ARC

9

Lori A. Weaver
Commissioner

Katja S. Fox
Director

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

January 27, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a **Retroactive, Sole Source** contract with Catholic Medical Center (VC#177240-B003), Manchester, NH, to operate a single point of entry Doorway for individuals seeking access to substance use-related services and supports, with a price limitation of $3,414,514, of which $2,113,000 is a shared amount for unmet and flexible needs funding among all nine (9) Doorway Contractors, effective retroactive to September 30, 2024, upon Governor and Council approval through June 30, 2025. 85.89% Federal Funds. 14.11% Other Funds (Governor's Commission).

Funds are available in the following accounts for State Fiscal Year 2025 with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-92-920510-70400000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS, DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG AND ALCOHOL SERVICES, SOR GRANT

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	074-500589	Welfare Assistance	92057070	$1,301,514.00
			Subtotal	*$1,301,514.00*

05-95-92-920510-70400000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS, DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG AND ALCOHOL SERVICES, SOR GRANT

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	074-500589	Welfare Assistance	92057066	$200,000.00
2025	074-500589	Welfare Assistance	92057070	$1,500,000.00
			Subtotal	*$1,700,000.00*

05-95-92-920510-33820000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS, DEPT OF, HHS: DIV FOR BEHAVIORAL HEALTH, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS (100% Other Funds)

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	102-500731	Contracts for Prog Svc	92058501	$413,000.00
			Subtotal	*$413,000.00*
			Total	**$3,414,514**

EXPLANATION

This request is **Retroactive** to avoid delays or gaps that would result in reduced or loss of access and supports for individuals in need of these critical services. The Substance Abuse Mental Health Services Administration (SAMHSA) notified the Department on September 24, 2024, of the availability of funding beyond the previous contract's completion date of September 29, 2024. Due to the delayed notification from SAMHSA, the Department was unable to present this request to the Governor and Council prior to the previous contract expiring. This request is **Sole Source**, based on Catholic Medical Center's (CMC's) existing role as a critical access point for substance use and other health-related services, existing partnerships with key community-based providers, the administrative infrastructure necessary to meet the Department's expectations for Doorway services and their ability to provide these services in the Greater Manchester area, immediately, without interruption.

On January 6, 2025, the Attorney General John M. Formella announced the resolution of an Attorney General's Office review of the proposed acquisition of Catholic Medical Center (CMC) by Manchester Health Services, LLC, a subsidiary of HCA Healthcare, Inc. After thorough evaluation, the Attorney General's Office accepted settlement terms designed to ensure continued access to healthcare for residents of Manchester and the surrounding area, promote community health, and preserve competition. As part of this transition, Doorway services will continue to be provided by the Contractor through June 30, 2025. To ensure there is no gap in services, the Department will release a solicitation to reprocure a contractor for Doorway services in the Greater Manchester area to be effective July 1, 2025.

The Contractor will continue to provide resources that strengthen existing prevention, treatment, and recovery support services by promoting engagement in the recovery process and ensuring access and referral to critical services that decrease rates of substance use disorders, opioid and stimulant-related misuses, overdoses, and deaths. The Contractor will continue to provide immediate screening and assessment to determine the proper level of care for individuals; maintain mechanisms to immediately transport individuals to safe housing while awaiting treatment; and administer facilitated referrals and case management to assist individuals seeking services to properly navigate the prevention, treatment, and recovery system.

Shared pool funding will remove barriers to care that often prevent people from accessing emergent needs. Emergent needs include resources for individuals awaiting treatment and recovery services when care is not yet available; peer recovery support services; costs associated with obtaining or retaining safe housing; childcare that permits parents and caregivers to attend treatment and recovery-related appointments and programming; and coordination of transportation to and from recovery-related medical appointments.

Approximately 1,200 individuals will be served between September 30, 2024, and June 30, 2025.

The Department will monitor services through the review of monthly data reports and Government Performance and Results Act interviews submitted by the Contractor, and through regularly scheduled meetings with the Contractor to ensure deliverables are being met and to determine quality improvement needs.

Should the Governor and Council not authorize this request, individuals seeking substance use-related supports and services may experience difficulty navigating the complex treatment and recovery system, may not receive the needed supports and services, and may experience delays in receiving care.

- Area served: Statewide

Source of Federal Funds: Assistance Listing Number 93.788, FAIN H79TI085759 and H79TI087843.

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

Respectfully submitted,

Lori A. Weaver
Commissioner

FORM NUMBER P-37 (version 2/23/2023)

Subject: Doorway for Substance Use-Related Supports and Services (SS-2025-DBH-20-DOORW-01)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Catholic Medical Center		1.4 Contractor Address 100 McGregor Street, Manchester, NH 03102	
1.5 Contractor Phone Number 603-668-3545	1.6 Account Unit and Class TBD	1.7 Completion Date 6/30/25	1.8 Price Limitation $3,414,514 This amount is inclusive of shared price limitation of $2,113,000. See Exhibit C.
1.9 Contracting Officer for State Agency Robert W. Moore, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature DocuSigned by: [signature] 2263780B490C4E9...	1/30/2025 Date:	1.12 Name and Title of Contractor Signatory Alexander J Walker Jr President & CEO	
1.13 State Agency Signature DocuSigned by: Katja S. Fox ED9D05B04C034A2...	1/30/2025 Date:	1.14 Name and Title of State Agency Signatory Katja S. Fox Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By:		Director, On:	
1.16 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)* By: DocuSigned by: Robyn Guarino 748234844041480		On: 1/31/2025	
1.17 Approval by the Governor and Executive Council *(if applicable)* G&C Item number:		G&C Meeting Date:	

Contractor Initials: initial [initials] Date: 1/30/2025

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

Initial

Contractor Initials

Date 1/30/2025

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

Initial

Contractor Initials AMM

Date 1/30/2025

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000 per occurrence and $2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation").*

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. THIRD PARTIES. This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. FURTHER ASSURANCES. The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

Initial

Contractor Initials

Date 1/30/2025

New Hampshire Department of Health and Human Services
Doorway for Substance Use-Related Supports and Services
EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:

3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall become effective, retroactive to, September 30, 2024 ("Effective Date").

1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.5 as follows:

12.5. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed, and if applicable, a Business Associate Agreement in accordance with the Health Insurance Portability and Accountability Act. Written agreements shall specify how corrective action shall be managed. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

New Hampshire Department of Health and Human Services
Doorway for Substance Use-Related Supports and Services

EXHIBIT B

Scope of Services

1. Statement of Work

1.1. The Contractor must operate and maintain a single point of entry for residents of, or individuals experiencing homelessness in, New Hampshire who are seeking access to substance use related care, services, and supports, referred to as a Doorway, as part of the Department's Doorway Program. The Contractor must ensure Doorway services are provided in accordance with:

1.1.1. State and federal laws and rules, including, but not limited to the Health Insurance Portability and Accountability Act (HIPAA) 45 CFR 160, 162, and 164, and 42 CFR Part 2, as applicable;

1.1.2. Terms and conditions approved by the Substance Abuse and Mental Health Services Administration (SAMHSA) for the State Opioid Response (SOR) Grant;

1.1.3. Government Performance and Results Act (GPRA) of 1993 and the GPRA Modernization Act of 2010;

1.1.4. American Society of Addiction Medicine (ASAM) Criteria. The Contractor must:

1.1.5. Transition from ASAM Criteria, 3rd Edition to ASAM Criteria, 4th Edition and ensure services are provided in accordance with ASAM Criteria, 4th Edition no later than January 1, 2026; and

1.1.5.1. Transition to, and ensure services are, provided in accordance with updated ASAM Criteria Editions within timeframes as specified and notified by the Department.

1.1.6. SAMHSA publications for professional care providers, including:

1.1.6.1. Technical Assistance Publication (TAP) 21: Addiction Counseling Competencies: The Knowledge, Skills, and Attitudes of Professional Practice;

1.1.6.2. Treatment Improvement Protocol (TIP) 27: Comprehensive Case Management for Substance Abuse Treatment;

1.1.6.3. Harm Reduction Framework; and

1.1.6.4. Overdose Prevention and Response Toolkit;

1.1.7. Global Criteria: The 12 Core Functions of the Substance Abuse Counselor (Herdman, J. W. (2018). Global Criteria: The 12 Core Functions of the Substance Abuse Counselor. Lincoln, Ne: John W. Herdman.);

1.1.8. The four (4) recovery domains, as described by the International Credentialing and Reciprocity Consortium; and

1.1.9. NH Department of Health and Human Services (Department) procedures and policies as they are developed, implemented, and amended.

1.2. The Contractor must ensure, unless an alternative schedule for the Doorway to meet the needs of the community is proposed and approved by the Department, the Doorway provides:

1.2.1. Hours of operation that include:

1.2.1.1. 8:00 am to 5:00 pm Monday through Friday; and

1.2.1.2. Expanded hours, as agreed to by the Department;

1.2.2. A minimum of one (1) physical location for individuals to receive face-to-face services, ensuring any request for a change in location is submitted to the Department for approval, no later than 30 business days prior to the requested move.

1.3. The Contractor must ensure Doorway services are available to all individuals identified in Section 1.1 without limitation, including individuals who may be considered members of any of the following priority populations, as identified by SAMHSA:

1.3.1. Pregnant, postpartum, and parenting individuals;

1.3.2. Veterans and service members;

1.3.3. Youth and young adults (16-25 years old) and their families;

1.3.4. Older adults;

1.3.5. Individuals involved in the criminal justice system and those re-entering the community post-incarceration;

1.3.6. LGBTQIA2S+ community;

1.3.7. Individuals at-risk of or living with HIV/AIDS; and

1.3.8. Racial and ethnic minorities.

1.4. The Contractor must ensure all individuals who connect with the Doorway have access to and receive the following services, as appropriate. The Contractor must:

1.4.1. Obtain meaningful consent, from each individual, prior to commencement with any service or referral for service. The Contractor must ensure consent includes consent to treat, refer, and share information as appropriate, including referring to, and sharing information stored on, the NH Care Connections Network detailed in Section 1.12 and 1.13, with the Department.

1.4.2. Provide:

1.4.2.1. Same day screening, comprehensive clinical assessment, and initial intake to evaluate an individual's potential need for services;

1.4.2.2. Vital support, services, education, and resources, including opioid overdose reversal medication, to safeguard individuals and strengthen public safety;

1.4.2.3. Treatment options, including same day access to medications for substance use disorders;

1.4.2.4. Crisis intervention and stabilization counseling services, provided by a licensed clinician, for any individual experiencing a substance use-related behavioral health crisis who requires immediate, non-emergency intervention. The Contractor must ensure crisis intervention and stabilization services include:

1.4.2.4.1. Assessment and history of the crisis state;

1.4.2.4.2. Mental health status exam and disposition; and

1.4.2.4.3. Development of plans for safety;

1.4.2.5. Same day, trauma-informed, clinical evaluations. The Contractor must ensure clinical evaluations:

1.4.2.5.1. Address all ASAM criteria dimensions;

1.4.2.5.2. Include a level of care recommendation based on ASAM criteria;

1.4.2.5.3. Include identification of the individual's strengths;

1.4.2.5.4. Include resources that can be used to support treatment and recovery; and

1.4.2.5.5. Result in the development of an individualized clinical service plan as outlined in Section 1.4.3;

1.4.2.6. Access to community-based crisis services, as appropriate, through:

1.4.2.6.1. NH Rapid Response Access Point and Mobile Teams (Rapid Response) 833-710-6477;

1.4.2.6.2. Suicide Prevention and Crisis Lifeline, 988; or

1.4.2.6.3. If the individual is in imminent danger or there is an emergency, the Contractor must direct callers to dial 911, or call 911 on the caller's behalf, if necessary;

1.4.2.7. Facilitated access, referral, and linkage to care, as appropriate and as identified through the clinical service plan, described in Section 1.4.3, including:

1.4.2.7.1. Resources for prevention and awareness;

1.4.2.7.2. Treatment options not available through the Doorway, including outpatient and residential levels of care;

1.4.2.7.3. Peer recovery support services;

1.4.2.7.4. Physical and mental health supports and services; and

1.4.2.7.5. Social supports that promote and sustain wellness;

1.4.2.8. Assistance obtaining identified services, including contacting the service provider agency on behalf of the individual, identifying sources of financial assistance, and connection with appropriate financial agencies, as appropriate;

1.4.2.9. Assistance enrolling in public or private insurance programs at the time of intake for individuals who are unable to secure financial resources. Insurance programs include NH Medicaid, Medicare, Health Market Connect, and applicable waiver programs;

1.4.2.10. Support to meet admission, entrance, intake and/or financial assistance requirements, as appropriate;

1.4.2.11. Continuous care coordination which includes:

1.4.2.11.1. Continuous reassessment and revision of the clinical evaluation, identified above, to ensure the appropriate levels of care and supports are provided;

1.4.2.11.2. Collaboration with the individual's external service provider(s) to continually reassess and address needs and mitigate barriers to the individual entering and/or maintaining treatment and recovery;

1.4.2.11.3. Supporting the individual with meeting the admission, entrance, and intake requirements of the provider agency; and

1.4.2.11.4. Ongoing follow-up and support of individuals engaged in services, in collaboration or

consultation with the individual's external service provider(s), until a discharge GPRA interview, detailed in Section 1.23 is completed;

1.4.2.12. Naloxone kits and information; as appropriate;

1.4.3. Develop an individualized clinical service plan, in collaboration with the individual receiving services, and ensure the plan:

1.4.3.1. Is person-centered, based on the clinical evaluation identified above, and written in simple, easy to understand language;

1.4.3.2. Identifies:

1.4.3.2.1. Initial ASAM level of care;

1.4.3.2.2. Supportive service needs including:

1.4.3.2.2.1. Physical, mental, and behavioral health;

1.4.3.2.2.2. Peer recovery support;

1.4.3.2.2.3. Social services; and

1.4.3.2.2.4. Criminal justice services including Corrections, Treatment Court, and Division for Children, Youth, and Families (DCYF) matters;

1.4.3.3. Addresses all areas of need, identified above, through the development of Specific, Measurable, Attainable, Realistic, and Timely (SMART) goals;

1.4.3.4. Includes actionable objectives to meet identified goals;

1.4.3.5. Plans for and documents referrals to external providers for interim services when the level of care identified above is not available to the individual within 48 hours of clinical service plan development. Interim services are defined as one or more of the following, as applicable:

1.4.3.5.1. A minimum of one (1), 60-minute individual or group outpatient session per week;

1.4.3.5.2. Recovery support services, as appropriate;

1.4.3.5.3. Daily calls to the individual to assess and respond to any emergent needs;

1.4.3.5.4. Respite shelter while awaiting treatment and recovery services; and

1.4.3.5.5. Continuous reassessment for level of care.

1.4.4. Assist individuals with accessing services that may have additional entry points and/or eligibility criteria for priority populations identified in Section 1.3.

1.5. The Contractor must ensure services are available through in-person, telephonic, and remote communication channels.

1.6. If services are being provided via telehealth, the Contractor must ensure:

1.6.1. Telehealth services adhere to all relevant state and federal regulations regarding telehealth not identified in the contract, including any regulations regarding initiation of telehealth services; and

1.6.2. A patient provider relationship is established prior to the provision of telehealth services;

1.6.3. The individual's written informed consent to using the telecommunication and telehealth technology is received prior to receiving services via telehealth and kept on file;

1.6.4. All remote communication is provided via a video capable telehealth platform that:

1.6.4.1. Complies with all security and privacy components identified in Exhibit E, DHHS Information Security Requirements and Exhibit F, the Department's Business Associate Agreement. In addition, the Contractor must ensure:

1.6.4.1.1. A provider is present with the person receiving services during the use of telecommunication technology;

1.6.4.1.2. Only authorized users have access to any electronic PHI (ePHI) that is shared or available through the telecommunication technology;

1.6.4.1.3. Secure end-to-end communication of data is implemented, including all communication of ePHI remaining in the United States; and

1.6.4.1.4. A system of monitoring the communications containing ePHI is implemented to prevent accidental or malicious breaches; and

1.6.4.2. All video communication applications are approved by the Contractor as meeting requirements of Exhibit E, DHHS Information Security Requirements and Exhibit F, Business Associate Agreement, and provides individuals with the potential privacy and security risks and benefits of telehealth.

1.7. The Contractor must obtain written consent in addition to or inclusive of the consent required by Section 1.4 for telehealth from all individuals receiving services to ensure compliance with all applicable state and federal confidentiality laws, including, but not limited to, HIPAA 45 CFR 160, 162, and 164, 42 CFR Part 2, RSA 135-C, RSA 172:8-a, and RSA 318-B:12 and 126-A:4. Consent may be obtained in-person, or by other electronic means as allowed by law and must be kept in the individual's service record.

1.8. The Contractor must provide information to all individuals seeking or receiving services on how to file a grievance in the event of dissatisfaction with services provided. The Contractor must ensure grievance information, is approved by the Department, and includes steps to filing:

1.8.1. Informal complaints with the Contractor, including the specific contact individual to whom the complaint should be sent; and

1.8.2. Official grievances with the Contractor and the Department with specific instructions on where and to whom the official grievance should be addressed.

1.9. The Contractor must ensure services, covered by SOR Flexible Needs Funding (FNF), assist individuals with diagnosed opioid and/or stimulant use disorder (O/StimUD) and are provided in accordance with the Department's FNF policy.

1.10. The Contractor must ensure services, covered by Governor's Commission on Alcohol and Other Drugs Unmet Needs Funds (UNF) assist individuals with diagnosed opioid and/or stimulant use disorder (O/StimUD) and are provided in accordance with the Department's UNF policy.

1.11. The Contractor must ensure invoicing for services provided through FNF and UNF funding is submitted in accordance with Exhibit C, Section 5.

1.12. The Contractor must utilize the Department's closed loop referral system whenever applicable to the services they provide for referrals between health and/or human service providers within New Hampshire for referral management and client care coordination. Utilization includes inputting information and data as necessary into the Department's referral solution as part of the NH Care Connections Network to facilitate referrals to participating providers, signing required Network Participation Agreement(s), and obtaining a participant specific consent for services.

1.13. The Contractor must utilize the Department's admission, discharge, transfer, and shared care insights solution whenever applicable to the services they provide for client care coordination and management between health providers within New Hampshire. Utilization includes inputting information and data as necessary into the Department's admission, discharge, transfer, and shared care insights platform as part of the NH Care Connections Network to facilitate referrals to participating providers and signing required Participation

Agreement(s) for the admission, discharge, transfer, and shared care insights solution.

1.13.1. The Department's contracts with the closed loop referral and admission, discharge, and transfer vendors incorporate the costs of developing and maintaining the standards-based interface from which the Contractor may choose to configure their systems to communicate securely with the Department's NH Care Connections Network solutions. The Contractor may choose to interface with the Department's closed loop referral and/or the admission discharge transfer solution utilizing a Smart on FHIR or HL-7 standard interface process to connect individuals to health and social service providers. **The costs for the Contractor's system or team to develop or utilize the standard Smart on FHIR or HL-7 based interface are the sole responsibility of the Contractor**.

1.14. The Contractor must collaborate with community and regional partners to review service-related needs and barriers and to develop strategies to enhance service delivery, including:

1.14.1. Enhanced service coverage areas;

1.14.2. Services to reduce emergency room use;

1.14.3. Services to reduce fatal and non-fatal overdose; and

1.14.4. Increasing access to medications for SUD.

1.15. The Contractor must establish formalized agreements, as approved by the Department with:

1.15.1. Medicaid, Managed Care Organizations (MCOs), and private insurance carriers to coordinate case management efforts on behalf of the individual; and

1.15.2. 2-1-1 NH, other Doorways, After Hours, and community-based programs and partners that make up the components of the Doorway System to ensure services and supports are available to individuals after normal Doorway operating hours.

1.16. The Contractor must provide copies of formalized agreements to the Department within 20 business days of the contract effective date and thereafter when new agreements are entered into or when information is requested by the Department. The Contractor must ensure formalized agreements:

1.16.1. Ensure protection of PHI;

1.16.2. Ensure the individual's preferred Doorway receives information on the individual, outcomes, and events for continued follow-up;

1.16.3. Include processes for sharing information about each individual receiving services, in accordance with applicable state and federal confidentiality laws and requirements, including, but not limited to 42 CFR Part 2, RSA 172:8-a, and RSA 318-B:12; and

1.16.4. Allow for prompt follow-up care and supports, and includes:

1.16.4.1. Demographics of the individual receiving care;

1.16.4.2. Referrals made on behalf of the individual receiving care;

1.16.4.3. Services rendered to the individual receiving care;

1.16.4.4. Identification of resource providers involved in the individual's care;

1.16.4.5. Any locations to which the individual was referred for respite care or housing; and

1.16.4.6. Other services offered or provided to the individual.

1.17. The Contractor must provide written policies for to the Department within 20 business days of the contract effective date and thereafter when new policies are adopted, or when information is requested by the Department. Policies must include, but not limited to:

1.17.1. Privacy notices.

1.17.2. Consent forms, including consent for disclosure of protected health information (PHI).

1.17.3. Conflict of interest and financial assistance documentation.

1.17.4. Referrals and evaluation from other providers.

1.17.5. Complaints and grievances.

1.18. The Contractor must collaborate with the Department and key stakeholders to identify gaps, challenges and potential barriers; develop mitigation strategies to improve transitions and process flows; and ensure the program is implemented as intended. Stakeholders may include:

1.18.1. Municipal leaders;

1.18.2. Regional Public Health Networks;

1.18.3. The NH Harm Reduction Coalition;

1.18.4. Primary and behavioral health care providers;

1.18.5. Social services providers; and

1.18.6. Other stakeholders, as appropriate.

1.19. The Contractor must develop and maintain a conflict-of-interest policy related to Doorway services and referrals to treatment and recovery supports and services

programs, funded outside of this contract, that maintains the integrity of the referral process and individual choice in determining placement in care.

1.20. The Contractor must report any sentinel event in accordance with NH RSA 126-A:4, IV and the Department's Sentinel Event Policy, using the Department-provided Sentinel Event Reporting Form, Sentinel Event Reporting | New Hampshire Department of Health and Human Services (nh.gov).

1.21. Data Collection and Reporting

1.21.1. The Contractor must provide the Department with client-level, non-identifiable data that supports contract deliverables. The Contractor must ensure client-level, non-identifiable data excludes information allowing the individual to be identified or constructively identified. Constructively identified means that by using the information provided and what is reasonably and predictably available to a predictable recipient of the information the individual could be identified. The Contractor must provide non-identified data from which there is no reasonable basis to believe that the data used alone or in combination with other reasonably available information, could be used to identify an individual who is a subject of the information. The Contractor must ensure that any reporting method complies with the conditions of Exhibit E, DHHS Information Security Requirements and Exhibit F, Business Associate Agreement.

1.21.2. The Contractor must ensure compliance with 42 CFR Part 2 and HIPAA 45 CFR 160, 162, and 164 and confidentiality consent, notices, and requirements, as applicable to any data collected or reported.

1.21.3. The Contractor must collect data on services provided through the resulting Agreement to ensure progress towards program goals and deliverables. The Contractor must ensure data includes:

1.21.3.1. Call counts;

1.21.3.2. Counts of individuals seen, separately identifying individuals new to the Doorway and individuals who revisit the Doorway after being discharged;

1.21.3.3. Reason for visit types;

1.21.3.4. Count of clinical evaluations;

1.21.3.5. Count of referrals made and type;

1.21.3.6. Naloxone distribution;

1.21.3.7. Referral statuses;

1.21.3.8. Recovery monitoring contacts;

1.21.3.9. Service wait times;

1.21.3.10. Flexible Needs Funds (FNF) utilization;

1.21.3.11. Respite shelter utilization; and

1.21.3.12. Non-identifiable demographic data of individuals receiving services.

1.21.4. The Contractor must submit monthly reports to the Department, on the third business day of the following month, in a format and via a secure method approved by the Department, inclusive of the NH Care Connections Network, detailed in Section 1.12 and 1.13, as applicable. The Contractor must ensure reports include:

1.21.4.1. Client-level, de-identified data detailed above;

1.21.4.2. Required data points specific to the SOR grant, as identified by SAMHSA and requested by the Department over the grant period; and

1.21.4.3. Naloxone distribution.

1.21.5. The Contractor may be required to prepare and submit ad hoc data reports, respond to periodic surveys, and other data collection requests as deemed necessary by the Department or SAMHSA including PII.

1.21.6. The Contractor may be required to provide other key data and metrics to the Department in a format specified by the Department.

1.22. Contract Management

1.22.1. The Contractor must meet with the Department within 60 business days of the contract effective date to review contract deliverables, grant guidelines, and implementation.

1.22.2. The Contractor must develop a Work Plan, utilizing a Department-approved format, that details Doorway operations and services. The Contractor must submit the Work Plan to the Department within 90 business days of the contract effective date, and annually thereafter.

1.22.3. The Contractor must actively and regularly collaborate with the Department to enhance contract management, improve results, assess sustainability and ongoing access to vulnerable populations, and adjust program delivery and policy based on successful outcomes.

1.22.4. The Contractor must participate in meetings with the Department, quarterly, or as otherwise requested by the Department, to review contract performance and ensure compliance with all requirements of this Agreement, including the General Provisions, Form P-37, and any resulting Corrective Action Plan.

1.22.5. The Contractor must participate in technical assistance, guidance, and oversight activities for continued development and enhancement of Doorway services, as directed by the Department.

1.22.6. The Contractor must participate in regularly scheduled learning and educational sessions with other Doorways that are hosted, and/or recommended, by the Department.

1.22.7. The Contractor must maintain an up-to-date information sheet, in a Department-approved format, that lists and describes available Doorway services. The Contractor must submit the information sheet to the Department within 60 business days of the contract effective date, and annually thereafter.

1.22.8. The Contractor must collaborate with the Department to develop a feasibility and sustainability plan to assess capacity and resource needs for all services detailed in this Agreement. The Contractor must review the plan, in collaboration with the Department, annually, or as otherwise directed by the Department.

1.22.9. The Contractor must monitor and manage its capacity to provide the entire Scope of Work detailed in this Agreement to ensure services are delivered consistently and evenly throughout the term of this Agreement, including, but not limited to staffing, resources, and financial capacity. The Contractor must notify the Department, in writing, of any gaps in capacity within 10 business days of gap identification. Notwithstanding Paragraph 8, Event of Default, and Paragraph 9, Termination, of the General Provision of this Agreement, Form P-37, the Contractor may be required to submit a Corrective Action Plan to the Department.

1.22.10. The Contractor must participate in operational site reviews on a schedule provided by the Department. All contract services, programs, and activities shall be subject to review during this time. The Contractor must ensure the Department has access sufficient for monitoring contract compliance requirements, including:

1.22.10.1. Unannounced non-identifiable client-level data and/or financial records;

1.22.10.2. Scheduled and unannounced access to Contractor work sites, locations, workspaces and associated facilities; and

1.22.10.3. Scheduled access to Contractor principals and staff.

1.23. Government Performance and Results Act (GPRA)

1.23.1. The Contractor must administer or coordinate the administration of GPRA initial interviews and associated follow-ups at six (6) months and discharge for all individuals receiving program services.

1.23.2. The Contractor must provide individuals served with clear guidance about the uses and disclosures of the information provided to complete the GPRA, and the use and disclosure of the Part 2 information or other PHI required in order to complete the GPRA. The Contractor must also provide staff training regarding the confidentiality of the identifiable information included in the GPRA.

1.23.3. The Contractor must provide or coordinate ongoing follow-up and support for individuals engaged in services until a discharge GPRA interview is completed. The Contractor must ensure:

1.23.3.1. Staff confirms a confidential means of communicating with each individual engaged in services to provide or coordinate ongoing follow up and support;

1.23.3.2. Contact with each individual is attempted during a time when the individual would normally be available. Contact must be made in person, by telephone, or by an alternative method approved by the Department, according to the following guidelines:

1.23.3.2.1. If the first contact attempt is not successful, a second contact attempt must be made no sooner than two (2) business days and no later than three (3) business days after the first attempt; and

1.23.3.2.2. If the second contact attempt is not successful, a third contact attempt must be made no sooner than two (2) business days and no later than three (3) business days after the second attempt;

1.23.3.3. Each successful contact must include, but not be limited to:

1.23.3.3.1. Inquiring on the status of each individual's recovery and experience with their external service provider.

1.23.3.3.2. Identifying needs.

1.23.3.3.3. Assisting the individual with addressing identified needs.

1.23.3.3.4. Providing early intervention to individuals who have resumed use;

1.23.3.4. When the follow-up identified above results in a determination that the individual is at risk of self-harm, the

Contractor must proceed in alignment with their crisis response policy and procedure; and

1.23.3.5. All efforts of contact are clearly documented in the individual's electronic health record, or in a format approved by the Department, and are available to the Department upon request.

1.23.4. The Contractor must ensure the GPRA interviews are attempted at the following intervals:

1.23.4.1. At the time of intake or no later than seven (7) calendar days after intake;

1.23.4.2. Five (5) to eight (8) months post intake. The window for this interview opens five (5) months after the intake interview; and

1.23.4.3. Upon discharge from the initially referred service.

1.23.5. The Contractor must ensure completed GPRA data is entered into the Department-approved system, at a minimum of the following intervals:

1.23.5.1. At the time of intake or no later than seven (7) calendar days after the GPRA interview is conducted;

1.23.5.2. Five (5) to eight (8) months post intake; and

1.23.5.3. Upon discharge from the initially referred service.

1.23.6. The Contractor must document any loss of contact with participants in the Department-approved system using the appropriate process and protocols as defined by SAMHSA and through technical assistance provided under the SOR grant.

1.23.7. The Contractor must ensure contingency management strategies are utilized to increase engagement in follow-up GPRA interviews. Contingency management strategies may include, but are not limited to, gift cards provided to individuals for follow-up participation at each follow-up interview. The selected Vendor(s) must ensure gift cards:

1.23.7.1. Do not exceed $30 in value, in accordance with federal guidelines, set forth by SAMHSA; and

1.23.7.2. Are used solely to incentivize GPRA interview completion and not used to incentivize participation in treatment.

1.24. State Opioid Response (SOR) Grant Standards

1.24.1. The Contractor must ensure they, and any provider which referrals are made to:

1.24.1.1. Only provide and/or prescribe medications for Opioid Use Disorder (OUD), as clinically appropriate, that are approved by the Food and Drug Administration;

1.24.1.2. Only provide medical withdrawal management services to individuals supported by SOR grant funds if the withdrawal management services are accompanied by the use of injectable extended-release naltrexone, as clinically appropriate;

1.24.1.3. Ensure staff trained in Presumptive Eligibility for Medicaid are available to assist individuals with public or private health insurance enrollment; and

1.24.1.4. Comply with 42 CFR Part 2 as applicable and related to any referrals and provider services.

1.24.2. The Contractor must ensure individuals receiving services, rendered from SOR funds, have a documented history or current diagnoses of Opioid Use Disorder or Stimulant Use Disorders (OUD/StimUD) or are at risk for such.

1.24.3. The Contractor must ensure that SOR grant funds are not used to purchase, prescribe, or provide cannabis or for providing treatment using cannabis. The Contractor must ensure:

1.24.3.1. Treatment in this context includes the treatment of OUD/StimUD;

1.24.3.2. Grant funds are not provided to any individual or organization that provides or permits cannabis use for the purposes of treating substance use or mental health disorders; and

1.24.3.3. This cannabis restriction applies to all subcontracts and Memorandums of Understanding that receive SOR funding.

1.24.4. The Contractor must utilize SOR funding, as needed, to ensure Naloxone kits are available to individuals receiving services through this Agreement.

1.24.4.1. If the Contractor intends to distribute test strips, the Contractor must provide a test strip utilization plan to the Department for approval prior to implementation. The Contractor must ensure the utilization plan includes, but is not limited to:

1.24.4.1.1. Internal policies for the distribution of test strips;

1.24.4.1.2. Distribution methods and frequency; and

1.24.4.1.3. Other key data as requested by the Department.

1.24.5. The Contractor must provide services to eligible individuals who:

1.24.5.1. Receive medication for OUD (MOUD) services from other providers, including the individual's primary care provider;

1.24.5.2. Have co-occurring substance use and mental health disorders; or

1.24.5.3. Are on medications and are taking those medications as prescribed regardless of the class of medication.

1.24.6. The Contractor must ensure individuals who refuse to consent to information sharing with the Doorways do not receive services utilizing SOR funding.

1.24.7. The Contractor must ensure individuals who rescind consent to information sharing with the Doorways do not receive any additional services utilizing SOR funding.

1.24.8. The Contractor must collaborate with the Department and other SOR funded vendors, as requested and directed by the Department, to improve GPRA data collection.

1.24.9. The Contractor must comply with all appropriate Department, State of NH, SAMHSA, and other Federal terms, conditions, and requirements.

1.25. Staffing

1.25.1. The Contractor must notify the Department, in writing, of changes in key personnel within five (5) business days of when this change has/will occur.

1.25.2. The Contractor must notify the Department in writing within 14 calendar days, when there is not sufficient staffing to perform all required services for more than 30 calendar days.

1.25.3. The Contractor may provide alternative staffing, either temporary or long-term, as needed to ensure sufficient staffing levels. Requests for alternative staffing must be submitted to the Department for review and approval 30 calendar days before implementation.

1.25.4. The Contractor must ensure the personnel provided, during regular hours of operation, includes, at a minimum:

1.25.4.1. One (1) clinician to provide clinical evaluations for ASAM level of care placement, in-person and with the ability to provide evaluations via telehealth;

1.25.4.2. One (1) Certified Recovery Support Worker (CRSW) with the ability to fulfill recovery support and care coordination functions; and

1.25.4.3. One (1) staff person, who may be a licensed clinician, CRSW, or other non-clinical support staff, capable of aiding specialty populations as outlined in Section 1.3.

1.25.5. The Contractor must ensure all unlicensed staff providing treatment, education or recovery support services are directly supervised by a licensed supervisor.

1.25.6. The Contractor must ensure licensed supervisors supervise no more than eight (8) unlicensed staff unless the Department has approved an alternative supervision plan.

1.25.7. The Contractor must ensure peer clinical supervision is provided for all clinicians including weekly discussion of cases with suggestions for resources or alternative approaches and group supervision to help optimize the learning experience, when enough candidates are under supervision.

1.25.8. The Contractor must ensure staff meet all training requirements for the provision of services provided in line with industry standards, which may be satisfied through existing licensure requirements and/or Department-approved alternative training curriculums or certifications and include, but are not limited to:

1.25.8.1. For all clinical staff:

1.25.8.1.1. Suicide prevention and early warning signs, within 90 business days of hire.

1.25.8.1.2. The 12 Core Functions of the Alcohol and Other Drug Counselor, within 90 business days of hire.

1.25.8.1.3. The standards of practice and ethical conduct, with particular emphasis given to the staff member's role and appropriate responsibilities, professional boundaries, and power dynamics.

1.25.8.1.4. The Addiction Counseling Competencies: The Knowledge, Skills, and Attitudes of Professional Practice within 12 months of hire.

1.25.8.1.5. Ethics, within 12 months of hire.

1.25.8.1.6. Annual continuous education regarding substance use.

1.25.8.2. For recovery support staff and other non-clinical staff working directly with individuals receiving services through this Agreement:

1.25.8.2.1. Knowledge, skills, values, and ethics with specific application to the practice issues faced by the supervisee, within 90 business days of hire.

1.25.8.2.2. The standards of practice and ethical conduct, with particular emphasis given to the staff member's role and appropriate responsibilities, professional boundaries, and power dynamics, and confidentiality safeguards in accordance with HIPAA and 42.CFR Part 2, and state rules and laws, within 90 business days of hire.

1.25.8.2.3. The four (4) recovery domains as described by the International Credentialing and Reciprocity Consortium, within 90 business days of hire.

1.25.8.2.4. Ethics, within 12 months of hire.

1.25.8.2.5. Annual continuous education regarding substance use.

1.25.8.3. Student Interns:

1.25.8.3.1. Ethics, within six (6) months of beginning their internship.

1.25.8.3.2. The 12 core functions as described in Addiction Counseling Competencies: The Knowledge, Skills, and Attitudes of Professional Practice, within six (6) months of beginning their internship.

1.25.9. The Contractor must provide in-service training to all staff working directly with individuals who receive services through this Agreement, within 15 business days of the contract effective date, or the staff person's start date, as applicable. In-service training must be documented in the staff person's file and must include the following topics:

1.25.9.1. Contract requirements and associated policies; and

1.25.9.2. All other relevant policies and procedures in accordance with state administrative rules and State and federal laws.

1.25.10. The Contractor must provide staff, subcontractors, or end users as defined in Exhibit E, DHHS Information Security Requirements, with

periodic training in practices and procedures to ensure compliance with information security, privacy or confidentiality in accordance with state administrative rules and state and federal laws.

1.26. Background Checks

1.26.1. Prior to permitting any individual to provide services under this Agreement, the Contractor must ensure that said individual has undergone:

1.26.1.1. A criminal background check, at the Contractor's expense, and has no convictions for crimes that represent evidence of behavior that could endanger individuals served under this Agreement;

1.26.1.2. A name search of the Department's Bureau of Adult and Aging Services (BAAS) State Registry, pursuant to RSA 161-F:49, with results indicating no evidence of behavior that could endanger individuals served under this Agreement; and

1.26.1.3. A name search of the Department's Division for Children, Youth and Families (DCYF) Central Registry pursuant to RSA 169-C:35, with results indicating no evidence of behavior that could endanger individuals served under this Agreement.

1.27. Confidential Data

1.27.1. The Contractor must meet all information security and privacy requirements as set by the Department and in accordance with the Department's Information Security Requirements Exhibit as referenced below.

1.27.2. The Contractor must ensure any individuals involved in delivering services through this Agreement contract sign an attestation agreeing to access, view, store, and discuss Confidential Data in accordance with federal and state laws and regulations and the Department's Information Security Requirements Exhibit. The Contractor must ensure said individuals have a justifiable business need to access confidential data. The Contractor must provide attestations upon Department request.

1.28. Privacy Impact Assessment

1.28.1. Upon request, the Contractor must allow and assist the Department in conducting a Privacy Impact Assessment (PIA) of its system(s)/application(s)/web portal(s)/website(s) or Department system(s)/application(s)/web portal(s)/website(s) hosted by the Contractor, if Personally Identifiable Information (PII) is collected,

used, accessed, shared, or stored. To conduct the PIA the Contractor must provide the Department access to applicable systems and documentation sufficient to allow the Department to assess, at minimum, the following:

1.28.1.1. How PII is gathered and stored;

1.28.1.2. Who will have access to PII;

1.28.1.3. How PII will be used in the system;

1.28.1.4. How individual consent will be achieved and revoked; and

1.28.1.5. Privacy practices.

1.28.2. The Department may conduct follow-up PIAs in the event there are either significant process changes or new technologies impacting the collection, processing or storage of PII.

1.29. Department Owned Devices, Systems and Network Usage

1.29.1. Contractor End Users, defined in the Department's Information Security Requirements Exhibit that is incorporated into this Agreement, authorized by the Department's Information Security Office to use a Department issued device (e.g. computer, tablet, mobile telephone) or access the Department network in the fulfilment of this Agreement, must:

1.29.1.1. Sign and abide by applicable Department and New Hampshire Department of Information Technology (NH DoIT) use agreements, policies, standards, procedures and guidelines, and complete applicable trainings as required;

1.29.1.2. Use the information that they have permission to access solely for conducting official Department business and agree that all other use or access is strictly forbidden including, but not limited, to personal or other private and non-Department use, and that at no time shall they access or attempt to access information without having the express authority of the Department to do so;

1.29.1.3. Not access or attempt to access information in a manner inconsistent with the approved policies, procedures, and/or agreement relating to system entry/access;

1.29.1.4. Not copy, share, distribute, sub-license, modify, reverse engineer, rent, or sell software licensed, developed, or being evaluated by the Department, and at all times must use utmost care to protect and keep such software strictly

confidential in accordance with the license or any other agreement executed by the Department;

1.29.1.5. Only use equipment, software, or subscription(s) authorized by the Department's Information Security Office or designee;

1.29.1.6. Not install non-standard software on any Department equipment unless authorized by the Department's Information Security Office or designee;

1.29.1.7. Agree that email and other electronic communication messages created, sent, and received on a Department-issued email system are the property of the Department of New Hampshire and to be used for business purposes only. Email is defined as "internal email systems" or "Department-funded email systems."

1.29.1.8. Agree that use of email must follow Department and NH DoIT policies, standards, and/or guidelines; and

1.29.1.9. Agree when utilizing the Department's email system:

1.29.1.9.1. To only use a Department email address assigned to them with a "@ affiliate.DHHS.NH.Gov".

1.29.1.9.2. Include in the signature lines information identifying the End User as a non-Department workforce member; and

1.29.1.9.3. Ensure the following confidentiality notice is embedded underneath the signature line:

CONFIDENTIALITY NOTICE: "This message may contain information that is privileged and confidential and is intended only for the use of the individual(s) to whom it is addressed. If you receive this message in error, please notify the sender immediately and delete this electronic message and any attachments from your system. Thank you for your cooperation."

1.29.1.10. Contractor End Users with a Department issued email, access or potential access to Confidential Data, and/or a workspace in a Department building/facility, must:

1.29.1.10.1. Complete the Department's Annual Information Security & Compliance Awareness Training prior to accessing, viewing, handling, hearing, or

transmitting Department Data or Confidential Data.

1.29.1.10.2. Sign the Department's Business Use and Confidentiality Agreement and Asset Use Agreement, and the NH DoIT Department wide Computer Use Agreement upon execution of the Agreement and annually thereafter.

1.29.1.10.3. Only access the Department's intranet to view the Department's Policies and Procedures and Information Security webpages.

1.29.1.11. Contractor agrees, if any End User is found to be in violation of any of the above terms and conditions, said End User may face removal from the Agreement, and/or criminal and/or civil prosecution, if the act constitutes a violation of law.

1.29.1.12. Contractor agrees to notify the Department a minimum of three business days prior to any upcoming transfers or terminations of End Users who possess Department credentials and/or badges or who have system privileges. If End Users who possess Department credentials and/or badges or who have system privileges resign or are dismissed without advance notice, the Contractor agrees to notify the Department's Information Security Office or designee immediately.

1.30. Contract End-of-Life Transition Services

1.30.1. General Requirements

1.30.1.1. If applicable, upon early termination or expiration of the Agreement the parties agree to cooperate in good faith to effectuate a secure transition of the services ("Transition Services") from the Contractor to the Department and, if applicable, the new Contractor ("Recipient") engaged by the Department to assume the services. Ninety (90) days prior to the end-of the contract or unless otherwise specified by the Department, the Contractor must begin working with the Department and if applicable, the Recipient to develop a Data Transition Plan (DTP). The Department shall provide the DTP template to the Contractor.

1.30.1.2. The Contractor must assist the Recipient, in connection with the transition from the performance of Services by the Contractor and its End Users to the performance of such Services. This may include assistance with the secure transfer of records (electronic and hard copy), transition of historical data (electronic and hard copy), the transition of any such Service from the hardware, software, network and telecommunications equipment and internet-related information technology infrastructure ("Internal IT Systems") of Contractor to the Internal IT Systems of the Recipient and cooperation with and assistance to any third-party consultants engaged by Recipient in connection with the Transition Services.

1.30.1.3. If a system, database, hardware, software, and/or software licenses (Tools) was purchased or created to manage, track, and/or store Department Data in relationship to this contract said Tools will be inventoried and returned to the Department, along with the inventory document, once transition of Department data is complete.

1.30.1.4. The internal planning of the Transition Services by the Contractor and its End Users shall be provided to the Department and if applicable the Recipient in a timely manner. Any such Transition Services shall be deemed to be Services for purposes of this Agreement.

1.30.1.5. In the event the data Transition extend beyond the end of the Agreement, the Contractor agrees that the Information Security Requirements, and if applicable, the Department's Business Associate Agreement terms and conditions remain in effect until the Data Transition is accepted as complete by the Department.

1.30.1.6. In the event the Contractor has comingled Department Data and the destruction or Transition of said data is not feasible, the Department and Contractor will jointly evaluate regulatory and professional standards for retention requirements prior to destruction, refer to the terms and conditions of the Department's DHHS Information Security Requirements Exhibit.

1.30.2. Completion of Transition Services

1.30.2.1. Each service or transition phase shall be deemed completed (and the transition process finalized) at the

end of 15 business days after the product, resulting from the Service, is delivered to the Department and/or the Recipient in accordance with the mutually agreed upon Transition plan, unless within said 15 business day term the Contractor notifies the Department of an issue requiring additional time to complete said product.

1.30.2.2. Once all parties agree the data has been migrated the Contractor will have 30 days to destroy the data per the terms and conditions of the Department's Information Security Requirements Exhibit.

1.30.3. Disagreement over Transition Services Results

1.30.3.1. In the event the Department is not satisfied with the results of the Transition Service, the Department shall notify the Contractor, in writing, stating the reason for the lack of satisfaction within 15 business days of the final product or at any time during the data Transition process. The Parties shall discuss the actions to be taken to resolve the disagreement or issue. If an agreement is not reached, at any time the Department shall be entitled to initiate actions in accordance with the Agreement.

2. Exhibits Incorporated

2.1. The Contractor must comply with all Exhibit D Federal Requirements, which are attached hereto and incorporated by reference herein.

2.2. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit E, DHHS Information Security Requirements.

2.3. The Contractor must use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit F, the Department's Business Associate Agreement, which has been executed by the parties.

3. Additional Terms

3.1. Impacts Resulting from Court Orders or Legislative Changes

3.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

3.2. Federal Civil Rights Laws Compliance: Culturally and Linguistically Appropriate Programs and Services

3.2.1. The Contractor must submit:

3.2.1.1. A detailed description of the language assistance services, within ten (10) days of the Effective Date of the Agreement, to be provided to ensure meaningful access to programs and/or services to individuals with limited English proficiency; individuals who are deaf or have hearing loss; individuals who are blind or have low vision; and individuals who have speech challenges.

3.2.1.2. A written attestation, within 45 days of the Effective Date of the Agreement and annually thereafter, that all personnel involved the provision of services to individuals under this Agreement have completed, within the last 12 months, the Contractor Required Training Video on Civil Rights-related Provisions in DHHS Procurement Processes, which is accessible on the Department's website (https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors); and

3.2.1.3. The Department's Federal Civil Rights Compliance Checklist within ten (10) days of the Effective Date of the Agreement. The Federal Civil Rights Compliance Checklist must have been completed within the last 12 months and is accessible on the Department's website (https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors).

3.3. Credits and Copyright Ownership

3.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Agreement must include the following statement, "The preparation of this (report, document etc.) was financed under an Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

3.3.2. All materials produced or purchased under the Agreement must have prior approval from the Department before printing, production, distribution or use.

3.3.3. The Department must retain copyright ownership for any and all original materials produced, including, but not limited to reports, protocols, guidelines, brochures, posters, and resource directories.

3.3.4. The Contractor must not reproduce any materials produced under the Agreement without prior written approval from the Department.

3.4. Operation of Facilities: Compliance with Laws and Regulations

3.4.1. In the operation of any facilities for providing services, the Contractor must comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which must impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit must be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Agreement the facilities must comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and must be in conformance with local building and zoning codes, by-laws and regulations.

4. Records

4.1. The Contractor must keep records that include, but are not limited to:

4.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.

4.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

4.1.3. Statistical, enrollment, attendance or visit records for each recipient of services and records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

4.1.4. Medical records on each patient/recipient of services.

4.2. During the term of this Agreement and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives must have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts.

4.3. If, upon further review, the Department must disallow any expenses claimed by the Contractor as costs hereunder, the Department retains the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

New Hampshire Department of Health and Human Services
Doorway for Substance Use-Related Supports and Services
EXHIBIT C

Payment Terms

1. This Agreement is funded by:
   1.1. 85.89% Federal funds, State Opioid Response (SOR), as awarded on 9/24/24 by the DHHS Substance Abuse and Mental Health Services Administration (SAMHSA), ALN 93.788, FAIN H79TI087843 and H79TI085759.
   1.2. 14.11% Other funds (Governor's Commission).
2. For the purposes of this Agreement the Department has identified:
   2.1. The Contractor as a Subrecipient, in accordance with 2 CFR 200.331.
   2.2. The Agreement as NON-R&D, in accordance with 2 CFR §200.332.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line items, as specified in Exhibits C-1, Doorway Services Budget.
4. The Contractor must seek payment for services in the following order
   4.1. First, if applicable, the Contractor shall charge the client's private insurance.
   4.2. Second, if applicable, the Contractor shall charge Medicare.
   4.3. Third, the Contractor shall charge Medicaid enrolled individuals, as follows:
      4.3.1. Medicaid Care Management: If enrolled with a Managed Care Organization (MCO), the Contractor shall be paid in accordance with its contract with the MCO.
      4.3.2. Medicaid Fee for Service: The Contractor shall bill Medicaid for services on the Fee for Service (FFS) schedule.
   4.4. Fourth, the Contractor shall charge the client in accordance with the Contractor's Sliding Fee Scale Program.
   4.5. Lastly, if any portion of the amount specified in the Contractor's Sliding Fee Scale remains unpaid, charge the Department for the unpaid balance.
5. The Contractor may be eligible to receive reimbursment for expenses incurred in the fulfillment of this Agreement and in accordance with Exhibit B, Scope of Services, Sections 1.9 and 1.10. This Agreement is one (1) of nine (9) individual Agreements with Contractors providing Doorway services with a total shared price limitation that shall not exceed $2,113,000. No maximum or minimum funding amount per Contractor is guaranteed.
   5.1. The statewide total shared price limitation across all nine (9) individual Agreements is:

5.1.1. $1,700,000 Flexible Needs Funds, as funded by SOR. SOR funding is available only for individuals with a history, current diagnosis, or who are at risk of developing an opioid and/or stimulant use disorder (O/StimUD); and

5.1.2. $413,000 Unmet Needs and Recovery Housing Assistance, as funded by Governor's Commission. Governor's Commission funding is available only for individuals with a history, current diagnosis, or who are at risk of developing substance use disorders (SUDs), including alcohol use disorder, and excluding O/StimUD and is not available for services otherwise covered through SOR federal grant funding administered through SAMHSA.

5.2. The Contractor must submit invoices for reimbursement of SOR Flexible Needs and/or Governor's Commission Unmet Needs expenses from the Department, separately, via a form and secure manner satisfactory to the Department. Expenditures must be:

5.2.1. Used to directly support the needs of the client when no other funds are available;

5.2.2. Used for one-time expenses tangible in nature;

5.2.3. Directly allocable to services provided under this Agreement;

5.2.4. Appropriate in amount and nature, as determined by the Department; and

5.2.5. Verified by supporting documentation, including, but not limited to, receipts of payment.

6. The Contractor must submit an invoice and supporting backup documentation in a form and secure manner satisfactory to the Department by the 15th working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor must:

6.1. Ensure the invoice is completed, dated and returned to the Department in order to initiate payment. Invoices shall be net any other revenue received towards the services billed in fulfillment of this agreement;

6.2. Backup documentation includes:

6.2.1. General Ledger showing revenue and expenses for the contract;

6.2.2. Timesheets and/or time cards that support the hours employees worked for wages reported under this contract;

6.2.2.1. Per 45 CFR Part 75.430(i)(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed; and

6.2.2.2. Attestation and time tracking templates, which are available to the Department upon request;

6.2.3. Invoices supporting expenses reported and do not include unallowable expenses, per federal grant guidelines, including:

6.2.3.1. SOR 4 Notice of Funding Opportunity, page 31: https://www.samhsa.gov/sites/default/files/grants/pdf/fy-2024-sor-nofo.pdf; and

6.2.3.2. SAMHSA's Standards for Financial Management and Standard Funding Restrictions, page 36: FY 2024 Substance Abuse and Mental Health Services Administration (SAMHSA) Notice of Funding Opportunity (NOFO) Application Guide.

6.2.4. Receipts for expenses within the applicable state fiscal year;

6.2.5. Cost center reports;

6.2.6. Profit and loss report;

6.2.7. Remittance Advices from the insurances billed. Remittance Advices do not need to be supplied with the invoice, but should be retained to be available upon request;

6.2.8. Information requested by the Department verifying allocation or offset based on third party revenue received; and

6.2.9. Summaries of client services revenue and operating revenue and other financial information as requested by the Department.

6.3. Is assigned an electronic signature and is emailed to invoicesforcontracts@dhhs.nh.gov or mailed to:

Financial Manager
Department of Health and Human Services
105 Pleasant Street
Concord, NH 03301

7. The Department shall make payments to the Contractor within 30 calendar days only upon receipt and approval of the submitted invoice and required supporting documentation.

8. The final invoice and any required supporting documentation shall be due to the Department no later than 40 calendar days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.

9. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting direct and indirect cost amounts within the price limitation between budget class lines, as well as adjusting encumbrances between State Fiscal Years through the Budget Office, may be made by written agreement of

both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.

10. Audits

10.1. The Contractor must email an annual audit to dhhs.act@dhhs.nh.gov if any of the following conditions exist:

10.1.1. Condition A - The Contractor is subject to a Single Audit pursuant to 2 CFR 200.501 Audit Requirements.

10.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b.

10.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.

10.2. If Condition A exists, the Contractor shall submit an annual Single Audit performed by an independent Certified Public Accountant (CPA) to dhhs.act@dhhs.nh.gov within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

10.2.1. The Contractor shall submit a copy of any Single Audit findings and any associated corrective action plans. The Contractor shall submit quarterly progress reports on the status of implementation of the corrective action plan.

10.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.

10.4. The Contractor, regardless of the funding source and/or whether Conditions A, B, or C exist, may be required to submit annual financial audits performed by an independent CPA upon request by the Department.

10.5. In addition to, and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Agreement to which exception has been taken, or which have been disallowed because of such an exception, within 60 days.

11. If applicable, the Contractor must request disposition instructions from the Department for any equipment, as defined in 2 CFR 200.313, purchased

using funds provided under this Agreement, including information technology systems.

Exhibit C-1 Doorway Services Budget

New Hampshire Department of Health and Human Services Contractor Name: *Catholic Medical Center* Budget Request for: *September 30, 2024 through June 30, 2025* Indirect Cost Rate (if applicable) 0.00%	9/30/24-6/30/25		
Line Item	DOORWAY Total Program Cost	DOORWAY Program Cost - Contractor Share/ Match	DOORWAY Program Cost - Funded by DHHS
1. Salary & Wages	$292,318	$0	$292,318
2. Fringe Benefits	$87,695	$0	$87,695
3. Consultants	$0	$0	$0
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	$0	$0	$0
5.(a) Supplies - Educational	$0	$0	$0
5.(b) Supplies - Lab	$0	$0	$0
5.(c) Supplies - Pharmacy	$1	$0	$1
5.(d) Supplies - Medical	$0	$0	$0
5.(e) Supplies - Office	$3,600	$0	$3,600
6. Travel	$450	$0	$450
7. Software	$0	$0	$0
8. (a) Other - Marketing/Communications	$0	$0	$0
8. (b) Other - Education and Training	$500	$0	$500
8. (c) Other - Other (specify below)	$0	$0	$0
Occupancy	$66,825	$0	$66,825
Farnum Respite	$580,125	$0	$580,125
Farnum Doorway After Hours	$270,000	$0	$270,000
Other (please specify)	$0	$0	$0
Other (please specify)	$0	$0	$0
Other (please specify)	$0	$0	$0
Other (please specify)	$0	$0	$0
9. Subrecipient Contracts	$0	$0	$0
Total Direct Costs	$1,301,514	$0	$1,301,514
Total Indirect Costs	$0	$0	$0
Subtotals	$1,301,514	$0	$1,301,514
TOTAL			$1,301,514

Contractor Initials: [signature]

Date: 1/30/2025

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION A: CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR CONTRACTORS OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by contractors (and by inference, sub- contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a contractor (and by inference, sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each Agreement during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the Agreement. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of Agreements, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-6505

1. The Contractor certifies that it will or will continue to provide a drug-free workplace by:
   1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
   1.2. Establishing an ongoing drug-free awareness program to inform employees about
      1.2.1. The dangers of drug abuse in the workplace;
      1.2.2. The Contractor's policy of maintaining a drug-free workplace;
      1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
      1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
   1.3. Making it a requirement that each employee to be engaged in the performance of the Agreement be given a copy of the statement required by paragraph (a);
   1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the Agreement, the employee will
      1.4.1. Abide by the terms of the statement; and
      1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every contract officer on whose contract activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected Agreement;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The Contractor may insert in the space provided below the site(s) for the performance of work done in connection with the specific Agreement.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION B: CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES – CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):
- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, loan, or cooperative agreement (and by specific mention sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, loan, or cooperative agreement (and by specific mention sub- contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, see https://omb.report/icr/201009-0348-022/doc/20388401

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION C: CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 12689 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this Agreement, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this Agreement is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See https://www.govinfo.gov/app/details/CFR-2004-title45-vol1/CFR-2004-title45-vol1-part76/context.

6. The prospective primary participant agrees by submitting this Agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties) https://www.ecfr.gov/current/title-22/chapter-V/part-513.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
    - 11.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
    - 11.2. Have not within a three-year period preceding this proposal (Agreement) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
    - 11.3. Are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
    - 11.4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (Agreement), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. Where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (Agreement).

14. The prospective lower tier participant further agrees by submitting this proposal (Agreement) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION D: CERTIFICATION OF COMPLIANCE WITH FEDERAL REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

The Contractor will comply, and will require any subcontractors to comply, with any applicable federal requirements, which may include but are not limited to:

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).
2. The Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
3. The Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
4. The Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
5. The Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
6. The Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
7. The Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
8. The Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
9. 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
10. 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.
11. The Clean Air Act (42 U.S.C. 7401-7671q.) which seeks to protect human health and the environment from emissions that pollute ambient, or outdoor, air.

Initial

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

12. The Clean Water Act (33 U.S.C. 1251-1387) which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.
13. Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) (41 U.S.C. 1908) which establishes administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
14. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) which establishes that all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).
15. Rights to Inventions Made Under a Contract or Agreement 37 CFR § 401.2 (a) which establishes the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the Agreement. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of Agreements, or government wide suspension or debarment.

In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this Agreement, the Contractor agrees to comply with the provisions indicated above.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION E: CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this Agreement, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

SECTION F: CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $30,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $30,000 or more. If the initial award is below $30,000 but subsequent grant modifications result in a total award equal to or over $30,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any sub award or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique Entity Identifier (SAM UEI; DUNS#)
10. Total compensation and names of the top five executives if:
    - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than $25M annually and
    - 10.2. Compensation information is not already available through reporting to the SEC. Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

New Hampshire Department of Health and Human Services
Exhibit D – Federal Requirements

FORM A

As the Grantee identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The UEI (SAM.gov) number for your entity is: NE8YG9EKJWF6

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

   X NO _____ YES

   If the answer to #2 above is NO, stop here
   If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

   _____ NO _____ YES

   If the answer to #3 above is YES, stop here
   If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

Contractor Name: Catholic Medical Center

1/30/2025
Date:

DocuSigned by:
[signature]
Name: Alexander J Walker Jr
Title: President & CEO

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, " Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

   Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss

Contractor Initials Initial

Date 1/30/2025

or misplacement of hardcopy documents, and misrouting of physical or electronic mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

Initial

Contractor Initials AJW

Date 1/30/2025

2. The Contractor must not disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.
3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure.. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.

8. Open Wireless Networks. End User may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, antihacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.

Contractor Initials Initial AJW

Date 1/30/2025

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

Contractor Initials Initial AJW

Date 1/30/2025

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.

5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.

6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.

10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent

Initial

Contractor Initials _____

Date 1/30/2025

future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.

13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

16. The Contractor must ensure that all End Users:

    a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.

    b. safeguard this information at all times.

    c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

Initial

Contractor Initials AJW

Date 1/30/2025

d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

e. limit disclosure of the Confidential Information to the extent permitted by law.

f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).

g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.

h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.

i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;

Initial

Contractor Initials AJW

Date 1/30/2025

4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov B.

DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement (Form P-37) ("Agreement"), and any of its agents who receive use or have access to protected health information (PHI), as defined herein, shall be referred to as the "Business Associate." The State of New Hampshire, Department of Health and Human Services, "Department" shall be referred to as the "Covered Entity," The Contractor and the Department are collectively referred to as "the parties."

The parties agree, to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191, the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162, and 164 (HIPAA), provisions of the HITECH Act, Title XIII, Subtitle D, Parts 1&2 of the American Recovery and Reinvestment Act of 2009, 42 USC 17934, et sec., applicable to business associates, and as applicable, to be bound by the provisions of the Confidentiality of Substance Use Disorder Patient Records, 42 USC s. 290 dd-2, 42 CFR Part 2, (Part 2), as any of these laws and regulations may be amended from time to time.

(1) Definitions

a. The following terms shall have the same meaning as defined in HIPAA, the HITECH Act, and Part 2, as they may be amended from time to time:

"Breach," "Designated Record Set," "Data Aggregation," Designated Record Set," "Health Care Operations," "HITECH Act," "Individual," "Privacy Rule," "Required by law," "Security Rule," and "Secretary."

b. Business Associate Agreement, (BAA) means the Business Associate Agreement that includes privacy and confidentiality requirements of the Business Associate working with PHI and as applicable, Part 2 record(s) on behalf of the Covered Entity under the Agreement.

c. "Constructively Identifiable," means there is a reasonable basis to believe that the information could be used, alone or in combination with other reasonably available information, by an anticipated recipient to identify an individual who is a subject of the information.

d. "Protected Health Information" ("PHI") as used in the Agreement and the BAA, means protected health information defined in HIPAA 45 CFR 160.103, limited to the information created, received, or used by Business Associate from or on behalf of Covered Entity, and includes any Part 2 records, if applicable, as defined below.

e. "Part 2 record" means any patient "Record," relating to a "Patient," and "Patient Identifying Information," as defined in 42 CFR Part 2.11.

f. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

(2) Business Associate Use and Disclosure of Protected Health Information

a. Business Associate shall not use, disclose, maintain, store, or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under the Agreement. Further, Business Associate, including but not

Contractor Initials AXW

Date 1/30/2025

limited to all its directors, officers, employees, and agents, shall protect any PHI as required by HIPPA and 42 CFR Part 2, and not use, disclose, maintain, store, or transmit PHI in any manner that would constitute a violation of HIPAA or 42 CFR Part 2.

b. Business Associate may use or disclose PHI, as applicable:

I. For the proper management and administration of the Business Associate;

II. As required by law, according to the terms set forth in paragraph c. and d. below;

III. According to the HIPAA minimum necessary standard;

IV. For data aggregation purposes for the health care operations of the Covered Entity; and

V. Data that is de-identified or aggregated and remains constructively identifiable may not be used for any purpose outside the performance of the Agreement.

c. To the extent Business Associate is permitted under the BAA or the Agreement to disclose PHI to any third party or subcontractor prior to making any disclosure, the Business Associate must obtain, a business associate agreement or other agreement with the third party or subcontractor, that complies with HIPAA and ensures that all requirements and restrictions placed on the Business Associate as part of this BAA with the Covered Entity, are included in those business associate agreements with the third party or subcontractor.

d. The Business Associate shall not, disclose any PHI in response to a request or demand for disclosure, such as by a subpoena or court order, on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity can determine how to best protect the PHI. If Covered Entity objects to the disclosure, the Business Associate agrees to refrain from disclosing the PHI and shall cooperate with the Covered Entity in any effort the Covered Entity undertakes to contest the request for disclosure, subpoena, or other legal process. If applicable relating to Part 2 records, the Business Associate shall resist any efforts to access part 2 records in any judicial proceeding.

(3) Obligations and Activities of Business Associate

a. Business Associate shall implement appropriate safeguards to prevent unauthorized use or disclosure of all PHI in accordance with HIPAA Privacy Rule and Security Rule with regard to electronic PHI, and Part 2, as applicable.

b. The Business Associate shall immediately notify the Covered Entity's Privacy Officer at the following email address, DHHSPrivacyOfficer@dhhs.nh.gov after the Business Associate has determined that any use or disclosure not provided for by its contract, including any known or suspected privacy or security incident or breach has occurred potentially exposing or compromising the PHI. This includes inadvertent or accidental uses or disclosures or breaches of unsecured protected health information.

c. In the event of a breach, the Business Associate shall comply with the terms of this Business Associate Agreement, all applicable state and federal laws and regulations and any additional requirements of the Agreement.

d. The Business Associate shall perform a risk assessment, based on the information available at the time it becomes aware of any known or suspected privacy inci

Contractor Initials

1/30/2025
Date

security breach as described above and communicate the risk assessment to the Covered Entity. The risk assessment shall include, but not be limited to:

I. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;

II. The unauthorized person who accessed, used, disclosed, or received the protected health information;

III. Whether the protected health information was actually acquired or viewed; and

IV. How the risk of loss of confidentiality to the protected health information has been mitigated.

e. The Business Associate shall complete a risk assessment report at the conclusion of its incident or breach investigation and provide the findings in a written report to the Covered Entity as soon as practicable after the conclusion of the Business Associate's investigation.

f. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the US Secretary of Health and Human Services for purposes of determining the Business Associate's and the Covered Entity's compliance with HIPAA and the Privacy and Security Rule, and Part 2, if applicable.

g. Business Associate shall require all of its business associates that receive, use or have access to PHI under the BAA to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein.

h. Within ten (10) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the BAA and the Agreement.

i. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

j. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

k. Business Associate shall document any disclosures of PHI and information related to any disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

l. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in

Initial

Contractor Initials _____

1/30/2025

Date _____

accordance with 45 CFR Section 164.528.

m. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within five (5) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

n. Within thirty (30) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-ups of such PHI in any form or platform.

VI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, or if retention is governed by state or federal law, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for as long as the Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

a. Covered Entity shall post a current version of the Notice of the Privacy Practices on the Covered Entity's website:

https://www.dhhs.nh.gov/oos/hipaa/publications.htm in accordance with 45 CFR Section 164.520.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this BAA, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination of Agreement for Cause

a. In addition to the General Provisions (P-37) of the Agreement, the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of the Business Associate Agreement. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity.

(6) Miscellaneous

a. Definitions, Laws, and Regulatory References. All laws and regulations used

Initial

Contractor Initials

1/30/2025

Date

herein, shall refer to those laws and regulations as amended from time to time. A reference in the Agreement, as amended to include this Business Associate Agreement, to a Section in HIPAA or 42 Part 2, means the Section as in effect or as amended.

b. **Change in law** - Covered Entity and Business Associate agree to take such action as is necessary from time to time for the Covered Entity and/or Business Associate to comply with the changes in the requirements of HIPAA, 42 CFR Part 2 other applicable federal and state law.

c. **Data Ownership** - The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. **Interpretation** - The parties agree that any ambiguity in the BAA and the Agreement shall be resolved to permit Covered Entity and the Business Associate to comply with HIPAA and 42 CFR Part 2.

e. **Segregation** - If any term or condition of this BAA or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this BAA are declared severable.

f. **Survival** - Provisions in this BAA regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the BAA in section (3) g. and (3) n.I., and the defense and indemnification provisions of the General Provisions (P-37) of the Agreement, shall survive the termination of the BAA.

IN WITNESS WHEREOF, the parties hereto have duly executed this Business Associate Agreement.

Department of Health and Human Services	Catholic Medical Center
The State	Name of the Contractor
DocuSigned by: Katja S. Fox ED9D05B04C83443...	DocuSigned by: 236678004900C4E9...
Signature of Authorized Representative	Signature of Authorized Representative
Katja S. Fox	Alexander J Walker Jr
Name of Authorized Representative	Name of Authorized Representative
Director	President & CEO
Title of Authorized Representative	Title of Authorized Representative
1/30/2025	1/30/2025
Date	Date

Initial
Contractor Initials AJWJ

1/30/2025
Date

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that CATHOLIC MEDICAL CENTER is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 07, 1974. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **62116**

Certificate Number: **0007010102**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 22nd day of January A.D. 2025.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

I, Matthew Albuquerque, do hereby certify that:

1. I am the duly elected Secretary of Catholic Medical Center, a New Hampshire voluntary corporation ("CMC");

2. Alexander J. Walker, is the duly elected President & CEO of CMC;

3. The attached Exhibit A is a true copy of resolutions duly adopted by written unanimous consent on January 25, 2024;

4. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of the 22nd day of January 2025 and this authority was valid thirty (30) days prior to and remains valid for thirty (30) days from the date of this Certificate of Authority; and

5. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence from CMC that I am the Secretary of CMC and that Mr. Walker has the authority to bind CMC. To the extent that there are any limits on the authority of Mr. Walker or myself to bind CMC in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

I have hereunto set my hand as the Secretary of CMC this 22nd day of January 2025.

/s/ Matthew Albuquerque
Matthew Albuquerque, Secretary

Exhibit A

RESOLUTIONS

OF THE

BOARD OF TRUSTEES

OF CATHOLIC MEDICAL CENTER ("CMC")

Authorizing CMC to enter into Contracts with the State of New Hampshire

January 25, 2024

RESOLVED: That CMC be authorize to enter into contracts, amendments, renewals, revisions or modifications thereto, with the State of New Hampshire, including any of its agencies or departments.

RESOLVED: That Alexander J. Walker, as President & CEO of CMC, is hereby authorized on behalf of CMC to enter into contracts with the State and to execute any and all documents, agreements, and other instruments; and any amendments, revisions, or modifications thereto, as he may deem necessary, desirable, or appropriate.

Docusign Envelope ID: D821CCFB-FB7C-4665-98B2-3A20F693DC88

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 10/01/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MARSH USA, LLC.
99 HIGH STREET
BOSTON, MA 02110
Attn: Boston.certrequest@Marsh.com Fax: 212-948-4377

CN109021768-ALL-GAWXP-24-25

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : TDC Specialty Insurance Company	34495
INSURER B : Safety National Casualty Corp.	15105
INSURER C : N/A	N/A
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Catholic Medical Center
100 McGregor Street
Manchester, NH 03102

COVERAGES **CERTIFICATE NUMBER:** NYC-010828730-06 **REVISION NUMBER:** 6

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			HPP-00171-22-02	10/01/2024	10/01/2025	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE [X] OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 50,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 3,000,000
	X POLICY [ ] PRO-JECT [ ] LOC						PRODUCTS - COMP/OP AGG	$ 3,000,000
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			SP 4067329	10/01/2024	10/01/2025	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N	N/A		*SIR $750,000			E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

State of New Hampshire, Department
of Health and Human Services
129 Pleasant Street
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Marsh USA LLC

MISSION & HISTORY

MISSION

The heart of Catholic Medical Center is to carry out Christ's healing ministry by offering **health, healing and hope** to every individual who seeks our care.

VALUES

The defining characteristics of CMC include:

- Respect
- Integrity
- Compassion
- Commitment

VISION

Guided by our Mission and Values, we are committed to becoming the finest customer experience, lowest cost and best outcome provider in the region.

HEALTHCARE EQUALITY

CMC condemns racism in our nation and will always strive to address racial injustices in our health care system and our community. CMC supports our providers, staff and leadership working together to promote equality and reject racism. We are committed to providing health, healing and hope to everyone who seeks our care.

CMC reaffirms its core values of compassion, human dignity and respect to all. We will strive to continuously improve diversity, equity and inclusion. We remain committed to healthy discussions and action throughout our system and communities.

CMC does not exclude people or treat them differently because of race, color, national origin, age, disability or sex.

HISTORY

The origin of Catholic Medical Center (CMC) is rooted in the devotion of religious community members wanting to provide healthcare to Manchester's residents. The hospital's story began in 1858 with the arrival of Mother Mary Gonzaga, one of the original Sisters of Mercy from Dublin, Ireland. Her dream was to establish a hospital sponsored by a religious community, and she accomplished her dream in 1892 with the opening of Sacred Heart Hospital, located in the center of New Hampshire's Queen City of Manchester.

Sharing a similar dream was Monsignor Peter Hevey, pastor of St. Mary's Parish, and the Sisters of Charity of St. Hyacinthe. They collaborated to open Notre Dame Hospital on the west side of Manchester in 1894. This location is the current site of CMC.

Through the years, both hospitals perpetuated the Catholic ethic by providing a place of comfort, care, and compassion, including a mission of caring for residents most in need. After decades of providing medical services separately, the two hospitals merged in 1974, forming CMC. With the dedication of a new building in 1978, the hospitals were able to combine resources and medical services, and strengthened the religious community's ability to provide patient care in the spirit of Christ.

During the past four decades, CMC has become one of New Hampshire's largest medical centers, dramatically expanding its services with a continual focus on delivering the highest quality healthcare. CMC is home to the New England Heart & Vascular Institute, a nationally-recognized leader in advanced cardiovascular services. Catholic Medical Center is proud to lead the region in medically advanced techniques and technologies to improve patient care. We've had a chance to mark several milestones by being the **first in the state, first in New England or first in the country** to offer innovative medical treatments and technologies.

Catholic Medical Center is grounded in a solid foundation and maintains the mission of its founders, providing health, healing and hope to all in the spirit of its Catholic traditions. We look forward to being able to serve you.

BAKER NEWMAN NOYES

CMC Healthcare System, Inc.

Consolidated Financial Statements and Other Financial Information

Years Ended September 30, 2023 and 2022
With Independent Auditors' Report

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnncpa.com

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Years Ended September 30, 2023 and 2022

TABLE OF CONTENTS

BAKER NEWMAN NOYES

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnncpa.com

HLB THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

INDEPENDENT AUDITORS' REPORT

Board of Trustees
CMC Healthcare System, Inc.

Opinion

We have audited the consolidated financial statements of CMC Healthcare System, Inc. (the System), which comprise the consolidated balance sheets as of September 30, 2023 and 2022, the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the System as of September 30, 2023 and 2022, and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the System adopted the provisions of Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, and all subsequent ASUs that modified Topic 842, effective October 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Board of Trustees
CMC Healthcare System, Inc.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Baker Newman & Noyes LLC

Manchester, New Hampshire
February 23, 2024

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED BALANCE SHEETS

September 30, 2023 and 2022

ASSETS

	2023	2022
Current assets:		
Cash and cash equivalents	$ 18,377,579	$ 48,137,435
Short-term investments	541,194	3,603,910
Accounts receivable	68,821,375	71,670,095
Inventories	3,798,671	3,816,582
Other current assets	15,642,014	14,877,493
Total current assets	107,180,833	142,105,515
Property, plant and equipment, net	144,537,076	147,163,130
Operating lease right-of-use assets	22,947,345	–
Intangible assets and other	16,363,173	17,259,975
Assets whose use is limited:		
Pension and insurance obligations	20,647,212	20,598,446
Board designated and donor restricted investments and restricted grants	146,298,745	147,238,360
Held by trustee under revenue bond agreements	1,153,980	1,119,341
Total assets whose use is limited	168,099,937	168,956,147
Total assets	$459,128,364	$475,484,767

LIABILITIES AND NET ASSETS

	2023	2022
Current liabilities:		
Accounts payable and accrued expenses	$ 45,981,490	$ 35,814,497
Accrued salaries, wages and related accounts	23,419,850	26,307,107
Amounts payable to third-party payors	9,503,057	11,525,383
Current portion of long-term debt and finance lease liabilities	5,849,394	4,412,597
Current portion of operating lease liabilities	3,543,127	–
Total current liabilities	88,296,918	78,059,584
Accrued pension and other liabilities, less current portion	72,792,784	99,930,612
Long-term debt and finance lease liabilities, less current portion	159,275,886	163,899,257
Operating lease liabilities, less current portion	20,752,352	–
Total liabilities	341,117,940	341,889,453
Net assets:		
Without donor restrictions	103,379,683	104,501,558
With donor restrictions	14,630,741	29,093,756
Total net assets	118,010,424	133,595,314
Total liabilities and net assets	$459,128,364	$475,484,767

See accompanying notes.

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

Years Ended September 30, 2023 and 2022

	2023	2022
Operating revenues:		
Patient service revenues	$491,192,042	$485,629,986
Other revenue	22,837,207	38,750,311
Disproportionate share funding	23,598,275	21,383,859
Total operating revenues	537,627,524	545,764,156
Operating expenses:		
Salaries, wages and fringe benefits	335,004,602	324,681,384
Supplies and other	204,182,904	195,348,186
New Hampshire Medicaid enhancement tax	23,814,464	22,288,821
Depreciation and amortization	13,565,630	13,267,183
Interest	6,620,055	5,126,170
Total operating expenses	583,187,655	560,711,744
Loss from operations	(45,560,131)	(14,947,588)
Nonoperating gains (losses):		
Investment income (loss), net	19,676,109	(23,254,605)
Net periodic pension cost, other than service cost	(59,980)	(1,368,472)
Contributions without donor restrictions	288,176	295,134
Development costs	(585,648)	(697,147)
Other nonoperating expenses and losses	(1,171,011)	(3,153,518)
Total nonoperating gains (losses), net	18,147,646	(28,178,608)
Deficiency of revenues and gains (losses) over expenses	(27,412,485)	(43,126,196)
Unrealized appreciation (depreciation) on investments	35,744	(24,002)
Change in fair value of interest rate swap agreement	(5,056)	540,490
Assets released from restriction used for capital	376,524	495,416
Pension-related changes other than net periodic pension cost	25,883,398	34,287,805
Change in net assets without donor restrictions	(1,121,875)	(7,826,487)
Net assets without donor restrictions at beginning of year	104,501,558	112,328,045
Net assets without donor restrictions at end of year	$103,379,683	$104,501,558

See accompanying notes.

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Years Ended September 30, 2023 and 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Net Assets
Balances at September 30, 2021	$112,328,045	$ 30,567,921	$142,895,966
Deficiency of revenues and losses over expenses	(43,126,196)	–	(43,126,196)
Restricted investment income	–	55,047	55,047
Changes in interest in perpetual trust	–	(1,965,979)	(1,965,979)
Donor restricted contributions	–	1,981,812	1,981,812
Unrealized depreciation on investments	(24,002)	(328,700)	(352,702)
Change in fair value of interest rate swap agreement	540,490	–	540,490
Assets released from restriction used for operations	–	(720,929)	(720,929)
Assets released from restriction used for capital	495,416	(495,416)	–
Pension-related changes other than net periodic pension cost	34,287,805	–	34,287,805
	(7,826,487)	(1,474,165)	(9,300,652)
Balances at September 30, 2022	104,501,558	29,093,756	133,595,314
Deficiency of revenues and losses over expenses	(27,412,485)	–	(27,412,485)
Restricted investment income	–	75,294	75,294
Changes in interest in perpetual trust	–	374,025	374,025
Donor restricted contributions	–	1,195,164	1,195,164
Return of donor restricted contribution	–	(15,032,182)	(15,032,182)
Unrealized appreciation (depreciation) on investments	35,744	(125,397)	(89,653)
Change in fair value of interest rate swap agreement	(5,056)	–	(5,056)
Assets released from restriction used for operations	–	(573,395)	(573,395)
Assets released from restriction used for capital	376,524	(376,524)	–
Pension-related changes other than net periodic pension cost	25,883,398	–	25,883,398
	(1,121,875)	(14,463,015)	(15,584,890)
Balances at September 30, 2023	$103,379,683	$ 14,630,741	$118,010,424

See accompanying notes.

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended September 30, 2023 and 2022

	2023	2022
Operating activities:		
Change in net assets	$ (15,584,890)	$ (9,300,652)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	13,565,630	13,267,183
Pension-related changes other than net periodic pension cost	(25,883,398)	(34,287,805)
Restricted gifts and investment income	13,761,724	(2,036,859)
Net realized and unrealized (gains) losses on investments	(14,221,621)	27,295,072
Change in interest in perpetual trust	(374,025)	1,965,979
Change in fair value of interest rate swap agreement	5,056	(540,490)
Bond discount/premium and issuance cost amortization	(216,731)	(228,187)
Noncash lease expense	1,348,134	–
Changes in operating assets and liabilities:		
Accounts receivable	2,848,720	(110,588)
Inventories	17,911	96,136
Other current assets	(156,201)	4,970,308
Other assets	896,802	1,297,731
Accounts payable and accrued expenses	10,166,993	(615,822)
Accrued salaries, wages and related accounts	(2,887,257)	431,276
Amounts payable to third-party payors	(2,022,326)	(40,760,143)
Accrued pension and other liabilities	(1,272,968)	(10,332,217)
Net cash used by operating activities	(20,008,447)	(48,889,078)
Investing activities:		
Purchases of property, plant and equipment	(9,566,890)	(14,135,480)
Net change in assets held by trustee under revenue bond agreements	(34,639)	131,069
Proceeds from sales of investments	56,730,477	12,086,715
Purchases of investments	(38,789,586)	(16,399,928)
Net cash provided (used) by investing activities	8,339,362	(18,317,624)
Financing activities:		
Payments on long-term debt	(4,612,008)	(3,423,689)
Proceeds from issuance of long-term debt	332,699	6,258,900
Bond issuance costs	(49,738)	–
Restricted gifts and investment income	(13,761,724)	1,529,259
Net cash (used) provided by financing activities	(18,090,771)	4,364,470
Decrease in cash and cash equivalents	(29,759,856)	(62,842,232)
Cash and cash equivalents at beginning of year	48,137,435	110,979,667
Cash and cash equivalents at end of year	$ 18,377,579	$ 48,137,435

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended September 30, 2023 and 2022

Supplemental disclosure of noncash transactions:
- During 2023 and 2022, the System entered into finance lease liabilities to finance certain equipment totaling $1,359,204 and $1,409,797, respectively.
- During 2023, the System accrued for the return of a donor restricted contribution totaling $15,032,182. See Note 13.

See Note 7 with respect to certain additional noncash activities related to leases.

See accompanying notes.

1. Organization

CMC Healthcare System, Inc. (the System) is a New Hampshire voluntary corporation. The System is recognized as a Section 501(c)(3) tax-exempt organization formed effective July 1, 2001. The System functioned as the parent company and sole member of Catholic Medical Center (the Medical Center) (until December 31, 2016, as discussed below), Catholic Medical Center Physician Practice Associates, Inc. (PPA), Alliance Enterprises, Inc. (Enterprises), Alliance Resources, Inc. (Resources), Alliance Ambulatory Services, Inc. (AAS), Alliance Health Services, Inc. (AHS) and St. Peter's Home, Inc. (SPH). During fiscal year 2023, AHS ended its physician integration and lease agreement and will no longer be providing physician services.

On December 30, 2016, the System became affiliated with Huggins Hospital (HH), a 25-bed critical access hospital in Wolfeboro, New Hampshire, and Monadnock Community Hospital (MCH), a 25-bed critical access hospital in Peterborough, New Hampshire, through the formation of a common parent, GraniteOne Health (GraniteOne). GraniteOne is a New Hampshire voluntary corporation that is recognized as being a Section 501(c)(3) tax-exempt and "supporting organization" within the meaning of Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the Code). GraniteOne serves as the sole member of HH and MCH and co-member of the Medical Center, along with the System. GraniteOne is governed by a thirteen-member Board of Trustees appointed by each of the respective hospitals within the GraniteOne system. The GraniteOne Board of Trustees governs the GraniteOne system through the existence and execution of reserved powers to approve certain actions by the Boards of Trustees of each of the hospitals. Through GraniteOne, this more integrated healthcare system enhances the affiliated hospitals' ability to coordinate the delivery of patient care, implement best practices, eliminate inefficiencies and collaborate on regional healthcare planning. These efforts strengthen the hospitals' ability to meet the healthcare needs of their respective communities and provide for a more seamless patient experience across the continuum of care. The accompanying consolidated financial statements for the years ended September 30, 2023 and 2022 do not include the accounts and activity of GraniteOne, HH and MCH.

Pursuant to the Affiliation Agreement that formed GraniteOne, the Medical Center, HH and MCH each had a right, after two years of GraniteOne, to evaluate whether they would continue participation in the system. The time period on this limited right to withdraw had been extended a number of times while the proposed combination with D-HH was under review. Upon the termination of the combination efforts with D-HH, the Medical Center, MCH and HH each assessed their continued participation in GraniteOne and after a six-month review process, each concluded it was best to withdraw from GraniteOne and subsequently provided the required notice on October 28, 2022. On June 16, 2023, the parties submitted a Joint Notice to the Director of Charitable Trusts pursuant to New Hampshire RSA 7:19-b to the State of New Hampshire and received the Director of Charitable Trusts no action report on December 1, 2023 clearing the way for the parties to complete the disaffiliation. The parties' respective boards will be meeting in February 2024 to provide final approvals and the disaffiliation is anticipated to be completed before the end of the second quarter in fiscal year 2024.

1. Organization (Continued)

The System has incurred significant net operating losses in recent years, including operating losses of $45,560,131 and $14,947,588 in 2023 and 2022, respectively. Continued net operating losses may, among other outcomes, reduce available financial assets and liquidity resources, and also hinder the System's ability to comply with its debt covenants. Management has evaluated the System's liquidity, future profitability, cash flows, and financing requirements for the coming twelve months and has concluded it has sufficient cash flows to meet its obligations over the next year from the date of the issuance of these consolidated financial statements. Cost cutting measures and other strategies have been implemented by the System which management believes will result in improved operating results and cash flows. Refer to Note 3 for a summary of assets and other liquidity resources available at September 30, 2023 to meet the System's upcoming general expenditures, debt payments and other obligations.

On September 26, 2023, the System and HCA Healthcare, Inc. signed a nonbinding letter of intent (LOI) to explore the potential acquisition of substantially all of the assets of the System. If the transaction were to be executed, the System will continue to be operated as a Catholic healthcare system subject to the Ethical and Religious Directives for Catholic Health Care Services. This nonbinding LOI is the first step in a potential lengthy process that may include due diligence, negotiation of a definitive agreement, review and approval of the Board of Trustees, approval by the Roman Catholic Bishop of the Diocese of Manchester and federal and state regulatory approval processes.

2. Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting.

Principles of Consolidation

The consolidated financial statements include the accounts of the Medical Center, PPA, Enterprises, Resources, AAS, AHS and SPH. Significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. **Significant Accounting Policies (Continued)**

Income Taxes

The System and all related entities, with the exception of Enterprises, are not-for-profit corporations as described in Section 501(c)(3) of the Code and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Management evaluated the System's tax positions and concluded the System has maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment to the consolidated financial statements.

Enterprises is a for-profit organization and, in accordance with federal and state tax laws, files income tax returns, as applicable. There was no significant provision for income taxes for the years ended September 30, 2023 and 2022. There are no significant deferred tax assets or liabilities. Enterprises has concluded there are no significant uncertain tax positions requiring disclosure and there is no material liability for unrecognized tax benefits. It is the policy of Enterprises to recognize interest related to unrecognized tax benefits in interest expense and penalties in income tax expense.

Charity Care and Community Benefits

The System has a formal charity care policy under which patient care is provided to patients who meet certain criteria without charge or at amounts less than its established rates. The System does not pursue collection of amounts determined to qualify as charity care; therefore, they are not reported as revenues.

Of the System's $583,187,655 total expenses reported for the year ended September 30, 2023, an estimated $7,000,000 arose from providing services to charity patients. Of the System's $560,711,744 total expenses reported for the year ended September 30, 2022, an estimated $5,000,000 arose from providing services to charity patients. The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based on the System's total expenses divided by gross patient service revenue.

Concentration of Credit Risk

Financial instruments which subject the System to credit risk consist primarily of cash equivalents, accounts receivable and investments. The risk with respect to cash equivalents is minimized by the System's policy of investing in financial instruments with short-term maturities issued by highly rated financial institutions. The System's accounts receivable are primarily due from third-party payors and amounts are presented net of expected explicit and implicit price concessions, including estimated implicit price concessions from uninsured patients. The System's investment portfolio consists of diversified investments, which are subject to market risk. Investments that exceeded 10% of investments include the Fidelity Government Portfolio as of September 30, 2023 and Fidelity 500 Index Fund as of September 30, 2022.

2. **Significant Accounting Policies (Continued)**

Cash and Cash Equivalents

Cash and cash equivalents include certificates of deposit with maturities of three months or less when purchased and investments in overnight deposits at various banks. Cash and cash equivalents exclude amounts whose use is limited by board designation and amounts held by trustees under revenue bond and other agreements. The System maintains approximately $16,000,000 and $43,000,000 at September 30, 2023 and 2022, respectively, of its cash and cash equivalent accounts with a single institution. The System has not experienced any losses associated with deposits at this institution.

Accounts Receivable

Patient accounts receivable for which the unconditional right to payment exists are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. Accounts receivable at September 30, 2023 and 2022 reflect the fact that any estimated uncollectible amounts are generally considered implicit price concessions that are a direct reduction to accounts receivable rather than allowance for doubtful accounts. At September 30, 2023 and 2022, estimated implicit price concessions of $21,152,072 and $22,938,402, respectively, have been recorded as reductions to accounts receivable balances to enable the System to record revenues and accounts receivable at the estimated amounts expected to be collected.

Accounts receivable as of September 30, 2023, 2022 and 2021 are $68,821,375, $71,670,095 and $71,559,507, respectively.

Inventories

Inventories of supplies are stated at the lower of cost (determined by the first-in, first-out method) or net realizable value.

Related Party Activity

The Medical Center has engaged in various transactions with GraniteOne, HH and MCH. The Medical Center recognized approximately $3.1 million and $3.0 million in revenue from these related parties for the years ended September 30, 2023 and 2022, respectively, which is reflected within other revenues in the accompanying consolidated statements of operations. The Medical Center also incurred expenses to these related parties of approximately $242,000 and $1.9 million for the years ended September 30, 2023 and 2022, respectively, of which $242,000 and $300,000, respectively, is reflected within operating expenses. Additionally, approximately $1.6 million for the year ended September 30, 2022 is reflected within nonoperating gains (losses) in the accompanying 2022 consolidated statement of operations. As of September 30, 2023 and 2022, the Medical Center had a net amount due from these related parties of approximately $1.3 million and $2.0 million, respectively, which is reflected within other current assets in the accompanying consolidated balance sheets. See also Note 1.

2. **Significant Accounting Policies (Continued)**

Property, Plant and Equipment

Property, plant and equipment is stated at cost at time of purchase or fair value at the time of donation, less accumulated depreciation. The System's policy is to capitalize expenditures for major improvements and charge maintenance and repairs currently for expenditures which do not extend the lives of the related assets. The provisions for depreciation and amortization have been determined using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. See also Note 5. Assets which have been purchased but not yet placed in service are included in construction in progress and no depreciation expense is recorded.

Conditional Asset Retirement Obligations

The System recognizes the fair value of a liability for legal obligations associated with asset retirements in the year in which the obligation is incurred, in accordance with Accounting Standards Codification (ASC) 410-20, *Accounting for Asset Retirement Obligations*. When the liability is initially recorded, the cost of the asset retirement obligation is capitalized by increasing the carrying amount of the related long lived asset. The liability is accreted to its present value each year, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations.

As of September 30, 2023 and 2022, $1,005,151 and $1,021,362, respectively, of conditional asset retirement obligations are included within accrued pension and other liabilities in the accompanying consolidated balance sheets.

Goodwill

The System reviews its goodwill and other long-lived assets annually to determine whether the carrying amount of such assets is impaired. Upon determination that an impairment has occurred, these assets are reduced to fair value. The net carrying value of goodwill is $4,490,154 at September 30, 2023 and 2022, and is reflected within intangible assets and other in the accompanying consolidated balance sheets. There were no impairments recorded for the years ended September 30, 2023 or 2022.

2. Significant Accounting Policies (Continued)

Patient Service Revenues

Revenues generally relate to contracts with patients in which the System's performance obligations are to provide health care services to patients. Revenues are recorded during the period obligations to provide health care services are satisfied. Performance obligations for inpatient services are generally satisfied over a period of days. Performance obligations for outpatient services are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payor (Medicare, Medicaid, managed care health plans and commercial insurance companies, including plans offered through the health insurance exchanges) and the transaction prices for the services provided are dependent upon the terms provided by Medicare and Medicaid or negotiated with managed care health plans and commercial insurance companies, the third-party payors. The payment arrangements with third-party payors for the services provided to related patients typically specify payments at amounts less than standard charges. Medicare generally pays for inpatient and outpatient services at prospectively determined rates based on clinical, diagnostic and other factors. Services provided to patients having Medicaid coverage are generally paid at prospectively determined rates per discharge, per identified service or per covered member. Agreements with commercial insurance carriers, managed care and preferred provider organizations generally provide for payments based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates. Management continually reviews the revenue recognition process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals.

The collection of outstanding receivables for Medicare, Medicaid, managed care payers, other third-party payors and patients is the System's primary source of cash and is critical to its operating performance. The primary collection risks relate to uninsured patient accounts, including patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. Implicit price concessions relate primarily to amounts due directly from patients. Estimated implicit price concessions are recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed. The estimates for implicit price concessions are based upon management's assessment of historical write-offs and expected net collections, business and economic conditions, trends in federal, state and private employer health care coverage and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections at facilities that represent a majority of hospital revenues and accounts receivable (the "hindsight analysis") as a primary source of information in estimating the collectability of accounts receivable. Management performs the hindsight analysis regularly, utilizing rolling twelve-month accounts receivable collection and write-off data. Management believes its regular updates to the estimated implicit price concession amounts provide reasonable estimates of revenues and valuations of accounts receivable. These routine, regular changes in estimates have not resulted in material adjustments to the valuations of accounts receivable or period-to-period comparisons of operations.

2. **Significant Accounting Policies (Continued)**

Retirement Benefits

The Catholic Medical Center Pension Plan (the Plan) provides retirement benefits for certain employees of the Medical Center and PPA who have attained age twenty-one and work at least 1,000 hours per year. The Plan consists of a benefit accrued to July 1, 1985, plus 2% of plan year earnings (to legislative maximums) per year. The System's funding policy is to contribute amounts to the Plan sufficient to meet minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974, plus such additional amounts as may be determined to be appropriate from time to time. The Plan is intended to constitute a plan described in Section 414(k) of the Code, under which benefits derived from employer contributions are based on the separate account balances of participants in addition to the defined benefits under the Plan.

Effective January 1, 2008 the Medical Center decided to close participation in the Plan to new participants. As of January 1, 2008, current participants continued to participate in the Plan while new employees receive a higher matching contribution to the tax-sheltered annuity benefit program discussed below.

During 2011, the Board of Trustees voted to freeze the accrual of benefits under the Plan effective December 31, 2011.

The Plan was amended effective as of May 1, 2016 to provide a limited opportunity for certain terminated vested participants to elect an immediate lump sum or annuity distribution option.

Effective June 30, 2023, the Board of Trustees approved the merger of the New Hampshire Medical Laboratories Retirement Income Plan, a related plan administered by Catholic Medical Center, into the Plan. See Note 9.

The System also maintains tax-sheltered annuity benefit programs in which it matches one half of employee contributions up to 3% of their annual salary, depending on date of hire, plus an additional 0% - 2% based on tenure. The System made matching contributions under the program of $5,213,092 and $4,068,003 for the years ended September 30, 2023 and 2022, respectively.

During 2007, the Medical Center created a nonqualified deferred compensation plan covering certain employees under Section 457(b) of the Code. Under the plan, a participant may elect to defer a portion of their compensation to be held until payment in the future to the participant or his or her beneficiary. Consistent with the requirements of the Code, all amounts of deferred compensation, including but not limited to any investments held and all income attributable to such amounts, property, and rights will remain subject to the claims of the Medical Center's creditors, without being restricted to the payment of deferred compensation, until payment is made to the participant or their beneficiary. No contributions were made by the System for the years ended September 30, 2023 or 2022.

2. **Significant Accounting Policies (Continued)**

The System also provides a noncontributory supplemental executive retirement plan covering certain former executives of the Medical Center, as defined. The System's policy is to accrue costs under this plan using the "Projected Unit Credit Actuarial Cost Method" and to amortize past service costs over a fifteen year period. Benefits under this plan are based on the participant's final average salary, social security benefit, retirement income plan benefit, and total years of service. Certain investments have been designated for payment of benefits under this plan and are included in assets whose use is limited–pension and insurance obligations.

During 2007, the System created a supplemental executive retirement plan covering certain executives of the Medical Center under Section 457(f) of the Code. The System recorded compensation expense of $275,407 and $577,252 for the years ended September 30, 2023 and 2022, respectively, related to this plan.

Employee Fringe Benefits

The System has an "earned time" plan. Under this plan, each qualifying employee "earns" hours of paid leave for each pay period worked. These hours of paid leave may be used for vacations, holidays, or illness. Hours earned but not used are vested with the employee and are paid to the employee upon termination. The System expenses the cost of these benefits as they are earned by the employees.

Debt Issuance Costs/Original Issue Discount or Premium

The debt issuance costs incurred to obtain financing for the System's construction and renovation programs and refinancing of prior bonds and the original issue discount or premium are amortized to interest expense using the effective interest method over the repayment period of the bonds. The original issue discount or premium and debt issuance costs are presented as a reduction of long-term debt.

Assets Whose Use is Limited or Restricted

Assets whose use is limited or restricted include assets held by trustees under indenture agreements, pension and insurance obligations, designated assets set aside by the Board of Trustees, over which the Board retains control and may, at its discretion, subsequently use for other purposes, and donor-restricted investments.

Net Assets With Donor Restrictions

Gifts are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. Donated investments, supplies and equipment are reported at fair value at the date of receipt. Unconditional promises to give cash and other assets are reported at fair value at the date of the receipt of the promise. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations as either net assets released from restrictions (for noncapital related items) or as net assets released from restrictions used for capital purchases (capital related items). Some net assets with donor restrictions have been restricted by donors to be maintained by the System in perpetuity.

2. **Significant Accounting Policies (Continued)**

Except for contributions related to capital purchases, donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions within net assets without donor restrictions in the accompanying consolidated financial statements.

Pledges Receivable

Pledges receivable are recognized as revenue when the unconditional promise to give is made. Pledges expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The present value of estimated future cash flows is measured utilizing risk-free rates of return adjusted for market and credit risk established at the time a contribution is received.

Investments and Investment Income (Loss)

Investments are carried at fair value in the accompanying consolidated balance sheets. See Note 8 for further discussion regarding fair value measurements. Investment income (loss) (including realized gains and losses on investments, interest and dividends) and the net change in unrealized gains and losses on equity securities are included in the deficiency of revenues and gains (losses) over expenses in the accompanying consolidated statements of operations, unless the income or loss is restricted by donor or law. The change in net unrealized gains and losses on debt securities is reported as a separate component of the change in net assets without donor restrictions, except declines that are determined by management to be other than temporary, which are reported as an impairment charge (included in the deficiency of revenues and gains (losses) over expenses). No such losses were recorded in 2023 or 2022.

Derivative Instruments

Derivatives are recognized as either assets or liabilities in the consolidated balance sheets at fair value regardless of the purpose or intent for holding the instrument. Changes in the fair value of derivatives are recognized either in the deficiency of revenues and gains (losses) over expenses or net assets, depending on whether the derivative is speculative or being used to hedge changes in fair value or cash flows. See also Note 6.

Beneficial Interest in Perpetual Trust

The System is the beneficiary of trust funds administered by trustees or other third parties. Trusts wherein the System has the irrevocable right to receive the income earned on the trust assets in perpetuity are recorded as net assets with donor restrictions at the fair value of the trust at the date of receipt. Income distributions from the trusts are reported as investment income that increase net assets without donor restrictions, unless restricted by the donor. Annual changes in the fair value of the trusts are recorded as increases or decreases to net assets with donor restrictions.

2. **Significant Accounting Policies (Continued)**

Endowment, Investment and Spending Policies

In accordance with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), the System considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Spending policies may be adopted by the System, from time to time, to provide a stream of funding for the support of key programs. The spending policies are structured in a manner to ensure that the purchasing power of the assets is maintained while providing the desired level of annual funding to the programs. The System currently has a policy allowing interest and dividend income earned on investments to be used for operations with the goal of keeping principal, including its appreciation, intact.

The System's investment policies provide guidance for the prudent and skillful management of invested assets with the objective of preserving capital and maximizing returns. The invested assets include endowment, specific purpose and board designated funds.

Endowment funds are identified as perpetual in nature, intended to provide support for current or future operations and other purposes identified by the donor. These funds are managed with disciplined longer-term investment objectives and strategies designed to accommodate relevant, reasonable, or probable events.

Specific purpose funds are temporary in nature, restricted as to time or purpose as identified by the donor or grantor. These funds have various intermediate/long-term time horizons associated with specific identified spending objectives.

Board designated funds have various intermediate/long-term time horizons associated with specific spending objectives as determined by the Board of Trustees.

Management of these assets is designed to maximize total return while preserving the capital values of the funds, protecting the funds from inflation and providing liquidity as needed. The objective is to provide a real rate of return that meets inflation, plus 4% to 5%, over a long-term time horizon.

The System targets a diversified asset allocation that places emphasis on achieving its long-term return objectives within prudent risk constraints.

Performance Indicator

Deficiency of revenues and gains (losses) over expenses is comprised of operating revenues and expenses and nonoperating gains and losses. For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operating revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains or losses, which include contributions without donor restrictions, development costs, net investment income or loss (including realized gains and losses on the sales of investments and unrealized gains and losses on equity investments), net periodic pension costs (other than service cost), other nonoperating expenses and losses, and contributions to community agencies.

2. **Significant Accounting Policies (Continued)**

Federal Grant Revenue and Expenditures

Revenues and expenses under federal grant programs are recognized as the related expenditure is incurred.

Malpractice Loss Contingencies

The System has a claims-made basis policy for its malpractice insurance coverage. A claims-made basis policy provides specific coverage for claims reported during the policy term. The System has established a reserve to cover professional liability exposure, which may not be covered by insurance. The possibility exists, as a normal risk of doing business, that malpractice claims in excess of insurance coverage may be asserted against the System. In the event a loss contingency should occur, the System would give it appropriate recognition in its consolidated financial statements in conformity with accounting standards. The System expects to be able to obtain renewal or other coverage in future years.

In accordance with Accounting Standards Update (ASU) No. 2010-24, "*Health Care Entities*" (Topic 954): *Presentation of Insurance Claims and Related Insurance Recoveries*, at September 30, 2023 and 2022, the System recorded a liability of $13,103,644 and $14,397,448, respectively, related to estimated professional liability losses covered under this policy. At September 30, 2023 and 2022, the System also recorded a receivable of $9,432,894 and $10,429,948, respectively, related to estimated recoveries under insurance coverage for recoveries of the potential losses. These amounts are included in accrued pension and other liabilities, and intangible assets and other, respectively, on the consolidated balance sheets.

Workers' Compensation

The System maintains workers' compensation insurance under a self-insured plan. The plan offers, among other provisions, certain specific and aggregate stop-loss coverage to protect the System against excessive losses. The System has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Accrued workers' compensation losses of $1,833,435 and $2,370,808 at September 30, 2023 and 2022, respectively, have been discounted at 1.25% and, in management's opinion, provide an adequate reserve for loss contingencies. At September 30, 2023, $891,220 and $942,215 is recorded within accounts payable and accrued expenses and accrued pension and other liabilities, respectively, in the accompanying consolidated balance sheet. The System has also recorded $114,822 and $158,710 within other current assets and intangible assets and other, respectively, in the accompanying consolidated balance sheet to limit the accrued losses to the retention amount at September 30, 2023. At September 30, 2022, $1,050,109 and $1,320,699 is recorded within accounts payable and accrued expenses and accrued pension and other liabilities, respectively, in the accompanying consolidated balance sheet. The System has also recorded $148,287 and $255,402 within other current assets and intangible assets and other, respectively, in the accompanying consolidated balance sheet to limit the accrued losses to the retention amount at September 30, 2022.

2. **Significant Accounting Policies (Continued)**

Health Insurance

The System has a self-funded health insurance plan. The plan is administered by an insurance company and the System has employed independent actuaries to estimate unpaid claims, and those claims incurred but not reported at fiscal year end. The System was insured above a stop-loss amount of approximately $1.5 million and $1.1 million at September 30, 2023 and 2022, respectively, on individual claims. Estimated unpaid claims, and those claims incurred but not reported, at September 30, 2023 and 2022 of $3,095,690 and $3,079,700, respectively, are reflected in the accompanying consolidated balance sheets within accounts payable and accrued expenses.

Functional Expense Allocation

The costs of providing program services and other activities have been summarized on a functional basis in Note 11. Accordingly, costs have been allocated among program services and supporting services benefitted.

Advertising Costs

The System expenses advertising costs as incurred, and such costs totaled approximately $1,107,000 and $1,203,000 for the years ended September 30, 2023 and 2022, respectively.

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*. The standard, including subsequently issued amendments, collectively referred to as Accounting Standards Codification (ASC) 842, *Leases*, established the principles that lessees and lessors will apply to report useful information to users of financial statements about the amount, timing and uncertainty of cash flows arising from a lease. ASC 842 did not have a significant impact on lessor accounting. The System adopted this standard using the modified retrospective transition approach as applied to leases existing as of or entered into after the adoption date (October 1, 2022) in fiscal year 2023. See Note 7 for a discussion of the System's adoption of this standard and its impact on the consolidated financial statements and related disclosures.

At the inception of an arrangement, the System determines whether the arrangement is, or contains, a lease based on the unique facts and circumstances present in the arrangement. A lease is a contract, or part of a contract, that conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration. The System determines if the contract conveys the right to control the use of an identified asset for a period of time. The System assesses throughout the period of use whether the System has both of the following: (1) the right to obtain substantially all of the economic benefits from use of the identified asset, and (2) the right to direct the use of the identified asset. This determination is reassessed if the terms of the contract are changed.

2. **Significant Accounting Policies (Continued)**

Leases are classified as operating or finance leases based on the terms of the lease agreement and certain characteristics of the identified asset. Leases with a term greater than one year are recognized on the balance sheet as right-of-use assets and lease liabilities, as applicable.

The interest rate implicit in lease contracts is typically not readily determinable. As a result, the System has elected to utilize a risk-free rate as the rate to discount lease payments.

Lease liabilities are initially recorded based on the present value of lease payments over the expected remaining lease term. Lease payments are comprised of fixed and in-substance fixed contract consideration. The System has made a policy election not to separate lease components, nonlease components, and noncomponents. The right-of-use asset is based on the lease liability, adjusted for certain items such as lease prepayments or lease incentives received. Finance lease assets are amortized on a straight-line basis, with interest costs reported separately, over the lesser of the useful life of the leased asset or lease term. Operating lease expense is recognized on a straight-line basis. Variable lease payments are expensed as incurred.

Certain lease agreements may include rental payments that are adjusted periodically for inflation or other variables. In addition to rent, the leases may require the System to pay additional amounts for taxes, insurance, maintenance and other expenses, which are generally referred to as nonlease components. Except for when the costs are fixed, such adjustments to rental payments and variable nonlease components are treated as variable lease payments and recognized in the period in which the obligation for these payments was incurred. Variable lease components and variable nonlease components are not measured as part of the right-of-use asset and liability. Only when lease components and their associated nonlease components are fixed are they accounted for as a single lease component and recognized as part of a right-of-use asset and liability. Total contract consideration is allocated to the combined fixed lease and nonlease component. This policy election applies consistently to all asset classes under lease agreements.

The System assesses at the commencement of a lease any options to extend or terminate the lease agreement, and will include in the lease term any extensions or renewals which it determines it is reasonably certain to exercise. Assumptions made at the lease commencement date are re-evaluated upon the occurrence of certain events, including a lease modification. A lease modification results in a separate contract when the modification grants the lessee an additional right-of-use not included in the original lease and when lease payments increase commensurate with the standalone price for the additional right-of-use. When a lease modification results in a separate contract, it is accounted for in the same manner as a new lease.

The System subleases certain lease arrangements. Sublease activity is not material to the consolidated financial statements.

2. **Significant Accounting Policies (Continued)**

Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. The COVID-19 pandemic has significantly affected employees, patients, systems, communities and business operations, as well as the U.S. economy and financial markets. Since the declaration of the pandemic, the System has received approximately $49.8 million of accelerated Medicare payments (see Note 4), approximately $33.5 million related to the *Coronavirus Aid, Relief and Economic Security Act* (CARES Act) Provider Relief Funds (PRF), approximately $14.1 million from the Governor's Office of Emergency Relief and Recovery (GOFERR) (under the CARES Act) and approximately $2.2 million in rural payments related to the *American Rescue Plan Act* (ARPA). Distributions from the PRF, GOFERR and ARPA are not subject to repayment, provided the System is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for healthcare-related expenses or lost revenue attributable to COVID-19. Such payments are accounted for as government grants, and are recognized on a systematic and rational basis as other income once there is reasonable assurance that the applicable terms and conditions required to retain the funds will be met. Based on an analysis of the compliance and reporting requirements of the PRF, GOFERR and ARPA and the impact of the pandemic on operating results through September 30, 2022, the System recognized approximately $15.1 million of the funding, which was recorded within other revenue in the accompanying consolidated statement of operations for the year ended September 30, 2022. No amounts related to PRF, GOFERR or ARPA were recognized within other revenue during the year ended September 30, 2023. The remaining funds were recognized within other revenue during previous years.

The CARES Act also provided for a deferral of payments of the employer portion of payroll tax incurred during the pandemic, allowing half of such payroll taxes to be deferred until December 2021, and the remaining half until December 2022. At September 30, 2022, the System had deferred balances of payroll taxes totaling approximately $3.7 million which were recorded within accrued salaries, wages and related accounts on the accompanying 2022 consolidated balance sheet. Amounts were fully repaid during the year ended September 30, 2023.

The System will continue to monitor compliance with the terms and conditions of the PRF, GOFERR and ARPA and other potential assistance programs and available grants, and the impact of the pandemic on revenues and expenses. If the System is unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted.

Subsequent Events

Management of the System evaluated events occurring between the end of the System's fiscal year and February 23, 2024, the date the consolidated financial statements were available to be issued.

3. Financial Assets and Liquidity Resources

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs, consisted of the following at September 30, 2023:

Cash and cash equivalents	$18,377,579
Short-term investments	541,194
Accounts receivable	68,821,375
	$87,740,148

To manage liquidity, the System maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to the System. In addition, the System has board-designated assets that can be utilized at the discretion of management to help fund both operational needs and/or capital projects. As of September 30, 2023, the balance in board-designated assets was approximately $116 million.

4. Patient Service Revenues

The System maintains contracts with the Social Security Administration ("Medicare") and the State of New Hampshire Department of Health and Human Services ("Medicaid"). The System is paid a prospectively determined fixed price for each Medicare and Medicaid inpatient acute care service depending on the type of illness or the patient's diagnosis related group classification. Capital costs and certain Medicare and Medicaid outpatient services are also reimbursed on a prospectively determined fixed price. The System receives payment for other Medicaid outpatient services on a reasonable cost basis which are settled with retroactive adjustments upon completion and audit of related cost finding reports. The percentage of patient service revenues earned from the Medicare and Medicaid programs was 37% and 3%, respectively, for the year ended September 30, 2023 and 37% and 4%, respectively, for the year ended September 30, 2022.

Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenues in the year that such amounts become known. Such differences increased patient service revenues by approximately $3.2 million for the year ended September 30, 2023. Such differences decreased patient service revenues by approximately $36,000 for the year ended September 30, 2022. Settlements for the Medical Center have been finalized through 2019 for Medicare and Medicaid.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The System believes that it is in compliance with all applicable laws and regulations; compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs (Note 15).

4. **Patient Service Revenues (Continued)**

As discussed in Note 2, during fiscal year 2020, the System requested accelerated Medicare payments as provided for in the CARES Act, which allowed for eligible health care facilities to request up to six months of advance Medicare payments for acute care hospitals or up to three months of advance Medicare payments for other health care providers. One year from the date of receipt of the advance payments (beginning April 2021) 25% of the advances were recouped in the first eleven months. An additional 25% of the advances were recouped in the next six months, with the entire amount repayable in 29 months. Any outstanding balance after 29 months was repayable at a 4% interest rate. During the third quarter of fiscal 2020, the System received approximately $49.0 million from these accelerated Medicare payment requests. All amounts were paid in full by September 30, 2022 and there was no remaining liability as of September 30, 2022.

The System also maintains contracts with certain commercial carriers, health maintenance organizations, preferred provider organizations and state and federal agencies. The basis for payment under these agreements includes prospectively determined rates per discharge and per day, discounts from established charges and fee schedules. The System does not currently hold reimbursement contracts which contain financial risk components.

An estimated breakdown of patient service revenues by major payor sources is as follows for the years ended September 30:

	2023	2022
Private payors (includes coinsurance and deductibles)	$285,102,590	$276,393,439
Medicaid	14,044,761	20,162,881
Medicare	183,100,699	181,435,250
Self-pay	8,943,992	7,638,416
	$491,192,042	$485,629,986

Medicaid Enhancement Tax and Disproportionate Share Payment

Under the State of New Hampshire's (the State) tax code, the State imposes a Medicaid Enhancement Tax (MET) equal to 5.40% of the Medical Center's patient service revenues with certain exclusions. The amount of tax incurred by the Medical Center for the years ended September 30, 2023 and 2022 was $23,814,464 and $22,288,821, respectively.

In the fall of 2010, in order to remain in compliance with stated federal regulations, the State of New Hampshire adopted a new approach related to Medicaid disproportionate share funding (DSH) retroactive to July 1, 2010. Unlike the former funding method, the State's approach led to a payment that was not directly based on, and did not equate to, the level of tax imposed. As a result, the legislation created some level of losses at certain New Hampshire hospitals, while other hospitals realized gains. DSH payments from the State are recorded in operating revenues and amounted to $23,598,275 and $21,383,859 for the years ended September 30, 2023 and 2022, respectively, net of reserves referenced below.

4. Patient Service Revenues (Continued)

The Centers for Medicare and Medicaid Services (CMS) has completed audits of the State's program and the disproportionate share payments made by the State from 2011 through 2019, the first years that those payments reflected the amount of uncompensated care provided by New Hampshire hospitals. It is possible that subsequent years will also be audited by CMS. The System has recorded reserves to address its potential exposure based on the audit results to date or any future redistributions.

5. Property, Plant and Equipment

The major categories of property, plant and equipment are as follows at September 30:

	2023	2022
Land and land improvements	$ 16,985,158	$ 4,706,700
Buildings and improvements	145,676,492	143,581,379
Fixed equipment	45,823,551	45,685,309
Movable equipment	142,177,096	135,055,783
Construction in progress	13,038,309	24,957,824
	363,700,606	353,986,995
Less accumulated depreciation and amortization	(219,163,530)	(206,823,865)
Net property, plant and equipment	$ 144,537,076	$ 147,163,130

6. Long-Term Debt and Finance Lease Liabilities

Long-term debt and finance lease liabilities consist of the following at September 30:

	2023	2022
New Hampshire Health and Education Facilities Authority (the Authority) Revenue Bonds:		
Series 2012 Bonds with interest ranging from 4.00% to 5.00% per year and principal payable in annual installments ranging from $1,175,000 to $1,665,000 through July 2032	$ 12,775,000	$ 13,900,000
Series 2015A Bonds with interest at a fixed rate of 4.35% per year and principal payable in annual installments ranging from $185,000 to $1,655,000 through July 2040. Amended and restated in 2023, as discussed below	18,620,000	19,750,000
Series 2015B Bonds with variable interest subject to interest rate swap described below and principal payable in annual installments ranging from $445,000 to $665,000 through July 2036. Amended and restated in 2023, as discussed below	6,985,000	7,420,000
Series 2017 Bonds with interest ranging from 3.38% to 5.00% per year and principal payable in annual installments ranging from $2,900,000 to $7,545,000 beginning in July 2033 through July 2044	61,115,000	61,115,000
	99,495,000	102,185,000

6. **Long-Term Debt and Finance Lease Liabilities (Continued)**

	2023	2022
Construction loans – see below	$ 18,488,254	$ 18,531,163
MOB LLC note payable – see below	6,862,500	7,096,500
Term loan – see below	34,410,000	35,000,000
Finance lease liabilities (see Note 7)	3,309,785	2,672,981
Unamortized original issue premiums/discounts	3,684,089	4,005,529
Unamortized debt issuance costs	(1,124,348)	(1,179,319)
	165,125,280	168,311,854
Less current portion	(5,849,394)	(4,412,597)
	$159,275,886	$163,899,257

The Authority Revenue Bonds

In December 2012, the Medical Center, in connection with the Authority, issued $35,275,000 of tax-exempt fixed rate revenue bonds (Series 2012). Under the terms of the loan agreements, the Medical Center has granted the Authority a first collateralized interest in all gross receipts and a mortgage lien on existing and future property, plant and equipment. The proceeds of the Series 2012 bond issue were used to advance refund the remaining 2002A Bonds, advance refund certain 2002B Bonds, pay off a short term CAN note and fund certain capital purchases.

On September 3, 2015, the Authority issued $32,720,000 of Revenue Bonds, Catholic Medical Center Issue, Series 2015, consisting of the $24,070,000 aggregate principal amount Series 2015A Bonds and the $8,650,000 aggregate principal amount Series 2015B Bonds sold via direct placement to a financial institution. Although the Series 2015B Bonds were issued, they were not drawn on until July 1, 2016, as discussed below. Under the terms of the loan agreements, the Medical Center has granted the Authority a first collateralized interest in all gross receipts and a mortgage lien on existing and future property, plant and equipment. The Series 2015A Bonds were issued to provide funds for the purpose of (i) advance refunding a portion of the outstanding 2006 Bonds in an amount of $20,655,000 to the first call date of July 1, 2016; (ii) funding certain construction projects and equipment purchases in an amount of approximately $3,824,000, and (iii) paying the costs of issuance related to the Series 2015 Bonds. The Series 2015B Bonds were structured as drawdown bonds. On July 1, 2016, the full amount available under the Series 2015B Bonds totaling $8,650,000 was drawn upon and the proceeds in combination with cash contributed by the Medical Center totaling $555,000 were used to currently refund the remaining balance of the Series 2006 Bonds totaling $9,205,000. On April 1, 2023, the Series 2015A and Series 2015B Bonds were amended and restated to extend the tenor, amend certain covenants and provide for certain interest rate changes. The Series 2015A Bonds will continue to be amortized in line with the existing schedule, with a final maturity of July 1, 2040, subject to a mandatory tender seven years from the date of closing on the new commitment (April 1, 2030). The interest rate is a 7-year fixed rate equal to TD Bank's 7/17 Open Cost of Funds (COF) rate plus 0.65%, multiplied by 81.5% (4.35% at the date of closing). The Series 2015B Bonds will continue to be amortized in line with the existing schedule, with a final maturity of July 1, 2036, subject to a mandatory tender seven years from the date of closing on the new commitment (April 1, 2030). The interest rate is a variable rate equal to the Term Secured Overnight Financing Rate (SOFR) plus 1.35%, multiplied by 81.5%, adjusted monthly (5.44% at September 30, 2023).

6. **Long-Term Debt and Finance Lease Liabilities (Continued)**

On September 1, 2017, the Authority issued $61,115,000 of Revenue Bonds, Catholic Medical Center Issue, Series 2017. The Series 2017 Bonds were issued to fund various construction projects and equipment purchases, as well as pay certain costs of issuance related to the Series 2017 Bonds. Under the terms of the loan agreements, the Medical Center has granted the Authority a first collateralized interest in all gross receipts and a mortgage lien on existing and future property, plant and equipment.

The Medical Center has an agreement with the Authority, which provides for the establishment of various funds, the use of which is generally restricted to the payment of debt, as well as a construction fund related to the Series 2017 Bonds. These funds are administered by a trustee, and income earned on certain of these funds is similarly restricted.

Construction Loans

On July 1, 2019, the Medical Center established a nonrevolving line of credit up to $10,000,000 with a bank in order to fund the expansion of the Medical Center. The line of credit bore interest at the LIBOR lending rate plus 0.75%. Advances from the line of credit were available through July 1, 2021, at which time the then outstanding line of credit balance automatically converted to a term loan. Upon conversion, the Medical Center began making monthly payments of principal and interest, assuming a 30-year level monthly principal and interest payment schedule, with a final maturity of July 1, 2029. The bank computed the schedule of principal payments based on the interest rate applicable on the conversion date (0.85%). Payments of interest only were due on a monthly basis until the conversion date. The Medical Center has pledged gross receipts as collateral. During fiscal year 2023, the Medical Center converted the underlying index from LIBOR to SOFR. As of September 30, 2023 and 2022, the balance outstanding under the converted term loan is $9,375,052 and $9,656,857, respectively.

On March 20, 2020, the Medical Center established a second nonrevolving line of credit up to $10,000,000 with a bank in order to further fund certain costs related to the expansion of the Medical Center. The line of credit bore interest at the LIBOR lending rate plus 0.75%. Advances from the line of credit were available through March 20, 2022, at which time the then outstanding line of credit balance was to automatically convert to a term loan. During 2022, the conversion date was extended through December 31, 2022. Upon conversion, the Medical Center began making monthly payments of principal and interest, assuming a 30-year level monthly principal and interest payment schedule, with a final maturity of March 20, 2030. The bank computed the schedule of principal payments based on the interest rate applicable on the conversion date (5.12%). Payments of interest only were due on a monthly basis until the conversion date. The Medical Center has pledged gross receipts as collateral. During fiscal year 2023, the Medical Center converted the underlying index from LIBOR to SOFR. As of September 30, 2023, the balance of the converted loan is $9,113,202. As of September 30, 2022, the Medical Center had drawn $8,874,306 on this line of credit.

6. **Long-Term Debt and Finance Lease Liabilities (Continued)**

MOB LLC Note Payable

On March 27, 2018, the MOB LLC (a subsidiary of Enterprises) refinanced an existing note payable to a term loan totaling $8,130,000. Interest is fixed at 3.71% and is payable monthly. Principal payments of $19,500 are due in monthly installments beginning May 1, 2018, and continuing until March 27, 2028, at which time the remaining unpaid principal and interest shall be due in full. During 2021, the fixed interest rate on this note payable was modified to a fixed rate of 4.52%. All other payment terms remained the same. Under the terms of the loan agreement, the Medical Center and MOB LLC (the Obligated Group) has granted the bank a first collateralized interest in all gross receipts and a mortgage lien on existing and future property, plant and equipment. The Medical Center and the System also guarantee the note payable.

Term Loan

On August 21, 2020, the Medical Center entered into a term loan with TD Bank totaling $35,000,000 with the proceeds to be used for general working capital and liquidity purposes, as well as to pay the costs of issuance related to the term loan. Interest was fixed at 2.11%, and payments of interest only were due on a monthly basis through August 21, 2023, at which time the full principal amount outstanding was due, along with any accrued and unpaid interest. The Medical Center has pledged gross receipts as collateral, and the term loan is further secured by a mortgage until such time the aforementioned Authority bonds are no longer outstanding. On April 1, 2023, this term loan was amended and restated to extend the tenor, amend certain covenants and provide for certain interest rate changes. The new term is a 7-year term with amortization based on a 20-year schedule, with a final maturity in 2030. The interest rate is a fixed rate equal to the bank's 7-year COF rate, plus 0.95% (6.09% at September 30, 2023).

The aggregate principal payments due on the revenue bonds, finance lease liabilities and other debt obligations for each of the five years ending September 30 and thereafter are as follows:

2024	$ 5,849,394
2025	6,265,487
2026	6,481,304
2027	6,707,199
2028	12,323,729
Thereafter	124,938,426
	$162,565,539

Interest paid by the System totaled $6,848,036 and $5,370,357 for the years ended September 30, 2023 and 2022, respectively.

6. **Long-Term Debt and Finance Lease Liabilities (Continued)**

Debt Covenants

In conjunction with the revenue bonds, construction loans and term loan outlined above, the Medical Center is required to maintain a minimum debt service coverage ratio of 1.20 and a cash to debt requirement of 0.60. The Medical Center, as well as the Obligated Group for the MOB LLC note payable, was in compliance with all required debt covenants as of September 30, 2023 and 2022. During 2023, in conjunction with the restatements and amendments previously discussed for the Series 2015A and Series 2015B Bonds and the term loan, certain debt covenants were modified. These modifications include the requirement for the minimum debt service coverage ratio to be tested quarterly, along with the definition and thresholds for hard and soft defaults of 1.00 and 1.20, respectively. In addition, if at any time the Obligated Group's public rating falls to BBB- (or equivalent) or lower, the unrestricted cash to debt ratio of 0.60 must be tested semi-annually, until such time the lowest rating returns to BBB (or equivalent) or higher.

Derivatives

The Medical Center uses derivative financial instruments principally to manage interest rate risk. In January 2016, the Medical Center entered into an interest rate swap agreement with an initial notional amount of $8,650,000 in connection with its Series 2015B Bond issuance. The swap agreement hedges the Medical Center's interest exposure by effectively converting interest payments from variable rates to a fixed rate. The swap agreement is designated as a cash flow hedge of the underlying variable rate interest payments, and changes in the fair value of the swap agreement are reported as a change in net assets without donor restrictions. Under this agreement, the Medical Center pays a fixed rate equal to 1.482%, and receives a variable rate of 69.75% of the one-month SOFR rate (3.79% at September 30, 2023). Payments under the swap agreement began August 1, 2016 and the agreement will terminate August 1, 2025.

The fair value of the Medical Center's interest rate swap agreement amounted to $258,412 and $263,468 as of September 30, 2023 and 2022, respectively, which has been recorded within intangible assets and other and accrued pension and other liabilities in the accompanying consolidated balance sheets. The change in the fair value of this derivative of $(5,056) and $540,490, respectively, has been included within the consolidated statements of changes in net assets as a change in net assets without donor restrictions for the years ended September 30, 2023 and 2022. During 2023, in connection with the amended and restated Series 2015B Bonds discussed above, the interest rate on the above swap agreement was converted from LIBOR to SOFR. Further, the Medical Center was provided with the option to extend the swap agreement maturity to match the new tenor of the Series 2015B Bonds. The Medical Center did not exercise this option.

7. Leases

Adoption of ASC Topic 842, Leases (ASC 842)

The System leases various office space under operating leases, as well as equipment under finance leases. ASC 842 became effective for the System on October 1, 2022 and was adopted using the modified retrospective method for all leases that had commenced as of the effective date, along with certain available practical expedients. The System elected to recognize any effects of applying the new standard as a cumulative-effect adjustment to the opening balance of net assets in the period of adoption, which there were none. In addition, the System elected to adopt the package of practical expedients permitted under the transition guidance within the new standard. The practical expedient package applied to leases that commenced prior to the effective date of the new standard and permits a reporting entity not to: i) reassess whether any expired or existing contracts are or contain leases, ii) reassess the historical lease classification for any expired or existing leases, and iii) reassess initial direct costs for any existing leases. The reporting results for fiscal year 2023 reflect the application of ASC 842 guidance while the historical results for fiscal year 2022 were prepared under the guidance of ASC 840. The adoption of the new standard did not have a significant impact upon the System's consolidated statements of operations, changes in net assets and cash flows. The adoption of the new standard resulted in the following impact to the 2023 consolidated balance sheet: 1) no significant change in the carrying values of assets and liabilities related to the System's finance leases, previously referred to as capital leases, and 2) the recording of right-of-use assets and corresponding lease liabilities pertaining to the System's operating leases, adjusting for the existing balances of deferred rent liabilities as of the transition date.

Right-of-use assets and lease liabilities are reported in the System's 2023 consolidated balance sheet as follows:

Operating leases:	
Operating lease right-of-use assets	$22,947,345
Current portion of operating lease liabilities	$ 3,543,127
Operating lease liabilities, less current portion	20,752,352
Total operating lease liabilities	$24,295,479
Finance leases:	
Property and equipment, net	$ 3,467,625
Current portion of finance lease liabilities	$ 891,079
Finance lease liabilities, less current portion	2,418,706
Total finance lease liabilities	$ 3,309,785

7. **Leases (Continued)**

Description	Consolidated Statement of Operations Classification	
Operating lease expense	Supplies and other	$3,304,135
Variable lease costs	Supplies and other	1,367,058
Finance lease costs:		
Amortization of right-of-use assets	Depreciation and amortization	$ 689,077
Interest on lease liabilities	Interest expense	66,202

Supplemental Cash Flow Information

Cash flow included in the measurement of lease liabilities for fiscal year 2023 were as follows:

Operating leases – operating cash flows (fixed payments)	$ 3,535,186
Operating cash flows for finance leases (interest payments)	66,202
Finance cash flows for finance leases (liability reduction)	749,729
Noncash lease activity:	
Operating leases - right-of-use assets and operating lease liabilities recorded upon adoption of ASU 842	24,919,877
Operating leases - right-of-use assets obtained in exchange for new operating lease liabilities	29,800
Finance leases – right-of-use assets obtained in exchange for new finance lease liabilities	1,359,204

Lease Term and Discount Rate

Lease term and discount rate are as follows for the fiscal year ended September 30, 2023:

Weighted-average remaining lease term (in years):	
Operating leases	3.94
Finance leases	3.76
Weighted-average discount rate:	
Operating leases	3.90%
Finance leases	3.34%

7. **Leases (Continued)**

As of September 30, 2023, maturities of operating and finance lease liabilities for each of the following five years and thereafter were as follows:

	Operating Leases	Finance Leases
2024	$ 3,603,570	$ 988,348
2025	3,408,608	975,803
2026	2,986,177	823,418
2027	2,430,654	609,995
2028	2,448,720	138,493
Thereafter	14,583,043	–
Total minimum future lease payments	29,460,772	3,536,057
Less imputed interest	(5,165,293)	(226,272)
Total lease liabilities	$24,295,479	$3,309,785

As of September 30, 2022, future minimum lease payments prepared under the previous guidance of ASC 840 were as follows:

2023	$ 4,134,352
2024	3,531,176
2025	3,175,034
2026	2,061,557
2027	718,943
Thereafter	561,132
	$14,182,194

The net carrying value of assets held under finance leases was $2,797,497 at September 30, 2022. Rental expenses under operating leases for the year ended September 30, 2022 was $5,490,951.

8. Investments and Assets Whose Use is Limited

Short-term investments and assets whose use is limited (including pledges receivable) are comprised of the following at September 30:

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Cash and cash equivalents	$ 41,777,327	$ 41,777,327	$ 27,178,175	$ 27,178,175
U.S. federal treasury obligations	48,715,061	48,772,227	2,476,435	2,595,002
Marketable equity securities	39,329,935	35,799,815	96,725,936	106,124,416
Fixed income securities	29,348,428	30,736,273	38,156,929	42,683,533
Private investment funds	–	–	7,179,211	4,527,110
Pledges receivable	1,059,323	1,059,323	1,829,416	1,829,416
Due from private investment fund	9,019,377	9,019,377	–	–
	$169,249,451	$167,164,342	$173,546,102	$184,937,652

The System fully redeemed its private investment fund at net asset value totaling $9,019,377 as of September 30, 2023. The System considers the redemption within investments as these funds are to be fully reinvested within its investment portfolio. Accordingly, this redemption is included within investments as due from private investment fund at September 30, 2023. On October 4, 2023, the System received the cash from this fund redemption totaling $9,019,377.

Pledges receivable are due as follows at September 30:

	2023	2022
In one year or less (included in other current assets)	$ 608,320	$ 986,045
Between one and five years	461,070	860,179
	1,069,390	1,846,224
Less unamortized discount	(10,067)	(16,808)
	$1,059,323	$1,829,416

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In determining fair value, the use of various valuation approaches, including market, income and cost approaches, is permitted.

A fair value hierarchy has been established based on whether the inputs to valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from sources independent of the reporting entity and unobservable inputs reflect the entity's own assumptions about how market participants would value an asset or liability based on the best information available. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

8. **Investments and Assets Whose Use is Limited (Continued)**

The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used by the System for financial instruments measured at fair value on a recurring basis. The three levels of inputs are as follows:

Level 1 — Observable inputs such as quoted prices in active markets;

Level 2 — Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3 — Unobservable inputs in which there is little or no market data.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques. The three valuation techniques are as follows:

- *Market approach* – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- *Cost approach* – Amount that would be required to replace the service capacity of an asset (i.e., replacement cost); and
- *Income approach* – Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques).

In determining the appropriate levels, the System performs a detailed analysis of the assets and liabilities. There have been no changes in the methodologies used at September 30, 2023 and 2022.

The following are descriptions of the valuation methodologies used:

U.S. Federal Treasury Obligations and Fixed Income Securities

The fair value is determined by using broker or dealer quotations, external pricing providers, or alternative pricing sources with reasonable levels of price transparency. The System holds fixed income mutual funds and exchange traded funds, governmental and federal agency debt instruments, municipal bonds, corporate bonds, and foreign bonds which are primarily classified as Level 1 within the fair value hierarchy.

Marketable Equity Securities

Marketable equity securities are valued based on stated market prices and at the net asset value of shares held by the System at year end, which generally results in classification as Level 1 within the fair value hierarchy.

8. **Investments and Assets Whose Use is Limited (Continued)**

Private Investment Funds

The System invests in private investment funds that consist primarily of limited partnership interests in investment funds, which, in turn, invest in diversified portfolios predominantly comprised of equity and fixed income securities, as well as options, futures contracts, and some other less liquid investments. Management has approved procedures pursuant to the methods in which the System values these investments, which ordinarily will be the amount equal to the pro-rata interest in the net assets of the limited partnership, as such value is supplied by, or on behalf of, each investment manager from time to time, usually monthly and/or quarterly.

System management is responsible for the fair value measurements of investments reported in the consolidated financial statements. Such amounts are generally determined using audited financial statements of the funds and/or recently settled transactions. Because of inherent uncertainty of valuation of certain private investment funds, the estimate of the fund manager or general partner may differ from actual values, and differences could be significant. Management believes that reported fair values of its private investment funds at the consolidated balance sheet dates are reasonable. As previously discussed, the System fully redeemed its private investment fund at net asset value totaling $9,019,377 as of September 30, 2023.

Fair Value on a Recurring Basis

The following table presents information about the System's assets and liabilities measured at fair value on a recurring basis based upon the lowest level of significant input to the valuations at September 30, 2023:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 41,777,327	$ –	$ –	$ 41,777,327
U.S. federal treasury obligations	48,715,061	–	–	48,715,061
Marketable equity securities	39,329,935	–	–	39,329,935
Fixed income securities	29,348,428	–	–	29,348,428
Total investments at fair value	$159,170,751	$ –	$ –	159,170,751
Investments measured at net asset value:				
Due from private investment fund				9,019,377
Total investments at fair value				168,190,128
Interest rate swap agreement	$ –	$ –	$258,412	258,412
Total assets at fair value				$168,448,540

Total investments, excluding pledges receivable, net, included the following as of September 30, 2023:

Short-term investments	$ 541,194
Assets whose use is limited	167,648,934
	$168,190,128

8. **Investments and Assets Whose Use is Limited (Continued)**

The following table presents information about the System's assets and liabilities measured at fair value on a recurring basis based upon the lowest level of significant input to the valuations at September 30, 2022:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 27,178,175	$ –	$ –	$ 27,178,175
U.S. federal treasury obligations	2,476,435	–	–	2,476,435
Marketable equity securities	96,725,936	–	–	96,725,936
Fixed income securities	38,156,929	–	–	38,156,929
	$164,537,475	$ –	$ –	164,537,475
Investments measured at net asset value:				
Private investment funds				7,179,211
Total investments at fair value				171,716,686
Interest rate swap agreement	$ –	$ –	$263,468	263,468
Total assets at fair value				$171,980,154

Total investments, excluding pledges receivable, net, included the following as of September 30, 2022:

Short-term investments	$ 3,603,910
Assets whose use is limited	168,112,776
	$171,716,686

There were no significant purchases, issues or transfers into or out of Level 3 for the years ended September 30, 2023 or 2022.

Net Asset Value Per Share

The following table discloses the fair value and redemption frequency of those assets whose fair value is estimated using the net asset value per share practical expedient at September 30, 2022:

Category	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period
Private investment funds	$ 7,179,211	$ –	Monthly	5 day notice

As previously discussed, the System fully redeemed its private investment fund at net asset value totaling $9,019,377 as of September 30, 2023.

8. Investments and Assets Whose Use is Limited (Continued)

Investment Strategies

U.S. Federal Treasury Obligations and Fixed Income Securities

The primary purpose of these investments is to provide a highly predictable and dependable source of income, preserve capital, reduce the volatility of the total portfolio, and hedge against the risk of deflation or protracted economic contraction.

Marketable Equity Securities

The primary purpose of equity investments is to provide appreciation of principal and growth of income with the recognition that this requires the assumption of greater market volatility and risk of loss. The total equity portion of the portfolio will be broadly diversified according to economic sector, industry, number of holdings and other characteristics, including style and capitalization. The System may employ multiple equity investment managers, each of whom may have distinct investment styles. Accordingly, while each manager's portfolio may not be fully diversified, it is expected that the combined equity portfolio will be broadly diversified.

Private Investment Funds

The primary purpose of private investment funds is to provide further portfolio diversification and to reduce overall portfolio volatility by investing in strategies that are less correlated with traditional equity and fixed income investments. Private investment funds may provide access to strategies otherwise not accessible through traditional equities and fixed income such as derivative instruments, real estate, distressed debt and private equity and debt. As previously discussed, the System fully redeemed its private investment fund at net asset value totaling $9,019,377 as of September 30, 2023.

Fair Value of Other Financial Instruments

Other financial instruments consist of accounts receivable, pledges receivable, accounts payable and accrued expenses and amounts payable to third-party payors. The fair value of these financial instruments approximates their relative book values as these financial instruments have short-term maturities or are recorded at amounts that approximate fair value.

9. Retirement Benefits

As discussed in Note 2, effective June 30, 2023, the Board of Trustees approved the merger of the New Hampshire Medical Laboratories Retirement Income Plan (NHML Plan), a related plan administered by Catholic Medical Center, into the Catholic Medical Center Pension Plan. The NHML Plan offered a lump sum window prior to the merger and incurred a one-time settlement charge of $105,593, which is reflected as a component of net periodic pension cost, other than service cost in the accompanying 2023 consolidated statement of operations.

9. Retirement Benefits (Continued)

A reconciliation of the changes in the Catholic Medical Center Pension Plan, the Medical Center's Supplemental Executive Retirement Plan and the New Hampshire Medical Laboratories Retirement Income Plan projected benefit obligations and the fair value of assets for the years ended September 30, 2023 and 2022, and a statement of funded status of the plans for both years are as follows:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Changes in benefit obligations:						
Projected benefit obligations at beginning of year	$ (250,340,503)	$(333,300,327)	$(2,297,109)	$(3,404,278)	$(2,188,673)	$(2,819,916)
Service cost	(1,600,000)	(1,600,000)	–	–	(20,000)	(30,000)
Interest cost	(13,172,161)	(9,442,623)	(111,605)	(69,258)	(106,776)	(70,760)
Benefits paid	11,637,657	10,516,182	240,028	248,345	–	173,488
Actuarial gain	18,090,881	81,777,574	409,617	928,082	–	536,341
Expenses paid	(1,670,165)	1,708,691	–	–	–	22,174
Plan merger	(2,315,449)	–	–	–	2,315,449	–
Projected benefit obligations at end of year	(239,369,740)	(250,340,503)	(1,759,069)	(2,297,109)	–	(2,188,673)
Changes in plan assets:						
Fair value of plan assets at beginning of year	184,305,566	230,969,065	–	–	2,375,361	3,094,944
Actual return (loss) on plan assets	24,053,969	(40,221,086)	–	–	–	(523,921)
Employer contributions	–	5,782,460	240,028	248,345	–	–
Benefits paid	(11,637,657)	(10,516,182)	(240,028)	(248,345)	–	(173,488)
Expenses paid	(1,670,165)	(1,708,691)	–	–	–	(22,174)
Plan merger	2,375,361	–	–	–	(2,375,361)	–
Fair value of plan assets at end of year	197,427,074	184,305,566	–	–	–	2,375,361
Funded status of plan at September 30	$ (41,942,666)	$ (66,034,937)	$(1,759,069)	$(2,297,109)	$ –	$ 186,688
Amounts recognized in the balance sheets consist of:						
Current liability	$ –	$ –	$ (229,167)	$ (278,033)	$ –	$ –
Noncurrent (liability) asset	(41,942,666)	(66,034,937)	(1,529,902)	(2,019,076)	–	186,688
	$ (41,942,666)	$ (66,034,937)	$(1,759,069)	$(2,297,109)	$ –	$ 186,688

The current portion of accrued pension costs included in the above amounts for the System amounted to $229,167 and $278,033 at September 30, 2023 and 2022, respectively, and has been included in accounts payable and accrued expenses in the accompanying consolidated balance sheets.

The amounts recognized in net assets without donor restrictions for the years ended September 30 consist of:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Amounts recognized in the balance sheets – total plan:						
Net assets without donor restrictions:						
Net loss	$ (77,814,822)	$(101,879,882)	$ (302,106)	$ (758,834)	$ –	$(1,362,239)
Net amount recognized	$ (77,814,822)	$(101,879,882)	$ (302,106)	$ (758,834)	$ –	$(1,352,239)

9. Retirement Benefits (Continued)

Net periodic pension cost includes the following components for the years ended September 30:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Service cost	$ 1,600,000	$ 1,600,000	$ –	$ –	$ 20,000	$ 30,000
Interest cost	13,172,161	9,442,623	111,605	69,258	106,776	70,760
Expected return on plan assets	(15,282,508)	(13,219,077)	–	–	(185,284)	(174,310)
Amortization of actuarial loss	1,948,726	4,980,228	46,661	127,763	36,250	71,227
Settlement loss	–	–	–	–	105,593	–
Net periodic pension cost	$ 1,438,379	$ 2,803,774	$ 158,266	$ 197,021	$ 83,335	$ (2,323)

Other changes in plan assets and benefit obligations recognized in net assets without donor restrictions for the years ended September 30, 2023 and 2022 consist of:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Net (gain) loss	$ (23,442,144)	$ (28,342,395)	$ (409,617)	$ (928,082)	$ –	$ 161,890
Amortization of actuarial loss	(1,984,976)	(4,980,228)	(46,661)	(127,763)	–	(71,227)
Net amount recognized	$ (25,427,120)	$ (33,322,623)	$ (456,278)	$ (1,055,845)	$ –	$ 90,663

The investments of the plans are comprised of the following at September 30:

	Target Allocation		Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022	2023	2022
Cash and cash equivalents	0.0%	0.0%	1.8%	2.3%	0.0%	0.0%	0.0%	2.3%
Equity securities	70.0	70.0	66.4	61.8	0.0	0.0	0.0	61.8
Fixed income securities	20.0	20.0	25.2	30.5	0.0	0.0	0.0	30.5
Other	10.0	10.0	6.6	5.4	0.0	0.0	0.0	5.4
	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	100.0%

The assumption for the long-term rate of return on plan assets has been determined by reflecting expectations regarding future rates of return for the investment portfolio, with consideration given to the distribution of investments by asset class and historical rates of return for each individual asset class.

The weighted-average assumptions used to determine the defined benefit pension plan obligations at September 30 are as follows:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Discount rate	5.87%	5.39%	5.67%	5.18%	N/A	5.32%
Rate of compensation increase	N/A	N/A	N/A	N/A	N/A	N/A

9. Retirement Benefits (Continued)

The weighted-average assumptions used to determine the defined benefit pension plan net periodic benefit costs for the years ended September 30 are as follows:

	Catholic Medical Center Pension Plan		Pre-1987 Supplemental Executive Retirement Plan		New Hampshire Medical Laboratories Retirement Income Plan	
	2023	2022	2023	2022	2023	2022
Discount rate	5.39%	2.81%	5.18%	2.13%	5.32%/5.62%*	2.55%
Rate of compensation increase	N/A	N/A	N/A	N/A	N/A	N/A
Expected long-term return on plan assets	7.40%	6.30%	N/A	N/A	7.40%	6.30%

* 5.32% for the NHML Plan at September 30, 2022 and 5.62% after settlement at November 1, 2022.

The System expects to make employer contributions totaling approximately $935,000 to the Catholic Medical Center Pension Plan and Pre-1987 Supplemental Executive Retirement Plan for the fiscal year ending September 30, 2024.

The benefits, which reflect expected future service, as appropriate, expected to be paid for the years ending September 30 are as follows:

	Catholic Medical Center Pension Plan	Pre-1987 Supplemental Executive Retirement Plan
2024	$12,744,963	$235,574
2025	13,679,534	225,450
2026	14,371,878	214,468
2027	15,185,988	202,688
2028	15,870,045	190,196
2029 - 2033	86,613,174	748,658

The System contributed $240,028 to the Pre-1987 Supplemental Executive Retirement Plan for the year ended September 30, 2023. No contributions were made to the Catholic Medical Center Pension Plan or the NHML Plan for the year ended September 30, 2023. The System contributed $5,782,460 and $248,345 to the Catholic Medical Center Pension Plan and the Pre-1987 Supplemental Executive Retirement Plan, respectively, for the year ended September 30, 2022. No contributions were made to the NHML Plan for the year ended September 30, 2022. The System plans to make any necessary contributions during the upcoming fiscal 2024 year to ensure the plans continue to be adequately funded given the current market conditions.

9. Retirement Benefits (Continued)

The following fair value hierarchy table presents information about the financial assets of the above plans measured at fair value on a recurring basis based upon the lowest level of significant input valuation as of September 30:

	Level 1	Level 2	Level 3	Total
2023				
Cash and cash equivalents	$ 3,512,434	$ –	$ –	$ 3,512,434
Marketable equity securities	131,185,587	–	–	131,185,587
Fixed income securities	49,684,039	–	–	49,684,039
	$184,382,060	$ –	$ –	184,382,060
Investments measured at net asset value:				
Private investment funds				13,045,014
Total investments at fair value				$197,427,074
2022				
Cash and cash equivalents	$ 4,366,905	$ –	$ –	$ 4,366,905
Marketable equity securities	115,436,173	–	–	115,436,173
Fixed income securities	56,839,258	–	–	56,839,258
	$176,642,336	$ –	$ –	176,642,336
Investments measured at net asset value:				
Private investment funds				10,038,591
Total investments at fair value				$186,680,927

10. Charity Care and Community Benefits

The System rendered charity care in accordance with its formal charity care policy, which, at established charges, amounted to $21,794,470 and $14,981,481 for the years ended September 30, 2023 and 2022, respectively. Also, the System provides community service programs, without charge, such as the Medication Assistance Program, Community Education and Wellness, Patient Transport, and the Parish Nurse Program. The costs of providing these programs amounted to $941,599 and $876,500 for the years ended September 30, 2023 and 2022, respectively.

11. Functional Expenses

The System provides general health care services to residents within its geographic location including inpatient, outpatient and emergency care. Expenses related to providing these services are as follows at September 30:

	Healthcare Services	General and Administrative	Total
2023			
Salaries, wages and fringe benefits	$287,797,321	$47,207,281	$335,004,602
Supplies and other	165,023,651	39,159,253	204,182,904
New Hampshire Medicaid enhancement tax	23,814,464	–	23,814,464
Depreciation and amortization	7,535,378	6,030,252	13,565,630
Interest	5,197,385	1,422,670	6,620,055
	$489,368,199	$93,819,456	$583,187,655
2022			
Salaries, wages and fringe benefits	$282,214,354	$42,467,030	$324,681,384
Supplies and other	157,788,260	37,559,926	195,348,186
New Hampshire Medicaid enhancement tax	22,288,821	–	22,288,821
Depreciation and amortization	7,122,925	6,144,258	13,267,183
Interest	4,028,867	1,097,303	5,126,170
	$473,443,227	$87,268,517	$560,711,744

The consolidated financial statements report certain expense categories that are attributable to more than one healthcare service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as depreciation and interest, are allocated to a function based on square footage. Supporting activities that are not directly identifiable with one or more healthcare programs are classified as general and administrative. If it is impossible or impractical to make a direct identification, allocation of the expenses were made according to management's estimates. Employee benefits are allocated in accordance with the ratio of salaries and wages of the functional classes. Specifically identifiable costs are assigned to the function which they are identified to.

12. Concentration of Credit Risk

The System grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors is as follows at September 30:

	2023	2022
Medicare	48%	40%
Medicaid	9	13
Commercial insurance and other	21	19
Patients (self pay)	7	8
Anthem Blue Cross	15	20
	100%	100%

13. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at September 30:

	2023	2022
Funds subject to use or time restrictions:		
Capital acquisitions	$ 3,064,994	$17,336,612
Healthcare services	1,094,676	1,143,769
Indigent care	726,804	676,640
Pledges receivable	1,059,323	1,829,416
	5,945,797	20,986,437
Funds of perpetual duration	564,379	360,779
Perpetual trusts	8,120,565	7,746,540
	$14,630,741	$29,093,756

During fiscal year 2023, due to various events that occurred and having an impact on the Medical Center's plans for a building expansion, the Medical Center prepared to return a donor contribution of approximately $15 million. Subsequent to year end, the Medical Center returned the contribution to the donor totaling $15,032,182. Such amount is recorded as a liability as of September 30, 2023 within accounts payable and accrued expenses in the accompanying 2023 consolidated balance sheet.

14. Investments in Joint Ventures

AAS has a 44% ownership interest in the Bedford Ambulatory Surgical Center. AAS accounts for its investment in this joint venture under the equity method.

AAS has a 50% ownership interest in the Alliance Urgent Care Services, LLC. AAS accounts for its investment in this joint venture under the equity method.

Selected financial information relating to the above entities for the years ended September 30, 2023 and 2022 is not shown as such amounts are not significant to the consolidated financial statements.

15. Commitments and Contingencies

Litigation

Various legal claims, generally incidental to the conduct of normal business, are pending or have been threatened against the System. The System intends to defend vigorously against these claims. While ultimate liability, if any, arising from any such claim is presently indeterminable, it is management's opinion that the ultimate resolution of these claims will not have a material adverse effect on the financial condition of the System.

Regulatory

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Government activity continues with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Compliance with such laws and regulations are subject to government review and interpretations as well as regulatory actions unknown or unasserted at this time.

BAKER NEWMAN NOYES

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnncpa.com

INDEPENDENT AUDITORS' REPORT ON OTHER FINANCIAL INFORMATION

Board of Trustees
CMC Healthcare System, Inc.

We have audited the consolidated financial statements of CMC Healthcare System, Inc. (the System) as of and for the years ended September 30, 2023 and 2022, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations and cash flows of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Baker Newman & Noyes LLC

Manchester, New Hampshire
February 23, 2024

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATING BALANCE SHEET

September 30, 2023

ASSETS

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Current assets:									
Cash and cash equivalents	$ 15,988,474	$ 60,207	$ 268,601	$ 529,274	$ 339,725	$ 122,041	$ 1,069,257	$ –	$ 18,377,579
Short-term investments	541,194	–	–	–	–	–	–	–	541,194
Accounts receivable	68,435,784	–	–	–	–	385,591	–	–	68,821,375
Inventories	3,798,671	–	–	–	–	–	–	–	3,798,671
Other current assets	14,576,517	3,750	72,221	47,216	255,556	639,594	47,160	–	15,642,014
Total current assets	103,340,640	63,957	340,822	576,490	595,281	1,147,226	1,116,417	–	107,180,833
Property, plant and equipment, net	123,566,989	–	7,550,671	12,707,041	–	–	712,375	–	144,537,076
Operating lease right of use assets	37,137,559	–	1,693,212	1,041,589	–	1,535,456	–	(18,460,471)	22,947,345
Intangible assets and other	9,984,017	–	–	–	6,379,156	–	–	–	16,363,173
Assets whose use is limited:									
Pension and insurance obligations	20,647,212	–	–	–	–	–	–	–	20,647,212
Board designated and donor restricted investments and restricted grants	137,345,740	4,439	–	–	–	–	8,948,566	–	146,298,745
Held by trustee under revenue bond agreements	1,153,980	–	–	–	–	–	–	–	1,153,980
	159,146,932	4,439	–	–	–	–	8,948,566	–	168,099,937
Total assets	$ 433,176,137	$ 68,396	$ 9,584,705	$14,325,120	$6,974,437	$2,682,682	$10,777,358	$(18,460,471)	$459,128,364

LIABILITIES AND NET ASSETS

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Current liabilities:									
Accounts payable and accrued expenses	$ 45,585,516	$ 46,991	$ 123,032	$ 32,560	$ –	$ 31,355	$ 162,036	$ –	$ 45,981,490
Accrued salaries, wages and related accounts	17,667,778	5,537,922	–	–	–	–	214,150	–	23,419,850
Amounts payable to third-party payors	9,503,057	–	–	–	–	–	–	–	9,503,057
Due to (from) affiliates	548,118	(499,368)	50,539	(124,192)	–	10,641	14,262	–	–
Current portion of long-term debt and finance lease liabilities	5,615,394	–	234,000	–	–	–	–	–	5,849,394
Current portion of operating lease liabilities	4,838,259	–	80,591	255,589	–	669,277	–	(2,300,589)	3,543,127
Total current liabilities	83,758,122	5,085,545	488,162	163,957	–	711,273	390,448	(2,300,589)	88,296,918
Accrued pension and other liabilities, less current portion	69,359,013	3,355,413	17,405	60,953	–	–	–	–	72,792,784
Long-term debt and finance lease liabilities, less current portion	152,701,439	–	6,574,447	–	–	–	–	–	159,275,886
Operating lease liabilities, less current portion	33,387,278	–	1,620,546	801,067	–	1,103,343	–	(16,159,882)	20,752,352
Total liabilities	339,205,852	8,440,958	8,700,560	1,025,977	–	1,814,616	390,448	(18,460,471)	341,117,940
Net assets (deficit):									
Without donor restrictions	79,600,950	(8,372,562)	884,145	13,299,143	6,974,437	868,066	10,125,504	–	103,379,683
With donor restrictions	14,369,335	–	–	–	–	–	261,406	–	14,630,741
Total net assets (deficit)	93,970,285	(8,372,562)	884,145	13,299,143	6,974,437	868,066	10,386,910	–	118,010,424
Total liabilities and net assets	$ 433,176,137	$ 68,396	$ 9,584,705	$14,325,120	$6,974,437	$2,682,682	$10,777,358	$(18,460,471)	$459,128,364

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended September 30, 2023

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Operating revenues:									
Patient service revenues	$ 480,789,746	$ –	$ –	$ –	$ –	$10,402,296	$ –	$ –	$491,192,042
Other revenue	15,046,388	19,907,001	2,136,884	1,745,478	2,782,391	621,164	3,735,088	(23,137,187)	22,837,207
Disproportionate share funding	23,598,275	–	–	–	–	–	–	–	23,598,275
Total operating revenues	519,434,409	19,907,001	2,136,884	1,745,478	2,782,391	11,023,460	3,735,088	(23,137,187)	537,627,524
Operating expenses:									
Salaries, wages and fringe benefits	275,008,729	63,562,270	20,000	–	–	12,343,798	3,489,932	(19,420,127)	335,004,602
Supplies and other	199,101,428	3,198,494	764,906	1,275,929	–	3,140,316	418,891	(3,717,060)	204,182,904
New Hampshire Medicaid enhancement tax	23,814,464	–	–	–	–	–	–	–	23,814,464
Depreciation and amortization	12,714,405	–	262,543	454,321	–	2,608	131,753	–	13,565,630
Interest	6,287,755	–	332,300	–	–	–	–	–	6,620,055
Total operating expenses	516,926,781	66,760,764	1,379,749	1,730,250	–	15,486,722	4,040,576	(23,137,187)	583,187,655
Income (loss) from operations	2,507,628	(46,853,763)	757,135	15,228	2,782,391	(4,463,262)	(305,488)	–	(45,560,131)
Nonoperating gains (losses):									
Investment income (loss), net	18,685,087	–	–	–	768	–	990,254	–	19,676,109
Net periodic pension cost, other than service cost	(9,577)	12,932	(63,335)	–	–	–	–	–	(59,980)
Contributions without donor restrictions	288,176	–	–	–	–	–	–	–	288,176
Development costs	(585,648)	–	–	–	–	–	–	–	(585,648)
Other nonoperating expenses and losses	(1,164,797)	–	–	–	–	(6,214)	–	–	(1,171,011)
Total nonoperating gains (losses), net	17,213,241	12,932	(63,335)	–	768	(6,214)	990,254	–	18,147,646
Excess (deficiency) of revenues over expenses	19,720,869	(46,840,831)	693,800	15,228	2,783,159	(4,469,476)	684,766	–	(27,412,485)
Unrealized appreciation on investments	35,744	–	–	–	–	–	–	–	35,744
Change in fair value of interest rate swap agreement	(5,056)	–	–	–	–	–	–	–	(5,056)
Assets released from restriction used for capital	376,524	–	–	–	–	–	–	–	376,524
Pension-related changes other than net periodic pension cost	23,944,478	2,042,273	(103,353)	–	–	–	–	–	25,883,398
Net transfers (to) from affiliates	(46,406,000)	46,733,000	(2,025,000)	(1,350,000)	(2,252,000)	5,300,000	–	–	–
Change in net assets without donor restrictions	$ (2,333,441)	$ 1,934,442	$(1,434,553)	$(1,334,772)	$ 531,159	$ 830,524	$ 684,766	$ –	$ (1,121,875)

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATING BALANCE SHEET

September 30, 2022

ASSETS

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Current assets:									
Cash and cash equivalents	$ 41,793,666	$ 105,860	$ 1,690,571	$ 1,427,657	$ 318,643	$1,485,359	$ 1,315,679	$ –	$ 48,137,435
Short-term investments	3,603,910	–	–	–	–	–	–	–	3,603,910
Accounts receivable	70,378,411	–	(10,041)	–	–	1,301,725	–	–	71,670,095
Inventories	3,816,582	–	–	–	–	–	–	–	3,816,582
Other current assets	13,370,992	(217)	27,883	48,360	134,167	1,258,170	38,138	–	14,877,493
Total current assets	132,963,561	105,643	1,708,413	1,476,017	452,810	4,045,254	1,353,817	–	142,105,515
Property, plant and equipment, net	125,421,215	–	7,813,213	13,150,377	–	8,823	769,502	–	147,163,130
Intangible assets and other	11,082,819	–	186,688	–	5,990,468	–	–	–	17,259,975
Assets whose use is limited:									
Pension and insurance obligations	20,598,446	–	–	–	–	–	–	–	20,598,446
Board designated and donor restricted investments and restricted grants	139,270,604	4,214	–	–	–	–	7,963,542	–	147,238,360
Held by trustee under revenue bond agreements	1,119,341	–	–	–	–	–	–	–	1,119,341
	160,988,391	4,214	–	–	–	–	7,963,542	–	168,956,147
Total assets	$ 430,455,986	$ 109,857	$ 9,708,314	$14,626,394	$6,443,278	$4,054,077	$10,086,861	$ –	$475,484,767

LIABILITIES AND NET ASSETS

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Current liabilities:									
Accounts payable and accrued expenses	$ 31,425,157	$ 123,480	$ 314,357	$ 38,711	$ –	$3,774,400	$ 138,392	$ –	$ 35,814,497
Accrued salaries, wages and related accounts	19,909,349	6,173,892	–	–	–	–	223,866	–	26,307,107
Amounts payable to third-party payors	11,525,383	–	–	–	–	–	–	–	11,525,383
Due to (from) affiliates	1,234,110	(1,163,925)	27,419	(117,838)	–	4,972	15,262	–	–
Current portion of long-term debt and finance lease obligations	4,178,597	–	234,000	–	–	–	–	–	4,412,597
Total current liabilities	68,272,596	5,133,447	575,776	(79,127)	–	3,779,372	377,520	–	78,059,584
Accrued pension and other liabilities, less current portion	94,321,024	5,283,414	17,405	71,606	–	237,163	–	–	99,930,612
Long-term debt and finance lease obligations, less current portion	157,102,822	–	6,796,435	–	–	–	–	–	163,899,257
Total liabilities	319,696,442	10,416,861	7,389,616	(7,521)	–	4,016,535	377,520	–	341,889,453
Net assets (deficit):									
Without donor restrictions	81,934,391	(10,307,004)	2,318,698	14,633,915	6,443,278	37,542	9,440,738	–	104,501,558
With donor restrictions	28,825,153	–	–	–	–	–	268,603	–	29,093,756
Total net assets (deficit)	110,759,544	(10,307,004)	2,318,698	14,633,915	6,443,278	37,542	9,709,341	–	133,595,314
Total liabilities and net assets	$ 430,455,986	$ 109,857	$ 9,708,314	$14,626,394	$6,443,278	$4,054,077	$10,086,861	$ –	$475,484,767

CMC HEALTHCARE SYSTEM, INC.

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended September 30, 2022

	Catholic Medical Center	Physician Practice Associates	Alliance Enterprises	Alliance Resources	Alliance Ambu-latory Services	Alliance Health Services	Saint Peter's Home	Elimi-nations	Consolidated
Operating revenues:									
Patient service revenues	$ 470,371,106	$ –	$ –	$ –	$ –	$15,258,880	$ –	$ –	$485,629,986
Other revenue	31,521,767	22,155,539	2,055,200	1,736,292	1,600,198	789,727	4,253,889	(25,362,301)	38,750,311
Disproportionate share funding	21,383,859	–	–	–	–	–	–	–	21,383,859
Total operating revenues	523,276,732	22,155,539	2,055,200	1,736,292	1,600,198	16,048,607	4,253,889	(25,362,301)	545,764,156
Operating expenses:									
Salaries, wages and fringe benefits	264,139,413	62,641,707	26,667	–	–	16,181,675	3,449,939	(21,758,017)	324,681,384
Supplies and other	186,550,034	3,498,281	1,007,997	1,181,386	–	6,405,107	309,665	(3,604,284)	195,348,186
New Hampshire Medicaid enhancement tax	22,288,821	–	–	–	–	–	–	–	22,288,821
Depreciation and amortization	12,335,408	–	262,543	523,395	–	7,705	138,132	–	13,267,183
Interest	4,783,146	–	343,024	–	–	–	–	–	5,126,170
Total operating expenses	490,096,822	66,139,988	1,640,231	1,704,781	–	22,594,487	3,897,736	(25,362,301)	560,711,744
Income (loss) from operations	33,179,910	(43,984,449)	414,969	31,511	1,600,198	(6,545,880)	356,153	–	(14,947,588)
Nonoperating (losses) gains:									
Investment (loss) income, net	(21,778,151)	–	–	–	472	–	(1,476,926)	–	(23,254,605)
Net periodic pension cost, other than service cost	(1,302,959)	(96,169)	30,656	–	–	–	–	–	(1,368,472)
Contributions without donor restrictions	295,134	–	–	–	–	–	–	–	295,134
Development costs	(697,147)	–	–	–	–	–	–	–	(697,147)
Other nonoperating expenses and losses	(3,153,518)	–	–	–	–	–	–	–	(3,153,518)
Total nonoperating (losses) gains, net	(26,636,641)	(96,169)	30,656	–	472	–	(1,476,926)	–	(28,178,608)
Excess (deficiency) of revenues over expenses	6,543,269	(44,080,618)	445,625	31,511	1,600,670	(6,545,880)	(1,120,773)	–	(43,126,196)
Unrealized depreciation on investments	(24,002)	–	–	–	–	–	–	–	(24,002)
Change in fair value of interest rate swap agreement	540,490	–	–	–	–	–	–	–	540,490
Assets released from restriction used for capital	495,416	–	–	–	–	–	–	–	495,416
Pension-related changes other than net periodic pension cost	31,252,260	3,127,875	(92,330)	–	–	–	–	–	34,287,805
Net transfers (to) from affiliates	(44,788,093)	44,318,093	(2,200,000)	(1,000,000)	(2,100,000)	5,770,000	–	–	–
Change in net assets without donor restrictions	$ (5,980,660)	$ 3,365,350	$(1,846,705)	$ (968,489)	$ (499,330)	$ (775,880)	$(1,120,773)	$ –	$ (7,826,487)

BOARD OF TRUSTEES

LEADERSHIP

BOARD OF TRUSTEES

LEADERSHIP TEAM

MEDICAL LEADERSHIP

As a not-for-profit community hospital, our mission is focused on providing health, healing and hope to all those we serve. We are fortunate to have a very diverse and talented group of community leaders who volunteer their time and talent to serve on Catholic Medical Center's Board of Trustees. They look to the future and guide us in accomplishing our Mission to keep you and your family healthy.

2024 CATHOLIC MEDICAL CENTER BOARD OF TRUSTEES

Timothy Riley, Chair
The Harbor Group

Pamela Diamantis, Vice Chair
Curbstone Financial Management Corp

Marie McKay, Treasurer
Bigelow & Company

Matthew Albuquerque, Secretary

Retired

Patricia Furey, MD, FACS, MBA., ex officio
President, CMC Medical Staff
New England Heart & Vascular Institute—Vein & Vascular Specialists

Robert Capodilupo, MD
Vice President, CMC Medical Staff
New England Heart & Vascular Institute

William Furlong
St. Anselm College

Robert Gossett
Gossett Consulting, LLC

Roger Jean
Retired

Kristy Merrill
New Hampshire Bankers Association

John J. Munoz, MD
Manchester Urology Associates, PA

Grace Tung
Retired

Alexander J. Walker, ex officio
President & CEO, Catholic Medical Center

updated: 1/24

Deborah Welch

Doorway of Greater Manchester, Manchester, NH
Practice Manager (January 2022 –Present)

The Farnum Center (Easter Seals), Manchester, NH
Client Service Manager (May 2020-January 2022)

- Daily reconciliation of admits to medical detox, accurately notifying insurance carrier and gaining authorization.
- Monitoring bed chart for accuracy of caseload
- Verification of clinical documentation benchmarks as designated by leadership during chart review, facilitating an interdisciplinary approach to documentation improvement.
- Meeting with clients to discuss their aftercare requirements, coordinating services such as management of benefits, housing, and other basic needs; as well as reaching out to outside providers to schedule appointments and/or meet treatment goals.

Assistant Practice Management Associate (September 2016-May 2020)

- Assist the Program Manager to oversee daily operations and fiscal management
- Ensure adequate daily patient/staff ratio and assist staff with insurance duties as needed
- Assist with the clinic-based patient flow system; working with patients to fulfill financial obligation in a professional and compassionate manner and keep Practice Manager apprised.
- Overseeing medical records function, patient records are up to date and meet audit requirements in a timely manner

Atlantic Valuation Consultants, LLC, Gilford, NH
Office Manager (May 2014 – February 2016)

- Prepared initial file set up by gathering pertinent information for team of 4 appraisers of gas stations, convenience stores, Dunkin Donuts, Family Dollar and Dollar General stores
- Merged Excel and Word files to create appraisal
- Initial and final proof-reading; Invoicing, answering phones and organizing company financial documents

Santosha Yoga & Wellness, Moultonborough, NH
Guest Services Associate (November 2010 – May 2016)

- Part-time, weekend position in which I ensured positive, enrichment of client services such as Spa/Healing appointments; worked closely with the owner and practitioners to promote services increasing business

NH Training Institute on Addictive Disorders (NHTIAD), Concord, NH
Part-time Administrative Assistant (May 2014 – May 2015)

- Summarized evaluation data, statistics, feedback and prepared reports for training events
- Assisted in maintaining Access database for training events; prepared participant materials, registration and presenter support; as well as processed invoicing and payments with QuickBooks

Core Assemblies, Gilford, NH
Office Manager (July 2013– July 2014)

- Processed orders, invoicing & payables with QuickBooks, weekly payroll through ADP
- Daily packing and shipping of circuit boards via UPS or FedEx

ELAN Publishing, Moultonborough, NH
Customer Service Representative, (November 2010 – July 2012)

- Handled up to 50 telephone calls for orders of school record books and personalized field survey books
- Maintained inventory of daily shipments, & production, month end reconciliation of production quantities

Lake Opechee Inn, Spa and Conference Center, Lakeport, NH
Front Desk Manager, (September 2006– February 2009)

- Conducted employee orientation to foster positive attitude towards organizational objectives
- Developed incentive programs to motivate guest services associates to increase sales
- Weekly employee schedule of guest service associates and housekeeping needs based on occupancy
- Processed payroll, invoicing, payables, credit card payments with QuickBooks
- Assisted guests with reservations and resolved work related and guest issues

Micro-Pak, Inc., Gilford, NH
Administrative Assistant (February 1986 – August 2006)

- Supervised daily operations of precision CNC machine shop
- Liaison between customers and manufacturing to meet and exceed production deadlines
- Confidential file maintenance and organization of sensitive documents
- Quoting jobs with pre-determined cost outline
- Invoicing, payroll, accounts receivable, accounts payable with Great Plains
- Monthly and year end reconciliation, quarterly and year end payroll taxes
- Packed and prepared shipments via UPS and FedEx
- Worked along-side President to secure new jobs and quality control

Education

Currently attending Granite State College Certification in Addiction Studies (2022)
Associates Degree in Applied Science majoring in Graphic Arts (May 1982)
NH Vocational Technical College, (LR Community College)

Technical Skills

Proficient in all Microsoft Word, Microsoft Excel, Google, Microsoft Internet Explorer, Mozilla Firefox, Microsoft Outlook, and other commonly used computer applications. Familiar with PowerPoint and Access.

NH Department of Health and Human Services

KEY PERSONNEL

List those primarily responsible for meeting the terms and conditions of the agreement.

Job descriptions not required for vacant positions.

Contractor Name: Catholic Medical Center

NAME	JOB TITLE	ANNUAL AMOUNT PAID FROM THIS CONTRACT	ANNUAL SALARY
Deborah Welch	Practice Manager	$60,000.00	$60,000.00
		$0.00	$0.00
		$0.00	$0.00
		$0.00	$0.00
		$0.00	$0.00
		$0.00	$0.00