



STATE OF NEW HAMPSHIRE

Executive Council

STATE HOUSE ROOM 207

CONCORD, NEW HAMPSHIRE 03301

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TO: All District Three Constituents
FROM: Executive Councilor Janet Stevens

DATE: June 15, 2022

NEW HAMPSHIRE'S MEDICAID CARE MANAGEMENT - AMENDMENT 8 FY '23 - PUBLIC HEALTH EMERGENCY EXTENDED

The Executive Council voted unanimously in support of the 8th amendment to the Medicaid Care Management contract, which increased the total price limitation by \$1,127,921,908 to \$4,473,715,666. The completion date for contracts with the three managed care organizations, charged with fulfilling New Hampshire's Medicaid programs - Granite Advantage Health Program, Child Health Insurance Program and Standard Medicaid - remains August 31, 2024.

The three Managed Care Organizations providing care to New Hampshire's 238,795 residents - AmeriHealth Caritas NH Inc., Boston Medical Center Health Plan Inc., and Granite State Health Plan, Inc. - must comply with federal standards for rate capitation and meet actuarial standards which ensure that the capitation rates are "reasonable, appropriate, and attainable costs that are required under the terms of the contract and for the operation of the managed care plan".

Since the start of the Public Health Emergency on March 16, 2020, enrollment in New Hampshire Medicaid Care Management program has increased by 35%. New Hampshire has received a Federal Medical Assistance Percentage (FMAP) of 6.2% to assist the state with the costs/fees for an increase of 61,375 residents eligible for enrollment during the pandemic. When the PHE terminates, residents receiving medicaid coverage are required to complete eligibility redeterminations, It is likely that the PHE will continue through October 15, 2022.

Key fiscal changes:

- **Amendment #8 will result in a decrease in price limitation from FY'22 to FY'23 with a projected decrease of \$168,631,814.**
- **Average monthly payments will decrease by \$11.4 million - with cost reductions in medical services, directed payments, MCO administration, Premium Tax and MCO margin**
- **Average monthly payments for medical services and directed payments is projected to decrease by \$10.3 million.**
- **MCO profit potential for FY '23 is projected to be \$3.5 million less.**

Figure 1
New Hampshire Department of Health and Human Services
Medicaid Care Management Program
SFY2023 Capitation Rate Components

	Amendment 3	Amendment 4	Amendment 5	Amendment 6	Amendment 7	Amendment 8
Time Period:	Sept 2019 - June 2020 (revised)	SFY 2021 (original)	SFY 2021 (revised)	SFY 2022	SFY 2022 (revised)	SFY 2023
Average Monthly Enrollment:	175,213	215,632	208,796	209,495	227,818	206,690
Cost Component	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)
Medical Services and Directed Payments	\$71.2	\$99.5	\$89.9	\$88.0	\$97.7	\$87.4
MCO Administration	\$7.3	\$10.1	\$7.7	\$7.5	\$8.2	\$7.4
Premium Tax	\$1.6	\$2.3	\$2.0	\$2.0	\$2.2	\$1.9
Expected MCO Margin	\$1.2	\$1.6	\$1.4	\$1.4	\$1.5	\$1.4
Total	\$81.4	\$113.4	\$101.1	\$98.9	\$109.5	\$98.1
<i>*Enrollment mix by rate cell varies for each amendment</i>						

Figure 2
New Hampshire Department of Health and Human Services
Medicaid Care Management Program
SFY 2023 Capitation Rate Medical Services and Directed Payments

	Amendment 3	Amendment 4	Amendment 5	Amendment 6	Amendment 7	Amendment 8
Time Period:	Sept 2019 - June 2020 (revised)	SFY 2021 (original)	SFY 2021 (revised)	SFY 2022	SFY 2022 (revised)	SFY 2023
Average Monthly Enrollment:	175,213	215,632	208,796	209,495	227,818	206,690
Cost Component	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)	Average Monthly Payment (in millions)
Hospital	\$20.8	\$28.1	\$26.2	\$26.1	\$28.4	\$27.0
Prescription Drugs	\$17.3	\$23.4	\$21.0	\$20.6	\$22.7	\$20.7
Physician	\$13.3	\$16.6	\$15.1	\$15.2	\$16.5	\$14.0
CMHC	\$9.7	\$13.2	\$11.7	\$11.2	\$11.9	\$10.4
Other	\$7.0	\$11.0	\$9.8	\$8.9	\$9.8	\$9.4
Home Health, Personal Care, Private Duty Nursing	\$2.0	\$2.7	\$2.2	\$2.1	\$2.2	\$2.1
Maternity	\$0.7	\$1.0	\$0.7	\$0.7	\$0.6	\$0.6
CMHC Directed Payment	\$0.4	\$0.5	\$0.4	\$0.4	\$0.4	\$0.4
Hospital Directed Payment	\$0.0	\$3.0	\$2.8	\$2.7	\$2.8	\$2.8
Home and Community Based Services Directed Payment	\$0.0	\$0.0	\$0.0	\$0.0	\$2.3	\$0.0
Total	\$71.2	\$99.5	\$89.9	\$88.0	\$97.7	\$87.4
<i>*Enrollment mix by rate cell varies for each amendment</i>						

Table 1
New Hampshire Department for Health and Human Services
Medicaid Care Management Program
Maximum MCO Profit Calculation

	Amendment 3	Amendment 4	Amendment 5	Amendment 6	Amendment 7	Amendment 8
Target MLR for at-risk services	89.2%	89.2%	90.4%	90.3%	90.4%	90.5%
Projected profit component of capitation rates	1.500%	1.500%	1.500%	1.500%	1.500%	1.500%
Maximum additional profit retention under minimum MLR	3.125%	2.500%	2.500%	2.500%	2.500%	2.500%
Total potential profit	4.625%	4.000%	4.000%	4.000%	4.000%	4.000%
Per capita monthly at-risk revenue*	\$445.75	\$499.16	\$458.86	\$445.29	\$440.56	\$446.44
Per capita monthly profit potential	\$20.62	\$19.97	\$18.35	\$17.81	\$17.62	\$17.86
Estimated average monthly enrollment*	175,213	215,632	208,796	209,495	227,818	206,690
Monthly at-risk revenue**	\$78,102,106	\$107,634,027	\$95,808,440	\$93,247,804	\$100,368,534	\$92,966,392
Monthly profit potential	\$3,612,222	\$4,305,361	\$3,832,338	\$3,729,912	\$4,014,741	\$3,718,656
September 2019 - June 2020 profit potential (10 months)	\$36,122,224					
SFY 2021 profit potential		\$51,664,333	\$45,988,051			
SFY 2022 profit potential				\$44,758,946	\$48,176,896	
SFY 2023 profit potential						\$44,623,868
<i>*Enrollment mix by rate cell varies for each amendment</i>						
<i>**At-risk revenue = {Capitation Payment - (premium tax + directed payments)}</i>						

EXECUTIVE COUNCIL APPROVES AMERICAN RESCUE PLAN ACT (ARPA)- LOCAL FISCAL RECOVERY FUNDS (LFRF) \$39 MILLION. The Executive Council approved the acceptance and expenditure of the second tranche of LFRF at the June 15th meeting. All District Three municipalities received funding (see chart).

Name	County	District	Population Est. 2019	Total Award Est	2019 Approved Budget	Est. % of Budget	First Tranche Award Est.	2nd Tranche June 2022 Est.
Atkinson	Rockingham County	3	7145	\$ 748,008	\$ 5,112,419	15%	\$374,003.77	\$374,003.77
Brentwood	Rockingham County	3	4518	\$ 472,988	\$ 3,994,040	12%	\$236,493.92	\$236,493.92
Chester	Rockingham County	3	5270	\$ 551,714	\$ 4,676,900	12%	\$275,857.22	\$275,857.22
Danville	Rockingham County	3	4556	\$ 476,966	\$ 3,317,257	14%	\$238,483.02	\$238,483.02
Derry	Rockingham County	3	33485	\$ 3,505,533	\$ 48,479,117	7%	\$1,752,766.44	\$1,752,766.44
East Kingston	Rockingham County	3	2418	\$ 253,140	\$ 2,926,287	9%	\$126,569.78	\$126,569.78
Epping	Rockingham County	3	7036	\$ 736,596	\$ 8,416,671	9%	\$368,298.18	\$368,298.18
Exeter	Rockingham County	3	15313	\$ 1,603,113	\$ 25,137,756	6%	\$801,556.29	\$801,556.29
Fremont	Rockingham County	3	4710	\$ 493,088	\$ 3,103,730	16%	\$246,544.12	\$246,544.12
Greenland	Rockingham County	3	4120	\$ 431,321	\$ 4,782,323	9%	\$215,660.68	\$215,660.68
Hampstead	Rockingham County	3	8632	\$ 903,681	\$ 6,881,778	13%	\$451,840.52	\$451,840.52
Hampton Falls	Rockingham County	3	2414	\$ 252,721	\$ 2,684,978	9%	\$126,360.41	\$126,360.41
Hampton	Rockingham County	3	15495	\$ 1,622,166	\$ 27,595,116	6%	\$811,083.05	\$811,083.05
Kensington	Rockingham County	3	2106	\$ 220,476	\$ 1,788,415	12%	\$110,238.20	\$110,238.20
Kingston	Rockingham County	3	6446	\$ 674,829	\$ 5,824,307	12%	\$337,414.74	\$337,414.74
New Castle	Rockingham County	3	979	\$ 102,491	\$ 3,279,374	3%	\$51,245.58	\$51,245.58
Newfields	Rockingham County	3	1736	\$ 181,741	\$ 1,630,846	11%	\$90,870.61	\$90,870.61
Newington	Rockingham County	3	813	\$ 85,113	\$ 7,893,453	1%	\$42,556.34	\$42,556.34
Newmarket	Rockingham County	3	9156	\$ 958,538	\$ 12,194,371	8%	479,269.21	479,269.21
Newton	Rockingham County	3	4928	\$ 515,911	\$ 3,341,078	15%	\$257,955.29	\$257,955.29
North Hampton	Rockingham County	3	4486	\$ 469,638	\$ 7,161,370	7%	\$234,818.88	\$234,818.88
Pelham	Hillsborough County	3	14220	\$ 1,488,687	\$ 16,421,227	9%	\$744,343.40	\$744,343.40
Plaistow	Rockingham County	3	7716	\$ 807,785	\$ 10,011,107	8%	\$403,892.66	\$403,892.66
Raymond	Rockingham County	3	10529	\$ 1,102,277	\$ 8,760,950	13%	\$551,138.65	\$551,138.65
Rye	Rockingham County	3	5470	\$ 572,652	\$ 9,718,146	6%	\$286,326.19	\$286,326.19
Salem	Rockingham County	3	29791	\$ 3,118,809	\$ 48,820,114	6%	\$1,559,404.66	\$1,559,404.66
Sandown	Rockingham County	3	6547	\$ 685,403	\$ 4,058,443	17%	\$342,701.56	\$342,701.56
Seabrook	Rockingham County	3	8842	\$ 925,666	\$ 23,523,145	4%	\$462,832.94	\$462,832.94
South Hampton	Rockingham County	3	827	\$ 86,578	\$ 929,869	9%	\$43,289.17	\$43,289.17
Stratham	Rockingham County	3	7488	\$ 783,916	\$ 6,900,383	11%	\$391,958.04	\$391,958.04
Windham	Rockingham County	3	14853	\$ 1,554,955	\$ 15,034,019	10%	\$777,477.67	\$777,477.67
				\$ 26,386,500	\$ 334,398,989		\$ 12,713,981.98	\$ 12,713,981.98

The Executive Council met on Wednesday, June 15, 2022, in the Executive Council Chamber at the New Hampshire State House to review and vote on 153 warrant/agenda items and to approve Civil Commissions, Nominations and Confirmations, as well as Department of Military Affairs and Veterans Services Nominations, Confirmations and Appointments.

The Executive Council will vote on the nominees at the next meeting of the Council on Wednesday, June 29, 2022.

REGULAR AGENDA

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Commissioner

[#6](#) Authorized to accept and expend Agency Income (patient revenue), in the amount of **\$3,000,000**, for managing the Accounts Receivable and Accounts Payable that is attributed to the time prior to the closing of the purchase of **Hampstead Hospital**, a 111-bed licensed and accredited hospital in Hampstead, NH. Effective upon G&C approval through June 30, 2023. **100% Agency Income. Contingent upon Fiscal Committee approval on June 17, 2022.**

New Hampshire Hospital

[#15](#) Authorized to amend an existing contract with Baker Newman & Noyes P.A., LLC, Portland, ME, (originally approved by G&C on 6/10/20, item #19), to continue providing Medicare cost reporting consulting services to NH Hospital, and to extend services to Glenclyff Home and the Hampstead Hospital and Residential Treatment Facility, upon Transfer of Ownership of **Hampstead Hospital** to the Department, by increasing the price limitation by **\$40,000** from \$75,800 to \$115,800 with no change to the contract completion date of June 30, 2024. Effective upon G&C approval or July 1, 2022, whichever is later. **70% General, 30% Other Funds (Provider Fees/Intra-Agency Revenue).**

[#31](#) Authorized the Bureau of Healthcare Access, Equity and Policy to enter into contracts with the vendors listed in letter dated June 1, 2022, in an amount not to exceed \$280,500 for reimbursement for payment of educational loans through the State Loan Repayment Program. Effective upon G&C approval through June 30, 2025. 100% General Funds. **A provider at Seacoast Mental Health was awarded \$45,000 in grant funding.**

[#32](#) Authorized to enter into contracts with the Contractors listed in in letter dated May 25, 2022, in an amount not to exceed \$8,158,520 to increase access to integrated prevention and primary health care services for Woman, Infants, Children and Adolescents, and to address the Maternal, Children and Youth health priorities as identified in the State's Maternal and Child Health 5 year Statewide Needs Assessment completed in 2020. Effective upon G&C approval through June 30, 2024, with the option to renew for up to 4 additional years. 10% Federal, 90% General Funds. **Lamprey Health in Newmarket received \$1,112,527.**

[#49](#) Authorized the Bureau of Right-of-Way to pay a displaced tenant **\$45,180** as documented in the Contemplated Awards List, for amounts greater than \$5,000 for the period extending from May 27, 2022, through May 31, 2022. Effective upon G&C approval. **4A Business Re-Establishment**

DEPARTMENT OF TRANSPORTATION

[#58](#) Authorized the Bureau of Aeronautics, Pease Development Authority, to accept and execute federal grants from the Federal Aviation Administration to fund airport maintenance of operations, airport planning and development projects at the **Portsmouth International Airport at Pease** and the Skyhaven Airport. Federal Participation in the amount of **\$1,103,174.10**. Effective upon G&C approval through September 30, 2026. **100% Federal Funds (FAA).**

PEASE DEVELOPMENT AUTHORITY

#80A Authorized the **Division of Ports and Harbors to accept and expend \$2,820,310** in American Rescue Plan Act State Fiscal Recovery Funds, to assist in funding the projects listed in letter dated June 3, 2022. Effective upon G&C approval through June 30, 2023. 100% Federal Funds. Contingent upon Fiscal Committee approval on June 17, 2022.

#80C Authorized to finalize the grant agreements using signed terms and conditions detailed in letter dated June 6, 2022, and in the amount totaling \$1,491,934 from the approved accept and expend of \$12,000,000 in American Rescue Plan Act State Fiscal Recovery Funds, previously approved on October 22, 2021 to grant funds for the safety and emergency equipment program for town and municipalities, which will be allowed for reimbursement of such investments incurred by December 31, The following District Three municipalities received funds: **Danville (\$50,000), Kensington (\$40,525), Newton (\$49,981), Salem (\$25,411), South Hampton (\$41,091), Stratham (\$14,778)**

DEPARTMENT OF CORRECTIONS

#82 Authorized to transfer \$939,244 among accounts listed in letter dated May 23, 2022, to reallocate appropriations and cover anticipated shortfalls. Effective upon G&C approval through June 30, 2022. **100% General Funds. Contingent upon Fiscal Committee approval on June 17, 2022.**

#86A Authorized to enter into a **sole source** contract with **Anchor Line, LLC, Portsmouth, NH**, in the amount of **\$130,000**, for video production services. Effective upon G&C approval through September 30, 2022. **100% Federal Grants from Other Agencies.**

DEPARTMENT OF NATURAL AND CULTURAL RESOURCES

#98 Authorized the Division of the Arts, to award an American Rescue Plan Act grant to **American Independence Museum, Exeter, NH, in the amount of \$6,000** for salary support for the Education Manager and Marketing Manager. Effective upon G&C approval through June 30, 2022. **100% Federal Funds.**

#103 **Authorized the Hampton Beach Area Commission to enter into a sole source contract with GEI Consultants, Inc., in the amount of \$150,000** to study the feasibility and impacts of constructing and maintaining a pier directly south of Boar's Head in the Town of Hampton. Effective for the period of July 1, 2022 through December 1, 2022. **100% General Funds.**

#109 Authorized to enter into a sole source agreement with the University of New Hampshire, Sponsored Program Administration, Durham, NH, in the amount of **\$6,576** to perform laboratory analysis of shellfish samples for *Vibrio parahaemolyticus* presence and genetic characteristics. Effective upon G&C approval through December 31, 2022. 100% General Funds

DEPARTMENT OF ENVIRONMENTAL SERVICES

#111 Authorized to award a grant to the Town of Barrington, NH, in the amount of **\$166,412.50** to protect approximately 130 acres of land within the source water protection area in the Bellamy Reservoir, a water supply source for the **City of Portsmouth**. Effective upon G&C approval through December 31, 2022. **100% Drinking Water and Groundwater Trust Fund.**

#113 Authorized to award a grant to the City of Dover, NH, in the amount not to exceed **\$111,500** for the Portsmouth-Dover Emergency Interconnection under the provisions of RSA 485:F. Effective upon G&C approval through December 1, 2023. **100% Drinking Water and Groundwater Trust Fund.**

#114 Authorized to enter into a grant agreement with the **Town of Hampstead, NH, totaling \$2,500** for the purpose of used oil collections. Effective upon G&C approval through May 15, 2023. **100% Hazardous Materials Cleanup Funds.**

[#117](#) Authorized to enter into grant agreements with the entities listed in letter dated May 18, 2022, for an amount totaling \$99,075 to fund Household Hazardous Waste collection projects. Effective July 1, 2022 through June 30, 2023. 100% Hazardous Waste Funds. **The following District Three municipalities received funding: Derry (\$9462), Exeter (\$4570)**

DEPARTMENT OF EDUCATION

[#125](#) Authorized to enter into a contract with Demonstrated Success, LLC, Portsmouth, NH, in the amount of **\$299,250** to assist NH schools and districts in their use of analysis of a variety of data, state standards and instructional practices. Effective for the period of July 1, 2022 through June 30, 2023, with the option to renew for up to three 1 year additional renewals. **100% Federal Funds.**

[#127](#) Authorized the Division of Education Analytics and Resources to amend an existing contract with Community & School Partners, LLC, Stratham, NH, (originally approved by G&C on 6/2/21, item #109), to design, document and employ NH assessment and accountability business rules by increasing the price limitation by **\$186,000** from \$186,000 to \$372,000 and by extending the completion date from June 30, 2022 to December 31, 2022. Effective upon G&C approval. **20% Federal, 80% General Funds.**

CONFIRMATIONS

Air Resources Council
Air Resources Council
Community College System Of New Hampshire, Board of Trustees
Community College System Of New Hampshire, Board of Trustees
Commissioner, Department of Environmental Services
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Compensation Appeals Board
Director of Administration, Department of Justice
Director of Agricultural Development, Department of Agriculture, Markets, and Food
Electricians' Board
Electricians' Board
Enhanced 911 Commission
Personnel Appeals Board
Water Council

Elizabeth H. Tillotson, Bow
Rudolph A. Cartier, Jr, Candia
Richard Ackerman, Lebanon
Donnalee M. Lozeau, Nashua
Robert R. Scott, Bow
Benjamin C. Baroody, Manchester
Daniel Manning, Manchester
Edward F. Patch, Bow
James D. Casey, Hampton
Maureen Dwyer-Heinrichs, Kingston
Richard A. Mitchell, Candia
S. David Siff, Concord
Susan A. Jeffery, Manchester
William J. Schubert, Manchester
Kathleen B. Carr, Chichester
Joshua K. Marshall, Canterbury
Matthew C. Connors, Bedford
William J. Infantine, Manchester
Henry E. Thomas Jr., Newbury
Marilee Nihan, (i), Bow
John Joseph Boisvert, Stratham

NOMINATIONS

Agricultural Advisory Board
Agricultural Advisory Board
Agricultural Advisory Board
Agricultural Advisory Board
Aviation Users Advisory Board
Ballot Law Commission
Ballot Law Commission
Board of Licensing for Alcohol and Other Drug Use Professionals
Community College System Of New Hampshire, Board of Trustees
Community College System Of New Hampshire, Board of Trustees
Family Mediator Certification Board

Amy Hall, Sanbornton
Charles Souther, Concord
Denis Ward, Monroe
Stephen H. Taylor, Plainfield
Thomas J. Malafrente, Epsom
Eugene M. Van Loan, Bedford
Robert J. Letourneau, Derry
Jessica G. Parnell, Nashua
Edwin O. Smith, Hinsdale
Gregory C Eastman, Littleton
Cheryl A. Rocha, Atkinson

Family Mediator Certification Board
Justice, New Hampshire Circuit Court
Justice, New Hampshire Circuit Court
Justice, New Hampshire Circuit Court
New Hampshire State Council on the Arts
State Board of Fire Control
Water Council

Rebecca C. Morley, Enfield
Sandra L. Cabrera, Columbia
Justin S. Hersh, Goshen
Joseph D. Tessier, Milford
Julianna T. Bergeron, Keene
Paul Thibault, Peterborough
Gary R. Spaulding, Canterbury