



Lori A. Weaver
Commissioner

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Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH

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February 22, 2024

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, New Hampshire 03301

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services (DHHS), Division for Behavioral Health, to accept and expend federal funds from the American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (SFRF), in the amount of \$2,259,878 to support Easterseals New Hampshire Farnum Center to ensure critical substance use disorder services are available to those in need, effective upon approval by the Fiscal Committee and Governor and Council through September 30, 2024, and further authorize the allocation of these funds in the account below. This is an allowable use of ARPA SFRF funds under Section 602(c)(1)(A), to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts. 100% Federal Funds.

05-95-94-940010-2465¹ HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: NEW HAMPSHIRE HOSPITAL, ARPA DHHS FISCAL RECOVERY FUND

¹ All direct program costs will be accounted for using activity 00FRF602PH9543A and all administrative and indirect costs will be accounted for using activity 00FRF602PH9543Z. 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
000-400338-16	Federal Funds	\$ 100,323,565	\$ 2,259,878	\$ 102,583,443
00C-401350-68	Agency Indirect Cost	\$ 261,653		\$ 261,653
	General Fund	\$ -		\$ -
Total Revenue		\$ 100,585,218	\$ 2,259,878	\$ 102,845,096
010-500100	Personal Services Perm Class	\$ 76,256		\$ 76,256
018-500106	Overtime	\$ 5,000		\$ 5,000
020-500200	Current Expenses	\$ 160,010		\$ 160,010
022-500255	Rents-Leases other than State	\$ 3,080,058		\$ 3,080,058
030-500301	Equipment New/Replacement	\$ 68,001		\$ 68,001
039-500180	Telecommunications	\$ 300		\$ 300
040-500800	Indirect Costs	\$ 2,119,103		\$ 2,119,103
041-500801	Audit Fund Set Aside	\$ 101,009	\$ 2,258	\$ 103,267
042-500620	Additional Fringe Benefits	\$ 4,870		\$ 4,870
046-500462	Consultants	\$ 1		\$ 1
047-500240	Own Forces Maintenance (Bldg-Grnds)	\$ 1		\$ 1
048-500226	Contract Repairs: Bldg, Grounds	\$ 1		\$ 1
050-500109	Personal Services Temp	\$ 2,009		\$ 2,009
059-500117	Temp Full Time	\$ 77,458		\$ 77,458
060-500601	Benefits	\$ 24,906		\$ 24,906
070-500704	In-State Travel	\$ 1,000		\$ 1,000
072-502683	Grants Federal	\$ 3,726,929		\$ 3,726,929
085-588514	Interagency Transfers Out of Federal	\$ 52,750		\$ 52,750
102-500731	Contracts for Program Services -	\$ 65,536,998	\$ 2,257,620	\$ 67,794,618
103-502507	Contracts for Operational Services	\$ 25,548,559		\$ 25,548,559
Total Expenses		\$ 100,585,218	\$ 2,259,878	\$ 102,845,096

EXPLANATION

The Department is requesting funding to support Farnum Center, located in Manchester NH, which provides critical substance use disorder (SUD) treatment services to New Hampshire residents. Farnum Center's financial viability has been threatened in recent years due the pandemic and providing services to a high number of low income and Medicaid clients. In recent years, Farnum Center has benefitted from ARPA funds and financial support from Easterseals New Hampshire. However, due to changes in its payer mix, existing programmatic and financial models need to change to ensure the long-term sustainability of SUD programming.

If approved, the Department will use these funds to enter into a contract with Farnum Center to ensure that NH residents have access to high-quality SUD treatment services while evolving to a new model. This will be achieved by requiring and supporting the organization through an analysis

of their existing programming and financial model to ensure long-term sustainability. Farnum Center will:

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- Recruit leadership to guide the organization through its transformation;
 - Identify innovative best practices to ensure access to SUD treatment for those with the greatest barriers;
 - Evaluate existing marketing and outreach processes to target those most at-risk;
 - Conduct research to lay the framework to implement a high-quality co-occurring detox, residential and outpatient treatment program, which would be available to all NH residents who are underinsured or uninsured and are in need of SUD treatment;
 - Evaluate the existing financial model and identify best practices and opportunities to improve revenue to ensure long-term financial solvency. This includes an in-depth review of third-party claiming processes, examining payer mixes, and claims process.

Without this funding, the long-term viability of the organization could be compromised. The goal of this bridge funding is to support the innovative remodeling of Farnum Center's programming to ensure SUD services are available to New Hampshire residents.

Funds are budgeted as follows:

Class 041 – RSA 124:16 requires .1% to be budgeted to pay for financial and compliance audits.

Class 102 – The funds will be used to pay for a contract with Farnum Center.

Source of Funds: These funds are 100% Federal Funds.

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

Respectfully Submitted,



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