

SB 118-FN - AS AMENDED BY THE SENATE

03/06/2025 0529s

03/20/2025 0941s

2025 SESSION

25-0349

05/08

SENATE BILL ***118-FN***

AN ACT relative to the personal needs allowance of residents of nursing homes; making an appropriation to the department of health and human services for Hampstead hospital and residential treatment facility staff; and establishing the Hampstead hospital and residential treatment facility capital investment fund.

SPONSORS: Sen. Birdsell, Dist 19; Sen. Avar, Dist 12; Sen. Prentiss, Dist 5; Sen. Rosenwald, Dist 13; Rep. Weber, Ches. 5; Rep. W. MacDonald, Rock. 16

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

This bill:

I. Adjusts the personal needs allowance for nursing home residents to reflect social security increases on an annual basis rather than the current 5-year adjustment.

II. Makes an appropriation to the department of health and human services to fund certain leave accrual and retention payments for temporary classified staff positions at the Hampstead hospital and residential treatment facility.

III. Establishes the Hampstead hospital and residential treatment facility capital investment fund.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struck through]~~.
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to the personal needs allowance of residents of nursing homes; making an appropriation to the department of health and human services for Hampstead hospital and residential treatment facility staff; and establishing the Hampstead hospital and residential treatment facility capital investment fund.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Personal Needs Allowance of Residents of Nursing Homes. Amend RSA 167:27-a, II to read as
2 follows:

3 II. Every [~~5-years~~] *year*, the commissioner shall make the adjustment for cost of living
4 increases in the personal needs allowance to reflect social security increases.

5 2 Department of Health and Human Services; Hampstead Hospital and Residential Treatment
6 Facility Staff Transitioning; Certain Leave Accrual and Supplemental Payments; Supplemental
7 Appropriation. Notwithstanding any other law to the contrary, the sum of \$160,000 for the fiscal
8 year ending June 30, 2025, is hereby appropriated to the department of health and human services
9 for the purposes of making certain leave accrual payments to temporary classified positions and any
10 applicable bonus or retention payments prorated to the time worked in state service as part of staff
11 transition at Hampstead hospital and residential treatment facility. This appropriation shall be
12 nonlapsing and limited to the purposes of this section. The governor is authorized to draw a warrant
13 for said sum out of any money in the treasury not otherwise appropriated.

14 3 New Paragraph; Department of Health and Human Services; Hampstead Hospital and
15 Residential Treatment Facility; Establishing Fund. Amend RSA 126-A:5, by inserting after
16 paragraph XXXVI the following new paragraph:

17 XXXVII. There is hereby established the Hampstead hospital and residential treatment
18 facility capital investment fund. The department shall deposit revenue received through leasing
19 Hampstead hospital and residential treatment facility or any other administrative activities into the
20 fund. For the biennium ending June 30, 2027, the department shall deposit all revenue into the
21 fund. In the event that such revenue exceeds \$3,000,000, the department shall provide a report to
22 the fiscal committee of the general court identifying the total amount. The fund shall be nonlapsing
23 and continually appropriated to the commissioner for the purpose of supporting contractually
24 required capital investments at Hampstead hospital and residential treatment facility and may not
25 be transferred or used for any other purpose.

26 4 New Subparagraph; Application of Receipts; Hampstead Hospital and Residential Treatment
27 Facility Capital Investment Fund. Amend RSA 6:12, I(b) by inserting after subparagraph (399) the
28 following new subparagraph:

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1 (400) Moneys deposited in the Hampstead hospital and residential treatment facility
2 capital investment fund as established in RSA 126-A:5, XXXVII.

3 5 Effective Date.

4 I. Section 1 of this act shall take effect January 1, 2026.

5 II. The remainder of this act shall take effect July 1, 2025.

SB 118-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2025-0529s)

AN ACT relative to the personal needs allowance of residents of nursing homes; making an appropriation to the department of health and human services for Hampstead hospital and residential treatment facility staff; and establishing the Hampstead hospital and residential treatment facility capital investment fund.

FISCAL IMPACT: This bill does not authorize new positions.

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$185,000 to \$210,000 general funds; \$25,000 to \$50,000 federal funds	\$50,000 to \$250,000 general funds; \$50,000 to \$250,000 federal funds	\$50,000 to \$250,000 general funds; \$50,000 to \$250,000 federal funds
<i>Funding Source(s)</i>	General Fund, Federal Funds			
Appropriations*	\$0	\$160,000	\$0	\$0
<i>Funding Source(s)</i>	General Fund			

***Expenditure = Cost of bill**

***Appropriation = Authorized funding to cover cost of bill**

METHODOLOGY:

This bill requires the Department of Health and Human Services to adjust the personal needs allowance for nursing home residents every year, rather than every five years as under current statute. The Department notes that nursing facility residents that receive Medicaid are expected to contribute part of their income to the cost of their care; the personal needs allowance is a small allowance that those residents are allowed to retain. An annual update to the personal needs allowance will therefore result in an indeterminable increase in state expenditures, since the Medicaid program will pay more for nursing facility services as the allowance increases due to inflation. There will be no fiscal impact in years ending in 0 or 5, as this is when the Department would adjust the allowance under current law. Since the Department is unable to predict inflation with a high degree of certainty, it assumes a cost increase of between \$50,000 and \$100,000 in FY26 and between \$100,000 and \$500,000 in subsequent years. This cost would be paid for with 50 percent state general funds and 50 percent matching federal funds.

In addition, the bill appropriates \$160,000 in FY26 for the purposes of making leave accrual or other payments related to staff transitions out of the state classification system at Hampstead Hospital. Finally, the bill establishes a Hampstead Hospital and residential treatment facility capital investment fund, which is authorized to accept up to \$3 million of revenue received through the lease of Hampstead Hospital. The fund may also accept federal or other funds approved by the Fiscal Committee, as well as funds appropriated as part of the state operating budget.

AGENCIES CONTACTED:

Department of Health and Human Services