

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES  
July 29, 2008

The Fiscal Committee of the General Court met on Tuesday, July 29, 2008 at 9:00 a.m. in Room 100 of the State House.

Members in attendance were as follows:

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

Chairman Smith opened the meeting at 9:10 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator D'Allesandro, seconded by Representative Franklin, that the minutes of the June 17, 2008 meeting 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.

FIS 08-130 Department of Health and Human Services – authorization 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 **Tabled 4/29/08**. No action taken.

FIS 08-163 New Hampshire Retirement System - actuarial certification of funds available in the respective member classifications "special account" for the purpose of determining COLA's **Tabled 5/29/08**. No action taken.

RSA 9:16-a, TRANSFERS AUTHORIZED:

**CONSENT CALENDAR**

FIS 08-225 Office of the Adjutant General – Major General Kenneth Clark, The Adjutant General and Brigadier General Stephen Burritt, Deputy Adjutant General presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Representative Weyler, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED (8-Yes, 1-No). [FIS 08-225 Office of the Adjutant General – transfer \$25,000]

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**

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 08-211 Department of Safety – retroactively amend the grant award termination date from June 30, 2007 to June 30, 2009, with no increase in funding (approved FIS 05-282 January 23, 2006 and subsequently amended FIS 07-074 March 16, 2007), FIS 08-221 Department of Agriculture – accept and expend \$102,244.91, FIS 08-222 Department of Transportation – accept and expend \$5,411,778, FIS 08-226 Highway Safety Agency – accept and expend \$905,913.44, FIS 08-227 Department of Justice – accept and expend \$350,000]

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 08-212 Department of Safety – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Safety to accept and expend \$1,532,688 in additional federal grant funds and authorization to contract for consulting services to provide technical assistance and review to implement the J-ONE system. MOTION ADOPTED.

FIS 08-223 Public Utilities Commission – On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Public Utilities Commission to accept and expend \$57,750 in federal grant funds and authorization to establish a Consultants (class 046) expenditure line through June 30, 2009. MOTION ADOPTED.

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

FIS 08-207 Department of Health and Human Services – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$1,067,924 in federal funds. MOTION ADOPTED.

FIS 08-213 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and James Fredyma, Controller, Department of Health and Human Services 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 Health and Human Services to accept and expend \$64,622 in Food Stamp Program funds and \$58,087 in federal matching funds. MOTION ADOPTED.

MISCELLANEOUS:

Chapter 177, Laws of 2008 - Michael Buckley, Legislative Budget Assistant, presented a status update to the Committee regarding the New Chart of Accounts required for the ERP implementation of the budget phase and offered reporting alternatives for the Committees review.

New Hampshire Retirement System 2007 Comprehensive Annual Financial Report – Michael Buckley, Legislative Budget Assistant, requested permission to release the report prior to the audit presentation at the Fiscal Committee meeting in September.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Legislative Budget Assistant to release the New Hampshire Retirement System 2007 Comprehensive Annual Financial Report prior to its presentation at the next Fiscal meeting. MOTION ADOPTED.

Office of Legislative Budget Assistant, Audit Division – Michael Buckley, Legislative Budget Assistant, requested permission to fill two out of four vacant positions in the Audit Division.

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

INFORMATIONAL MATERIALS:

FIS 08-202 Berry, Dunn, McNeil and Parker – NH First Monthly Quality Assurance Status Report for May'08. Rick Bailey, Jr., Chief Information Officer, responded to questions of the Committee.

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Department of State, Revenues Deposited and Expenditures Paid, Financial and Compliance Audit Report For the Ten Months Ended April 30, 2007 – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, and David Scanlan, Deputy Secretary of State, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Daniel J. Cloutier, Assistant Secretary of State, and Barry Glennon, Deputy Director, Bureau of Securities. William Gardner, Secretary of State was also present.

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

State of New Hampshire, State Veterans Council, Financial and Compliance Audit Report For the Nine Months Ended March 31, 2008 – Richard Mahoney, Director of Audits, and Monica Mezzapelle, Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Mary Morin, Director, New Hampshire State Veterans Council, was also present to respond to questions of the Committee.

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

State of New Hampshire, Office of Information Technology, Performance Audit Report July 2008 – Richard Mahoney, Director of Audits, and Jay Henry, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Rick Bailey, Jr., Chief Information Officer, was also present to respond to questions of the Committee.

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

State of New Hampshire, Succession Planning, Performance Audit Report July 2008 – Richard Mahoney, Director of Audits, and John Clinch, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Linda Hodgdon, Commissioner, Department of Administrative Services and Karen Hutchins, Director of Personnel, were also present to respond to questions of the Committee.

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

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Wednesday, September 10, 2008 at 9:00 a.m. (Whereupon the meeting adjourned.)

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Representative Neal Kurk, Clerk