



State of New Hampshire
Department of Health and Human Services
SFY 22-23 Capital Budget

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Deputy Commissioner Lori Weaver

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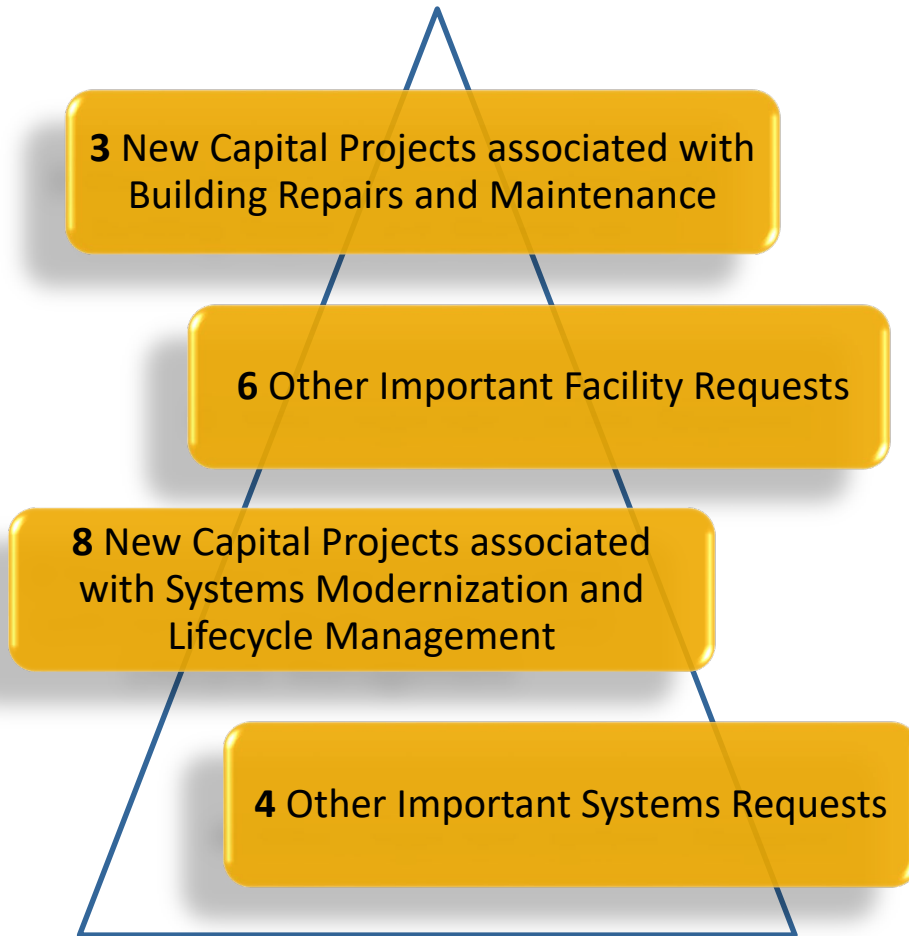
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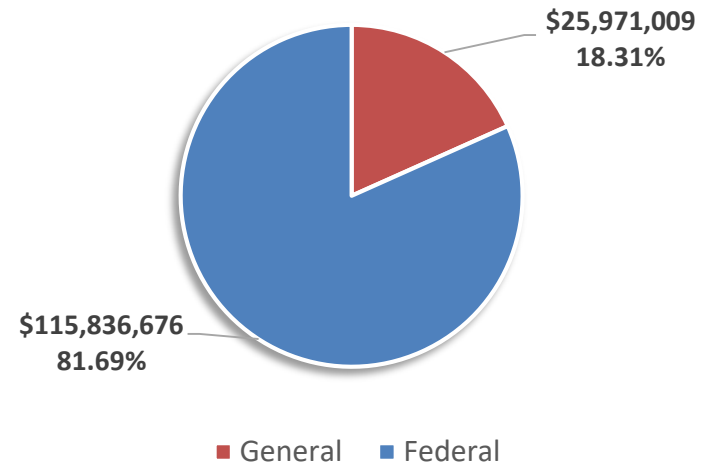
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Summary & Overview



2022 / 2023 Total Capital Budget



Total Funds: \$141,807,685



Glenclyff Home LaMott Wing Roof Replacement

Background

- The LaMott wing houses **50** of the residents.
- The roof has deteriorated to the state where the shingles are bubbling and many are blowing off. Staff have discovered pin-holes of light through the sheathing, causing leaks.
- Concerns that water may run down to the walls and compromise the integrity of the entire building.



Goals

- Address excessively deferred repairs
- Reduce future costs from damage caused by a faulty roof
- Improve residents living quality and experience



Funding Requested

- \$1,100,000 All General Fund



NH Hospital Seclusion Room Safety Upgrades

Situation

- New Hampshire Hospital seclusion rooms have not been updated since the building was constructed (1989).
- These rooms are outdated, and **require improvement to bring them into regulatory compliance with RSA and Joint Commission standards.**

Background

- Seclusion rooms are behavioral health-grade spaces that are fully padded, include bathrooms with behavioral health-grade fixtures, and various security and monitoring equipment such as surveillance systems.
- Seclusion room design and materials are regulated, and often require expensive fixtures or materials.

Assessment

- The Governor's budget recommends \$510,000 for this project.
- This project would improve the hospital's ability to meet regulatory standards.

Recommendation

- The Department requests the House approve this project at its projected funding needs.

Funding Requested: \$510,000 All General Fund



NH Hospital Renovations to Comply with Health & Safety Standards – C&D Unit

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Design and renovation of C&D units to meet Behavioral Health Facilities Guidelines for Design & Construction for Psychiatric Hospitals (referenced by the Joint Commission).



Contingencies for logistical sequencing to minimize disruption to patient care.



Upgrades made directly to patient rooms, bathrooms, shower/tub rooms, unit cafeteria/kitchens and common areas (Original building was built in 1989).



Examples include environmental wall coverings/finishes, special grade lighting, special secure plumbing fixtures, security ceiling grid, and new floors.



Funding Requested: \$5,650,000 All General Fund



The PATH Center- Phillbrook Sewer Issue

- The Department of Administrative Services (DAS) has a project included in the Governor's recommended capital budget to improve the sewer lines at the Phillbrook building.
- The Department of Health and Human Services assumed occupancy of the Phillbrook building in the summer of 2020, and is running a transitional housing program out of it currently.
- We request that the project identified in the Governor's capital budget for DAS be approved by the House, as the Phillbrook building continues to have issues relative to its sewer.



Other Important Facility Repairs and Maintenance Requests

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Dept. Priority #9

SYSC Barn Roof Replacement

- The Barn roof is well passed its useful life and has deteriorated to the point that it is unable to keep the weather out. This is causing internal damage to the structure that will need to be addressed to keep it from progressing further.
- The building is used for storage of materials and equipment for the facility as well as being used for programs in the facility.
- Funding Requested: \$325,000 All General Fund

Dept. Priority #10

SYSC Barn Boiler Replacement

- The Barn Boiler provides steam to heat buildings external to the SYSC and located on the SYSC campus. The boiler has had a complete failure due to a malfunction of the boiler controls, which will require a complete replacement of the boiler. The boiler is neither operational or repairable. This project will ensure that buildings on the SYSC campus are properly heated.
- Funding Requested: \$100,000 All General Fund

Dept. Priority #15

Glenciff Home Waste Water Treatment Improvements

- Replace the collection and disposal portion of the Glenciff sewer system, certain portions of which were constructed more than 70 years ago.
- Funding Requested: \$1,200,000 All General Fund



Other Important Facility Repairs and Maintenance Requests

Dept. Priority #16

NH Hospital APS Security System Upgrades

- New Staff Emergency Alerting System and Patient Monitoring System
- There are currently no exterior surveillance cameras
- Funding Requested: \$900,000 All General Fund

Dept. Priority #17

NH Hospital Flooring Upgrades to All Patient Units

- Replace flooring in all patient areas with behavioral health grade flooring products that meet requirements in the Behavioral Health Facilities Guidelines for Design & Construction for Psychiatric Hospitals (latest edition).
- The current flooring within the building is original to its construction in 1989.
- Funding Requested: \$968,000 All General Fund

Dept. Priority #18

Demolition of Wilkins Building

- The Wilkins Building suffered a catastrophic fire, cause by arson, leaving the building in an unusable and unsafe condition. Even though the building is enclosed by a fence it is subject to trespassers.
- Funding Requested: \$750,000 All General Funds



DCYF Comprehensive Child Welfare Information System (CCWIS)

Federal Mandate

- The Administration for Children and Families (ACF) has revised the Statewide Automated Child Welfare Information System regulations to create a **new model** called the Comprehensive Child Welfare Information System (CCWIS) on June 2, 2016.

Current System

- The Statewide Automated Child Welfare Information System (the Bridges system).
- **23 years old.**

New System

- The Comprehensive Child Welfare Information System (CCWIS).
- Part of the **6 year incremental modernization** of the Bridges system.
- The **Year 3 and 4** part of the project includes **the case management and reporting functionality** of the solution.

Savings Projected

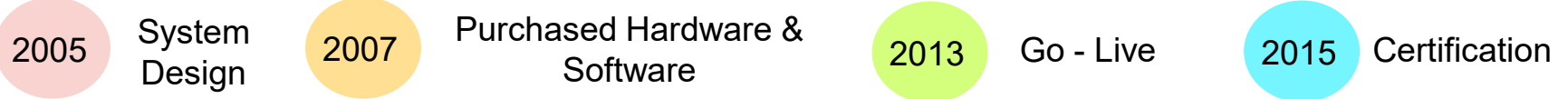
- Compliance and a modernized system to help with training complexities, reporting, and reduce time to complete paperwork.
- **\$4,000,000** from **improved practice, functionality and processes** over lifetime.

Funding

- **\$9,259,352** (\$4,629,676 General Fund, **50%**, and \$4,629,676 Federal Fund, **50%**).



Medicaid Management Information System (MMIS)



The Medicaid Management Information System priorities are directed by State and Federal legislation.

Medicaid Systems Overview

Key Benefits / Metrics

- ✓ Core Medicaid System - Integrates 6 DHHS systems
- ✓ Federal Reporting - federal claiming for funding match
- ✓ MMIS Providers enrolled = 30,000
- ✓ Managed over 137,000 calls annually 99.5% up-time
- ✓ MMIS processes 15.7M claims totaling \$1.8B annually

Penalties and Risks



Biennium Penalties:

- EVV: 21st century cures act: \$2.14M
- Interoperability and Patient Access Final Rule - \$2M



Risks:

- Certification: General Fund Impact - \$6.6M annually
- Unfunded legislative mandates resulting in complex workarounds increasing operational costs

Re-Procurement Strategies

NASPO: **Provider Services** & **Fee For Service (FFS) Claims**
6% of NH population is FFS remaining 94% is Managed Care

Regionalized Government: **AZ & HI**; **Michigan and Illinois**

Modular – 7 capital project requests to support effort

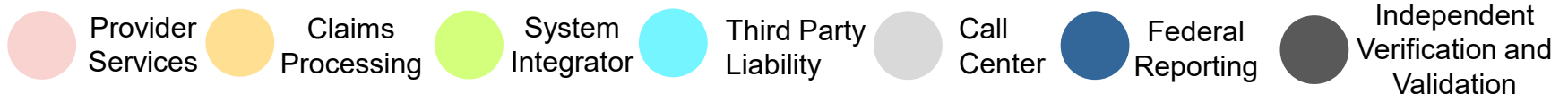
Strategic Directions



5 year plan: Maintain existing system and re-procure the MMIS key components



Lifecycle Management: maintain and operate during re-procurement and meet federal and state legislation



Continued Project - MMIS Lifecycle Management & Reprourement

- The Medicaid Management Information System (MMIS) was originally procured in 2007 in which the hardware and software was purchased for implementation. The system was implemented and certified by the Center for Medicaid Services in 2015. As a result of the original direction from CMS, the State entered into a contract with the vendor requiring the ownership of the equipment and software resulting in the responsibility of the State to allocate funds to replace the equipment on a standard lifecycle management plan of ten years.
- Based on the age of the hardware and software, the department submitted for the hardware and software upgrades to be completed in SFY 2018/2019 and SFY 2020/2021 in the amount of \$90M and was appropriated approximately \$26M to begin the process.



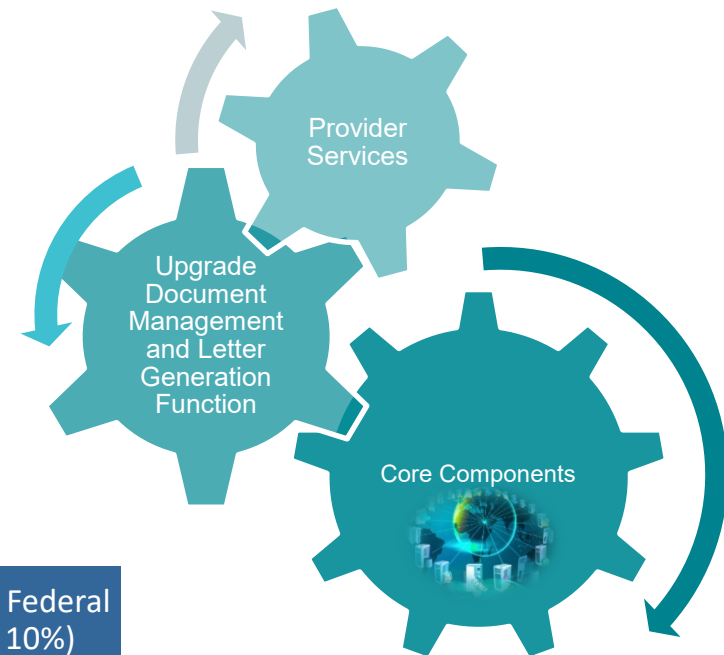
- The core components of the MMIS rely on several IBM and Commercial Off the Shelf (COTS) products to support the environment that will all be end of support by calendar year end of 2021. Within SFY 2021 most of the software will be end of support requiring the State to upgrade the software. – Estimated \$35M total funds



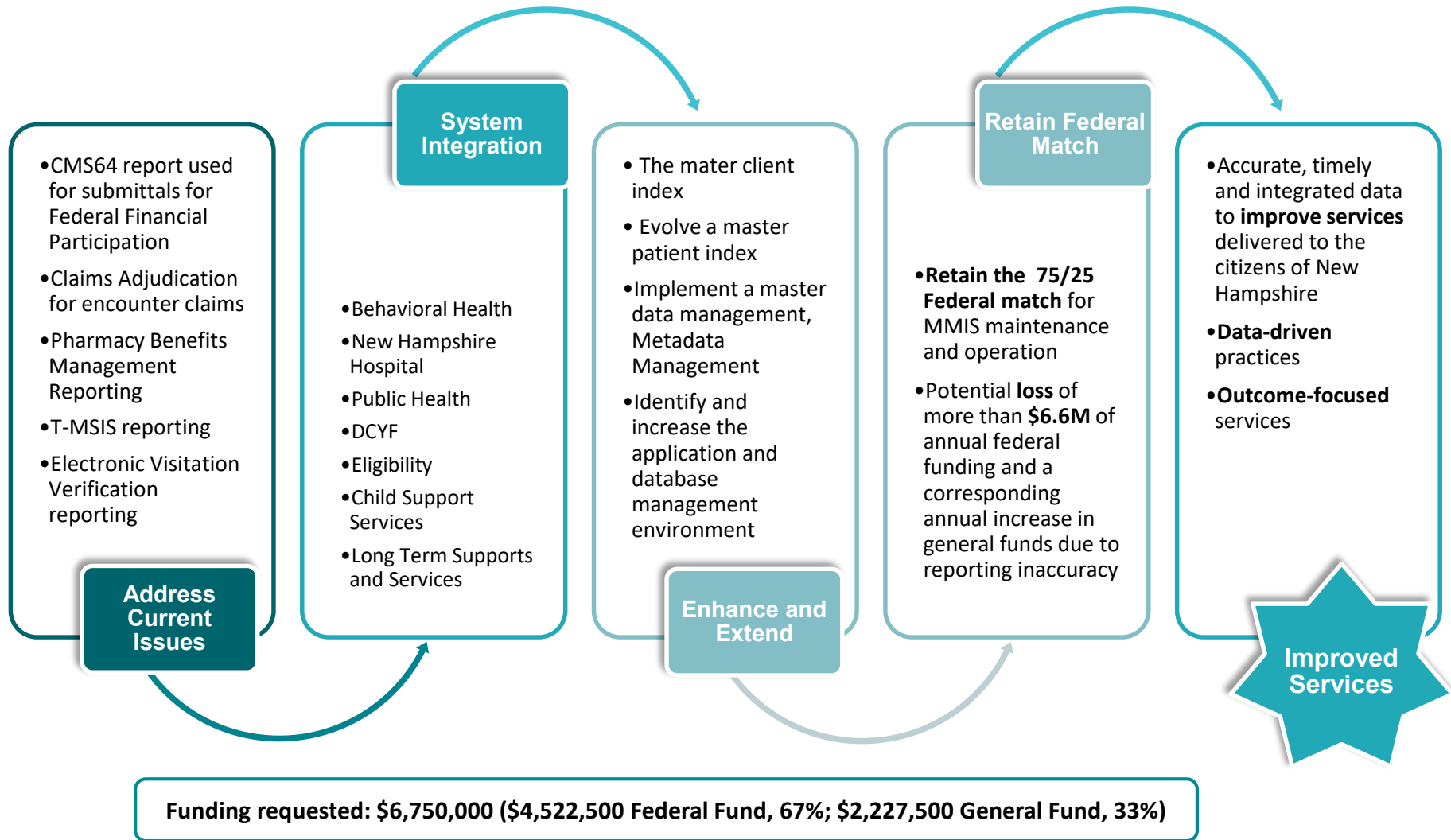
- As part of the 5 year re-procurement strategy the department would begin an effort to procure and implement modules to include: Provider Services, Call Center, Care Coordination and System Integrator



\$90,000,000 Total Funds (\$81,000,000 Federal Fund, 90%; \$9,000,000, General Fund, 10%)



New Project - Federal Reporting Integrity and Compliance



New Project - Electronic Visit Verification System (EVV)

Federal Mandate

- H.R. 34, the 21st Century Cures Act, was signed into law on December 13, 2016, requiring Electronic Visit Verification (EVV) for personal care services beginning January 1, 2020.

Previous Denial

- SFY20/21 capital funds request was not approved.

Exemption Expiration

- CMS Good Faith Effort exemption to delay implementation expired on January 1, 2021.

Penalty

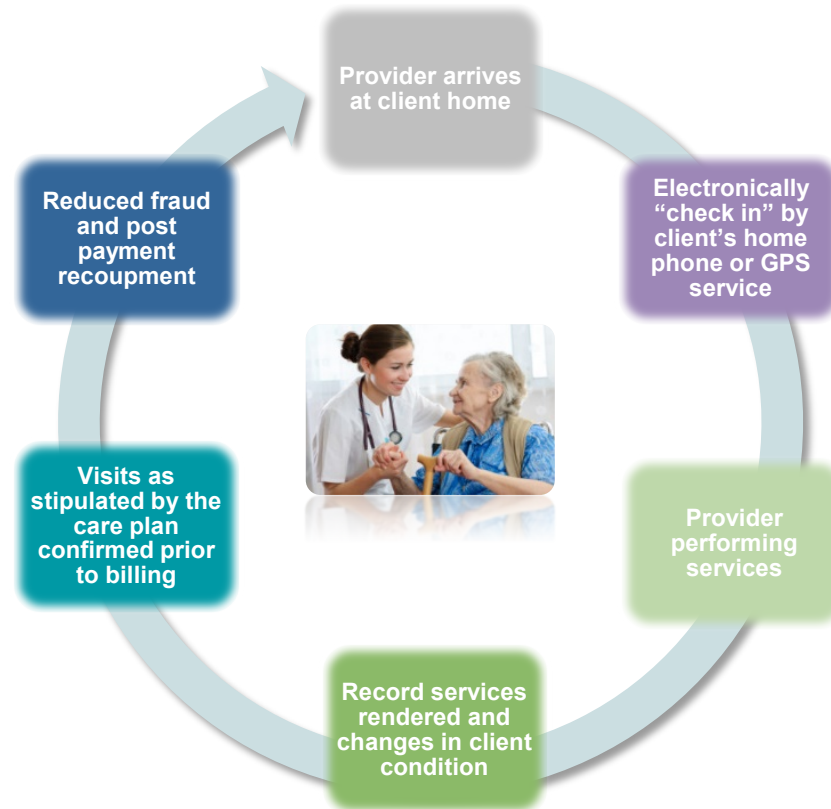
- Personal Care Services: 0.25% in 2021 increasing to 1% in 2025
- Home Health Services: 0.25% in 2023 increasing to 1% in 2027
- **Biennium penalties for SFY22/23 are estimated to total \$2.6 M**

Current Status

- Evaluating optimal approach and technology developing requirements with service providers.

Funding Request

- \$5,094,000 Federal Funds, **90%**
- \$566,000 General Funds, **10%**
- \$5,660,000 Total Funds



Beneficiary Service Improvement

Key Objectives

Compliance with 45 CFR § 95.62 and Maintain Federal Financial Participation Funding

Independent Verification and Validation Contract for Federal Compliance

Third Party Liability Claims and Fraud Detection

Removal of Cross Over Claim Denials from Remittance Advice, and Maintain Necessary Portal Updates for Forms and Provider Types

Improve 27,000 Provider Self-Service Capabilities

Digital Transformation

Funding Requested: \$8,000,000 (\$800,000 General Fund, 10%; \$7,200,000 Federal Fund, 90%)

The Medicaid Management Information System is an incredibly complex system, consisting of multiple vendor solutions that must be integrated to meet the common goal of delivering Medicaid services to the citizens of New Hampshire.

- ❖ This capital project provides for greater capability for managing **nursing facility cost reporting**, and more efficient and effective **nursing facility cost analysis to support rate setting**.
- ❖ It includes new system capabilities to achieve efficiencies and broaden capabilities in **cost recovery** in the areas of **third party liability and potential fraud detection**.



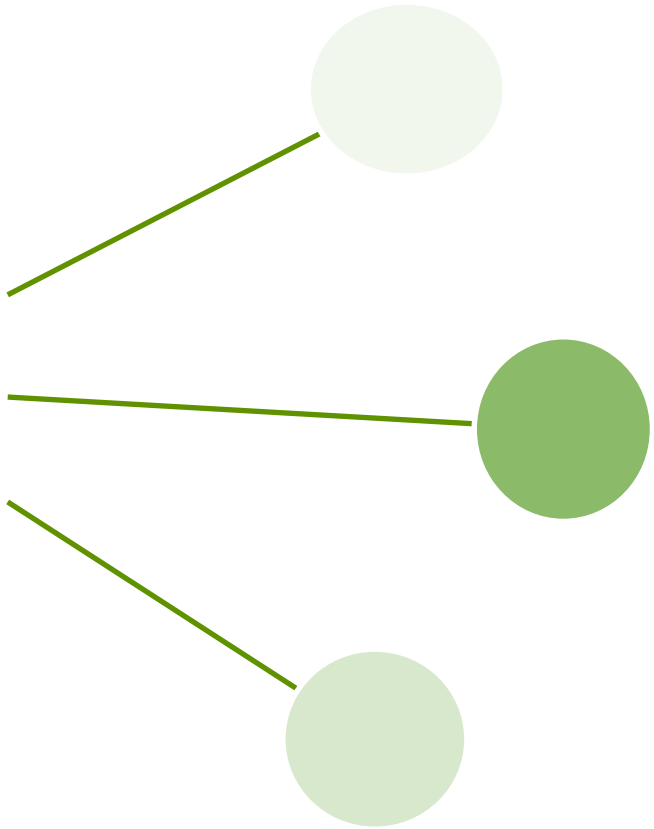
New Project - MARS E-Security Assessment and Remediation

Centers for Medicare & Medicaid Services (CMS), Minimal Acceptable Risk of Security and Privacy Controls for Exchanges (MARS-E 3.0)

Required by 2023



Funds requested: \$600,000
(\$540,000 Federal Fund, 90%;
\$60,000 General Fund, 10%)



- Maintain the authority to connect to the Federal Data Services Hub (FDSH) and Federally Facility Marketplace (FFM)

- Retain **75/25 federal match** for Medicaid operations

- Potential **\$6.6M loss** of federal Medicaid funding



New Project - Developmental Services Information Technology Remediation

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- ✓ The goal of the Remediation Plan is to **modernize** the Bureau of Developmental Services' information technology systems, and to ensure ongoing bureau **compliance** with federal and state regulations.
- ✓ This phase will include **leveraging** work done on the DCYF Bridges Modernization Project using the Department's standard Salesforce platform and the business process framework in the New HEIGHTS system for the **Choices for Independence Home** and **Community Based Services Waiver**.
- ✓ This phase will be broken out into **five system releases** using the Agile Methodology for implementing system functionality and **interfaces** with the Medicaid Management Information System and New HEIGHTS system for Medicaid eligibility.
- ✓ Implement a system that will **further** the Department's goals of interoperability, service delivery transformation, and security.
- ✓ **Total Fund: \$13,278,333 (\$11,950,500 Federal Fund, 90%; \$1,327,833 General Fund, 10%)**



New Project - NH Bureau of Developmental Services (BDS) Direct Billing



Background

- The Centers for Medicare, and Medicaid Services (CMS) determined that the NH Bureau of Developmental Services (BDS) was out of compliance with direct pay and conflict of interest regulations for their 1915(c) Home and Community Based Services waivers.



Corrective Action Plan

- Improved information system and service processes that provide the ability to satisfy the CMS corrective action plan for conflict of interest and direct billing and ensure continued federal funding for services estimated at **\$181M**.



Project Objectives

- Critical modification in Medicaid Management Information System.
- Update billing processes with the BDS Area Agencies and service providers.
- Update service authorization with the BDS Area Agencies and service providers.
- Eliminate manual processes that are prone to error and replace an existing unsupported access database with an enterprise supported solution that eliminates errors and time wasted on manual processes.



\$1,000,000 Total Funds (\$900,000 Federal Fund, 90%; \$100,000, General Fund, 10%)



Dept. Priority #13

Bureau of Elderly and Adult Services Systems Modernization

- 23 years old system that needs to be updated to a web based service, be accessible off-site, off-line, and increase the number of users who can access the system.
- The current system is used to manage BEAS social worker caseloads, the adult protection program, service authorization and provider payments related to the Social Services Block Grant and the Older American's Act services.
- The BEAS business model has evolved over the last ten years to include a higher percentage of field work by social workers, ServiceLink personnel, and contract agencies.
- Without the upgrade, new business practices will not be supported and additional personnel will be required to enter data into the system.
- Funding Requested: \$6,795,427 (\$4,077,256 General Fund, 60%; \$2,718,171 Federal Fund, 40%)

Dept. Priority #21

Interoperability and Integration

- This request is to improve the care coordination for our programs and services, by implementing a statewide closed loop referral system as well as an acute care time tracking and scheduling system with associated infrastructure automation that DHHS needs to integrate data systems across Divisions to effectively inform our employees, providers and citizens as applicable regarding the programs and services offered.
- Funding Requested: \$8,128,000 (\$2,682,240 General Fund, 33%; \$5,445,760, Federal Fund, 67%)



Other Important Information Technology Requests

Dept. Priority #24

Environmental Health Data System

- This request is to replace three antiquated homemade Access Databases and five Excel Spreadsheets with one comprehensive Environmental Health Data System that will take care of the data management and storage needs of Healthy Homes and Lead Poisoning Prevention Program within the Healthy Homes and Environmental Section of the Bureau of Public Health Protection.
- Funding Requested: \$250,000 All General Fund

Dept. Priority #25

PFAS Environmental Water Testing Equipment

- This request is to purchase Liquid Chromatograph/Mass Spectrometry (LC/MS) system for PFAS water testing and minor renovation, electrical and HVAC work to Public Health Lab space. Purchase of this instrument will allow the NH PHL to begin testing environmental samples, specifically water, for PFAS.
- Funding Requested: \$430,000 All General Fund



Conclusion – List of Governor’s Recommended Capital Projects

	HEALTH AND HUMAN SERVICES – SFY22-23 GOVR'S RECOMMENDED CAPITAL PROJECTS	GENERAL	FEDERAL	TOTAL
1	DCYF COMPREHENSIVE CHILD WELFARE INFORMATION SYSTEM (CCWIS)	4,629,676	4,629,676	9,259,352
2	MEDICAID MANAGEMENT INFORMATION SYSTEM (MMIS) LIFECYCLE MANAGEMENT AND REPROCUREMENT	9,000,000	81,000,000	90,000,000
3	BENEFICIARY SERVICE IMPROVEMENT	800,000	7,200,000	8,000,000
4	ELECTRONIC VISIT VERIFICATION SYSTEM	566,000	5,094,000	5,660,000
5	MINIMUM ACCEPTABLE RISK OF SECURITY AND PRIVACY CONTROLS FOR EXCHANGES (MARS-E) SECURITY ASSESSMENT AND REMEDIATION	60,000	540,000	600,000
6	DEVELOPMENTAL SERVICES INFORMATION TECHNOLOGY REMEDIATION	1,327,833	11,950,500	13,278,333
7	NH BUREAU OF DEVELOPMENTAL SERVICES (BDS) DIRECT BILLING	100,000	900,000	1,000,000
8	FEDERAL REPORTING INTEGRITY AND COMPLIANCE	2,227,500	4,522,500	6,750,000
9	GLENCLIFF HOME LAMOTT WING ROOF REPLACEMENT	1,100,000	-	1,100,000
10	NH HOSPITAL SECLUSION ROOM SAFETY UPGRADES	510,000	-	510,000
11	NH HOSPITAL RENOVATIONS TO COMPLY WITH HEALTH AND SAFETY STANDARDS - C & D UNITS	5,650,000	-	5,650,000
	TOTAL FOR HEALTH AND HUMAN SERVICES	25,971,009	115,836,676	141,807,685



Conclusion – List of Other Important Requests

	PROJECT NAME	GENERAL FUND	FEDERAL FUND	TOTAL FUNDS
1	SYSC BARN ROOF REPLACEMENT	325,000	-	325,000
2	SYSC BARN BOILER REPLACEMENT	100,000	-	100,000
3	BEAS SYSTEMS MODERNIZATION	4,077,256	2,718,171	6,795,427
4	GLENCLIFF HOME WASTE WATER TREATMENT IMPROVEMENTS	1,200,000	-	1,200,000
5	NH HOSPITAL APS SECURITY SYSTEM UPGRADES	900,000	-	900,000
6	NH HOSPITAL FLOORING UPGRADES TO ALL PATIENT UNITS	968,000	-	968,000
7	DEMOLITION OF WILKINS BUILDING	750,000	-	750,000
8	INTEROPERABILITY AND INTEGRATION	2,682,240	5,445,760	8,128,000
9	NH HOSPITAL APS KITCHEN REFRIGERATION UPGRADES	315,000	-	315,000
10	ENVIRONMENTAL HEALTH DATA SYSTEM	250,000	-	250,000
11	PFAS ENVIRONMENTAL WATER TESTING EQUIPMENT	430,000	-	430,000
	TOTAL	11,997,496	8,163,931	20,161,427

