

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

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August 31, 2026

The Honorable Ken Weyler, Chairman
 Fiscal Committee of the General Court and

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

REQUESTED ACTION

- 1) Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Health and Human Services, to accept and expend \$204,016,550, of Rural Health Transformation Grant (RHTG) funds received from the Centers for Medicare & Medicaid Services (CMS), Budget Period 2 funds, to allow the Department to transfer federal funds to the Governor's Office of New Opportunities & Rural Transformational Health ("GO-NORTH") to allow the Department to act as the pass through agency and implement certain activities in support of GO-NORTH, effective upon Fiscal Committee and Governor and Council approval through June 30, 2027, and authorize the allocation of these funds. 100% Federal Funds.
- 2) Contingent upon Requested Action 1, pursuant to RSA 14:30-a, VI, authorize the Department of Health and Human Services, in collaboration with the Governor's Office of New Opportunities & Rural Transformational Health ("GO-NORTH"), to accept transferred RHTG Budget Period 2 funds in the amount of \$194,509,185 as detailed in the attached fiscal details, to make rural healthcare more connected, resilient, and responsive, effective, upon Fiscal Committee and Governor and Council approval through June 30, 2027, and authorize the allocation of these funds. 100% Other Funds (Transfer of Federal Funds).

See attached Fiscal Details

EXPLANATION

The Department of Health and Human Services, in collaboration with GO-NORTH, requests authorization to accept and expend approximately \$204 million of Budget Period 2, RHTG funds from the Centers for Medicare & Medicaid Services (CMS). This amount is estimated based on preliminary award amounts and the budget request submitted to CMS and approved by GO-NORTH. This represents Budget Period 2 of the five (5) year RHTG federal award.

The Governor issued Executive Order 2025-06 on November 6, 2025, formally establishing the new office of GO-NORTH. As detailed in the Executive Order, GO-NORTH, which is within the Governor's Office, acts as the lead agency overseeing New Hampshire's RHTG program. GO-NORTH will invest RHTG funds to advance New Hampshire's five strategic rural health initiatives to improve the health and sustainable transformation of rural New Hampshire:

- **Initiative 1: Population Health:** Increase prevention, chronic disease management, and improved behavioral and maternal health.
- **Initiative 2: Access:** Ensure sustainable access to care by strengthening rural hospitals, health centers, EMS, and telehealth services
- **Initiative 3: Workforce:** Build and retain a skilled rural health workforce through education, training, and career pathways.
- **Initiative 4: Technology:** Modernize care delivery by expanding technology, interoperability, and data security.
- **Initiative 5: Financial Sustainability:** Promote financial sustainability with innovative payment models and value-based care.

This request would allow funds to be budgeted as follows:

DHHS – 05-95-95-950010-63190000 Rural Health Transformation

Class 010 – Personal Services – Classified – To support allocated costs to DHHS who employees who will support GO-NORTH activities in accordance with Executive Order 2025-06.

Class 012 – Personal Services-Unclassified – To support allocated costs to DHHS employees who will support GO-NORTH activities in Accordance with Executive Order 2025-06. To pay for one unclassified staff salary for one position that will spend 100 percent of its time supporting GO-NORTH activities in accordance with Executive Order 2025-06.

Class 020 – Current Expenses – To purchase necessary office supplies for the one position supporting GO-NORTH.

Class 041 - Audit Fund Set Aside – RSA 124:16 requires state agencies to set aside a percentage of federal funds for financial and compliance audits in an amount equal to the rate approved in the statewide indirect cost plan (i.e., 0.1%).

Class 060 – Benefits – Funds to support allocated costs of DHHS employees supporting GO-NORTH activities and the unclassified position that will support GO-NORTH 100% of its time.

Class 080 – Out of State Travel – Out of State Travel required to for one employee to attend anticipated required RHTG trainings.

Class 085 – Interagency Transfer out of Federal – Funds that will be pass through to GO-NORTH to effectuate the RHTG on behalf of the State.

Class 102 – Contracts For Program Services – DHHS managed contracts that will directly support the GO-NORTH program

GO- NORTH – 01-02-02-020310-60840000

Class 016 – Personal Services Non-Classified – To pay for non-classified staff salaries of GO-NORTH staff established pursuant to RSA 4:12 and Executive Order 2025-06.

Class 020 – Current Expenses – To purchase necessary office supplies to carry out the grant.

Class 039 – Telecommunications – To cover monthly cellular communication costs.

Class 040 – Indirect Costs – This expense class is used to record agency indirect costs recoveries and agency payments for central State services included in the Statewide Cost Allocation Plan (SWCAP).

Class 060 – Benefits – Funds to support benefits of non-classified GO-NORTH staff.

Class 066 – Employee Training – To support staff in developing expertise needed to guide RHTG activities

Class 074 – Grants for Pub Asst and Relief – Support payments to subrecipients that will be contractually required to carry out rural health transformation initiatives and projects as approved by CMS.

Class 080 – Out of State Travel – Out of State Travel required to attend anticipated required RHTG trainings.

Class 085 – Interagency Transfer Federal – To transfer funds to the NH Department of Education for implementation of school-based programming focused on physical activity and wellness.

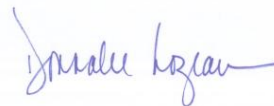
Source of Funds: 100% Federal Funds for HHS. 100% Other for GO-NORTH.

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

Respectfully Submitted,



Lori A. Weaver
Commissioner



Donnalee Lozeau
Director
Governor's Office of New Opportunities
& Rural Transformational Health

State Fiscal Year 2027

05-095-095-950010-63190000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS; HHS: COMMISSIONERS OFFICE; OFFICE OF THE COMMISSIONER; RURAL HEALTH TRANSFORMATION

Class/Object	Class Title	Current Authorized Budget	Increasing Amount	Adjusted Budget
Revenue				
000-400338-16	Federal Funds	\$ 203,785,321	\$ 204,016,550	\$ 407,801,871
<u>Sub Total Revenue:</u>		\$ 203,785,321	\$ 204,016,550	\$ 407,801,871
Expense				
010-500100	Personal Services-Classified	\$ 553,262	\$ 552,889	\$ 1,106,151
012-500128	Personal Services-Unclassified	\$ 279,298	\$ 316,000	\$ 595,298
020-500200	Current Expenses	\$ 10,333	\$ 10,333	\$ 20,666
041-500801	Audit Fund Set Aside	\$ 203,978	\$ 204,017	\$ 407,994
060-500601	Benefits	\$ 578,094	\$ 596,700	\$ 1,174,794
080-500710	Out of State Travel	\$ 1,582	\$ 5,716	\$ 7,298
085-588502	Inter-Agency Transfers out of Fed	\$ 202,158,774	\$ 194,509,185	\$ 396,667,959
102-500731	Contract for Program Services	\$ -	\$ 7,821,710	\$ 7,821,710
<u>Sub Total Expense:</u>		\$ 203,785,321	\$ 204,016,550	\$ 407,801,871

01-02-02-020310-60840000 GENERAL GOVERNMENT, EXECUTIVE DEPARTMENT, EXECUTIVE DEPARTMENT, GO-NORTH

Class/Object	Class Title	Current Authorized Budget	Requested Change	Adjusted Budget
Revenue				
00D-488595-69	Transfer of Federal Funds	\$ 200,253,946	\$ 194,509,185	\$ 394,763,131
<u>Sub Total Revenue:</u>		\$ 200,253,946	\$ 194,509,185	\$ 394,763,131

Expense				
016-500141	Personal Services Non Classified	\$ 1,068,062	\$ 2,031,520	\$ 3,099,582
020-500200	Current Expenses	\$ 6,284	\$ 125,169	\$ 131,453
027-582703	Transfer to DoIT	\$ 25,000	\$ -	\$ 25,000
028-582814	Transfers to General Services	\$ 90,000	\$ -	\$ 90,000
030-500301	Equipment New/Replacement	\$ 36,912	\$ -	\$ 36,912
037-500166	Technology Hardware	\$ 15,000	\$ -	\$ 15,000
038-500175	Technology Software	\$ 31,941	\$ -	\$ 31,941
039-500188	Telecommunications	\$ 28,594	\$ 58,777	\$ 87,371
040-500800	Indirect Costs	\$ 300,000	\$ 300,000	\$ 600,000
042-500620	Post Retirement	\$ 165,000	\$ -	\$ 165,000
060-500601	Benefits	\$ 422,248	\$ 956,387	\$ 1,378,635
062-500538	Workers Compensation	\$ 19,500	\$ -	\$ 19,500
066-500543	Employee Training	\$ 45,000	\$ 12,498	\$ 57,498
070-500704	In-State Travel	\$ 12,389	\$ -	\$ 12,389
074-500585	Grants for Pub Asst and Relief	\$ 181,808,668	\$ 190,416,404	\$ 372,225,072
080-500710	Out of State Travel	\$ 7,610	\$ 8,430	\$ 16,040
085-588556	Interagency Xfr Out of Fed	\$ 171,738	\$ 600,000	\$ 771,738
102-500731	Contract for Program Services	\$ 16,000,000	\$ -	\$ 16,000,000
<u>Sub Total Expense:</u>		\$ 200,253,946	\$ 194,509,185	\$ 394,763,131