

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES
April 29, 2008

The Fiscal Committee of the General Court met on Tuesday, April 29, 2008 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman
Representative Neal Kurk
Representative Daniel Eaton, Alternate
Representative Stephen Stepanek, Alternate
Representative Peter Franklin
Representative Kenneth Weyler, Alternate
Senator Lou D'Allesandro
Senate President Sylvia Larsen
Senator Kathleen Sgambati
Senator Theodore Gatsas
Senator John Gallus

Chairman Smith opened the meeting at 9:05 a.m.

NEW BUSINESS:

FIS 08-150 Office of the Governor – His Excellency, Governor John H. Lynch and Linda Hodgdon, Commissioner, Department of Administrative Services, presented a replacement to Executive Order 2008-5 and responded to questions of the Committee. Also present to respond to questions of the Committee was Michael Buckley, Legislative Budget Assistant.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of the Governor, for “an order directing a freeze of Executive Branch purchases”, as specified in Executive Order 2008-5. MOTION ADOPTED. (8-Yes, 1-No)

ACCEPTANCE OF MINUTES:

On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the minutes of the March 26, 2008 be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 07-111 Department of Health and Human Services, Office of Medicaid Business and Policy – for authorization to clarify physician services reimbursements to comply with recent instructions from the federal Centers for Medicare and Medicaid Services (CMS). **Tabled 4/19/07 and 5/15/07.** No action taken.

FIS 07-238 Department of Health and Human Services – authorization to complete the bid process for the GraniteCare Selective Contracting Program. **Tabled 7/24/07**. No action taken.

FIS 07-360 Department of Health and Human Services – requests approval of one of four options for a new rate structure for pediatric specialty care **Tabled 11/14/07**. Replacement Item submitted for approval of one of five options for a new rate structure for pediatric specialty care. **Tabled 12/13/07**. No action taken.

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 08-112 Treasury Department – transfer \$365,000, FIS 08-119 New Hampshire Fish and Game Department – transfer \$50,000, FIS 08-144 Department of Safety – transfer \$40,000]

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

Items FIS 08-114 Treasury Department – replacement request to accept and expend \$1,200,000 and FIS 08-139 Department of Safety – budget and expend \$287,650 in prior year carry forward funds were removed from the Consent Calendar at the request of Senator D'Allesandro.

On a motion by Representative Eaton, seconded by Senator Gallus, that the Committee approve all the remainder of the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 08-113 Postsecondary Education Commission – accept and expend \$123,105, FIS 08-120 Office of the Adjutant General – accept and expend \$94,559, FIS 08-121 Department of Environmental Services – authorize the Oil Fund Disbursement Board to accept and expend \$8,000, FIS 08-128 Department of Safety – amend FIS 07-313 approved October 17, 2007 by reallocating \$1,725 in federal funds through September 30, 2008, FIS 08-129 Department of Safety – budget and expend \$52,500 in prior year carry forward funds, FIS 08-138 Department of Environmental Services – accept and expend \$44,000,000]

FIS 08-114 Treasury Department – Michael Buckley, Legislative Budget Assistant, presented the request to the Committee.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the replacement request of the Treasury Department to accept and expend \$1,200,000. MOTION ADOPTED.

FIS 08-139 Department of Safety – John Barthelmes, Commissioner, Wesley Colby, Director, Division of Administration, and Richard Mason, Director, Division of Fire Standards and Training, Department of Safety, responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to budget and expend \$287,650 in prior year carry forward funds. MOTION ADOPTED. (8-Yes, 2-No)

RSA 9:16-a, TRANSFERS AUTHORIZED AND CHAPTER 262:1, LAWS OF 2007, PAU 04-01-02-04-01, BUDGET FOOTNOTE C:

FIS 08-137 Department of Transportation – Jeff Brillhart, Assistant Commissioner, and Thomas Martin, Director of Finance, Department of Transportation presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Transportation to transfer \$322,00 between Highway fund accounts, authorization to accept and expend \$2,500,000 in other funds for the Mechanical Services Bureau, and further authorization to transfer \$185,000 between Turnpike fund accounts.

A roll call was requested by Senator Gatsas and the results were as follows:

Representative Smith – Yes
Representative Kurk – No
Representative Eaton – Yes
Representative Stepanek – No
Representative Franklin – Yes
Senator D'Allesandro – Yes
Senator Larsen – Yes
Senator Sgambati – Yes
Senator Gatsas – No
Senator Gallus – No

(6-Yes; 4-No) MOTION ADOPTED.

RSA 9:17-d SUPREME COURT; TRANSFER OF APPROPRIATIONS:

FIS 08-126 Administrative Office of the Courts – On a motion by Representative Eaton, seconded by Representative Franklin, that the Committee approved the request of the Administrative Office of the Courts to transfer \$37,100. MOTION ADOPTED.

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

FIS 08-127 Department of Education – Mary Heath, Deputy Commissioner, and Michael Bieniek, Business Administrator, Department of Education presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Senator Larsen, that the Committee approve the request of the Department of Education to accept and expend \$142,866 in federal funds and further authorization to establish a class 046 (consultants) expenditure and budget funds for contract consultants through June 30, 2008. MOTION ADOPTED. (8-Yes, 2-No)

FIS 08-140 Department of Safety – John Barthelmes, Commissioner, and Wesley Colby, Director, Division of Administration, Department of Safety, presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to retroactively amend the grant award termination date from March 30, 2008 to March 30, 2009, with no increase in funding (approved FIS 06-327 November 14, 2006, subsequently amended and approved FIS 07-211 June 28, 2007), authorization to establish a consultant position through March 30, 2009 and, pending approval of the proceeding requests, authorization to amend the grant by reallocating \$21,560 in federal grant funds (FIS 06-327 approved November 14, 2006, subsequently amended FIS 07-211 approved June 28, 2007). MOTION ADOPTED.

FIS 08-143 Department of Environmental Services – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Environmental Services to establish a Hydrogeologist I position through December 31, 2008 and further authorization to accept and expend \$322,184 in federal funds through June 30, 2009. MOTION ADOPTED.

RSA 21-P:23 HIGHWAY FUND SURPLUS:

FIS 08-145 Department of Safety – John Barthelmes, Commissioner, and Wesley Colby, Director, Division of Administration, Department of Safety, presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Safety to transfer \$516,500 from the Highway Fund Surplus account.

A roll call was requested by Senator Gatsas and the results were as follows:

Representative Kurk – No

Representative Eaton – Yes

Representative Franklin – Yes

Representative Weyler – No

Senator D'Allesandro – Yes

Senator Larsen – Yes

Senator Sgambati – No

Senator Gatsas – No

Senator Gallus – No

(4-Yes; 5-No) MOTION FAILED.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee table the request of the Department of Safety to transfer \$516,500 from the Highway Fund Surplus account. MOTION ADOPTED.

RSA 126-A:3, VII MEDICAID HOSPITAL OUTPATIENT SERVICES; DESIGNATION IN OPERATING BUDGET:

FIS 08-130 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Marilee Nihan, Financial Manager, Office of Medicaid Business and Policy, Department of Health and Human Services, presented the request and responded to questions of the Committee.

On a motion by Senator Larsen, seconded by Representative Eaton, that the Committee table the request of the Department of Health and Human Services to revise the reimbursement rate paid to non-critical access hospitals for outpatient services from 81.24% of Medicare allowable costs to 62.82% of Medicare allowable costs retroactively to January 1, 2008.

A roll call was requested by Representative Kurk and the results were as follows:

Representative Smith – Yes

Representative Kurk – No

Representative Eaton – Yes

Representative Franklin – Yes

Representative Weyler – No

Senator Larsen – Yes

Senator Sgambati – Yes

Senator Gatsas – No

Senator Gallus – Yes

(6-Yes; 3-No) MOTION ADOPTED.

RSA 206:33-b TRANSFERS FROM THE FISH AND GAME FUND:

FIS 08-131 New Hampshire Department of Fish and Game – On a motion by Representative Eaton, seconded by Representative Franklin, that the Committee approve the request of the New Hampshire Department of Fish and Game to transfer \$25,000. MOTION ADOPTED.

CHAPTER 263:28, II, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 08-122 Department of Health and Human Services – On a motion by Representative Franklin, seconded by Representative Eaton, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$90,500 in additional federal carryover balances. MOTION ADOPTED.

FIS 08-147 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Representative Franklin, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$4,711,438 in additional federal grant funds. MOTION ADOPTED.

CHAPTER 263:28, II, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS AND RSA 124:15 POSITIONS RESTRICTED:

FIS 08-149 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Dague Clark, Fiscal Administrator, Division of Children, Youth and Families, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Representative Franklin, seconded by Senator Sgambati, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$12,934.50 in SFY 2008 and \$150,540.07 in SFY 2009 from parental reimbursement funds and further authorization to accept and expend \$12,934.50 in SFY 2008 and \$150,540.07 in SFY 2009 in federal funds and authorization to establish six (6) full-time temporary Reimbursement Specialist positions through June 30, 2009. MOTION ADOPTED. (6-Yes, 1-No)

CHAPTER 263:28, II AND III, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 08-133 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Marilee Nihan, Financial Manager, Office of Medicaid Business and Policy, Department of Health and Human Services, presented the request and responded to questions of the Committee.

On a motion by Representative Franklin, seconded by Representative Eaton, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$2,838,467 in additional restricted federal matching funds, accept and expend \$7,140,891 in additional unrestricted revenue, authorization to transfer \$9,979,358 in general funds and further authorization to accept and expend \$9,989,337.36 in federal matching funds. MOTION ADOPTED. (7-Yes, 1-No)

CHAPTER 263:28, III, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 08-123 Department of Health and Human Services – On a motion by Representative Franklin, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Health and Human Services to transfer \$46,200. MOTION ADOPTED.

AUDITS:

State of New Hampshire, Board of Medicine, Performance Audit Report, April 2008 – Richard Mahoney, Director, and Steven Grady, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Amy Feitelson, Vice-President, and Dr. Robert Cervenka, Board Member, Board of Medicine, were also present to respond to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED

MISCELLANEOUS:

Michael Buckley, Legislative Budget Assistant, requested Committee approval to fill two vacant positions in the Office of Legislative Budget Assistant, Audit Division.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of Legislative Budget Assistant, Audit Division to fill two vacancies. MOTION ADOPTED.

ADJOURNMENT:

At the call of the Chair the meeting was recessed until Monday, May 5, 2008 at 11:00 a.m.

Fiscal Committee Minutes
September 5, 2007

Chairman Smith reconvened the April 29, 2008 meeting on Monday, May 5, 2008 at 11:00 a.m. with the following members in attendance:

Representative Marjorie Smith, Chairman
Representative Daniel Eaton, Alternate
Representative Norman Major, Alternate
Representative Peter Franklin
Representative Kenneth Weyler, Alternate
Senator Lou D'Allesandro
Senate President Sylvia Larsen
Senator Martha Fuller Clark
Senator Theodore Gatsas

Chairman Smith opened the meeting at 11:10 a.m.

RSA 21-P:23 HIGHWAY FUND SURPLUS:

FIS 08-145 Department of Safety – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee remove the request from the table. MOTION ADOPTED.

John Barthelmes, Commissioner, and Wesley Colby, Director, Division of Administration, Department of Safety, responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to transfer \$516,500 from the Highway Fund Surplus account.

A roll call was requested by Senator Gatsas and the results were as follows:

Representative Smith – Yes
Representative Weyler – No
Representative Eaton – Yes
Representative Major – No
Representative Franklin – Yes
Senator D'Allesandro – Yes
Senator Larsen – Yes
Senator Fuller Clark – Yes
Senator Gatsas – No

(6-Yes; 3-No) MOTION ADOPTED.

OLD BUSINESS:

FIS 07-238 Department of Health and Human Services – authorization to complete the bid process for the GraniteCare Selective Contracting Program **Tabled 7/24/07**. On a motion by Senator Gatsas, seconded by Representative Weyler, that this request be removed from the table.

A roll call was requested by Senator Gatsas and the results were as follows:

Representative Smith – Yes
Representative Weyler – Yes
Representative Eaton – Yes
Representative Major – Yes
Representative Franklin – Yes
Senator D'Allesandro – Yes
Senator Larsen – No
Senator Fuller Clark – No
Senator Gatsas – Yes

(7-Yes; 2-No) MOTION ADOPTED.

Nicholas Toumpas, Commissioner, Department of Health and Human Services reported to the Committee that he was not prepared to discuss this request at this time.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee table the request of the Department of Health and Human Services for authorization to complete the bid process for the GraniteCare Selective Contracting Program, Tabled 7/24/07. MOTION ADOPTED. (8-Yes, 1-No)

AUDITS:

State of New Hampshire, Department of Health and Human Services, Bureau of Elderly and Adult Services, Financial and Compliance Audit Report For the Fiscal Year Ended June 30, 2007 – Richard Mahoney, Director, and Pamela Veeder, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Nicholas Toumpas, Commissioner, Kathleen Otte, Administrator, Bureau of Elderly and Adult Services, Department of Health and Human Services, were also present to respond to questions of the Committee. William Howley, Administrator Financial Operations, Division of Community Based Care Services, Department of Health and Human Services also respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED

LATE ITEM:

FIS 08-151 Judicial Council – Nina C. Gardner, Executive Director, Judicial Council presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Judicial Council to receive \$125,000 in additional general funds through June 30, 2008. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 08-141 Department of Health and Human Services – Chapter 262:1, Laws of 2007 – update on the status of the new Medicaid Management Information System (MMIS).

Nicholas Toumpas, Commissioner, Department of Health and Human Services presented an update and responded to questions of the Committee.

FIS 08-142 Department of Administrative Services – Chapter 259:16, II, Laws of 2005 – 60 Day Report on the progress and implementation of the Enterprise Resource Planning (ERP) Project for the period of March 1, 2008 through April 30, 2008 and FIS 08-146 Berry, Dunn McNeil and Parker – NH First Monthly Quality Assurance Status Report for March 2008.

Nicholas Toumpas, Commissioner, Department of Health and Human Services and Richard C. Bailey Jr., Chief Information Officer, Office of Information Technology presented an update and responded to questions of the Committee.

The informational items were accepted and placed on file.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Thursday, May 29, 2008 at 9:00 a.m. (Whereupon the meeting adjourned at 12:55 p.m.)

Representative Neal Kurk, Clerk