

MINUTES
Cheshire County Commissioners Meeting
Wednesday, July 24, 2019
County Hall Building
Stillman Rogers Conference Room
12 Court Street, Keene, NH 03431

Present: Commissioners: Charles Weed, John Wozmak and Robert Englund

Staff: County Administrator Coates, Finance Director Trombly, and Assistant County Administrator Bouchard

Guest(s): Cameron Tease and Angel Nicoletti, Cheshire At Home Staff, Ann Landry and Jeff Myers, Department of Health and Human Services and John Dugan and Robert Elliot, Monadnock Economic Development Corporation, Sullivan County Manager Derek Ferland, IDN members, and members of the public.

At 8:37AM Chairman Weed opened the meeting and recognized the staff from Cheshire Village at Home, Camron Tease and Angel Nicoletti to discuss Master Agenda Item #695: Keene Senior Center - Cheshire Village at Home Program.

Tease provided an overview of the Keene Senior Center and said that the center has over 300 active members with about 40% of the membership coming from outside of the City of Keene. He said that the relocation of the Senior Center that was under discussion to the Recreation Center on Washington Street is still being examined as is the possible renovation of the existing building on Court Street.

Tease said the Center is now open on Saturdays and draws 15-40 participants each weekend. This is part of a strategy to bring socially isolated people into the Center for socialization activities.

Commissioner Weed asked if loneliness and social isolation were the same thing. Tease said it is very close to the same and the Center is developing a number of out reach programs to try to bring programs to people who may not have been involved up to this point because they are unaware of the Center's offerings or think that the Center is only for Keene residents.

He then spoke of the start-up of the Cheshire Village at Home program and said that the program is now just over two years old. He outlined the way the program runs and introduced Nicoletti who spoke to the details of the Village at Home program. She said that the program is virtual and is not location based. She discussed that most but not all of the County is covered by the program. The parts that are not covered by Village at Home are covered by the Monadnock at Home program that provides nearly the same types of services.

She said that the program is for seniors who need support services to stay in their homes. She said that the membership is \$400.00 a year and a new trial membership that runs for three months to enable them to determine if the program is for them is also available. A seasonal membership has also been developed. She said in response to a question from the Commissioners that membership at the just the Senior Center is \$60.00 per person or \$108.00 per couple.

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Coates asked if a list of trusted vendors is available to give to the clients and Nicoletti said that a formal referral program is not in place but personal referrals based on others experience is shared with members who ask for identifying vendors for certain services.

Nicoletti said a side benefit to the program has been that the children of the members have experienced less demands on their time helping their parents because the program provides the services that were done by the children such as transportation to the store and doctor visits.

She explained that each of their volunteers have their backgrounds checked and are provided a picture ID to identify themselves as authorized personnel before they to be able to provide services to the Centers members.

It was learned that there are between 15-20 volunteer drivers currently who meet the needs of driver requests and a discussion of the need for services for those who are not currently members was covered.

Commissioner Wozmak discussed a possible clearing house concept where a person can make a single call for assistance on any topic and they would then be directed to the appropriate services that are needed by the callers.

Coates asked if consideration has been given to incorporating part-time paid positions. Nicoletti said they have one very limited paid part-time person and all the rest are volunteers.

The Commissioners thanked Tease and Nicoletti for their presentation and then took-up Agenda Item #696: Discussion with DHHS Commissioner Myers with the purpose of the meeting being to review and discuss with Commissioner Myers planning issues relating to the continuation of the Integrated Delivery Network.

Introductions were made and an opening statement from Coates who thanked Commissioner Myers for his leadership over the past few years of the Department of Health and Human Services.

The full transcription of this discussion can be found in Appendix A of this document.

At 10:50AM Master Agenda Item #696 was completed and the meeting recessed for a five-minute break and resumed at 10:56AM

Coates then discussed the agenda for the upcoming Executive Committee meeting on Monday July 29th.

Coates said that one of the agenda items is the potential purchase of the new courthouse building at 33 Winter Street. Coates reviewed the key points of the existing financing contract and said that in April 2020 the financing package will terminate and the property must be sold to another

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buyer. The State has said through two different sources that they are not interested in buying the building and the as the County has the second option for purchase it is open for the County to acquire the property.

Dugan reviewed the financing structure that was used to initially construct the building and how the termination of the New Market credits affects the financing costs. The process for the sale of the building and the timeline of the purchase by the County would need to take place before the end of the year. MEDC has determined that the building needs to be sold as soon as possible near the January 26th close out date.

Trombly then handed out a Purchase Option 20-Year Bond Schedule that is predicated on a 3% financing rate. The chart shows a small decreasing loss for the first five years and from the sixth year forward the lease payments produce a positive cash flow for the remaining fifteen years with a profit of over \$300,000.00 per year for the last three years alone.

Coates was then recognized for the Weekly Operations Report

Coates discussed the possible purchase of the Chesterfield lot by a family member of the abutters for the purpose of constructing a third family home. A lengthily and detail discussion of the pro's and con's of selling the property began.

Following the extended discussion Commissioner Wozmak moved to retain the property and not offer it for sale based on a review of the long-term timber value of the property, and that the County should maintain the stewardship of the land that the County has administered since 1917. Commissioner Englund seconded the motion. Upon vote the motion passed unanimously.

The remaining agenda items were reviewed and a priority presentation list was agreed on and the Eversource parcel lease for the Clean Energy Project in Westmoreland was discussed in detail.

Following review of the agenda items, Commissioner Englund moved to negotiate a lease for a ¾ acre parcel on the Westmoreland campus adjunct to the Water Treatment property with Eversource for the installation of the Clean Energy Micro-Grid Battery Installation project. Commissioner Wozmak seconded the motion and upon vote the motion passed unanimously.

Trombly then handed out the draft of the 2nd quarter 2019 Budget Review which follows:

To: Cheshire County Executive Committee
From: Sheryl Trombly, Finance Director
Date: July 23, 2019
RE: 2nd quarter 2019 Budget Review

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At the end of the second quarter, revenues adjusted for the collection of taxes and timing for the receipt of other revenues have reached 50.00% of the General County budgeted revenues with the Nursing Home having achieved 46.62%. As revenues should be at 50%, this indicates that revenues are at expectations for the General County and running short for the Nursing Home. The totals combined are under by approximately \$397,000.

At the end of the second quarter, expenses are under budget by approximately \$497,923 after adjusting for major items that have not been expended due to timing. Overall county expenses are at 49.26% spent and Maplewood having expended 48.28% of their appropriated budget.

As you review the second quarter reports, the following areas may be of interest:

Revenues: General County

Page 1 – Municipal Assessment is a 0.00% of the projected budget. This remains at zero for most of the year until the Department of Revenue Administration provides the appropriation listing and the bills have been mailed. Taxes will be due by December 17th for 2019.

Page 1 – Grant Reimbursement line items – Federal Grants Reimbursement as well as Non Federal Grants Reimbursements combined have achieved approximately 20% of budgeted revenues. These revenues are offset by expenses so any shortfall would have a direct impact on expenses coming under as well.

Page 2 – Sheriff Fees overall are at 31% realized as of the second quarter. Funds were allocated for the hiring of a deputy to be designated for the Drug Task Force. As this position has not been filled to date, much of this shortfall will be covered by payroll expenses as a result of the vacancy for this position. Additionally, the contract for Richmond that was budgeted as of April 1, 2019 did not start until June, 2019.

Page 2 – Registry of Deeds has achieved 47.97% of the budgeted projections. As recorded documents tend to be slower in the winter months, it is possible as the year progresses that this revenue will get closer to projections for 2019.

Page 2 – Overall DOC revenues are running slightly under at 48.43% received. Federal Inmates revenues are running very close to budget projections with the other areas such as work release, electronic monitoring coming under as of June 30th. The 2019 census is budgeted for 41 Federal Inmates. As of today the current census is at 40 with an average of 41.

Page 4 – Jaffrey District Court Lease – This budget line is at 6.29% of its projected revenues at the end of the second quarter but will attain 100% of its budgeted revenue. This revenue is the lease payment received by the State of NH that is directly tied to the annual bond payment for the Jaffrey District Court House. The State reimburses the County two times a year to coincide with the timing of the interest and principal payments.

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Page 5- Transfer from Fund Balance is at 0.00%. This line item will remain at 0.00% throughout the year. No entry is made as the offset is an accounting function of an automated decline in fund balance based on actuals and the final amount needed from fund balance at year-end.

Page 5- Transfer from Special Revenue Fund is at 0.00%. This line item is for funds that have been set aside that were attained through fund raising efforts for the Court House Windows. This project will be getting underway in the very near future and as expenses are incurred funds will be transferred in to offset the expenses.

Page 5 – Transfer from Capital Reserve – This item is at 0.00% as of the second quarter. This budget item specifically offsets certain capital reserve projects and as the projects are expended transfers will be made to offset the applicable expenses.

Expenses General County

Page 8 – Prosecutor Grant – This budget is at 56.37% spent. This is due to the retirement of a long-term employee of which accrued vacation time was paid out at retirement. As we account for our accrued leave liability in our financials, the entry that is done at year- end will offset some of the overage being recognized in 2019.

Page 28 – Human Services (Medicaid Expense) – This budget covers the County contribution towards the cost of County Residents living in Nursing Homes and Home and Community based Care and supported by Medicaid. The County is responsible for 100% of the nonfederal share. At the end of the 2nd quarter it would appear the budget would go over by year end. However, this budget should level off by year end.

In addition, this budget includes funding for the handy man program. The county is working with Southwest Community Services and other local referral agencies to identify low income individuals that could use alterations to their living conditions that would allow them to continue to live at home with the hopes to keep them out of needing nursing home care. This program is brand new with referrals starting to be made.

Page 32 – County Received Grants is running under budget as of June 30th having expended 35.43% of the budget. As expenses captured in this budget are fully grant funded, offsetting revenues are coming in under as well.

Page 34 – Bonded Debt – Debt payments are made according to debt payment schedules throughout the year. The principal and interest payments will be fully expended by the end of 2018.

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Most all department budgets are under as of June 30, 2019. As you may recall the 2019 budget included funding for the 2nd half of the 50% special wage adjustment for nearly every county position. This wage increase went into effect as of July 1, 2019. Although there is sufficient funding it should be noted that expenses will increase over the last six months in comparison to the rate of increase in the first six months.

Revenues – Maplewood Nursing Home

Page 36- Overall adjusted for timing, Maplewood Nursing Home has achieved 46.62% of the 2019 revenue projections. A census of 130 was budgeted for 2019 and as of June 30th the average census was 122.

Due to the lower census, revenues are currently falling short by \$396,000 and could more than double by year end. Although expenses are coming under significantly as well, there will be a recommendation to adjust budgeted revenues with some of the excess Pro Share funds received.

Expenses – Maplewood Nursing Home

Page 37-53 – Maplewood Departments – Overall expenses for Maplewood are at 48.28% expended (adjusted for timing). This equates to expenses being under budget by approximately \$278,800.

As you review the nursing home departments you will find that nearly all are well within or well under budgeted expenses.

The Administration budget on page 40 which accounts for the 5.5% Bed Tax paid on all Nursing Home revenues is currently at 57.42% expended. This current overage is based on the timing of the bed tax payments as well as the excess bed tax paid on the higher Pro Share funds received. There will be a request to amend this budget line with Pro Share Funds so that this department will level off and come in on budget by year-end.

Furthermore, there are certain line items in the nursing budget that are considerably over budget such as contracted nursing registry lines for RN's and LPN's and LNA's. Due to the shortage of nurses and LNA's, we have had to rely more heavily on contracted agency nursing services to provide additional staffing. However even with the support of the outside agencies there is still a shortfall of nurses and LNA's. The overages on these particular line items are more than covered by the shortfall on actual payroll lines where staff wages are not being expended.

We continue to put a great deal of effort in being creative to find ways to be competitive in recruiting and retaining nurses as well as other support staff at the nursing home. Maplewood has hosted several LNA classes that have been successful in the career development

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for some of our own staff in order to help them obtain their LNA. Although this is a slow process, it is just one of the continued efforts being made to address the shortage being faced.

There will be a meeting on Monday July 29, 2019 at 10:00am of the Executive Committee at County Hall, 12, Court Street to receive this report as well as to make recommendation to amend the 2019 budget for the receipt of Pro Share Funds as well as other budgetary amendments.

A discussion of the funding of Pro-share monies to the various Counties was discussed and the compensation to each County and their IDN's was covered.

Trombly reviewed the remaining items in the letter to the Executive Committee and the operational and budgeted cost and revenues were discussed.

The Pro-share motion for the Executive Committee was then reviewed.

Employee benefits was discussed and a recent meeting with a new prescription company was reviewed.

The purpose of the meeting is to attempt to reduce the overall cost to the benefit plan.

Coates then said the Restorative Justice meeting that was recently held attracted fourteen school principals and the Conval district is also interested in learning more about the program. Coates said that a meeting with the Superior Court staff to discuss the program is scheduled for mid-August.

He then said that he will be traveling to Burlington VT this week with the Federal Liaison Officer from the jail to visit with the Federal Marshall's office. Coates said that they did this two years ago and that the purpose of the visit was to bring the Marshall's office up-to-date on some of the program changes at the jail that they may be interested in.

The presentation of the Commissioners "Call to Arms" letter to New Hampshire Association of Counties (NHAC) meeting scheduled for the first Friday of August was discussed and it was determined that Commissioner Wozmak will make the presentation to the group.

Coates then said that the NHAC monthly meeting is being hosted by Cheshire County and will be held at the Department of Corrections facility in September.

Coates brought to the Commissioners attention that the 33 West Street parking lot revamp and the installation of the Eversource transformer is now fully underway.

Old Business: None

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New Business: None

The Weekly Census was then reviewed and the report was accepted as informational.

The Weekly Manifest was then reviewed, and Commissioner Wozmak moved to accept the Manifest as presented and was seconded by Commissioner Englund, upon vote the motion passed unanimously.

The minutes of July 17, 2019 were then reviewed and Commissioner Englund moved to accept the minutes as amended and was seconded by Commissioner Wozmak. Upon vote the motion passed unanimously.

The calendar was then reviewed and no changes were noted.

At 01:20PM there being no further business to discuss, Commissioner Englund moved to adjourn the meeting. The motion to adjourn was seconded by Commissioner Weed and upon vote the motion passed unanimously.

Respectfully Submitted,
R. Englund, Clerk

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Appendix A

**Cheshire County
New Hampshire**

**COMMISSIONERS MEETING
MEETING MINUTES**

Wednesday, July 24, 2019 -

9:30 AM

**County Hall Building
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County Commissioners Present:

Charles Weed
Jack Wozmak
Robert Englund

Administrators Present:

Chris Coates, County Administrator
Sheryl Trombley, Director of Finance
Rod Bouchard, Assistant County
Administrator

Guests Present:

Senator Jay Kahn
Commissioner Jeff Myers, Commissioner -
Department of Health & Human Services
Ann Landry, Associate Commissioner for
Population Health
Maryann Ferguson, Executive Director of
Monadnock Collaborative
Sean LaFrance, Vice President of Population Health
Phil Wyzik, Monadnock Family Services CEO
Eileen Fernandes, Greater Monadnock Public Health
Network Coordinator
Mark Belanger, Director of Integration for Region 1
Integrated Development Network
Dereck Ferland, Sullivan County Manager
Dennis Calcutt, Monadnock Region Chair of
Integrated Development Network

**Master Agenda Item #696: Discussion with DHHS Commissioner Myers Action Expected:
To review and discuss with Commissioner Myers planning issues relating to the
continuation of the Integrated Delivery Network.**

Commissioner Weed began hearing this agenda item at 9:29 AM. He thanked the guests present, particularly Commissioner Myers, who has found a mechanism to work with the Center for Medicaid Services (CMS) to address planning issues related to continued Integrated Development Networks (IDN) and bringing money back to the state. Both Cheshire and Sullivan Counties have seen IDN services help residents and generate revenue previously unavailable. Commissioner Weed said questions remain about the future of IDN's and what will happen in

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2020. He welcomed the guests present to ask questions and to help determine if and how Cheshire County needs to evolve.

Commissioner Wozmak stressed that Commissioner Myers has a very difficult job. Commissioner Wozmak noted his respect for all those working at the NH Department of Health and Human Services (DHHS); he is always impressed by the commitment and dedication of those staff working under the most challenging political and financial circumstances, with limited resources. He is frequently critical of the legislative funding and response shortcomings he sees. Still, Commissioner Wozmak said he is always an advocate for responsible approaches and funding that can ease Commissioner Myers' job. He said Commissioner Myers' actions are laudable and he will never be critical of his work.

Commissioner Weed welcomed Senator Kahn and added that guests wanted the Senator to hear concerns expressed at the meeting. Commissioner Weed said he met with Commissioner Myers about IDNs, and despite being critical of the larger system that Cheshire County is operating within, he welcomed Commissioner Myers to discuss the success of IDNs in the County. Mr. Coates additionally thanked Ms. Landry for her presence, as she was the Executive Director who initiated successful IDNs in Cheshire County.

Commissioner Myers stated that he appreciated being at this meeting and expressed gratitude for Cheshire County's hard work and involvement in successful IDNs. While he thinks the DHHS has helped Cheshire County initiate IDNs, he cited the hard work of community partners for the program's success. In response to Commissioner Wozmak's points, he said despite occasional difficulty to fund the department fully, the state budget just passed with historic funding for the DHHS. The NH General Fund has increased by \$300 million, now totaling more than \$900 million, in addition to federal matching funds possible. He hopes the DHHS budget will increase at the same rate. He added that this is the first budget to allow the DHHS to add staff. Commissioner Myers thanked Senator Kahn and his colleagues for their support.

Commissioner Myers provided an update on the IDN program. He cited funding opportunities granted by CMS in January 2016 for a five-year period. Many states received these Medicaid Delivery System Reform Incentive Payment (DSRIP) waivers, which are not grants, but an opportunity to earn up to \$30 million annually based on state and county health care expenditures. The current administration in Washington D.C. has indicated verbally to Commissioner Myers and Governor Sununu, in addition to written guidance, essentially announcing that the DSRIP waivers will not continue in 2020. All waivers granted and in effect as of January 2017 would be honored, but the state was told not to expect renewal without explanation. Commissioner Myers anticipates the decision is in part because of overall executive budget priorities. NH's waiver is for up to \$150 million over five-years; many states were awarded waivers far larger (e.g., NY state was awarded \$8 billion). If the current administration is reelected in 2020, Commissioner Myers does not expect program renewal. If the program does

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continue with a new administration (regardless of political party), the Commissioner will be ready and working to continue the waivers in NH.

The DHHS is looking at ways to continue accessing other federal funding in case the DSRIP waivers are discontinued. One possibility is a component of CMS called the Center for Medicare & Medicaid Innovation (CMMI); to which billions of dollars were appropriated under the Affordable Care Act in 2010 for state innovation programs. Commissioner Myers said NH is one of many states that accessed CMMI funding early on through the state innovation model program. The state received a CMMI planning grant in 2013/2014 of approximately \$2 million, intended to fund an exploration study of how long-term supports and services (LTSS) could be integrated into managed care; the study did not result in a long-term plan. The second state innovation model grant was awarded in 2015 to explore health care integration efforts in the state. Commissioner Myers said the CMMI funding is still available and being accessed across the country. Moving forward, the DHHS will need to explore the feasibility of submitting funding proposals to CMS to access funding already started under the DSRIP, but with a different funding source. If the state does not get another DSRIP waiver, CMS could be a funding possibility.

Commissioner Myers has considered many delivery systems in the state public health network system. The NH 10-year plan calls for a mental health portal, similar to the Hub and Spoke model. Regarding disability services, there are contractors that arrange for and provide home care services. He questioned if the state still wants or needs all of these separate delivery systems or if some could be consolidated. The IDNs include hospitals, some providers, community mental health centers, and others. This separate Hub and Spoke model is mostly with hospitals, including Cheshire Medical Center locally. Commissioner Myers was not suggesting to consolidate every system, but he thought a conversation was necessary between stakeholders on how to streamline some services. He recalled initial skepticism about IDNs and the idea of forcing providers to work together. To everyone's credit though, Commissioner Myers said people/organizations who had never worked together before are still working together, which is a positive accomplishment of IDNs, no matter what else achieved. This program is implemented locally and communities decide funding priorities within certain guidelines. He said the next conversation needs to be about how to leverage this structure into the future and look for other funding streams for LTSS. Commissioner Myers said to be successful, all IDNs and stakeholders across the state must be included in the conversation to determine if they are supportive. For example, the DHHS brought a contract to the Executive Council two months ago to hire the Navigant consulting firm to help review the provisional LTSS services that do not fall under managed care. For example, increasing nursing home admissions challenges county budgets and is a trend that will cost more than keeping people in their homes with managed care. Commissioner Myers questioned how to leverage IDNs to coordinate and facilitate those services. There was initial public concern that the state was trying to put nursing homes out of business, when in reality the state was trying to determine—if there is no managed care—how to keep services sustainable despite pressure on rates and limited budgets.

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Commissioner Myers said the NH economy is healthy right now, but the DHHS must always be planning for alternatives to ensure services during harder times. For this reason, the state was interested in bringing in Navigant consultants to develop alternatives that could include Service Link in IDNs more efficiently. He said the DHHS is committed to talking with stakeholders to determine how to access federal funds to the greatest extent possible, and then talk about what the role of IDNs should be moving forward. He suggested getting ahead of the conversation, assuming the 1115 Medicaid Demonstration Waivers will not be renewed, and thus determine how to structure services moving forward. As a part of the waiver program, Cheshire County accessed federal funding to reimburse uncompensated nursing homes costs; this essentially doubled the funding coming in statewide to approximately \$54 million annually in 2018. In order to access this level of funding, nursing homes in the state were divided into two groups (one group of three counties and one group of the remaining seven counties – known as ProShare 1 and ProShare 2) and DHHS is working with those county groups to facilitate their future funding access and guarantee increased state funding for everyone. Commissioner Myers was grateful counties were discussing individually how to support the IDNs and expressed his wish that the counties could have relied solely on state expenditures to access the waiver program. CMS insisted that counties generate part of the funds and some counties not represented at this meeting were more challenging because stakeholders are skeptical about this effort. Commissioner Myers' intention is for the DHHS to access \$8 billion of state funding from the IDNs before the end of 2019 and again in 2020. He said this meeting is timely because future planning efforts need to increase moving forward. He expressed gratitude to those present.

Commissioner Wozmak asked, if 1115 Medicaid Demonstration Waivers end, if those funds would then revert to non-waiver funded status. Commissioner Myers clarified that the additional ProShare and certified public expenditure (CPE) will not change. The additional level of funding depends on operations of the 11 county's nursing homes. As long as nursing homes continue the current cost structure with the same census, then losing the waiver will not impact the methodology by which the state is accessing that money; as long as the cost reports are consistent with previous years, the extra funds will keep coming to the counties. What will end, is the ability of the state to match federal funding for counties and to support IDNs; ProShare money would not be matched by the state, but this will not impact the amount of federal money each county gets. Mr. Coates noted in 2017, Cheshire County received \$1.8 million federal funds, and in 2018 received \$3.4 million. Commissioner Myers anticipated relying on the latter figure moving forward, though funding will depend on cost reports, census, and many other variables. If the state accesses the projected \$54 million in 2019 for all 11 counties, he anticipates 2020 being essentially consistent depending on cost reports.

Commissioner Weed asked the difference between ProShare 1 and ProShare 2 from the perspective of the NH Association of Counties (NHAC) and keeping money coming to the counties. Commissioner Myers said that for 30 years, the state has accessed NH ProShare funds by using cost reports to establish the level of uncompensated nursing home costs. Historically,

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the state essentially transferred money to counties for one or two days, allowing counties to access and match federal reimbursement; then the counties return what the state loaned them to the General Fund, rendering that fund unharmed. The federal government says the state cannot do that any longer because it is not a true transfer of funds from the counties to generate the match. The federal perspective is that they have paid 100% of those reimbursements because counties are just borrowing money from the state to generate the federal draw. Medicaid is a matching program and the state can no longer use this methodology. The federal government also allows for reimbursements if the state submits the cost reports directly to them on behalf of the counties; this essentially draws down the reimbursement back to the counties, and therefore eliminates any matching. Having two ProShares allowed the state to maximize the overall funds received under the waiver program. Because of the payment-to-cost structure, it was advantageous financially to group three counties as ProShare 1 (Hillsboro, Belknap, & Sullivan) and group the remaining seven counties as ProShare 2. All counties could have been classified as CPEs easily, but it would have reduced money coming to the state. This is more complicated and confusing but it allowed for additional levels of funding. It is a different way to determine how counties access uncompensated care payments from the federal government for nursing home Medicare costs. The counties will now have to provide the funds first to draw those federal funds; the state can no longer loan counties money to make that drawdown.

Mr. Coates asked if managed care would be eliminated in phase two; he said that not moving to phase 2 of managed care was a positive state action taken by the legislature. Commissioner Myers said managed care will be prohibited by law. There is no predetermined outcome or requirement for the counties to develop a pace center. The state hired Navigant to help administer the budget for services in this fee-for-service model. In the last year, providers have visited Commissioner Meyers' office and said managed care is great, but that they need more funds than the legislature has appropriated. These are real issues that Commissioner Myers respects, but at some point, he said money runs out. He questioned a future year when the economy is weaker and asked how to pay for everything without limiting services and still produce a surplus. Navigant will lead stakeholder processes looking at potential changes to the delivery system. Commissioner Meyers provided a hypothetical example: if Cheshire County spent \$50 million on LTSS, with 2/3 of costs from nursing homes and 1/3 of costs from home care. To change that ratio, the County could give \$50 million to the IDN and tell them to determine how to spend more on home care so it is cheaper to keep people in their homes safely. In this instance, the overall costs could be lower and the local community could be empowered to take that \$50 million, if the IDN would help hire providers of diverse services within that budget. Commissioner Myers suggested such a situation could be more efficient over time by managing local services based on local needs; without cutting services or giving the responsibility of prior authorization to commercial companies. This is something very different than managed care. He thinks Navigant has led LTSS in various states and NH can benefit from their ideas; still, Commissioner Myers clarified that the state is not beholden to Navigant or their model. There must be a stakeholder process with stakeholder buy-in.

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Commissioner Wozmak said he understood that the process described was not managed care, but he asked about the profit motive of the intermediary to spread less money over a larger area. He asked the extent to which Cheshire County could anticipate spending less money, especially with the reality of an aging population needing more acute care at higher costs. He said numbers will only grow and he struggled to see the savings. Commissioner Meyers said he thinks Cheshire County can get ahead of that trend. Under the scenario Commissioner Wozmak proposed, the rate of nursing home admissions will continue increasing. Contrarily, Commissioner Myers said providing people with services earlier, before they need the level of care a nursing home provides, allows them to stay at home longer and lower the level of increasing nursing costs. Commissioner Myers acknowledged that this will not keep people from going to nursing homes entirely. There has been a moratorium on construction of new nursing home beds for more than 30 years and Commissioner Myers asked the last time that someone capable and competent looked at NH population growth, the growing aging population, economics, and others. He called for a study to project needs over the next 5-20 years and stressed that he does not have staff that can do this work, which is a common misconception. He thinks it should be a legislative priority in the next session; he suggested Senator Kahn could sign the bill to appropriate a reasonable amount of money to any state department. Commissioner Meyers agreed with Commissioner Wozmak about the need to study current issues in Cheshire County to anticipate future needs. It was thought that a previous study was done perhaps by the New Hampshire Center for Public Policy.

Mr. Calcutt asked if the study Commissioner Myers suggested is similar to system of care work, which focuses on how to reduce the number of children in residential treatment, which is a high expense. From Cheshire County's perspective, Mr. Coates said the first time they see children is when they are adults and have been through the Department of Corrections or Drug Court, for example. The County wants to keep the waiver grant through 2020 and continue funding work with families whose children are at risk of out of district placement; there are 40 out of district placements in Keene alone currently and System of Care (SOC) could help reduce these numbers.

Mr. LaFrance cited a new effort looking at supportive housing and funds appropriated through the NH Housing & Finance Authority to bring consultants together. Mr. LaFrance said he hears from housing and facilities stakeholders through IDN work who say the challenge is matching appropriate and safe housing with funding to provide services. Mr. LaFrance thinks that service questions relate to acuity levels for people; Commissioner Myers agreed and said sometimes nursing homes are discussed in a generic sense but today there is a continuum of assisted living and nursing care. This is why Commissioner Weed thinks assisted living is an intermediate step from home care, to assisted living (which is still less expensive than nursing), to nursing homes. He thinks there needs to be a mechanism to achieve those intermediary steps.

Senator Kahn agreed that the delivery system is unclear and said Navigant will help the state define a potential delivery system model. Commissioner Meyers agreed that Navigant has led

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such efforts across the country and they will help to convene stakeholders in NH and forge consensus on possibilities for the system in which IDNs play a stronger role. The waiver is likely ending but the DHHS wants to maintain the structure, time, effort, and money invested in the waiver. Commissioner Meyers asked if LTSS can be one possible range of services added to the IDN structure; there is no predetermined outcome yet. Senator Kahn said there are a lot of overlaying structures, with different territories, and IDN is yet one more that adds different territories. Though Commissioner Meyers said a lot of people in some of the other structures are a part of the IDN. Senator Kahn said those people can be a part of any structure the state makes up and he was leery of the IDN geography as a defining one for the model Commissioner Meyers suggested. Senator Kahn thinks LTSS is an interesting area with potential rising costs and a need for control outside managed care. Workforce is an issue regionally and it is appropriate to define the state in regions where workforce issues and delivery models can be adjusted. Senator Kahn asked who the LTSS staff person is at DHHS; Deborah Sheets directs all LTSS, and will be a part of this effort as well.

Commissioner Wozmak said he is always suspect of plans to consolidate, reorganize, and unify because in his experience it just serves to make up numbers to result in savings. When he thinks about better connections between a variety of entities, he hopes the state can identify the real differences, real benefits, and real costs that might be saved. He said the state raced into managed care and from a budgetary point-of-view, the legislature saw a potential reduction of 10% and went for it. He said a lot of efficiency talk is fiction; the actual cost implications are rarely identified until too late. He wants conversations to be defined very well for agencies to understand.

Ms. Ferguson said, regarding efficiency, that the Monadnock Collaborative recognizes the lack of technology to support the plan for continuum of care in Cheshire and Sullivan Counties (who work well together). In terms of efficiencies and cost reductions, she said it would be helpful for staff to know where clients go for health care, or know they could talk to the community mental health center in a way that everyone understands the client's situation. She felt that was a large piece missing currently; she said all agencies are patch working care with multiple technology systems. Ms. Ferguson listed the partnerships Monadnock Collaborative has that could provide an opportunity to reduce costs, inform providers, and give better services and supports for clients: mental health system, the county, Cheshire Medical Center, social services, among many others.

Beyond 2020, Mr. Ferland listed two options. The first option is a return on investment approach that would make CMS more efficient and save everyone money. He said there is a business case for option one, regardless of administration, to recognize a program that is saving the government money. He said option one is ideal. The second option is the Hub and Spoke model. Without the state match, Mr. Ferland asked if IDNs can exist annually on \$18 million versus \$30 million in conjunction with other efficiencies and stakeholders, like the Hub and Spoke model. Mr. Ferland, Mr. Coates, and Commissioner Weed expressed concern that if the counties are not

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contributing something, the available money will not be reliable long-term Mr. Ferland would rather be collaborating to ensure that we maintain the additional surplus. Commissioner Myers said that this year, the county CAP was raised with the idea that counties would have additional money from this program. Mr. Coates said counties cannot be punished by raising the cap that much more for the state to recuperate money that counties take in and utilizes for services in communities. There have been many broken promises from state that result in taxpayer burden locally. Mr. Coates hopes the state will not increase the CAP because Cheshire County is utilizing increased ProShare funding. When the Governor talks about a surplus, the counties feels they should receive those extra funds because pension, room, and meal funding was taken away. Commissioner Myers said the current budget would put money back into communities and said he heard Mr. Coates' points.

Commissioner Wozmak asked, regarding the Hub and Spoke model, if all federal funds will go away in two years. Commissioner Myers said funding is secured through September 30, 2020 (i.e., federal fiscal year 2020). The total funding secured is \$22.9 million for each of the two years in addition to a supplemental reward that was just under \$12 million. Commissioner Myers does not envision that funding source being reduced or eliminated. If the funding is not renewed past 2020, there would be a burden on local hospitals, and there would be no expectation for hospitals to perform those services; Commissioner Wozmak thinks that funding loss will be very challenging for the local public. Commissioner Myers said he understood how the whole state would be affected by funding loss, which is why he does not envision the program ending.

Senator Kahn referred to mental health and substance use disorder delivery systems and asked if the Doorway Program annual allocation is approximately \$9 million, which Commissioner Meyers confirmed. Senator Kahn asked what is taking up the remainder of funds. Commissioner Myers said the state is putting \$14 million per year into medication assisted treatment (MAT) contracts. He said there are 13 residential providers in the state, in addition to some outpatient providers and some hospitals providing MAT. The range of treatment services funded and the initial award was \$1 million each year for Naloxone purchases and the state took money from the supplemental grant (\$12 million), which added \$1-1.5 million for Naloxone and \$2.5 million for housing vouchers. If someone contacts a hub after hours and no treatment beds are available, that person can get a housing voucher to stay in a hotel/motel until a bed is available. The DHHS is working hard to expand contracts for recovery housing to support the Doorway Program. There is always money from the supplemental grant going toward transportation and other flex funds but the Doorway Program cannot administer those funds because of federal law. Ultimately, there is a mechanism that provides money to Doorway clients. Senator Kahn said creating local delivery to community-based care is funding dependent.

Moving forward, Mr. Coates asked how the Cheshire County and stakeholders can stay active and prepare for September 2020. Commissioner Myers said he met with the Executive Directors of IDNs about these issues and how to engage with CMS. There have been a lot of conversations on how to maintain waiver funding and he was open to stakeholder suggestions on how to

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schedule a regular meeting to share updates. He said that stakeholders and legislators need to collectively keep talking about a strategy. There will be a LTSS stakeholder process through Navigant and the stakeholders present at this meeting must be involved in that conversation. Mr. Coates said the County wants to always look forward and be progressive when seeking for continuums of care. Cheshire County has dedicated \$50,000 of ProShare money to keep people with physical health crises in their homes safely for as long as possible with proper ADA facilities. The County does not want IDN support to go away because it is changing people's lives. The Hub and Spoke and Doorway Program at Cheshire Medical Center in Keene are important and the Cheshire County wants to stay as a participant in conversations to develop a plan with them. Mr. Ferland agreed there are similar goals and challenges in Sullivan County.

Commissioner Wozmak asked about Medicaid reimbursement rates. Commissioner Myers said House Bill 2 was passed with 3.1% in the first year and an additional 3.1% in the second year. Commissioner Myers suspected a Medicaid rate increase as a part of the final budget. He said the Governor and legislative leadership are negotiating this budget. He did not expect the funds would be retroactive to July 1, 2019. Commissioner Wozmak said fundamentally, there has been no increase in Medicaid reimbursement rates in decades, which makes it virtually impossible to increase the number of providers of those services. When all federal money is gone, the counties are only left with reimbursement rates; he asked if those rates will cause someone to serve the underserved population. Commissioner Wozmak asked how to motivate the legislature, which has been hearing this issue of health care for more than 40 years. Commissioner Myers thinks there was a sustained effort this year toward Senate Bill 308, which raised rates by approximately \$110 million over two years. Commissioner Wozmak said the state has no issue with a \$90 million business profit tax deduction but struggles to increase the budget by \$60 million to work on epidemic problems; he said he is critical because at some point rhetoric will have to be matched with dollars. Commissioner Wozmak acknowledged that Commissioner Myers and the DHHS work tirelessly to make the budget work, but said he will continue pushing the state to live up to promises made.

Commissioner Weed suggested that Commissioner Myers speak with every county in the state, as well as the Delegation, as he did at this meeting. Commissioner Myers said he did so in 2018 and is will to again this year.

Master Agenda Item #696 concluded at 10:45 AM.

Respectfully submitted by,
Katrinya Kibler, Minute Taker
July 29, 2019