

**LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE**

Legislative Office Building, Room 212

Concord, NH

Tuesday, December 3, 2024

**MEMBERS PRESENT:**

Senator Cindy Rosenwald, Chair

Senator Howard Pearl

Senator Rebecca Whitley

Senator Lucy Weber

Representative Kenneth Weyler

Representative Gerald Griffin

Representative Keith Erf

Representative Mary Jane Wallner

**1. ACCEPTANCE OF THE AUGUST 27, 2024 MEETING MINUTES**

CINDY ROSENWALD, State Senator, Senate District #13:  
Call the meeting to order of the Joint Performance Audit and Oversight Committee. We do have a quorum and -- um -- so the first order of business is the minutes of August 27th.

GERALD GRIFFIN, State Representative, Hillsborough County, District #42: I'll move to accept the minutes of August 22nd (sic).

LUCY WEBER, State Representative, Cheshire County, District #05: Second.

CHAIRWOMAN ROSENWALD: Thank you.

(Representative Weyler enters the committee room.)

CHAIRWOMAN ROSENWALD: Good afternoon. We're just taking up the minutes of August 27th, and do they need any changes or corrections that anybody noticed? If not, then

-- um -- if you're in favor of adopting the minutes as presented, please say aye? Any opposed? Perfect.

**\*\*\* {MOTION ADOPTED}**

**2. STATUS OF ONGOING PERFORMANCE AUDITS:**

CHAIRWOMAN ROSENWALD: Next -- um -- we're going to get updates on the status of ongoing performance audits and Christine is here. I do note that Representative Smith has asked to speak on the first one.

CHRISTINE YOUNG, Director, Audit Division, Office of Legislative Budget Assistant: Good afternoon, Madam Chair, and Committee Members. For the record, my name's Christine Young, Director of Audits for the LBA. And with me is Jay Henry, Performance Audit Supervisor.

So I'll start with an update on the audit of the New Hampshire Commission for Human Rights. That is the audit that is the furthest along in the process at this point. Uh -- the Executive Director of the Commission continues to be out on leave, and the Assistant Executive Director no longer works for the Commission. The Commission voted to appoint an investigator as the Acting Executive Director.

Since the last LPAOC meeting, we've had discussions about our draft report with the Commission's legal counsel at the Department of Justice. Legal counsel has been working with the Commission of Human Rights with the Commissioners on that Commission to discuss the report.

On November 18th we received written feedback on the report from those Commissioners. The report's been revised in response to the comments and a Revised Draft Report was sent to the Commission on November 26th. Final auditee responses are due from the Commission on December 20th, and we are expecting to have an exit meeting in January. A presentation of the report to the Fiscal Committee in February is hopeful.

CHAIRWOMAN ROSENWALD: Are there any questions for Miss Young or Mr. Henry? Thank you. Um -- I'd like to invite Representative Marjorie Smith to the table and just interrupt the flow of this a bit. Welcome.

MARJORIE SMITH, State Representative, Strafford County, District #10: Thank you very much, Madam Chair. Um -- and I have to begin by being quite honest about the fact that I have a bias. My bias is that I think that the Office of the LBA is the crown jewel in -- uh -- when we look at all of those people who assist the Legislature in doing its work. Mostly we think of the LBA in terms of budget; but we also have to think about the LBA in terms of financial auditing and performance auditing. I happen to think that, although I'm sorry to say that most legislators do not know or pay any attention to the work of the performance audits, they are the most important operation that we have in terms of us being able to know what we, as the Legislature, have done well and not done well in creating all kinds of entities in the government, and also how those entities are performing.

It is now going to be three terms ago that questions arose about the work of the Human Rights Commission. They were not following the rules. They were not following the law. It was documented again, and again, and again. And we came -- the Judiciary Committee asked for an audit. It took quite a while for that to get started. It was delayed again, and again, and again, because the head was not able to do the work that was required.

Um -- now today I've just heard for the first time that there are actual dates. My -- and if -- for finishing the process. If those dates are, in fact, honored, it's a long time coming, and I would be really delighted. But I would like to say to those of you who are on the Committee now, and who may or may not be on the Committee in the new legislative term, but who will certainly have records to pass on, that if there continues to be the delay that we

have experienced month, after month, after month, something has to be done to stop that delay and to tell the Human Rights Committee that it is time to follow the law.

Um -- I -- I know that sounds harsh, and it is harsh, but it's harsh because -- um -- there are people out there literally whose lives depend upon the work of the Human Rights Commission. I, of course, am not privy, nor should I be privy, to any of the findings of the -- of the -- the LBA Performance staff; but I would be very surprised if they did not find that I'm correct in the statements that I made about the unconscionable delays that have gone on. And whether subsequent action is taken by this body or another body -- um -- this, to me, represents the nadir, the worst of what has happened in State Government in terms of our paying attention to what we do.

It's all well and good for us to create a body to solve the problems of the citizens of the state; but if we don't pay attention to whether that is what's happening, then I think we are found wanting. And, Madam Chair, I thank you for very much for letting me vent my spleen in this, but I do think that it is of concern and should be of concern to every legislator. Thank you.

CHAIRWOMAN ROSENWALD: Thank you for that input. Any questions for Representative Smith? No.

REP. SMITH: Thank you.

CHAIRWOMAN ROSENWALD: Thank you very much for coming in.

REP. SMITH: {Inaudible}.

CHAIRWOMAN ROSENWALD: We'll see you tomorrow.

REBECCA WHITLEY, State Senator, Senate District #15: Madam Chair, I would have a question of LBA regarding that issue.

CHAIRWOMAN ROSENWALD: Okay. Come on back. Senator Whitley.

SEN. WHITLEY: So just curious about sort of the protocol, because it sounds like the delay really is because there was inconsistency with the Executive Director on leave. So I'm wondering if there was any lessons learned or any protocols have developed for making sure that we're still able to do what we need to do, and you are able to do what you need to do when there is a shift in leadership like that.

MS. YOUNG: Thank you. Um -- this is definitely an unusual situation. Um -- usually if the head of a department leaves, then you have the next person on the list that will move up and will be able to deal with the audit. But -- um -- in this case we had the Assistant Executive Director also not available, left the Commission. So then the attorney at the Department of Justice had to step in and sort of take over and start helping out with the audit.

The Human Rights Commission is administratively attached to the Department of Justice. So -- um -- you know, we're lucky in that sense that there was somebody there that -- that could help us out with the audit and help us try to finish it up. But this is not a typical situation. So we're kind of in unchartered waters here, and just doing the best that we can to -- to work with the attorney at the Department of Justice to -- um -- you know, help us with finishing up the report and get the auditee responses so that we can get this thing released.

CHAIRWOMAN ROSENWALD: Any further questions on this audit? Well, we'll look forward to February.

MS. YOUNG: Yes, hope so. Okay. Shall I move on to the State Oversight of Special Education?

Um -- the audit is currently staffed with four auditors. Field work is expected to conclude this month. We continue to draft Observations for the completed portions of our work. And as I reported the last time that we met, five Observations have already been sent to the Department, and we have another five Observations that are in the final stages of the review process, and those should be delivered to the Department this month. More Observations are expected to be delivered in January, and a full draft report is expected to be completed in mid-2025.

CHAIRWOMAN ROSENWALD: Is this the audit you told us would have 40 or 50 Observations and be like --

MS. YOUNG: Yes.

CHAIRWOMAN ROSENWALD: -- the collected works of Charles Dickens?

MS. YOUNG: Yes, this one will be a lengthy report.

CHAIRWOMAN ROSENWALD: So last -- last meeting I think you said early spring of 2025. Now I'm hearing mid --

MS YOUNG: Mid-2025, yeah.

CHAIRWOMAN ROSENWALD: What's -- what is the reason?

MS. YOUNG: And it's just, you know, delays include, you know, it's a very broad audit scope that we've explained before. The -- the -- the topic matter is complex. Um -- we've had many requests for information that we've sent out and there is a massive volume of data that we are looking at to complete the audit. Um -- we've had to have several follow-ups on our request for information. We're continuing to work with the Department, and they're providing us the information that we need.

So it's takes a long time. Um -- they have another person that is out on leave currently. So we're not sure

how that will impact our timeline; but we're hoping that it's not going to impact it too much, because we are expecting to finish up field work this month, and then it's the Observation writing process that we will continue to do.

CHAIRWOMAN ROSENWALD: And it will be a magnum of this. Questions. Thank you.

MS. YOUNG: Okay. I'll move on to the Education Freedom Account Program.

The audit is currently staffed with three auditors. The team finished its risk assessment, and they're finalizing their audit plan now. Field work is starting, and we were informed that the Education Freedom Account Administrator is resigning from his position there, and his last day was November 25th.

Um -- he was the one staff member that was responsible for oversight of the contractor, the Children's Scholarship Fund. So it's unclear how this vacancy will affect the audit. We're not sure how it will impact the audit timeline. And, if you recall, in our Scope Statement we anticipated presenting our audit report to the Fiscal Committee sometime in the Spring of 2025. Uh -- we're still hopeful for that, but we'll see based on the new vacancy that we have there now.

CHAIRWOMAN ROSENWALD: So do we know who's going to take the place of that individual in terms of this audit?

MS. YOUNG: I don't think there's a replacement yet. We haven't been informed of a replacement there.

CHAIRWOMAN ROSENWALD: Okay. Questions. Okay.

MS. YOUNG: Okay. So we'll move on to the Doorway Program.

We had an entrance conference with the Department of

Health and Human Services on September 12th. Since then, the team has met with the Doorway staff, and they're receiving documents that they've requested for the audit. We've drafted the Scope Statement. And John Clinch, Senior Performance Audit Manager, is available to present the Scope Statement now for your consideration and approval, if you'd like to hear from him, Madam Chair.

CHAIRWOMAN ROSENWALD: Yes. I've a couple of questions about the Scope.

MS. YOUNG: Sure.

CHAIRWOMAN ROSENWALD: And probably other people do, too.

JOHN CLINCH, Senior Performance Audit Manager, Audit Division, Office of Legislative Budget Assistant: Good afternoon. For the record, my name is John Clinch. I'm a Senior Audit Manager with the Office of Legislative Budget Assistant. I come before you today to present the Audit Scope for the Doorway Program.

Um -- the Doorway Program was established in January 2019 by Governor and Council to develop, implement, and operationalize a statewide network of regional hubs for opioid use disorder, treatment, and recovery services. The Doorway Program's purpose is to function as a single point of entry -- uh -- into the system to help those with the opioid use disorder and other substance use disorders.

Each Doorway is contracted by the DHHS to provide treatment, support, and resources for prevention and awareness.

Um -- on Page 1 of the Scope Statement that I believe you have in front of you we talk about the core services are outlined there.

Um -- on Figure 1 on Page 2 shows Doorway Program

staff consisted of six positions; an Executive Program Manager, two Program Specialists, a Business Systems Analyst, a Business Administrator, and a vacant Internal Auditor Position.

Figure 2 on Page 3 shows there are nine Doorways located across the state in Berlin, Concord, Dover, Keene, Laconia, Lebanon, Littleton, Manchester, and Nashua.

Table 1 on Page 4 shows revenues and expenditures for State Fiscal Years 22 and 24. The Doorway Program is funded completely by Federal funds. Total revenues and expenditures for State Fiscal Years 2022 through 2024 were approximately \$76 million in total.

On Page 5, Table 2, shows some of the program metrics tracked by the program for State Fiscal Years 22 and 23. In September -- also on Page 5, we talk about an earlier program evaluation. In September 2023, the Pacific Health Policy Group was contracted to conduct a program evaluation of the Doorway Program using data primarily from Calendar Year 2022. The report recommended improvements in the area system areas -- areas of system care, quality monitoring, and financing, and sustainability.

Um -- we will design the audit to answer the following question:

Did the Division of Behavioral Health effectively monitor the provisions of the Doorway Program during State Fiscal Years 2022 through 2024.

Our Objectives will be to determine the number of citizens directly participating in the program, determine how long it takes for them to access services, and evaluate the Division's contract management and monitoring functions as they pertain to the Doorway Program.

We anticipate completing the audit and presenting to the final -- the final report to the Fiscal Committee in

Calendar Year 2025.

I'd be happy to take any questions you may have.

CHAIRWOMAN ROSENWALD: Representative Weber.

REP. WEBER: Thank you so much for all of that. It's good to see you again. Um -- I was just curious looking at the program metrics that you were looking at, and also somewhat the recommendations of the earlier program evaluation. Is there anything that tells us anything about the outcomes for people that use the program? I mean, I -- I see that we're doing a lot of things. The question I would have, and I'm not sure how you would evaluate it, but if there was any way of telling, I would love to know, is -- is this making a difference? Is this -- I mean, it's \$76 million and are people -- I mean, you know, there's stuff about wait times to access service, but are people actually getting the services they need, and is it helping in their recovery is really what the nub would be for me.

MR. CLINCH: Uh -- thank you for the question. Um -- it's a difficult area to assess the outcomes. Um -- it's something we hope we can get to -- uh -- but I'm not sure that there's going to be data for it. We're going to do as much as we can to come up with those outcomes.

Um -- my understanding is the Department now has surveys that they're using for determining outcomes, but we haven't seen them so I can't really speak to what they say or anything like that.

CHAIRWOMAN ROSENWALD: Jennifer Sabin from the Department is here and perhaps can elucidate on your question. You -- yeah, there are no other seats at the table. So Mr. Clinch will just -- oh, there is one actually. There is one. Yeah. Come on over next.

JENNIFER SABIN, Division for Behavioral Health, Department of Health and Human Services: Thank you, Madam

Chair, Members of the Committee. For the record, my name is Jennifer Sabin. I work at the Department of Health and Human Services in the Division for Behavioral Health, and I oversee the State's opioid response.

So in the previous evaluation there was a small cohort --

CHAIRWOMAN ROSENWALD: Could you speak more directly into --

MS. SABIN: Sure. There was a small outcomes cohort of Medicaid beneficiaries that was evaluated, small meaning a few hundred so when you're looking at the bigger numbers of everyone impacted; but to John's point, who is moving through the system, who's accessing care, and what their outcomes are is hard to determine. However, with that small of a group of people, we were able to answer your question which is a question I ask a lot which is is anybody better off; right? It's great that we served a lot of people, but are their lives better? Are they going on to get well? And the answer to that was yes.

So in that small cohort we could see -- um -- symptomatology related to people's substance use disorder at intake. Then we could receive Medicaid's claims where they're receiving treatment. And then at their six-month follow-up they're reporting reduced symptomatology related to their substance use disorder, as well as other benefits around their relationships, their employment, and their housing status.

CHAIRWOMAN ROSENWALD: Senator Whitley.

SEN. WHITLEY: Sure. Thank you, Madam Chair. Similar to Representative Weber's question; but I'm curious, did the Department initiate the evaluation from Pacific Health Policy Group, and what has been the progress made on the development of this monitoring and performance improvement framework?

MS. SABIN: Sure. Yeah, we did pursue the evaluation because the Doorways were new, right? So any time you're building new infrastructure after a certain period of time, in this case was about five years, to do a look back and see how things were going. Um -- it was an idea that was modeled off of a number of other states, but whether or not things that work in other states work in New Hampshire is always a question for us.

So we did pursue that evaluation independently, and then we recently provided an update to the Governor's Office, which we provided to John and his team about progress to date. I don't think we have that today, but we can provide it for the Committee.

CHAIRWOMAN ROSENWALD: Representative Weyler.

KENNETH WEYLER, State Representative, Rockingham County, District #14: Thank you, Madam Chair. So along with the results, I would wonder the relapse rate and some people coming back.

MS. SABIN: Sure.

REP. WEYLER: They're sober for a while, then they're back. Then they're sober for a while, and they're back. And I would think you would have the name from previously so you could say the person has had four or five relapses and, obviously, that would say the program wasn't working as intended.

MS. SABIN: Sure. Although, I would argue that Substance Use Disorder is a chronic health condition that is relapsing in nature, like diabetes and hypertension. And so needing to access care throughout your life is not uncommon and does not mean that the person is failing or that the treatment is failing.

Um -- there are certainly times where we're able to

connect people's records. However, there's a lot of security and privacy, particularly around Substance Use Disorder records from the federal level with 42 CFR Part 2. So, for instance, I live in Somersworth. So if I accessed care from the Wentworth Douglas Doorway in Dover and didn't have a good experience for some reason, I could present at the Doorway in Laconia and not tell them that I was seen at a MassGen Hospital, and those wouldn't necessarily get connected, because my records are kept private.

And so we do our best to do de-duplicate the number served; but, really, we do have a come to the Doorway early, come to the Doorway often perspective, and so not limiting when people are accessing services, the number of times, and how often is important to us.

REP. WEYLER: It seems like we're allowing the privacy to interfere with really making the program effective and we ought to be able to do something about that if they just repeatedly go to different places and there's nine different places they could go. They're hiding their relapse rate. That's not helping the program or helping the person. So the privacy is kind of overcoming more than it should.

MS. SABIN: Yeah, there are certainly some barriers that the privacy creates. However, when people are known to various Doorways, we are doing something called case conferencing, where sort of everybody gets together to talk about a case that might be really difficult in nature.

The other thing that often happens with people who are active in their substance use disorder and potentially unhoused is that they're naturally moving throughout the state. So they're not intentionally saying I'm going somewhere else in order to access care and circumvent the system. They just are experiencing homelessness in different parts of the state at different times based on where they're able to find and maintain housing.

REP. WEYLER: I just wish we could change it, because supposedly the audit can take place anywhere we've given public money we should be able to audit. And if these things are putting barriers in the way, they should be removed.

MS. SABIN: Sure. I think we could look into the updates that 42 CFR Part 2 had. They're supposed to be closer in line with HIPAA. Medicaid claims are often the easiest for the Department to assess where we can sort of at least pull our beneficiaries of our insurance program and the Doorway Program and line things up. Again, it's limited in nature, but that's what we've been successful to do in the past and offer some protection from privacy.

CHAIRWOMAN ROSENWALD: I'm just wondering, we should have access to the -- um -- interactions of the Medicaid recipients.

MS. SABIN: Yes, certainly for billable services. I will venture to say there's a lot of services that are being provided by the Doorways that are not billable in nature; but, yes, at least the treatment components.

CHAIRWOMAN ROSENWALD: So I have a couple questions. This program when it started was called the Hub and Spoke, and it was not a treatment program. It was a referral program.

MS. SABIN: Hm-hum.

CHAIRWOMAN ROSENWALD: And as I read this Scope Statement, it looks like there's been mission creep into treatment and support and not just referrals. But when I look at Table 2 on Page 5, I really don't see treatment or support, only Naloxone distribution. So I'm wondering why the Doorways say they're providing treatment and support when they were created to be a referral program?

MS. SABIN: Yeah, sure. Great question. Um -- so

originally in 2018 when the State Opioid Response Grant sort of first came to New Hampshire, came to every state and jurisdiction in the country, we -- when we heard from the community about what the Department should use this funding for, resoundingly the question that needed to be answered was when people are ready to get services, where do they go. And that the community was asking for sort of a one-stop shop place to send folks. And so it was created in this Hub and Spoke model.

Over time as the Doorways have implemented our service providers and the treatment space we're not always able to provide timely access to treatment. So there have been two things that have happened.

The Doorways sometimes provide like a bridge where they would provide therapy or medications in the meantime while someone gets connected to care, or in some cases they're just beginning to receive their care from the Doorways, and with the intent to stay, it is -- has been in response to the community need and to the building up of our Substance Use Disorder infrastructure. But you are correct that it is not just a referral and transfer sort of system, but that the Doorways are providing treatment and services on their own.

CHAIRWOMAN ROSENWALD: So should Table 2 be expanded to include treatment and support or recovery services clients, because I really don't see that there.

MS. SABIN: Yeah, those metrics are from the monthly report that the Doorways provide to the Department.

CHAIRWOMAN ROSENWALD: But that would be good probably to know.

MS. SABIN: Sure.

CHAIRWOMAN ROSENWALD: Um -- I also wonder -- I've always wondered about the weekdays from 8:00 a.m. to

5:00 p.m., how effective that is for meeting the clients when they need the help. I mean, this -- this program replaced Safe Stations in Manchester and Nashua where you could walk into a firehouse 24 hours a day and in Nashua, at least, a treatment provider would show up within 15 minutes. I think Manchester took a little longer. But is it possible for this audit to look at how many more people could be served if the in-person hours were expanded, and we backed away from really most of the time being on a phone. And so that's another question I have.

Also -- um -- I know that you -- that the Doorways will help pay for someone's out-of-pocket costs for Methadone treatment, and is that possible to look at how many people --

MS. SABIN: Sure.

CHAIRWOMAN ROSENWALD: -- how much? Because, I mean, we're spending \$2,000 a client.

MS. SABIN: Sure, so --

CHAIRWOMAN ROSENWALD: What are we getting?

MS. SABIN: Sure. So in regards to the first question, I certainly think that when people are accessing care day of the week and time is something that could and should be looked at. Um -- anecdotally, I know that about half of the volume of the Doorways is happening outside of business hours, right. So that's 5:00 p.m. to 8:00 a.m. weekends and holidays -- um -- certainly in certain regions more than others. And so looking at the times that people are accessing care and the volume that's represented could be really important, because we are doing a lot over the phone and it's not as effective, just by the limitations of being on the phone with someone rather than in-person.

And then, secondarily, there is the funds that allow for Methadone treatment are a broader base fund that's

called the Flexible Needs Fund. And my recommendation would be that that was looked at broadly about what it is paid -- paying for, in addition to medications. So that group of funds can also pay for housing and child care and transportation.

Um -- it's not a ongoing source of funding and so the places that it would be used to pay for someone's medication would be short-term and temporary, less than 30 days while their insurance was established. But it's designed to reduce financial barriers to care, but it's most often for transportation.

So if I use the same scenario as before, I present at the Doorway in Dover. I'm screened clinically for an evaluation, and I require a residential level of care. That bed is available in Laconia, and I can't physically get there. The Doorway can pay for your transportation from Dover to Laconia to make sure you get the care you need in a timely fashion, without having to worry about the \$200 cab ride that you might need to pay for.

CHAIRWOMAN ROSENWALD: Are those SOR funds, too?

MS. SABIN: Yes.

CHAIRWOMAN ROSENWALD: So there are no General Funds that support this program?

MS. SABIN: No. There are at times blended Governor's Commission's funds from the Alcohol fund but not General Funds.

CHAIRWOMAN ROSENWALD: Okay. So are you able to amend the Scope to address these questions?

MR. CLINCH: Um -- we could -- we could amend it. Um -- we were planning on addressing some of those issues anyway in the audit. Um -- and I can just make a note of that.

CHAIRWOMAN ROSENWALD: Okay.

MR. CLINCH: And we can probably move on without --

CHAIRWOMAN ROSENWALD: Without having to seek --

MR. CLINCH: -- without making an amendment.

CHAIRWOMAN ROSENWALD: -- new language.

MR. CLINCH: Yes. But it is something I've jotted down some notes that we can -- we can certainly address in the audit.

CHAIRWOMAN ROSENWALD: Okay. Any further questions? Yes, Representative Erf.

KEITH ERF, State Representative, Hillsborough County, District #28: I don't have a question, but I have a number of comments, if that's appropriate.

Um -- at this point in time I plan to oppose this, essentially for a few reasons. One, you essentially had an outside performance audit performed last year as you indicated by another firm, and the results of that are well reported on the HHS website.

It's also a federal program, and there's federal reporting required. And, there again, the Department's done a great job of making those monthly reports available on their website, along with a really nice interactive Dashboard that you can also work with on a countywide basis, statewide basis, to see the current results on a month-to-month basis and overall, and it's all federal funds as has been noted here. And I think a performance audit is better directed toward General Funds. That's my personal feeling about this.

But the big problem I have is here we are at the eleventh hour of the term, we literally end at midnight

tonight, and in some ways we're jamming up brand new Legislature that's going to be sworn in within the next 24 hours. So I think this is the wrong time to be approving the Scope Statement. Thank you.

CHAIRWOMAN ROSENWALD: {Inaudible}.

HOWARD PEARL, State Senator, Senate District #17:

Well, based on Representative Erf's comments here, I guess my question is do we have to do this today or can we wait and do this and let the newly seated Committee do this? Is -- is -- is there a -- excuse me. Is there a reason from your perspective and the LBA that we need to have this done today?

MR. CLINCH: Um -- it's a hard question to answer. I think the answer is no, we don't need it to be approved today. Um -- however, this Commission, this Committee, I guess, expires tonight.

SEN. PEARL: Hm-hum.

MR. CLINCH: And we'll have a new Committee with -- we don't know who will be appointed to that. So it's -- it's -- it's unknown at this point whether the new Committee would approve it or not.

SEN. PEARL: Right. Which I guess sort of leads to the point of maybe it's better to let the new Committee direct you since that's who you'll be working with them. I mean, I suspect many of us will be back here again; but I know there will be some new faces here. Just my thoughts. I wasn't sure if there was a pressing reason why we had to do this today.

CHAIRWOMAN ROSENWALD: Well, I'll just say we did approve this performance audit months and months ago.

SEN. PEARL: Okay.

CHAIRWOMAN ROSENWALD: So -- and it was, I think, a unanimous approval.

CHAIRWOMAN ROSENWALD: Senator Whitley.

SEN. WHITLEY: Yeah, I was going to say I think it's more appropriate for this Committee to approve the Scope -- to approve the Scope. One, because we approved the actual audit to proceed and we requested that they produce this Scope Statement in December and they did that. So I do feel like it's respectful of their time and more appropriate for this Committee to vote on it.

CHAIRWOMAN ROSENWALD: Okay. Representative Weber.

REP. WEBER: I would -- I would agree with that. And then the other thing I just want to say is that whether it's Federal funds or whether it's State funds, it is a State program, and it is State citizens. And if we are spending \$76 million effectively that's great; but if we are spending \$76 million ineffectively, I think we ought to know that and figure out how to do it better.

So I think the fact that the source of the funds is Federal and that there are certain Federal oversights, certainly I would hope you would just incorporate what's already been done for work and not start over. And I assume that part of the reason that this is a fairly short-term, relatively speaking, audit reflects that. But, for me, the issue is whether we are making effective use of resources for the benefit of citizens of New Hampshire, and that is -- doesn't depend on where the funds come from.

CHAIRWOMAN ROSENWALD: And I would agree with that. Because we've a limit on SOR funds, and we keep expecting we're going to get less of them. And so I think it's important for us to figure out if -- if this is a good use of these Federal funds or could we be using them in better way to provide treatment and recovery support services to the thousands of Granite Staters who suffer from opioid use

disorder.

So I think they -- our auditors have done what we've asked them to do. I know there will be a new Committee at some point. I don't know when it'll be appointed. It will be the House's turn to chair it, I think. Is this one that flips back and forth?

REP. WEYLER: Yes.

CHAIRWOMAN ROSENWALD: So any further -- yes, Representative Erf.

REP. ERF: Thank you, Madam Chair. I'll just make one comment related to what you just said. I believe this is not just a Federal program, but it's this explicit program for all 50 states. I don't think we can take the \$76 million and decide to spend it in some other more effective way, in which case I think you have a very good point; but I think we're basically stuck. This is the program that the Federal Government wants us to run and this is the program we are required to run.

SEN. WHITLEY: Madam Chair, I don't think that's correct.

CHAIRWOMAN ROSENWALD: I don't think that's correct either. Jennifer.

MS. SABIN: So what the Substance Abuse and Mental Health Administration dictates is essentially a list of required activities of which New Hampshire has said this is how we're going to meet these required activities. So it's one of sort of a list. If it is found that things are being run inefficiently, we can every 12 months make adjustments to our budget.

So, for instance, we're in a current federal funding year where the plan for October needs to be presented to the Feds in February. So we're sort of always on this

12-month wheel with them where we're adjusting.

One of the main ways that we're adjusting as we go with the Doorways is that their third-party billing has increased over time quite significantly because of the treatment component that you brought up before. And so what you'll see is money to the Doorways decreasing over time; but that's because they're leveraging other sources of funds as well. And so I would encourage the Committee to look potentially across funding sources and at like sort of the bigger picture and not just at this use of temporary grant dollars. But the Senator is right that the SOR allocation is temporary in nature and is currently funding infrastructure, which could be problematic for the citizens if the funding went away.

**\*\*** SEN. WHITLEY: Madam Chair, I move acceptance of the Audit Scope.

CHAIRWOMAN ROSENWALD: Is there a second?

REP. WEBER: Second.

CHAIRWOMAN ROSENWALD: Any further discussion? Do we want to have a roll call or can we have a show of hands? If you're in favor of accepting the Scope Statement, please raise your hand. One, two, three, four, five, six, seven. And one opposed. Thank you very much for your work.

**\*\*\* {MOTION ADOPTED}**

### **3. SUSPENDED, TABLED, AND POTENTIAL AUDIT TOPICS**

CHAIRWOMAN ROSENWALD: Okay. Is there any Suspended, Tabled, and Potential Audit Topics? Yes, Representative Weyler.

REP. WEYLER: I've had a couple of people talk to me about turnovers being worse in some parts of the State Employees than others, and I'm wondering how best to

address this, whether we would look at -- go through all HR and see which places are having a bigger turnover and -- and, you know, zone in on them or whether it's -- we should go to the particular one I've had complaints about. Any thoughts?

CHAIRWOMAN ROSENWALD: Well, that came out of nowhere.

REP. WEYLER: Yeah, it's -- well, this was -- this was one thing that somebody said what are you doing about it? This agency has a big turnover. And, you know, what's -- what can we do about it? I'm wondering if an audit would be a way to go?

CHAIRWOMAN ROSENWALD: Representative Weber.

REP. WEBER: I think that it would be helpful if we had specific programs. Because, I mean, the entire state is pretty broad. And I know, for example, in areas that I deal with, sometimes there is the question of turnover in, say, various DCYF offices. And there's a huge differential between one set and another; but I think it would be really helpful to hone in on specific program areas rather than just the whole ball of wax. Would certainly sharpen my thinking.

REP. WEYLER: The point is if somebody says there's a big turnover in our agency and we look across the whole list, there's a bigger turnover over here and nobody's complaining about it. Well, there's a bigger turnover in another one. So if I take the one I've got complaints about and have them zone in on that, are we missing some of the bigger problems? That's --

CHAIRWOMAN ROSENWALD: So are you suggesting an audit of HR vacancies?

REP. WEYLER: Well, yeah. I mean, if you went to HR and said give us the turnover rate by agency, and then you could zone in on say, well, are these complaints I'm

hearing more valid in that agency than there is in this agency? So, you know, it's just a matter of looking at like a -- a year, a year and a half rate of turnovers in -- in all the agencies in the state. I don't know how wide that would be.

CHAIRWOMAN ROSENWALD: How many auditors?

MS. YOUNG: This is an interesting discussion -- um -- interesting audit topic, too, that I'm sure we'd love to explore at some point. If it helps at all, we're not looking for a new topic today.

REP. WEYLER: Oh, all right.

MS. YOUNG: We do still have -- there are two audits on the list that are currently suspended, as you know, the Bureau of Elderly and Adult Services and the Out-of-State Placements. And then the last two audits on the list were DHHS audits. So it was Contract Management and then the Bureau of Developmental Services. Those are still on the list as potential audit topics. And we still have auditors tied up on other audits right now. So we can keep those on the list, if you'd like or -- uh -- we'd be happy to also entertain additional topics, if you'd like, and we can add them to the list after these two.

CHAIRWOMAN ROSENWALD: Yes, Representative Weber.

REP. WEBER: Given that you're not looking for added work at the moment, I would suggest, along with points that were made earlier, that those are two that could wait for the reconstituted Committee so that they could start afresh with fresh eyes and fresh perspectives. And that we simply leave them for the moment, because we don't want to let go of them; but that that would be a good thing to have as a starting point for the next Committee when, you know, when you have more auditors available, always being aware that we're going into a budget year. So anybody who is crossing the aisle, so to speak, is going to be very busy indeed.

CHAIRWOMAN ROSENWALD: You mean going from Audit to Budget Division? Um -- okay. So the next Committee will consider looking at vacancies across State Government.

#### **4. OTHER BUSINESS**

CHAIRWOMAN ROSENWALD: Um -- Other Business.

REP. WEYLER: Recognition of this.

CHAIRWOMAN ROSENWALD: Isn't this great? Do you all have this?

REP. WEBER: Yep.

CHAIRWOMAN ROSENWALD: So yea! Great audit of Liquor Enforcement and Licensing. This is wonderful.

REP. WEYLER: That was a very extensive audit.

CHAIRWOMAN ROSENWALD: It certainly was.

REP. WEYLER: Was over 300 pages.

CHAIRWOMAN ROSENWALD: It was, and it was an interesting and a hard read. Congratulations on this. It's --

SEN. WHITLEY: Yeah.

REP. WEBER: Well done. Well done.

MS. YOUNG: Thank you very much.

REP. WEBER: Well earned.

CHAIRWOMAN ROSENWALD: And please tell whoever worked on it our congratulations.

MS. YOUNG: Yes. If I may just say a few words. So, as

you know by looking at your handout there, it's a national award that one of our performance audits received that had a significant impact on public policy. It was for the performance audit, the 2021 Audit of the Liquor Commission, the Division of Enforcement and Licensing. I'm proud of the work that was done by the performance audit team, and Madam Chair, I'd like to recognize them and thank them --

CHAIRWOMAN ROSENWALD: Great.

MS. YOUNG: -- publicly if that's okay.

CHAIRWOMAN ROSENWALD: Yes, please do.

MS. YOUNG: The team members included Andrea Provost, Jonah Fjeldsted, Stephen Smith, and two auditors who are in the room today. Steve Grady is sitting in the back there and Jay Henry, Performance Audit Supervisor. So we are very proud of them and I want to thank them for a job well done and congratulations. It was well-deserved.

(Applause.)

CHAIRWOMAN ROSENWALD: And it was very impactful. It was a great, helpful audit. Thank you.

MR. HENRY: I'm just going to mention Steve Grady was the in-charge of that audit and the in-charge position is always the toughest, hardest to do, because you're running the audit, you're getting the questions from Management and from the Legislature. This was the audit itself. If you remember in Fiscal the same day we had two audits this size that we presented in front of Fiscal. And one thing, this award is for impact, meaning something happened. And --

REP. WEYLER: It did.

MR. HENRY: -- a lot of legislation was changed because of this. And, also, rules were written by the -- the Commission and policies and procedures developed based on

what they reported back to Fiscal Committee and to the New Hampshire Transparency site.

So we were basing the impact on what the Commission has reported they've done. So a lot goes to the Commission and also the Legislature for making sure impact happened.

CHAIRWOMAN ROSENWALD: Well, I mean, that's the whole reason to do these performance audits, right? And I always look when we see them is legislation required or not. And -- um -- they're really helpful. So thank you and congratulations.

MS. YOUNG: Thank you, Madam Chair.

MR. HENRY: And I think given past practice the Chair will write a letter to Fiscal 'cause we -- we get -- we present this to Fiscal, too. So the new Fiscal Committee meeting. So I have the letter here.

CHAIRWOMAN ROSENWALD: {Inaudible} for me.

MR. HENRY: Yeah, there's one right here for you.

CHAIRWOMAN ROSENWALD: The Chair will write a letter.

MR. HENRY: Yes.

CHAIRWOMAN ROSENWALD: Air quotes. Yeah.

MR. HENRY: All right.

CHAIRWOMAN ROSENWALD: Congratulations and -- and really thank you. And please tell those individual auditors who are not in the room how proud we are of them.

MS. YOUNG: Thank you.

CHAIRWOMAN ROSENWALD: Okay. So we don't know when the next meeting is going to be. We don't know who will be on

the Committee. Um -- I don't think there's anything, further business before us. So yes.

SEN. WHITLEY: Just wanted to say thank you, Madam Chair, for running a great committee.

CHAIRWOMAN ROSENWALD: Oh, this was not a huge lift.

SEN. WHITLEY: You did great.

CHAIRWOMAN ROSENWALD: This Committee. I'd like to stay on it next time.

SEN. PEARL: Would you like a motion to adjourn?

CHAIRWOMAN ROSENWALD: Um -- yes.

**\*\*** SEN. PEARL: Motion to adjourn.

REP. GRIFFIN: Second.

CHAIRWOMAN ROSENWALD: All in favor? Thank you.

(The audio ended.)

C E R T I F I C A T E

I, Cecelia A. Trask, a Licensed Court Reporter, do hereby certify that the foregoing transcript is a correct transcript from the official audio/video (YouTube) recording of the proceeding in the above-entitled matter. I was not physically present at the Committee meeting, and the recording has been transcribed to the best of my professional skill and ability.

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NH-LCR#00047