

BUDGET TASK FORCE

Meeting Minutes

Friday, March 31st, 2023 9:30 - 11:00 am

Hybrid: In-person at the Community Health Institute/JSI and virtually on Zoom

Attendance

Name	Attendance
Task Force Members	
Traci Fowler (Co-Chair)	In person
Matt McKenney (Co-Chair)	In person
John Burns	In person
Alissa Cannon	Zoom
Karen Collins	No show
Annette Escalante	In person
Kate Frey	Zoom
Richard Frost	In person
Powen Hsu	In person
Lauren McGinley	In person
Cheryle Pacapelli	Zoom, sent Elyssa Sage as in person proxy
Kristine Paquette	In person
Sarah Shanahan	In person
Shannon Swett	In person
Liaison(s)/ Subject Matter Experts/ Invited Guests	
Mark Tracy	Department of Safety, liaison
Tym Rourke	Third Horizon Strategies, invited quest speaker
Center for Excellence on Addiction/JSI Staff	
Amy Daniels	In person
Becca Spaulding	In person

Welcome and brief remarks by co-chairs Traci Fowler and Matt McKenney.

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Member Introductions and Attendance: Co-chairs Traci Fowler and Matt McKenney opened the meeting by asking members to introduce themselves. A quorum was present in person and Kate Frey was present on Zoom. Cheryle Pacapelli was present for part of the meeting via Zoom.

Charter Update:

- Traci and Matt said they would send a draft of the charter to the group so they can provide feedback.

Approve Minutes:

- Annette made a motion to approve the minutes from the previous meeting on January 27th, 2023, which was seconded by Shannon. All other task force members present voted in favor, save for Richard Frost, who abstained.

Legislative Updates from New Futures with Kate Frey:

- Kate discussed the current state of the Alcohol Fund, for which legislation states that 5% of gross liquor profits from the previous fiscal year are allotted. The Alcohol Fund has been used for Medicaid expansion match since 2018. She stated that New Futures is currently advocating for two things: the decoupling of funds used in the Alcohol Fund and for Medicaid Expansion, and for the Alcohol Fund to receive the full 5% of the gross profits from liquor sales in the previous fiscal year. She notes that 5% of gross profits are worth more than they were in 2018, as liquor sales have gone up.
- Rep. Edwards in the NH House of Representatives was receptive to New Futures' testimony. The amendment New Futures advocated for in the budget did pass in the Finance Committee, and it was expected to be discussed on the House floor that week, after which if approved, it would be discussed in the Senate.
- Kate predicts that in fiscal year 2024, the Alcohol Fund will receive the full value of 5% of gross profits from liquor sales in fiscal year 2023.

Fiscal Landscape Overview from Third Horizon Strategies:

- In Fall 2022, Third Horizon Strategies (THS) was engaged by the NH Charitable Foundation (the Foundation) to develop a 360 degree-view of the financial health of prevention, harm reduction, treatment and recovery services throughout the state.
- Why did the Foundation commission this report? Building on more than a decade of collective efforts to address substance use disorders (SUD), in 2023, New Hampshire finds itself at a crossroads. While more financial resources are available to deliver SUD services than ever, nonprofit and other safety net

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providers of prevention, harm reduction, treatment, and recovery services still report fragile financial stability and existential risk to their ability to continue serving their community.

- How might this report be useful? Now is the time for NH partners to begin looking at the financial health of our ecosystem. Some of the federal resources supporting core parts of the ecosystem will likely be reduced or are scheduled to end altogether in the next couple of years. Findings from this report can inform shared learning and will elevate guidance to inform private, philanthropic, and public investments to continue to grow, stabilize and sustain accessible behavioral health services for all NH residents.
- This report is anticipated to be completed in May/June 2023.
- Annette makes a motion for the report, when completed, to be presented to the full Commission. Kristine seconded the motion, and all voted in favor with one abstention from Traci.
- Traci will keep the group informed of next steps as the report nears completion.

Wrap Up and Next Steps:

- Processes need to be established for how the Budget Task Force will go about receiving and reviewing recommendations, as well as making recommendations to the full Commission.
- The Budget Task Force has been approved to have interim working meetings. The Center will support the Task Force to have an additional meeting prior to the next Governor's Commission meeting on April 21st to draft processes for receiving, reviewing, and making recommendations to the Commission.

Public Comment:

- An ongoing concern for the system is the cost-based reimbursement model used in DHHS/BDAS contracting. This causes serious cash flow issues for smaller organizations. Can the Budget Task Force make process recommendations? For example, paying a % of the contract up front, as was done in the past.

Closing:

- Sarah made a motion to adjourn the meeting, which was seconded by Lauren. All voted in favor.