



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

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Lori A. Weaver
Interim Commissioner

June 30, 2023

Dear Medicaid Provider:

This message is the beginning of a series of communications with Medicaid providers to ensure you have the most accurate information as possible to anticipate the impact Medicaid Rate increases included in the States’ two-year operating budget. As you are aware, Governor Chris Sununu signed the State’s budget for State Fiscal Years 2024 and 2025 last week that includes \$134 million of general funds for increased Medicaid rates throughout the biennium.

The Department recently submitted a public notice to establish a one-time and sustained 3% Medicaid provider rate increase, effective July 1, 2023, per section 238 of House Bill 2, which appropriated \$24 million over the biennium (the fee-for-service components of these rate increases will be live in July). This one-time 3% increase is sustained through the biennium with the appropriation available to DHHS on July 1, 2024.

In addition to the rate increases that will take effect in a few days, the budget included two additional rate increase opportunities, including new, targeted rate increases to be implemented in the second quarter of the fiscal year, and additional rate increases for state fiscal year 2025 that will take effect on January 1, 2024. We are sure you are anxious for clarity regarding the additional funds for the targeted rate increases for areas where the DHHS Commissioner has deemed most critical. The Department is actively reviewing existing rates and making plans to roll out these increases over the coming months. We recognize there is a strong need and desire to know how these rate increases will impact Medicaid provider operations.

The Department is committed to implementing rate increases timely, and must report progress to the Legislative Fiscal Committee by October 1, 2023. We are actively developing a plan with the goal of increasing rates to all eligible service areas on or before the HB2 deadlines. To that end, the Department will continue with external communications to providers as we implement these historic rate increases.

The following table lays out the rate increases that will be implemented in the new fiscal year.

HOUSE BILL 2 Appropriations by Area		
Area	SFY24	SFY25
Nursing Homes	\$ 4,677,979	\$ 9,355,958
Choices for Independence	\$ 2,154,309	\$ 4,308,618
Assisted living facilities	\$ 708,678	\$ 1,417,355
Home Health Aides	\$ 483,000	\$ 966,000
Meals on Wheels	\$ 70,691	\$ 141,382
Private Duty Nursing	\$ 736,954	\$ 1,473,908
Section 1915(c) Waiver Case Management Services	\$ 169,658	\$ 339,317
Community Mental Health Services	\$ 3,969,301	\$ 7,938,602
Housing Reimbursement Rates for Community Mental Health Services	\$ 623,848	\$ 1,247,697
Community Health Centers	\$ 3,000,000	\$ 6,000,000

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Community Health Centers	\$ 1,133,707	\$ 2,267,415
Early Supports and Services, Developmental Services, Acquired Brain Disorder Services, Children's in-home Support Services	\$ 8,221,367	\$ 16,442,733
Opioid Treatment Programs	\$ 1,374,940	\$ 2,749,881
Residential Treatment providers SUD	\$ 113,106	\$ 226,211
MAT Substance Use Disorder	\$ 169,858	\$ 339,317
Outpatient SUD	\$ 255,371	\$ 510,743
Midwives	\$ 50,000	\$ 100,000
Birthing Centers	\$ 125,000	\$ 250,000
Ambulance Code	\$ 1,944,003	\$ 3,888,007
Personal care assistant services	\$ 1,500,000	\$ 3,000,000

Certain services will not receive the 3% increase on July 1, including services with contracted rates or individually priced rates; hospital inpatient and outpatient services; and non-service based rates, such as for durable medical equipment or pharmaceuticals. Additionally, the majority of the Medicaid waiver services for developmentally disabled, acquired brain disorder, and children's in-home support services are not part of the 3% increase discussed above. However, effective July 1, these providers will see a roughly 3% rate increase as a result of direct-bill payment structure changes in the developmental services system.

As we stated in the opening, this is the first in a series of communications. We recognize that successful implementation of multiple rate increases throughout the biennium requires full transparency and open communication. As the plan for the targeted rate increases evolves, we will provide additional communications to give you insights into the plan and help you anticipate what the targeted rate increases will be.

Our sincere thanks to all Medicaid providers, for serving our residents and helping them pursue health and independence. We will keep you updated throughout this process, but please do not hesitate to contact the Department if you have questions.

Sincerely,



Lori A. Weaver
Interim Commissioner
New Hampshire Department of Health and Human Services



Nathan White
Chief Financial Officer
New Hampshire Department of Health and Human Services