

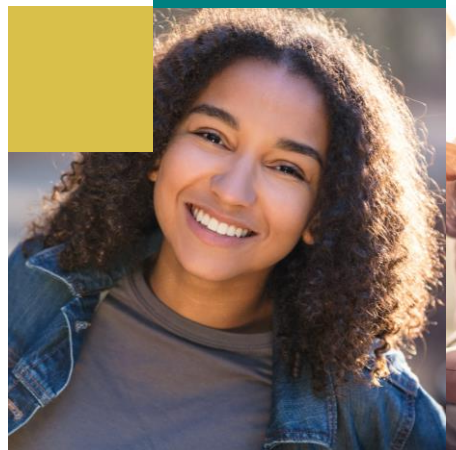
DHHS Oversight

Agency Budget & Vacancy Rate Update

Nathan White, Chief Financial Officer

November 21, 2025

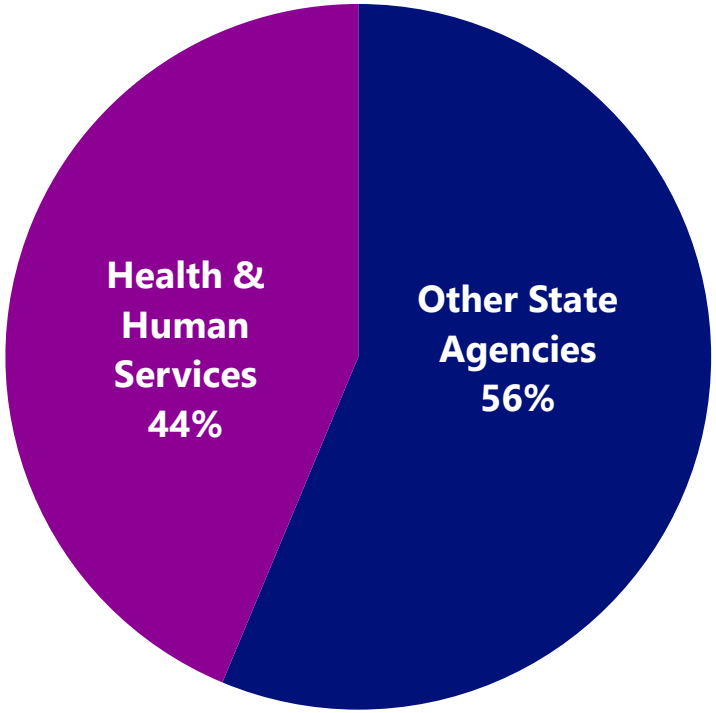
Department of HEALTH & HUMAN SERVICES



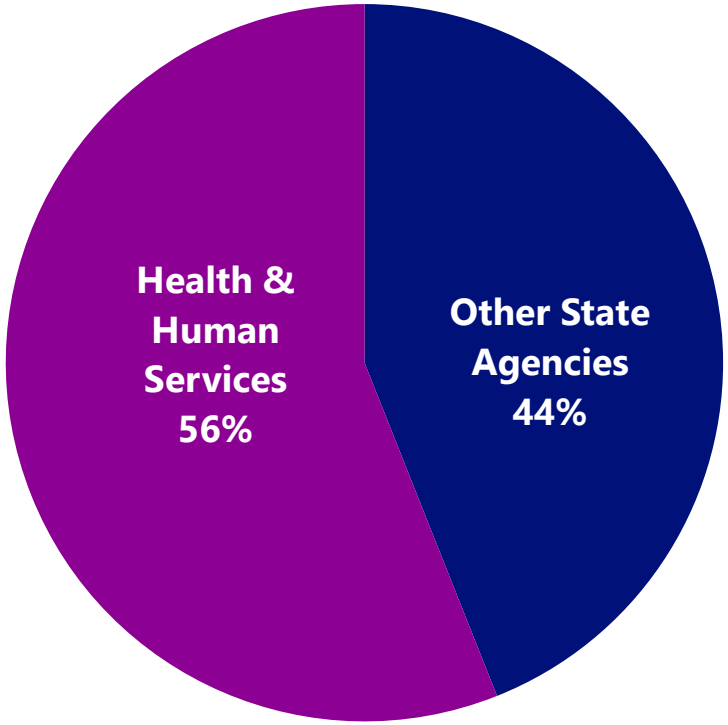


Health & Human Services Budget
As Proportion of State Operating Budget
For the Biennium Ending June 30, 2027

All Sources of Funds



General Funds Only

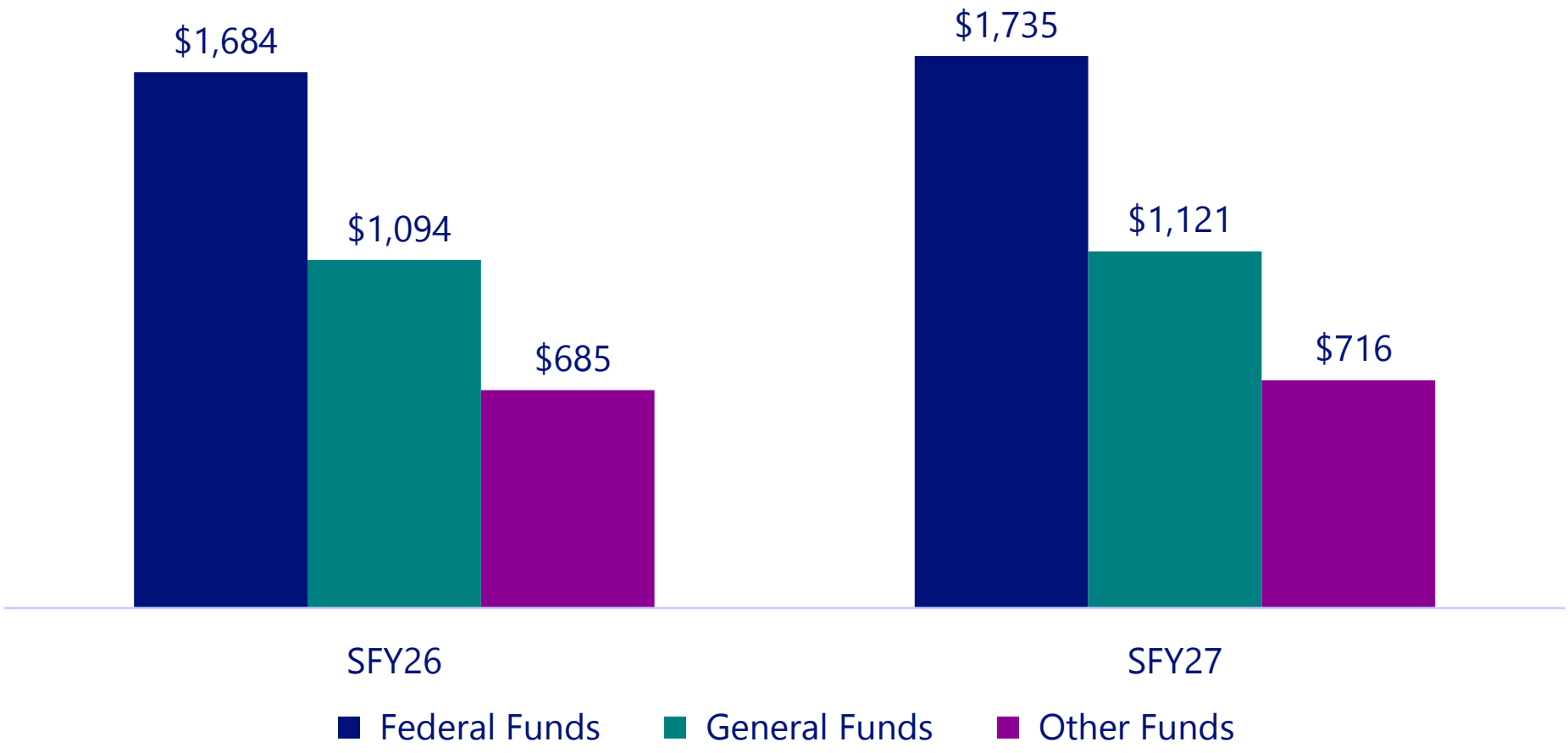


Health & Human Services Operating Budget
By Source of Funds For the Biennium Ending June 30, 2027
(Expressed in Millions)

Federal Funds are almost 50% of the total budget.

General Funds represents approximately 31% of HHS' biennial budget.

Other Funds comprise about 20% of entire Department budget.



Health & Human Services General Fund Lapse Projections Month-over-Month For the Biennium Ending June 30, 2027

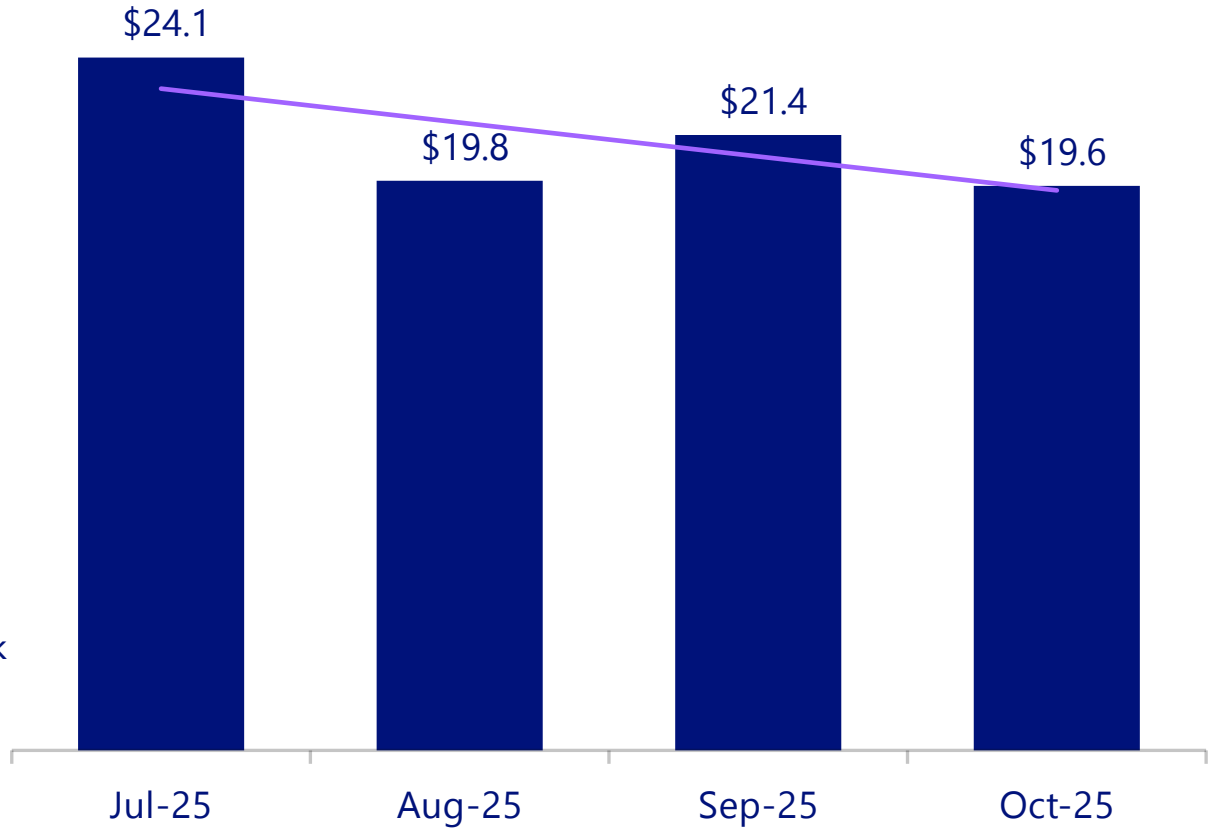
What is the General Fund Lapse?
The legislature makes assumptions, reflected in the "surplus statement" that a certain percentage of General funds appropriated in the operating budget will not be spent and will lapse back to the state's coffers.

Projecting HHS General Fund Lapse Amounts is Complicated

Every month HHS tracks all expenditures at the class line level and makes a series of assumptions around the amount of spend, timing of expenditures, and other factors. Expense projections become more accurate as we approach the last quarter of the fiscal year due to the multitude of variables and assumptions.

A Multiplicity of Factors Drive General Fund Lapse

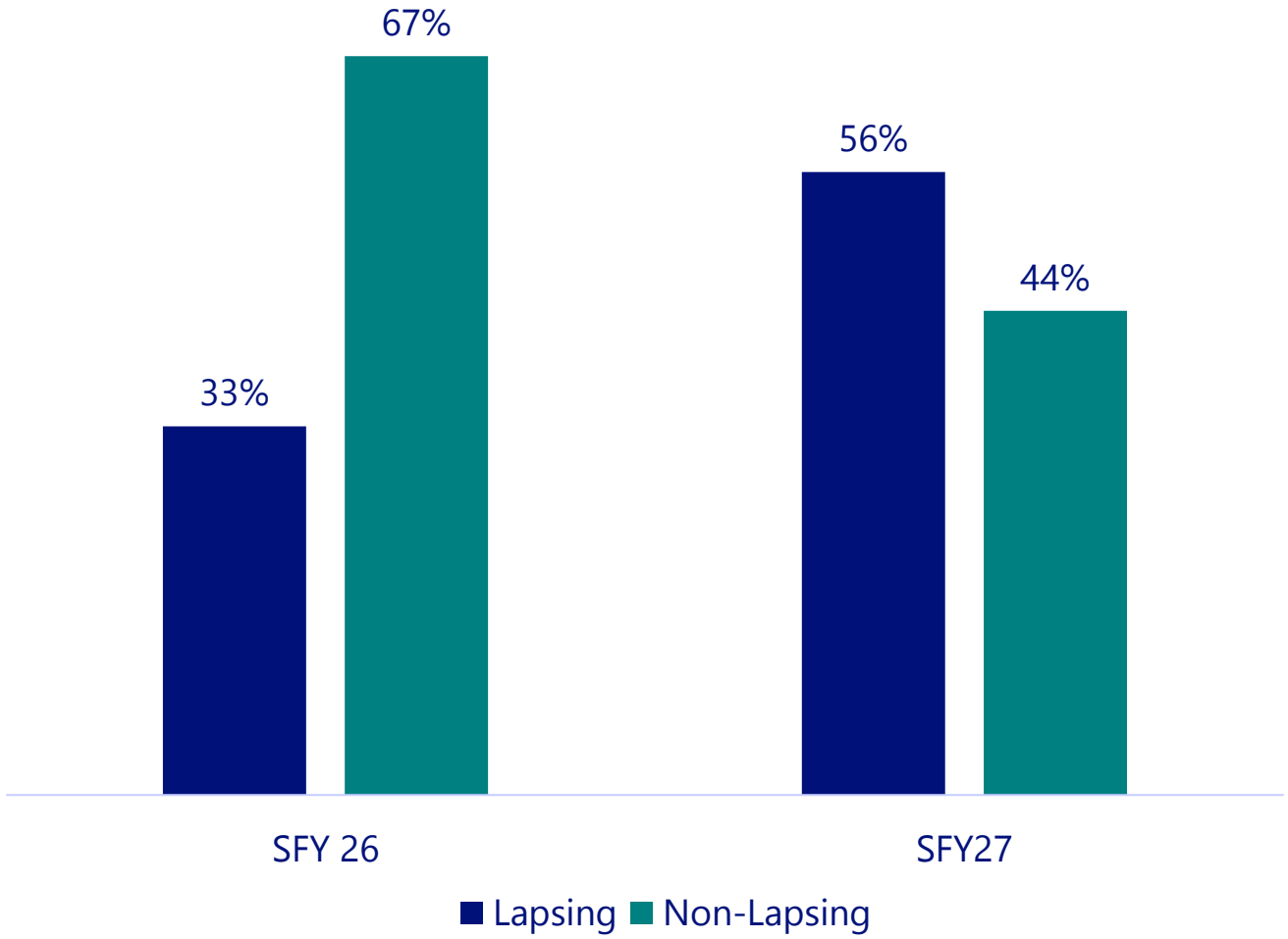
- **Program Utilization** by NH clients and providers, drive spending which includes Choices for independence, childcare scholarship, cash assistance, foster care, youth treatment, and other similar services.
- **Contracts** costs are generally driven only by actual costs incurred, work performed, or deliverables received.
- **Personnel** expenditures are impacted by retirements, vacancies, and hiring offers. A little over 10% of HHS' entire budget is comprised of personnel costs and of that about 55% is General Funds.



Health & Human Services Estimated Percentage of General Funds Available to Lapse For the Biennium Ending June 30, 2027

Certain Programs and Class Lines do not lapse in accordance with law:

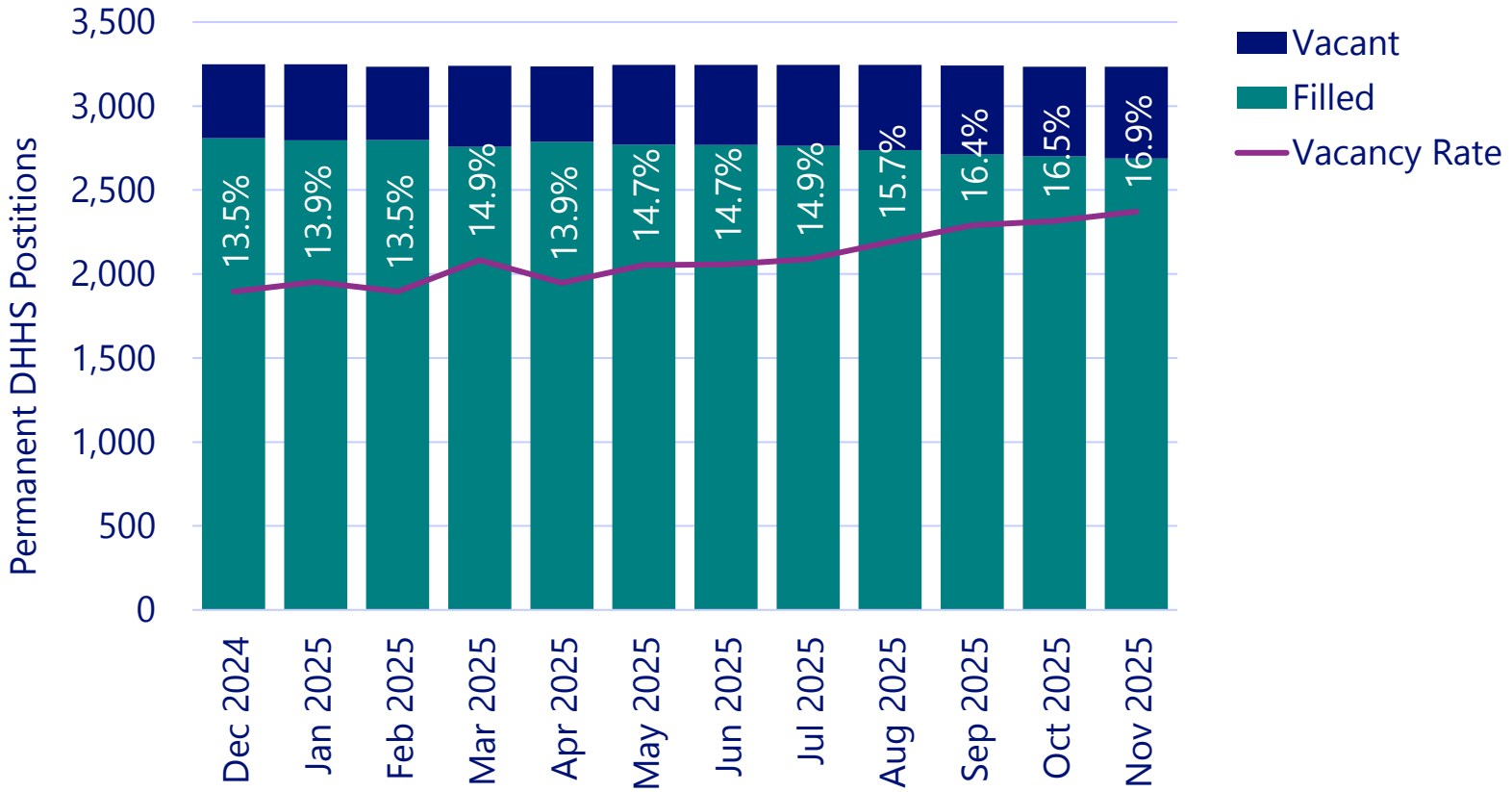
- Medicaid/Children's Health Insurance Program: Roughly $150M+/- GF each year
- Developmental Disabilities, Acquired Brain Disorders, In-home Supports: Approximately $500M GF over the biennium
- Choices for Independence/Nursing Facility Payments: Do not lapse ($85M GF, SFY26).
- Certain Organizations and Class notes in the operating budget carry forward specific class lines from the first year to the second year of the biennium.



Full-Time Permanent and Unclassified Vacancy Rate 12-Month Trend

Unfunded Personnel – For the biennium ending June 30, 2027, HHS had almost 400 of its roughly 3,200 full-time permanent and unclassified positions unfunded.

Hiring Freeze – HHS has been able to continue to fund direct care service workers. Indirect support/operation positions are subject to a standardized review and approval process.





Thank you.

Contact us:

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