

JOINT LEGISLATIVE FISCAL COMMITTEE

One Granite Place, Room 230

Concord NH

Friday, April 17, 2026

MEMBERS PRESENTS:

Representative Ken Weyler, Chair

Representative Keith Erf

Representative Maureen Mooney

Representative Mary Jane Wallner

Representative Peter Leishman

Representative Gerald Griffin

Senator James Gray

Senator Regina Birdsell

Senator Timothy Lang

Senator Cindy Rosenwald

Senator David Watters

(1) Acceptance of Minutes of March 20, 2026, meeting

KENNETH WEYLER, State Representative, Rockingham

County, District #14, and Chairman: Good morning. I'll call the Joint Fiscal Committee meeting to order for April 17th, 2026. First item on the agenda is acceptance of the minutes of March 20th.

** JAMES GRAY, State Senator, Senate District #06:

So moved.

REGINA BIRDSELL, State Senator, Senate District

#19: Second.

CHAIRMAN WEYLER: A motion by Senator Gray, second by Senator Birdsell, to adopt the minutes. Any further discussion? Any corrections or omissions? Hearing none. All

in favor say aye? Opposed no? That is adopted.

*** {MOTION ADOPTED)}

(2) Old Business:

CHAIRMAN WEYLER: All right. We have nothing on Tab 2. {Inaudible}. I haven't got to it yet.

KEITH ERF, State Representative, Hillsborough County, District #28: Sorry.

CONSENT CALENDAR

(3) RSA 9:16-a, Transfers Authorized:

(4) RSA 9:17-d Transfer of Appropriations, Judicial Branch:

(5) RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source:

AMERICAN RESCUE PLAN 2021

CONSENT CALENDAR

(6) RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source:

CHAIRMAN WEYLER: All right. So the Consent Calendar covers Tab 3 through 6. So far we have two items removed from the Consent Calendar. Under Tab 5, item 26-071. Under Tab 6, 26-068. I'll entertain a motion to adopt the remainder of the Consent Calendar.

** SEN. GRAY: So moved.

CHAIRMAN WEYLER: Motion by Senator Gray, second by Senator Birdsell, to adopt the rest of the Consent Calendar. Any further discussion? Seeing none. All in favor say aye? Opposed no?

*** {MOTION ADOPTED}

CHAIRMAN WEYLER: We'll move to Tab 5 and item 26-071. And I believe Senator Rosenwald has questions.

CINDY ROSENWALD, State Senator, Senate District #13: I do. Thank you, Mr. Chairman.

TOM KAEMPFER, ESQ., Deputy Director of Administration, Office of Attorney General, Department of Justice: Morning. For the record {Inaudible}. Good morning. For the record, Tom Kaempfer, Deputy Director of Administration.

DANIELLE SNOOK, Program Administrator, Office of Attorney General, Department of Justice: Good morning, Danielle Snook, Program Administrator.

CHAIRMAN WEYLER: Thank you for coming. Senator Rosenwald.

SEN. ROSENWALD: Thank you, Mr. Chair. So we -- I -- I was reading this item and I noticed that you are -- um -- signing a contract or maybe you've already signed it with the Double Tree in Manchester for \$95,000 for a two-day

conference. That sounded really high to me. So, I guess it's a two-part question. One is what are you actually getting for that. And, two, what if you don't have 500 people coming to help defray the cost or do you? Do you already have 500 people registered?

MS. SNOOK: Great, thank you for the question. Can you hear me okay? Okay. Um -- so our process is that we do go out to bids. We do follow the State Procurement process in order to secure the facility. The Double Tree has historically been the only facility that has submitted a bid. They are the biggest facility in the state to hold our capacity. Um -- last year we had 480 people that attended, and then we had 47 faculties. So we have a track record of already having over 500 people attend the conference.

In terms of what we get for that amount, the majority of the contract with the hotel is food expenses, and that is offset by the registration fees. So if we do get fewer than 500 people that attend, that expense will already be automatically lowered because we only get billed for the amount of people that are coming to eat. So if we accrue \$30,000 in food, then we're -- we're already bringing in the money to offset that. So there shouldn't be an additional expense to us if we get less than 500 people.

CHAIRMAN WEYLER: Follow-up. How many overnights?

MS. SNOOK: So the people that are attending the conference, the attendees, are responsible for paying their own overnights. And I would say that typically we get between twenty and thirty people that stay overnight. The conference is state-wide, so we do get a lot of people from around the state, including our farther northern counties that do stay overnight.

In terms of overnights that we would be responsible for, those would be only for our presenters that we are typically flying in from out-of-state to present. And last year we, I think, had either eleven or twelve overnights for presenters.

CHAIRMAN WEYLER: Thank you.

MS. SNOOK: You're welcome.

CHAIRMAN WEYLER: Further questions?

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SEN. GRAY: Move to approve.

CHAIRMAN WEYLER: Okay. Senator Gray moves to approve. Senator Rosenwald seconds on item FIS 26-071. Is there any further discussion? Seeing none, all in favor say aye? Opposed no? That item is adopted.

*** {MOTION ADOPTED}

CHAIRMAN WEYLER: We'll turn next to tab --

SEN. GRAY: Six.

CHAIRMAN WEYLER: Six. And it will be item 78. Sixty-eight, 068. Okay. I -- I brought this off Consent, because when we go through items I'm looking for how much money there is. And so on an item where we continue it, even though we're ready to approve it, because we approved it previously, I'm curious as to know what was amount we approved, how much has been spent, and how much remains? And usually sometimes you do include those items; but this time zero information about dollars. So I was curious about those. I wondered why it's not a routinely published within the item. Thank you.

NATHAN WHITE, Chief Financial Officer,
Department of Health and Human Services: Sure. Good morning. Nathan White, Chief Financial Officer with the Department of Health and Human Services, and I'm joined here today with.

IAIN WATT, Director, Division of Public Health,
Department of Health and Human Services: Iain Watt, I'm the Director of the Division of Public Health.

MR. WHITE: Sure. Our apologies for not including those amounts. Um -- in total, as of a couple of weeks ago, as of two -- 2/28/26, there's approximately \$10.3 million of federal funds remaining in these items. This is

similar to the items that we've had in the past. Similar to the ARPA funds where these have come through the Fiscal Committee because the directive has been not to include them within the State's operating budget because they are one-time amounts.

Um -- I do not currently have available with me the original award amounts. I can certainly give you that history and reconciliation if that would be helpful for the Committee to have going forward.

CHAIRMAN WEYLER: Yes, we can get that later.

MR. WHITE: Absolutely.

CHAIRMAN WEYLER: All right. Any other questions on the item?

SEN. GRAY: Move to approve.

SEN. BIRDSELL: Second.

CHAIRMAN WEYLER: Senator Gray moves to approve 26-068, and Senator Birdsell seconds. Is there any further discussion? Seeing none, are you ready for the question? All in favor say aye? Opposed no? Thank you very much. The item is adopted.

*** {MOTION ADOPTED}

REGULAR CALENDAR

- (7) RSA 9:16-a, Transfers Authorized, RSA 9:16-c, Transfer Of Federal Grant Funds, RSA 14:30-a, VI, Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from any Non-State Source, and RSA 9:17-a, III, Limitations:

CHAIRMAN WEYLER: Moving on to the Regular Calendar, Tab 7. And we'll first look at Department of Health and Human Services, and Director White is still here for us. Okay. Um -- we had some questions on this. Who would like to go first? Senator Rosenwald.

SEN. ROSENWALD: Thank you, Mr. Chairman. And thank you for the explanation that you sent to us ahead of time about increased cost versus the budgeted appropriation in the developmental disability system. I guess I'm just curious why the cost in that program has grown so big. Is it new people moving into New Hampshire that we didn't know about? Is it people coming off -- um -- going to a higher priority level or is it the cost for personal services that has exploded?

MR. WHITE: Sure. Thank you for the question. I think -- um -- there's a couple of important things to understand here. When we -- when we set up the budget, we -- we start with a budget in August of 2024. Um -- we're about a year and a half away from that. We make a lot of assumptions at that point in time. Uh -- you know, many of which are

basically demographic assumptions. We use the best information that we have available at that point in time. There's been a number of changes and factors that are contributing to the expense -- to the expense projections that we're currently seeing for State Fiscal Year 26. I think one important one is I do know that we did receive the question of, well, the Senate added money back to this. Why isn't there sufficient funds here? There was a reduction during the House phase to the original budget from the Governor's Office at that point in time.

What we saw late into State Fiscal Year 25, so late into the budget process, where -- um -- we were seeking to get additional funds in other areas and -- and much of this didn't -- wasn't -- we weren't really able to fully project until late into June, long past an opportunity to correct that, was we saw spending increase. And part of that was due to the system changes that and -- and contributed with some of the pandemic factors where we saw delayed billings. And as a result of that, we've seen spending increase. We also have seen new members come on -- new individuals come on to the -- come into the system as well, which has continued to drive those costs forward.

There's also been individual budget changes to

the actual cost of services to be delivered. There's been requests to increase individual budget amounts based on the -- the expenditures that are occurring within those areas. And it's sort of -- it's sort of a perfect conflux of a variety of factors that's resulting in a pretty big increase.

I think one important thing to think about, too, in totality when we're looking at the total expenses in this area, you know, it's -- it's close to half a billion dollars. So if you're off by a couple of percentage points and there are factors that weren't able to be detected or brought into the process, then -- then that's going to cause this discrepancy.

We saw a similar thing last year in the last cycle where we had challenges with the nursing facility rates. Um -- what we're trying to do here, again, is work within the budget that we have. And as you all know, we saw basically an effective reduction of about one hundred million dollars of general funds to our budget this year. And this is our attempt to make sure that we're satisfying the expenses that are required under RSA 171-A.

CHAIRMAN WEYLER: Follow-up.

SEN. ROSENWALD: Yeah. Sort of a two-part follow-up. Generally, the Department knows in advance who's going to be going on to the waiver. Most of the individuals

are already here, already in the school system, and it's a minority of people moving into New Hampshire or having a traumatic brain injury; right?

MR. WHITE: So there's a few other factors to also consider. When if you look at the budget process, I mean, if you go back to the agency request, the agency request was higher than the amount we ended up with. And that's just part of the budget cycle. That's part of, you know, working within the confines that we have.

Um -- there is a provision within House Bill 1 that -- that we are not exercising because we want to make sure that we can resolve any issues within our budget that allows the Department to come back and request additional general funds with Fiscal Committee approval. We didn't want to go there.

Another really important piece of this budget is under RSA 171 is we have a carry-forward amount. And I know this has been a topic in Division III over the past couple of years. We had originally assumed back in August the carry-forward amount of about \$94 million.

Now, because we saw that uptick in expenses late in the year, we actually ended up with \$72 million. So that was \$20 million that we were planning on that was no longer

part of our budget just as a result of those changes.

So, again, it -- I'm looking at it from -- from more of a financial perspective. Um -- and -- and, again, we try to use the best information that we can when we come up with our -- with our Agency Budget. And this is our solution today to try to resolve those -- those expenditure projections.

SEN. ROSENWALD: One more, if I could?

CHAIRMAN WEYLER: One more question.

SEN. ROSENWALD: Thank you. So if you knew this late in Fiscal 25, and we're practically at Fiscal 27, I guess I'm just confused as to why the Department is coming forward just now with this request.

MR. WHITE: So we -- um -- I know that we've had a lot of discussions in various committees around lapse and lapse feeds into our overall financial management tactic. And what we're doing on a daily basis, on a monthly basis is we're looking at all of the expenses in every account, in every class line, and we're actively managing that. The department-wide transfer is the mechanism that we use to try to make sure that we can shore up those areas that we see higher projected spending.

HHS's budget is unique in the sense that, you know, a very small portion of it is personnel. Personnel is

easy. It's easy to project. It's like 11% of our budget.

Where we see the bigger spending are the areas that are driven by demographics and -- and driven by external externalities. And we monitor the spending, we take in the best information we can. We're bringing this forward now because we didn't want to overstate it. We didn't want to understate it. It doesn't necessarily make sense to bring something forward in November early on when we still probably need three or four or five more months of trends to help come to a better accurate number. Because what we don't want to do, is we don't want to transfer money from one area to another, and then it could end up lapsing or whatever it may be. We want to make sure that we're utilizing the funds and transferring as precisely as possible.

This is, again, this is in alignment with historical practice. Typically, we have about three department-wide transfers. This year though, just -- just wanted to give you insight, we probably will have a fourth department-wide transfer in June -- uh -- just because, again, we're working with about a hundred million dollars less in general funds.

As you can see in the Dashboard that we've been reporting, our overall lapse number is continuing to trend

downwards, and I'm going to probably see that trend continue into the next Dashboard that I'll be providing to the Committee. And from a -- from a big picture perspective, you know, if we're at \$10 million or \$5 million for a lapse, that's like point four six percent of a 1.1 billion general fund budget. So we don't want to bring forward items early when we're working under such tight constraints.

CHAIRMAN WEYLER: Representative -- Senator Lang for a question.

TIMOTHY LANG, State Senator, Senate District #02: So I just want to be clear. So you're transferring lines to stay within budget to be able to provide the services. However, the impact is strictly on the lapse potentially where in a department where we may have seen a lapse, we may not because we're transferring this money to be able to maintain the services for the -- for the programs?

MR. WHITE: So this -- this particular component that we're talking about here as far as the \$22 million transferring from the Medicaid Program to the general funds, 44 total, to -- to DD, this has zero impact on the lapse. And the reason that has zero impact on the lapse is because we're accepting those other funds into the Medicaid Program. We're moving those into the Medicaid Program, and then we're moving

the general funds out in order to support the projected expenses. So there is zero impact to the lapse. If these funds were not spent -- um -- under RSA 171:18 I believe it is, those funds continue to be carried forward. They're continually appropriate and non-lapsing for DD services.

CHAIRMAN LANG: Thank you.

** PETER LEISHMAN, State Representative,
Hillsborough County, District #33: Move the item.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Representative Leishman moves item 26- 072. Senator Gray seconds. Is there any further discussion on the item? Seeing none. All in favor say aye? Any opposed? The item is adopted. Thank you.

*** {MOTION ADOPTED}

(8) Miscellaneous/Late Item:

CHAIRMAN WEYLER: Moving on to Tab 8. We have a request from Mr. Kane to approve his hiring. Any -- any -- somebody move the item.

SEN. ROSENWALD: Move.

SEN. LANG: Second.

CHAIRMAN WEYLER: All right. Who made the motions? All right. Senator Rosenwald moves to approve. Senator Lang seconds. Any further discussion? All in favor

say aye? Opposed no? That item is adopted.

*** {MOTION ADOPTED}

CHAIRMAN WEYLER: Then we have a late item under Tab 8 from Corrections. It's number 26-080, and we'll hear from the Department. Commissioner Hart, how are you?

WILLIAM HART, Commissioner, Department of Corrections: I'm very well, Representative. How are you?

CHAIRMAN WEYLER: I have a question from an old friend who'd love to hear from you. I've got his number here on a card.

MR. HART: So I'll check in with you after the meeting, sir.

CHAIRMAN WEYLER: Very good.

MR. HART: Thank you.

CHAIRMAN WEYLER: All right. Um -- you had earlier discussions on -- on this item. Um -- this paying double time is -- is -- kind of throws the budget off a bit on -- on the agreement. Um -- you still have a lot of vacancies?

MR. HART: Yes, we do. We're at approximately 50% across the Department in terms of corrections officers.

CHAIRMAN WEYLER: Fifty percent.

MR. HART: Yeah. We are --

CHAIRMAN WEYLER: Somebody gets overtime, do

they -- do they get two hours at a time, eight hours at a time twelve hours at a time? What's -- what's typical?

MR. HART: The typical would be eight hours at a time. So a full shift.

CHAIRMAN WEYLER: So a full shift. Somebody talked earlier about a twelve hour shift. You're not doing those, are you?

MR. HART: Not routinely.

CHAIRMAN WEYLER: Okay. And have you reduced -- so you've had a reduction in prisoners from some years ago.

MR. HART: Yes, from about a decade ago. We're starting to see a slight increase beginning perhaps about 18 months ago. We're up to about 1100 prisoners in men's, approximately a hundred in the women's facility, and about 500, and these are general numbers, about 500 at NCF. So there's a slight trend up, and we expect that to continue, not dramatically, but steadily and into the future.

CHAIRMAN WEYLER: I remember we -- we took quite a few employees out of the budget, out of -- out of your Department and the budget hearings that many of the positions were vacant.

MR. HART: Yes.

CHAIRMAN WEYLER: As are many of your positions

now.

MR. HART: Right.

CHAIRMAN WEYLER: What are you doing other than this double pay for overtime to increase the number of people going to work for you?

MR. HART: Well, we've in the last six months taken on a couple of new endeavors to bring people in. Uh -- we brought in an academy class that started with twelve people. It graduates next Thursday. We did that very quickly by using a blitz concept. The blitz was we had one day where we had everything except for the psychological and the background ready to go. We were able to bring forward 160 folks demonstrated interest and of that we went forward with an academy class of twelve.

We think going forward that we'll be able to increase that. Our hope is for the next academy class sometime in September we expect -- we're expecting 30 to 35 as a reasonable effort. We're going to do two blitzes. We're also looking at different ways to advertise our -- the -- the CO position. Specifically, we're looking at targeted demographic advertising through social media and through cable and streaming services.

Um -- typically, according to the folks we've

talked to, they can target very specific audiences. For example, somebody with military experience. Somebody who may have applied for other law enforcement positions, and they can target right down to an age. So we're looking at that. We're also looking at other ways to enhance the opportunities that we have at DOC.

CHAIRMAN WEYLER: What does an average CO make for an annual salary?

MR. HART: I'm going to defer to Lisa Stone, who's the Director of Administration for that. I'm not sure the starting pay. The average pay to include overtime is about \$103,000 a year. That's a ballpark. Lisa.

LISA STONE, Director of Administration, Department of Corrections: So the average starting salary for CO hourly is 29.50.

CHAIRMAN WEYLER: Thank you. Further questions from Committee Members? First Senator Birdsell, then Senator Lang.

SEN. BIRDSELL: Thank you, Mr. Chair. Thank you for taking my question. Um -- are you marketing out-of-state, for out-of-state applicants; and, if so, where generally?

MR. HART: I didn't hear the first part of the question. I'm sorry.

SEN. BIRDSELL: Are you marketing --

MR. HART: Yes.

SEN. BIRDSELL: Or recruiting out --
out-of-state? And, if so, what has your success been and where
are they coming from?

MR. HART: It's too early for us as a new
administration to determine what our success rate is. We are
marketing to out-of-state applicants. Uh -- the -- probably
the most important single piece of that is we've been working
with the New Hampshire Police Standards and Training Council to
change the way a person might become a corrections officer.
Let me give you an example.

So a person who, let's say, is a Massachusetts
state or county corrections officer with that training can come
here and very similar to a police officer, they can go through
what we refer to sort of colloquially as the law package,
hitting those classes that are specific to New Hampshire or
specific to the difference between state corrections officers
and county corrections officers.

We expect that that pathways project, which will
also include county officers from the State of New Hampshire,
people who have military experience in corrections, people who
are police officers and moving over to the corrections side,

that that document will be before the Police Standards and Training Council, I hope this month, which means the 28th. If not, it'll be in May.

CHAIRMAN WEYLER: Senator Lang for a question.

SEN. LANG: Kind of stole my thunder. I was just going to talk about the law package. So as a former police officer, I went through the police law package being certified in another state, moving to this state. I do know I've had a commission -- a conversation with the Commissioner, as well as Mr. Scippa over at Police Standards and Training, and they are putting together probably one of the ways to allow county corrections officers, which is a pretty good size pool for us in the state, to be able to serve part-time in the State Prison by going through a law package which, hopefully, will drive down some of this overtime that we're seeing.

So I do know that that process in place. We've had multiple conversations about it. Um -- and I think that will go a long way to help softening our hiring and our overtime problem.

CHAIRMAN WEYLER: {Inaudible}. Thank you.
Representative Wallner for a question.

MARY JANE WALLNER, State Representative,
Merrimack County, District #19: Yes. Thank you. In your

recruitment efforts, do you offer a sign-on bonus?

MR. HART: Yes, we do.

REP. WALLNER: And can you tell me how much it is?

MR. HART: Yes, it's \$10,000 to a person who completes the Academy. It'll be paid then and that person needs to serve at least one year in the Department of Corrections.

REP. WALLNER: Further question?

CHAIRMAN WEYLER: Further question.

REP. WALLNER: Can you tell me how many of those sign-on bonuses you've made this year?

MR. HART: We've not paid any yet. We expect next week to pay a number of them. It'll be less than ten; but we expect to pay those at the end of next week.

REP. WALLNER: Thank you.

MR. HART: You're very welcome.

CHAIRMAN WEYLER: Thank you. Senator Gray for a question.

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SEN. GRAY: Well, it's kind of a question, kind of a how did we get here today. Certainly, there was a meeting in my office earlier this week with the Governor's Office, Corrections, and others. And when we look back at the request

that came in before, it was for \$15 million. We had questions over how the money for straight time and benefits was spent. Uh -- we resolved some of those issues. Uh -- the request that came in was 20 to 21 million. Uh -- I suggested that we put in this late item for the twelve to get them started, and to encourage them to continue and, hopefully, reduce that second request, which I anticipate coming in in the June meeting and give them an opportunity to say what they have done between now and the June meeting to reduce that number.

Um -- and so I do support what we're doing here today. Um -- that double time is killing us. Uh -- but the other options that we've talked about, certainly I'll let the Commissioner talk about those in June if any of those bear fruit. So, I do support the item and will move to approve.

SEN. LANG: Second.

CHAIRMAN WEYLER: Motion to approve item 26-080 by Senator Gray, second by Senator Lang. Further discussion. Seeing none, you ready for the question? All in favor say aye? Any opposed? Thank you.

MR. HART: Thank you very much.

*** {MOTION ADOPTED}

CHAIRMAN WEYLER: Talk a little bit later.

MR. HART: I'll wait till the end.

CHAIRMAN WEYLER: All right. Mr. Kane, anything you need to add?

MR. KANE: Nothing to add; but if any Member has any questions on any of the informational items, the agencies are here.

CHAIRMAN WEYLER: Okay. I guess next we'll look at audits.

REP. ERF: {Inaudible}.

CHAIRMAN WEYLER: Oh, wait a minute. Sorry about that. Another item we have questions on. 26-074 under Tab 9. Representative Erf is recognized for questions.

(9) Informational Materials:

REP. ERF: Thank you, Mr. Chair. Thank you all for being here. Want to have them introduce themselves first?

CHAIRMAN WEYLER: What's that?

REP. ERF: You want them to introduce themselves first?

CHAIRMAN WEYLER: Yes.

DAVID WIETERS, Chief Operating Officer,
Department of Health and Human Services: Thank you. David Wieters, Chief Operating Officer for DHHS.

MORISSA HENN, Deputy Commissioner, Department of

Health and Human Services: Good morning. Morissa Henn, Deputy Commissioner, DHHS.

CHAIRMAN WEYLER: Representative Erf is recognized for questions.

REP. ERF: Thank you. My understanding is that the New Hampshire Care Connection System is supposed to be interoperable with all the State's internal IT systems, and via a standard interface open to external systems that meet the State's privacy requirements, such as those used by the Managed Care Organizations. So my question -- two -- two questions. Is the State system interoperable with other IT systems, and is the external interface on track for outside vendors to connect to?

MR. WIETERS: Thank you for the question. Um -- so just a quick clarification. The contract is to be able to be interoperable with State systems, as well as provider systems as needed. But where we're at currently today is we do have a discoverable SMART on FHIR integration that providers can manage and consume and be interoperable with the system. We also have other functions of single sign-on opportunities so that the providers can leverage that. And then the third option that is available to providers is a more deeper dive integration at the provider's request.

Specifically, in request to your question for the Managed Care Organizations, we are working with them and -- and our contractor to complete the JVA integration that they are pursuing with our contractor today.

And then within our IT systems, just to finish the -- what I believe are your three or four parts of your question, is we will be working within our IT systems to identify where we would look for interoperability, and where we would be basically providing information back and forth through FTP or other file sharing components.

REP. ERF: Follow-up.

CHAIRMAN WEYLER: Follow-up.

REP. ERF: So I think I've understood your three options there. The third one would be essentially what I'm referring to. And so my question there is what is the deadline for that -- that interface to be complete?

MR. WIETERS: So the -- I'm trying to -- so I'm a very technical person, but so to try to bring it up a level. From an interoperability is based off of use cases. So each use case or each provider has a different requirement for interoperability. So Managed Care Organizations are working with our contractor and ourselves to identify their use case on how -- what information they want to exchange back and forth

between the system. And that really the reason why it is a unique each time for each provider is because of the privacy and security concerns of how we're exchanging data, what data we're allowed to exchange, what information they want to release to the network, and which information we're going to consume. So putting a specific date on it is really difficult. It's based off of a two-party communication of where the MCOs are at and where our contractor is at.

REP. ERF: One more follow-up on that. Could you just clarify then that last statement you just said there? It depends on where everybody is. So you're two years into this process and from what I understand the MCOs are ready to go, and they're not getting the support they need from the State's contractor.

MR. WIETERS: And I will certainly take that back. We are actively meeting with the Managed Care Organizations, and I have not heard that they were having challenges with this integration; but I can certainly take it back to the project team.

REP. ERF: Thank you.

CHAIRMAN WEYLER: Okay. Senator Rosenwald and then Senator Lang.

SEN. ROSENWALD: Thank you. Thank you for

taking my question. I'm curious why it's taken so long for this project to begin, and it's -- it's a pilot, when we had the first closed loop referral system in 2020 as part of an Executive Order. And I remember working on the privacy pieces with Senator Lang's predecessor. What -- why has it taken us so long to get there?

MR. WIETERS: Yes, thank you for the question. Um -- I -- I would start with this contract is multi-phased. So there was multiple components of it. So the first thing that we launched on this project was the behavioral health migration of the Rapid Response Crisis system for dispatching crisis response professionals to support people off of the 9-8-8 crisis line. And we implemented that in the first -- within the timeline that we were looking for between March 2024 and July of 2024.

We moved from there to start building the components that we needed to for the specific RSA regarding privacy and security that this -- that the State passed was -- which was specific to having a checkbox saying if you're going to share information with DHHS, you need to have specific language for that so that we could inform the clients before that. We worked on that for the next several months with our contractor. But while we were doing that, we were also

building out the network.

So you've heard about the Upper Valley pilot and the Upper Valley Program. But, in parallel, we've been building up the network across the state, and we have over a hundred providers on the network today that are able to leverage it for referral processing. And additionally to that, we built some other system infrastructure. So what -- what you can do today is go to our website and you can see a self-service portal, which ingested 2-1-1 database which was part of the contract so that we have all the providers on that find your resource list. And by your location in the state you can type in I'm looking for housing services, or food services, or mental health services. It -- it doesn't matter, health or human services, you can search it. It will provide not only just a name and address of the provider, but contact information, their hours of operation, and it's a -- it's a managed database by Granite United Way as a subcontract to this contract to ensure that it's up-to-date and people can actually reach resources.

Whereas, some websites that are out there, they're not managed. So then they're directing people to phone numbers that are no longer live or addresses that the providers have moved from. We -- we found it really important to invest

in that self-service model. So that's what we've done so far.

And then we -- we look through our marketing and how we were engaging our providers, and some of the feedback over the last year of how we could engage them more effectively. And with this Upper Valley Program, we've taken that feedback and moved it forward so we can be successful at growing this network beyond the 100 providers and be successful to support rural health transformation as we go forward.

SEN. ROSENWALD: Follow-up. Thank you.

CHAIRMAN WEYLER: Follow-up.

SEN. ROSENWALD: So just to asking you to think ahead. This is being funded by the Rural Health Transformation Grant, and that's ten years of funding. Is the Department thinking at all yet about how to make it sustainable when those Rural Health Transformation Grants expire?

MR. WIETERS: Thank you for the question.

SEN. ROSENWALD: Or is that just too far down the road?

MR. WIETERS: Oh, thank you for the question. Just one point of correction on that. We currently have for the design, development, and implementation, we actually sought CMS approval through Medicaid funding, and we have 90% federal funds to implement the solution. And there are operating costs

for this solution. So, regardless, of Rural Health Transformation funds is in our information services budget for this biennium and was planned to be continued into future bienniums as part of the base budget with no additional costs.

The Rural Health Transformation Grant itself is funding services and other components that will leverage this technology, but it's not actually paying for the closed loop referral solution at this time.

SEN. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Senator Lang for a question.

SEN. LANG: Sorry we get a little geekish for a minute. So having installed EMR systems, and practice management systems, and insurance systems, and integration systems, my concern is are we looking at these programs with -- with using an HL7 standard type of interfacing or -- or the newer model of the fast health interoperability resources standard so that we know that we can pick up and integrate all of these disparate systems that aren't necessarily the same by having a standard platform?

MR. WIETERS: Absolutely. Thank you for the question. So the contract with our vendor came with an already developed SMART on FHIR fast health interfaces solution that any provider in the industry that's leveraging that HL7

standard could consume and leverage as they go forward.

SEN. LANG: Excellent. Thank you.

CHAIRMAN WEYLER: Any further questions from Committee Members? Representative Erf.

REP. ERF: Thank you, Mr. Chair. So I assume the privacy protections mandated in State Law are in place in the New Hampshire Care Coordination's Pilot system. I understand that is a per referral consent. Can you explain how the system will prevent someone with access to the system from searching through the system for information about individuals?

MR. WIETERS: Certainly. At a high level, you are absolutely correct. It is configured in the system as a per referral consent. The -- the State Law is specifically surrounding how data is shared with DHHS. But we all -- we -- every single referral between providers is maintained as a referee and a refer, you know, from a provider sending and a provider receiving the referral. Another provider on the network would not be able to search for that client and find information for them, unless they were first had referral in the chain.

So if you go through multiple referrals and you become part of the care team then, yes, you will be able to see it. But if you're not, and the client has not consented to

that e-mail chain, that provider referral chain, you would not have access.

So if I was a provider and Morissa was a provider, the two of us would be able to see it if you as a client consented to that occur. If I wanted to send it to Representative Weyler, then I would need to seek the client's consent again to say this is who I'm going to send it to.

REP. ERF: Follow-up.

CHAIRMAN WEYLER: Follow-up.

REP. ERF: Just to clarify. So I understand your explanation. My question is how does the system preclude that happening? In other words, I get that you are not allowed to, but how does this system prevent that from happening?

MR. WIETERS: Specifically, it's from a role-based authentication control process. And so, basically, if you're a provider and you're a registered provider, and that client has consented to that provider group, then the system on the back end says this provider group has access to this referral so that they can provide the client services. But if -- if you're another provider, the role-based access will indicate you're not in there so you don't have access to the data.

REP. ERF: Thank you.

CHAIRMAN WEYLER: Anything further?

REP. ERF: Can I keep going or you do not want me to ask anymore questions?

CHAIRMAN WEYLER: You can keep going.

REP. ERF: Thank you, Mr. Chair. Why was a hospital system chosen for the pilot rather than one of the managed care organizations or community health centers?

MR. WIETERS: So from a -- a perspective of how we can move forward in anchors, when we did this closed-loop referral system the first time back in 2020, 2021, we identified that it was really necessary to identify champions or provider champions that were going to step up and really lead that way and lead that -- that -- that performance forward.

In many cases, referrals start at a hospital. When they -- when the person is in crisis, many times they show up in an emergency department, and from there they may end up needing to go to a community mental health center. They might need primary care support. They might need food services in order to get healthy again so that they can manage their current crisis. And why we chose them is Dartmouth actually stepped up, identified their referring partners early on, actually several years ago, knew how they could engage with

their referring partner providers, and essentially put in that extra effort that we were looking for that some of the other hospitals were also approached and they were saying, well, we're waiting to see how this works. And so that was through an approach of working with our hospital association and identifying how we can move this.

We did approach community mental health centers and they said they would like to be part of the process but not necessarily the leaders of that process, because they saw it as a potential opportunity for the hospital -- the DH to be leadership but they are part of our advisory group. And so we created an advisory group to really help provide information back to the Department so that we can consistently understand where our community is at and how we can better serve them.

REP. ERF: Thank you. So as the hospital you've chosen or any hospital, I guess, handles Medicare and private insurance patients, in addition to Medicaid patients. Will all the patients be included in the State database built during the pilot system rollout vis-a-vis the referrals and all.

MR. WIETERS: Yeah. There is no restriction on what client can be on the network. It really comes down to the opt-in function of the client wanting to be on the network and utilizing the referral system to have access to that care.

REP. ERF: So these non-Medicaid people would be fully aware of what they're getting themselves into?

MR. WIETERS: Absolutely.

REP. ERF: Okay. And who is connected to the pilot system other than social service providers, other than the hospital obviously?

MR. WIETERS: So we have many different providers on the network currently. I mean, it would be a long list, but the idea --

REP. ERF: Types.

MR. WIETERS: Types. So we have housing providers. We have food service providers. We have community mental health centers joining the network. We have adult disability resource centers on the network. We have hospitals and primary care -- primary care, as well as other federally qualified health centers on the network. And the Doorways are all on the network, all the Doorways.

REP. ERF: So you mentioned earlier how the system works now, and I played with it. I mean, I've gone on, looked up Weare, and I saw all the things you talked about. But are all -- those are not yet two-way referral components, are they?

MR. WIETERS: So if you go to our website

there's two components. One is the find your resources where you can go and it's a self-service function. Then you call them and they can leverage the referral system if they've joined the network, or they might use the current process of using phone packs e-mail to refer you.

However, there's another component on the same website that is a form that says I'm not looking for self-service. I'm looking for support. And so you -- you submit your information. It's a HIPAA compliant form that then goes to a navigator that is part of the contract that Granite United Way is providing the services for where they will place you and refer you upon consent to other places based off of your forms request.

REP. ERF: And that's functional now across the state or only within the Dartmouth Hospital Region?

MR. WIETERS: That is functional now across the state.

REP. ERF: Thank you. Oh, okay. So next, getting close to the end here, how much of your budget have you essentially expended to date and -- and on what? And the on the what can be something you provide us separately if that's easier.

MR. WIETERS: Certainly. So we've spent, if you

want the exact dollar, give me a second. I can pull that out. We've spent \$4,285,000 on the contract. Um -- and what that has -- since March of 2024. And so there was a number of line items on the contract that were deliverable specifically to project planning, project management status, status dashboards, where we're at. The installation and distribution of the software licenses to any provider that would like to join the network.

We did a significant amount of testing of both the privacy components that were changes to their system to ensure that we were compliant with our RSA. The system deployment in itself, including all the training and certification components that we were looking for, all of that design development implementation was invoiced quarterly. They have completed all the design, development, and implementation components. And then we're now in the maintenance and operations phase. So we're about six months into -- well, a little bit more than six months into our maintenance and operations year one according to contract payment terms.

So we anticipated a long design, development, implementation time frame and now we're in an M&O. So we've paid a portion of our first year's maintenance and operations.

REP. ERF: So -- so the remaining funds about

what, \$3.7 million, is for maintenance essentially over the next two or three years?

MR. WIETERS: The remaining funds were for maintenance and operations, plus provider growth. So there was some incentive payments in the system for them, for the vendor to accomplish certain numbers of referrals within certain timelines of the contract. Since we were unable as a project team to meet those -- those incentive payment timelines, not just because the vendor wasn't able to, they were able to, but because we made decisions to stabilize and functionally look at how we're deploying it, we missed those timelines and we're not going to be paying those incentive payments.

REP. ERF: Okay. Um -- I appreciate all that. Um -- but it's not there's still money left in your budget. Is that -- didn't -- wasn't the budget like seven, almost \$8 million?

MR. WIETERS: Yes. So there's 3.7 million, a little bit less than that left in the budget, and the majority of that is for maintenance and operations for the next several years.

REP. ERF: Okay. {Inaudible}.

MR. WIETERS: There are some line items that would be liquidated off of that contract as they're not going

to be delivered.

REP. ERF: Thank you.

CHAIRMAN WEYLER: Can you leave your contact numbers with Representative Erf in case he has further questions?

MR. WIETERS: Certainly.

REP. ERF: Can -- and can I ask them one last question, an easy one? Will the MCOs be required to use the State system at some point?

MR. WIETERS: So the conversation we've had with the MCOs has been that we have it in their contract to use the State -- the State's closed-loop referral system or have interoperability with the State's closed-loop referral system.

Currently, they've indicated to us that they prefer to use the State closed-loop referral system, but they do have options to use their own closed-loop referral system that would then interoperate with ours. But they -- they -- all three have indicated that they prefer to use the one that the State is paying for, because it's licensed for all providers; but -- but they have both options.

REP. ERF: Okay. So, just to be clear, all three of the current MCOs have said they'd rather abandon their current closed-loop systems and interact directly with the

State system?

MR. WIETERS: That is my understanding of the conversations I've had with them personally on several occasions now. And just to further clarify, they joined the closed-loop referral network about a year and a month ago, all three of them.

REP. ERF: I just want to impress upon you that I had a very -- I haven't spoken with all of them. I asked one of them and have a very different understanding of the state of affairs there.

CHAIRMAN WEYLER: Senator Rosenwald, did you have a question?

SEN. ROSENWALD: I had a -- if -- if Representative Erf is finished, I -- one just last privacy question. Since not all of the providers that could participate and will participate in the closed-loop referral system are HIPAA covered entities, do the individuals seeking referrals, how do they learn that they may be consenting into a referral database where there is no federal HIPAA protection?

MR. WIETERS: So thank you for the question. I'll take that in two parts. Um -- the second part is the system itself is HIPAA compliant and is going to be managed from a HIPAA compliant perspective. So when they -- when the

data enters the system, it becomes HIPAA protected health information. So the way -- but from a provider perspective, how do we communicate with them their responsibilities?

As part of the network participating agreement, they agree that they're going to follow our HIPAA training that they're provided. So every participating provider has to go through HIPAA training in order to understand the data that they may be managing. And then that consent agreement indicates what -- what the client is specifically sharing, and who they're sharing it to. So if you're sharing information from a hospital to a housing support agency that is not a HIPAA covered entity, it does explain you are sharing this information with this entity, and this is the reasons why you're sharing it. And so in our privacy policy also covers the HIPAA components.

SEN. ROSENWALD: Follow-up.

CHAIRMAN WEYLER: Follow-up.

SEN. ROSENWALD: But how does the individual learn that they've opted in to get a housing referral and the housing agency is going to treat the information as if it were HIPAA protected, but it isn't?

MR. WIETERS: I'm trying -- my apologies. I -- I under -- I fundamentally think I understand your question is

how are we -- how are we communicating that. If I can just restate it to make sure I understand your question. If I was a client seeking services at a hospital, and they sent a referral to a housing agency, how is the hospital communicating or the network or some documentation communicating back to me that my data may be shared with a -- a user or an employee at a housing agency that is not covered by HIPAA; but they're responsible for maintaining my data at a HIPAA compliance level; is that correct?

SEN. ROSENWALD: Correct.

MR. WIETERS: Okay. So the way that -- that is managed is through the training, through the consistent support, through the MPPA from an agreement and contractual obligation of that provider joining the network, and through consent. That consent documentation does indicate to the individual. They would have to read it, but the consent documentation does indicate to the individual how privacy is managed and how they can revoke consent.

SEN. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Anything further? All right. This is just an information item. If you'll provide some detailed contacts. You're doing an excellent job at answering all this, so you're the one we need get a hold of. So give us

some contact information. Thank you.

MR. WIETERS: Thank you very much for the questions.

AUDITS:

CHAIRMAN WEYLER: All right. I think we're ready to move on to the audits. To the audit, I guess. It's a multi-department thing, but it's a single audit.

SEN. GRAY: Mike, if you get the contact information then you can send it. Appreciate that. You have another mic over on that table, too, so.

CHAIRMAN WEYLER: There's some along the side over there.

CHARLIE ARLINGHAUS, Commissioner, Department of Administrative Services: I doubt we'll need it.

CHRISTINE YOUNG, Director, Audit Division, Office of Legislative Budget Assistant: Okay. It's still morning. So good morning, Mr. Chairman --

CHAIRMAN WEYLER: Good morning.

MS. YOUNG: -- and Committee Members. For the record, I'm Christine Young, Director of Audits for the LBA. As you know, we contract with KPMG for the annual audit of the State's Federal Financial Assistance Programs. Joining us this year from KPMG is Jeff Koch, Audit Managing Director; and also

joining us are the preparers of the single audit report. From the Department of Administrative Services, we have Charlie Arlinghaus, the Commissioner. We have Steve Giovinelli, the financial reporting administrator, and Karen Burke, the Deputy Director of Accounting Services.

CHAIRMAN WEYLER: Welcome.

MS. YOUNG: So with that introduction, I will turn it over to Jeff for the presentation of the report.

JEFF KOCH, KPMG: Good morning, everybody. So we are here to talk about a required communications as it pertains to the single audit for the State of New Hampshire. Uh -- the single audit was performed in accordance with the requirements of govern -- governmental or generally accepted accounting principles, government auditing standards, and the requirements contained when 2CFR 200 or are commonly referred to as the uniform guidance.

The single audit is to perform an audit of the State's programs that are considered material or major programs for fiscal year, and audit those compliance requirements contained in OMB's compliance supplement that could have a direct and material effect on the State's compliance.

The major programs for this year's audit were identified within the schedule of findings and question costs

contained in Section F of the report.

As the auditors, we are responsible for performing and expressing an opinion on compliance with each major federal program. The audit is designed to obtain reasonable but not absolute assurance over material non-compliance. We are not responsible for detecting non-compliance that is not directed material to the major programs. And the audit does not relieve management or the Fiscal Committee of their responsibilities.

In addition, as it relates to this audit, we are required to perform certain procedures over internal controls related to compliance. We consider that as part of the design of our procedures. However, we do not express an opinion on the effectiveness of internal controls over compliance.

As part of the audit there were material weaknesses in internal controls identified and reported within the schedule of findings and question costs. Again, in Section F of the report.

As part of the audit, there were no disagreements with management on compliance matters. Management did not consult with other accountants during the fiscal year. There were no difficult -- difficulties encountered as part of the audit. And we did not consult with

anyone outside the engagement team in performing the audit.

As it pertains to the audit, within the audit report there are different opinions that we had. We did have one adverse opinion as it related to the Fish and Wildlife cluster. The adverse opinion was the result of the various findings that we had over various compliance areas that when considered in the aggregate did not allow us to believe that the State was compliant with the requirements of the federal program.

In addition to that, as part of our audit we did have some other programs. There were about twelve of them that had qualified opinions in the audit. What the qualified opinion relates to is that there were matters of material non-compliance identified. However, except for that matter of non-compliance, there was nothing that prevented us from concluding on the overall compliance of the program just related to that matter of non-compliance identified.

As part of the audit, there was written communications that we did have which included our management representation letter and our engagement letter. And as of the date of our report, which was March 30th, we do confirm that we were independent with the State of New Hampshire.

That concludes what I did have prepared for

today. So we do open it up if there are any questions.

CHAIRMAN WEYLER: Questions from Committee Members? If not, we'll hear from -- oh, Commissioner Arlinghaus.

MR. ARLINGHAUS: Charlie Arlinghaus. I'm the Commissioner of Admin Services and, well, everyone was introduced. Um -- first of all, we thank both the LBA and KPMG who we work very well with. Let's hope that stays that way for a long time.

Um -- there's nothing dramatically different this year from last year. And there's nothing dramatic that you need to really be aware of. The Fish and Game finding, it's something we talked about a lot a year ago. And it is something that's being worked on, and we have hopes but it has to get better.

Our -- our team, which is mostly Steve and his friend Tim, do regular work with agencies on the findings that they have, and they do quarterly follow-ups and -- and track things down. If there happens to be an area that you're particularly interested in, it's something that over the course of the year we can -- we can talk to you about and sort of tell you what the agency is doing specifically about it. Um -- it's something we always offer. It's not something historically

people really want to get into the weeds on because it's remarkably weedy. But it's all there and the audit cover this year I think is yellow. So that's exciting.

CHAIRMAN WEYLER: Senator Gray.

SEN. GRAY: Yeah. Certainly I'm concerned when I go back several years. We do have several items going back to '22. Certainly, as we go through this year, I wouldn't mind getting periodic updates of how you're doing on those items to get them done. Thank you.

MR. ARLINGHAUS: I think we -- I think we can do that. And it helps -- it will actually help with the agencies who occasionally have the impression that no one except Steve actually cares. And so that will help Steve a little bit.

SEN. GRAY: I do care.

CHAIRMAN WEYLER: We all care. We were hoping -- we were hoping that the report would say we've made a lot of progress, but I guess we have the same items coming up after year, after year.

MR. ARLINGHAUS: I think it's fair to say we always make some progress, and we always fail in other areas. And -- and one of the reasons you do an audit is to constantly sort of whack people about the head to say you need to stay on top of this. And I -- I'm very optimistic about next year's

audit because I think -- I think there's some progress being made. But I'll say this, the State's down dramatically in its workforce size over the last year. And if I were a betting man, I would bet that that means we -- we're going to make less progress than we hoped for.

CHAIRMAN WEYLER: And, Miss Young, does this give you any further places we're going to look when you do the audits?

MS. YOUNG: Certainly there are -- there are a couple agencies on our list for the future. Um -- Fish and Game has been in mind and we know that -- that some of the legislators have asked about that. So that's -- that's on our mind. But it -- you know, we also have to consider whether we have the bandwidth to do it and when the appropriate time to do it is. So yes, we -- we've been thinking about that.

CHAIRMAN WEYLER: You seem to be more fortunate than most departments at being able to hire.

MS. YOUNG: Yes. We have two open positions, a financial auditor position and a performance auditor position. And thank you for approving that request today. We appreciate that. So planning --

CHAIRMAN WEYLER: You do important work and we're all anxious to find out what's happening with all the

money that we're giving out.

MS. YOUNG: Yes.

CHAIRMAN WEYLER: So I know Commissioner Arlinghaus helps. Anything further from the Committee? All right. We thank you for this interesting study. We have a lot of time to look through it. And I think we've already accepted this report and placed it on file. We don't need that motion. Appreciate all the good work. We're looking forward to improvements, and thank you for being one who cares. Okay.

MS. YOUNG: Thank you.

CHAIRMAN WEYLER: Thank you.

(10) Date of Next Meeting and Adjournment

CHAIRMAN WEYLER: Next item on the agenda is the next meeting. May 15th was the suggestion. It's the fourth Friday. Eleven o'clock still good?

SEN. GRAY: I think it's the third Friday.

CHAIRMAN WEYLER: Third Friday.

SEN. GRAY: But the fourth Friday is right before Memorial.

CHAIRMAN WEYLER: Okay. We don't want to mess with that. So we're on the third Friday. May 15th.

REP. ERF: {Inaudible}.

CHAIRMAN WEYLER: Fifteenth.

REP. ERF: I'm looking at the wrong month.

Sorry. You're right.

CHAIRMAN WEYLER: Eleven o'clock good for everybody?

SEN. GRAY: Um -- there is the police officers memorial thing that's going on that morning.

CHAIRMAN WEYLER: That will close some of the roads up here.

SEN. GRAY: Right, it'll be over there.

CHAIRMAN WEYLER: But that will be over at the State House. So we're not at the State House. We don't have to worry about it.

SEN. GRAY: But anybody that gets trapped here can't go back and do work at the State House, because you won't be able to get there. That would be my only concern.

CHAIRMAN WEYLER: Well, more important that they be here.

REP. ERF: So what time do you want to start, Senator?

SEN. GRAY: Um -- so if -- if we do eleven, I guess, you know, we can try to make it.

CHAIRMAN WEYLER: We'll call for police escort. All right. Eleven o'clock.

SEN. BIRDSELL: Yes, 11.

CHAIRMAN WEYLER: Okay. Appreciate you all being here. Appreciate Mr. Kane's fine work. And, obviously, we hope the departments haven't loaded us up too badly.

SEN. BIRDSELL: Just an FYI. I just got a text from my aide. The memorial is on the 22nd.

CHAIRMAN WEYLER: Ah! Doesn't affect it at all.

SEN. GRAY: It was on my calendar as the other.

CHAIRMAN WEYLER: All right. We don't have to worry about traffic between here and the State House. Anything further, Mr. Kane? We are adjourned.

(Meeting adjourned.)

C E R T I F I C A T E

I, Cecelia A. Trask, a Licensed Court Reporter in the State of New Hampshire, do hereby certify that the foregoing transcript is a true and accurate record of the YouTube audio/video recording. I was not physically present and have transcribed said audio/video recording to the best of my ability, skill, knowledge and belief.



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