

ARC
13



STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF LONG TERM SUPPORTS AND SERVICES

Lori A. Weaver
Commissioner

105 PLEASANT STREET, CONCORD, NH 03301
603-271-9203 1-800-852-3345 Ext. 9203 Fax: 603-271-4643
TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Melissa A. Hardy
Director

April 29, 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, NH 03301

REQUESTED ACTION

Pursuant to the provisions of RSA 9:16-a, I, authorize the Department of Health and Human Services, Division of Long Term Supports and Services to transfer funds in the amount of \$6,503,250 for costs associated with Nursing Facility Payments, effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2025. Funding source: 50.02% Federal Funds, 49.98% General Funds.

05-95-48-482010-21520000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: DLTSS-ELDERLY&ADULT SVCS, WAIVER AND NURSING FACILITIES, WAIVER/NF PMTS-COUNTY PARTIC

CLASS OBJ	CLASS TITLE	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
000-404362-16	Federal Funds	\$185,549,501	\$3,253,250	\$188,802,751
009-403011-18	Private Local Funds	\$126,849,659	\$0	\$126,849,659
	General Funds	\$49,749,647	\$3,250,000	\$52,999,647
Total Revenue		\$362,148,807	\$6,503,250	\$368,652,057
041-500801	Audit Fund Set Aside	\$206,243	\$3,250	\$209,493
502-500891	Payments To Providers	\$3,011,457	\$0	\$3,011,457
504-500893	Nursing Home Payments	\$249,256,884	\$6,500,000	\$255,756,884
505-500894	Mid Level Care Expenses	\$2,178,173	\$0	\$2,178,173
506-500895	Elderly Adult Supp Serv	\$106,753,965	\$0	\$106,753,965
529-500370	Home Health Services	\$742,085	\$0	\$742,085
Total Expenses		\$362,148,807	\$6,503,250	\$368,652,057

**05-95-47-470010-79480000, 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
000-403978-16	Medicaid Grants-Federal Funds	\$463,242,504	\$ (3,253,250)	\$459,989,254
005-402201-04	Agency Income: Medicaid Enhancement - Local	\$154,549,999		\$154,549,999
007-407145-44	Drug Rebates - Regular Care	\$25,921,476		\$25,921,476
	General Fund	\$292,858,746	\$ (3,250,000)	\$289,608,746
Total Revenue		\$936,572,725	\$ (6,503,250)	\$930,069,475
041-500801	Audit Set Aside	\$484,946	\$ (3,250)	\$481,696
101-500729	Medical Payments to Providers	\$831,826,437	\$ (6,500,000)	\$825,326,437
535-500376	Out of Home Placements	\$81,609,908		\$81,609,908
563-500915	Community Based Services	\$22,651,434		\$22,651,434
Total Expense		\$936,572,725	\$ (6,503,250)	\$930,069,475

EXPLANATION

The Department requests approval of this transfer to ensure funds are available to cover projected Nursing Facility (NF) Medicaid service payments. NFs provides direct services to individuals eligible for Medicaid and who meet the clinical and financial eligibility standards defined in RSA 151-E for nursing facility long-term care. NF residents receive nursing care in a residential setting that promotes rehabilitation and enhanced support in activities of daily living. NF care is the most intensive level of service provided outside of a hospital.

Admissions to a NF can be temporary for those who require short-term rehabilitation or a brief recuperative period after an extended hospitalization. The structure and support offered within a NF supports individuals to maximize their level of independence and affords some residents the opportunity to return home. Residents for whom a return to the community is not possible due to the complexity of their care needs receive care to maximize their functional capabilities.

Funds are available in accounting unit 79480000 Medicaid Care Management, Class 101 (Medical Payments to Providers). Funding in this Accounting Unit represents costs associated with Medicaid Care Management capitation payments and fee-for-service provider payments. Excess funds are available in 79480000 due to several contributing factors that include: (1) Authority provided via Chapter 79, 202, Laws of 2023 to carry forward funds from the prior biennium to address the unknowns associated with the Public Health Emergency enrollment unwind; (2) the unwind process took less time than originally projected with relatively few setbacks, which resulted in less spending than originally projected; and (3) DHHS initiated the unwind one month earlier than originally planned in April 2023 instead of May 2023.

Funds are needed in accounting unit 21520000, Class 504 (Nursing Home Payments) to cover projected NF Medicaid expenses that are higher than the budgeted amount. There were a significant number of claims that were paid in State Fiscal Year 2024 that were for prior period services and were not detected during budget development. The number of back-billed claims was higher than prior experience and potentially a function of the stress experienced by NFs over the past several years. When determining rates for the current state fiscal year, the Department uses trends from prior periods. Due to the backlog of billing these

The Honorable Ken Weyler, Chairman
His Excellency, Governor Christopher T. Sununu
April 29, 2024
Page 3 of 3

claims, the data showed a utilization which was lower than the experienced need. Class 041 (Audit Set Aside) funds are being transferred between accounting units per State requirements.

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.
RSA 151-E Long Term Care.
4. Identify the source of funds on all account listed on this transfer.
50.02% Federal Funds, 49.98% General Funds.
5. Will there be an 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 personnel services involved?
No, there are no personnel services involved in this transfer.

Area served: Statewide.

Respectfully Submitted,



Lori A. Weaver
Commissioner

FOR