federal grants such as Provider Relief Funds, which can significantly offset future general fund needs.

3) Relationship to existing agency programs:

These positions will report to state-employed Hampstead Hospital Leadership, and regularly collaborate with the shared services of the Department of Health and Human Services such as Human Resources, Information Technology, Accounts Payable, Contracting, or Facilities. These positions will also work collaboratively with their counterparts at New Hampshire Hospital to learn how to effectively operate a hospital within a state government system.

4) Has a similar program been requested of the legislature and denied?

No.

5) Why wasn't funding included in the agency's budget request?

The opportunity to purchase Hampstead Hospital happened after the budget was completed.

6) Can portions of the grant funds be utilized?

No. ARPA funds will not be used for the positions

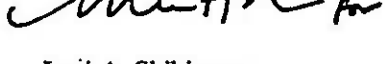
7) Estimate the funds required to continue this position(s):

The operating budget request for FY24/25 will include these positions.

Area served: Statewide

Source of funds: 27% Federal; 11% Inter-agency and 62% Agency Income.

Respectfully submitted,



Lori A. Shibinette
Commissioner