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**ATTORNEY GENERAL
DEPARTMENT OF JUSTICE**

1 GRANITE PLACE SOUTH
CONCORD, NEW HAMPSHIRE 03301

JOHN M. FORMELLA
ATTORNEY GENERAL



JAMES T. BOFFETTI
DEPUTY ATTORNEY GENERAL

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October 6, 2025

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

REQUESTED ACTION

1. Authorize the New Hampshire Department of Justice to accept and expend federal funds in the amount of \$45,383, from the U.S. Department of Health and Human Services, Office of the Inspector General, for the purpose of funding 75% of the Medicaid Fraud Control Unit effective upon approval of the Governor and Executive Council through September 30, 2026. 100% Federal Funds.
2. Contingent upon approval of Requested Action #1, authorize the New Hampshire Department of Justice to accept and expend \$15,128 of expected agency income, from reimbursement of investigation costs associated with cases, for the 25% match required for the acceptance of the federal funds listed in Requested Action #1 effective upon approval of the Governor and Executive Council through September 30, 2026. 100% Agency Income.

Funds are to be budgeted in account 02-20-20-200510-2615, Department of Justice, Medicaid Fraud as follows:

Class/ Expense	Class Title	Current SFY 2026 Adjusted Authorized	Requested Action #1	Requested Action #2	Revised SFY 2026 Adjusted Authorized
010-500100	Personal Services Perm Class.	\$225,512	\$0	\$0	\$225,512
013-500132	Personal Services Unclassified.	\$271,000	\$0	\$0	\$271,000
014-500134	Personal Services Unclassified.	\$158,288	\$0	\$0	\$158,288
017-500147	FT Employee Special Pay	\$17,616	\$0	\$0	\$17,616
018-500106	Overtime	\$1,000	\$0	\$0	\$1,000
020-500200	Current Expense	\$1,700	\$5,408	\$1,803	\$8,911
022-500255	Rents-Lease Other Than State	\$2,000	\$2,250	\$750	\$5,000

026-500251	Organizational Dues	\$10,000	\$4,500	\$1,500	\$16,000
027-582703	Transfers to DoIT	\$41,425	\$0	\$0	\$41,425
028-582814	Transfers to General Services	\$37,501	\$0	\$0	\$37,501
030-500301	Equipment New/Replacement	\$1,800	\$1,125	\$375	\$3,300
037-500173	Technology Hardware	\$3,600	\$0	\$0	\$3,600
038-500175	Technology Software	\$1,000	\$0	\$0	\$1,000
039-500180	Telecommunications	\$6,000	\$2,700	\$900	\$9,600
040-50080	Indirect Costs	\$8,904	\$0	\$0	\$8,904
041-500801	Audit Fund Set Aside	\$500	\$0	\$0	\$500
042-500620	Additional Fringe Benefits	\$39,288	\$0	\$0	\$39,288
057-500531	Books Periodicals Subscriptions	\$250	\$0	\$0	\$250
060-500601	Benefits	\$303,685	\$0	\$0	\$303,685
066-500543	Employee Training	\$2,000	\$750	\$250	\$3,000
070-500704	In State Travel Reimburse	\$5,000	\$2,145	\$715	\$7,860
080-500710	Out of State Travel Reimburse	\$7,500	\$7,755	\$2,585	\$17,840
089-501543	DAS Maintenance Fund	\$2,050	\$0	\$0	\$2,050
211-501530	Catastrophic Casualty Ins.	\$775	\$0	\$0	\$775
233-500770	Litigation Expense	\$15,000	\$18,750	\$6,250	\$40,000
Total:		\$1,163,394	\$45,383	\$15,128	\$1,223,905
Source of Funds					
00S	General Funds	\$278,813	\$0	\$0	\$278,813
000-404736-16	Federal Funds	\$884,581	\$45,383	\$0	\$929,964
009-402325-44	Agency Income	\$0	\$0	\$15,128	\$15,128
Total:		\$1,163,394	\$45,383	\$15,128	\$1,223,905

EXPLANATION

Congress enacted the Medicaid program in 1965. New Hampshire's Medicaid Fraud Control Unit has been operating since 1984. The Unit has statewide jurisdiction to investigate and prosecute fraud and abuse practices in the State of New Hampshire and receives 75% federal funding for its operations. The General Funds and agency income from certain case-related cost reimbursements cover the 25% match required for these federal dollars.

The Department of Justice is asking to accept and expend funds from the Federal Department of Health and Human Services, Office of Inspector General, in order to fulfill budgetary obligations and enhance investigative processes for the Department of Justice Medicaid Fraud Control Unit.

Funds will be allocated as follows:

Class 020-Current Expense will be used to cover postage, electronic storage media, maintenance costs for surveillance items and other supplies.

Class 022-Leases other than State will be used to pay copier rental fees.

Class 026-Organizational Dues will be used to pay annual dues to the National Association of Medicaid Fraud Control Unit organization.

Class 030-Equipment New/Replace will be used to purchase computer and trial equipment.

Class 039-Telecommunications will be used to pay for additional telephone and cell phone usage.

Class 066-Employee Training will be used to enhance skills of prosecutors and investigators on the subject of Medicaid fraud issues.

Class 070-In State Travel will be used to reimburse staff for in-state travel related to Medicaid fraud investigations and/or prosecutions.

Class 080-Out of State Travel will be used to reimburse staff for any out of state travel related to Medicaid Fraud Control Unit functions.

Class 233-Litigation Expense will be used to cover costs of Medicaid Fraud litigation.

In the event that federal funds or other funds are no longer available, general funds will not be requested to support this program.

Please let me know if you have any questions concerning this request. Thank you for your consideration of this request.

Respectfully submitted,



John M. Formella
Attorney General

Department of Justice
GRANTS FISCAL SITUATION-FISCAL YEAR 2026
02-20-20-201510-26150000-Medicaid Fraud

Total Grant	\$ 1,152,492
Less Expenditures to 06/30/2024	<u>\$ -</u>
Remaining Authorization to Budget	\$ 1,152,492
Less Current Budget Authorization	<u>\$ 884,581</u>
Total Available for Budgeting	\$ 267,911
Available to Budget at Later Date	<u>\$ 222,528</u>
REQUESTED ACTION	<u><u>\$ 45,383</u></u>

Grant Award Number	Award Amount	Expenses to 06/30/2024	Balance
2501NH5050	\$ 1,152,492	\$ -	\$ 1,152,492

Grant/Document: 2601NH5050 Subaccount: MFCU26 Period of Performance: 10/1/2025 through 9/30/2026 Assistance Listing: 93.775 Program Title: State Medicaid Fraud Control Unit Federal Award Description: Medicaid Fraud Control Units (MFCU) investigate and prosecute Medicaid fraud as well as patient abuse and neglect in health care facilities.	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES OFFICE OF INSPECTOR GENERAL Notice of Grant Award Award Authority: Section 1902(a)(61), 1903(a)(6), 1903(b)(3) and 1903(q) of the Social Security Act
Financial Information CAN: D99MFCU Appropriation: 75X0512 Object Class: 4151 EIN: 026000618 E3 UEI: RQ3MKLRJ4LV6 Program Income: Deduction	Grantee Information New Hampshire Department of Justice Office of the Attorney General Medicaid Fraud Control Unit 1 Granite Place South, Concord, NH, 03301 Director: Thomas Velardi

Award Information

Personnel.....\$773,000 Fringe Benefits.....\$417,420 Travel.....\$25,700 Equipment.....\$ 0 Supplies.....\$9,860 Contractual.....\$100,777 Other.....\$75,054 ----- Total Direct Costs.....\$1,401,811 Indirect Costs.....\$134,843 Indirect rate..... 10.00% Total Approved Budget..... \$1,536,654 75% Federal Share \$1,152,492 25% Non-Federal Share..... \$384,162	Federal funding will be obligated in quarterly amounts on the following schedule: <table><tr><td>1st Quarter, on October 1, 2025</td><td>\$288,123</td></tr><tr><td>2nd Quarter, on January 1, 2026</td><td>\$288,123</td></tr><tr><td>3rd Quarter, on April 1, 2026</td><td>\$288,123</td></tr><tr><td>4th Quarter, on July 1, 2026</td><td>\$288,123</td></tr></table> Matching requirement at end of grant period is 25% of Total Net Expenditures. Additional Action(s):	1st Quarter, on October 1, 2025	\$288,123	2nd Quarter, on January 1, 2026	\$288,123	3rd Quarter, on April 1, 2026	\$288,123	4th Quarter, on July 1, 2026	\$288,123
1st Quarter, on October 1, 2025	\$288,123								
2nd Quarter, on January 1, 2026	\$288,123								
3rd Quarter, on April 1, 2026	\$288,123								
4th Quarter, on July 1, 2026	\$288,123								

Is this award R&D? No

Remarks:
General Terms and Conditions for this award are hereby included by reference and can be found [here](#).

Financial Reporting
The SF-425 due dates for the grant period of this award are as follows:

- The **first quarter report** covers the period beginning 10/1/2025 and ending 12/31/2025 and is due by 1/30/2026.
- The **second quarter report** covers the period beginning 10/1/2025 and ending 3/31/2026 and is due by 4/30/2026.
- The **third quarter report** covers the period beginning 10/1/2025 and ending 6/30/2026 and is due by 7/30/2026.
- The **fourth quarter report** covers the period beginning 10/1/2025 and ending 9/30/2026 and is due by 10/30/2026.
- The **final report** is due by 1/30/2027.

Authorizing Official and Contacts Alexis Crowley, Grants Management Officer Matt DeFraga, Program Analyst	ALEXIS CROWLEY CROWLEY	Digitally signed by ALEXIS CROWLEY Date _____ Date: 2025.09.29 10:44:42 -04'00'
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