



FEDERAL PANDEMIC-RELATED FUNDING IN NEW HAMPSHIRE: IMPACTS, OPPORTUNITIES, AND BENEFITS

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NEW HAMPSHIRE BEHAVIORAL HEALTH SUMMIT

DECEMBER 6, 2022

FEDERAL AID RELATED TO THE COVID-19 PANDEMIC ENACTED MARCH 2020 - MARCH 2021

MAJOR PANDEMIC-RELATED FEDERAL AID LEGISLATION

- Coronavirus Preparedness and Response Supplemental Appropriations Act (March 6, 2020; \$8 billion)
- Families First Coronavirus Response Act (March 18, 2020; \$192 billion plus ongoing Medicaid provisions)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (March 27, 2020; \$1.72 trillion)
- Paycheck Protection Program and Health Care Enhancement Act (April 24, 2020; \$483 billion)
- Consolidated Appropriations Act (December 27, 2020; approximately \$868 billion in COVID-19 relief plus \$1.82 trillion in funding for programs throughout the government)
- American Rescue Plan Act (March 11, 2021; \$1.86 trillion)

Sources: U.S. Congressional Budget Office publications of June 2020 (four March-April laws), January 2021 (CAA), and September 2021 (CAA and ARPA)

FUNDING AND SUPPORT PROVIDED BY FEDERAL ASSISTANCE ENACTED IN 2020

- Assistance to individuals and families
 - Enhanced unemployment compensation benefit amounts
 - Extended unemployment compensation benefits to more recipients
 - Economic Impact Payments
 - Emergency Rental Assistance
 - Food assistance enhancements
- Grants to businesses
 - Paycheck Protection Program
 - Disaster loans for small businesses
- Aid to governments
 - Coronavirus Relief Fund (\$1.25 billion to New Hampshire)
 - Local public education aid
 - Higher education and other education aid
 - Other grants to state and local governments
- Relief funds for health care providers

THE AMERICAN RESCUE PLAN ACT (ARPA) ASSISTANCE ENACTED IN MARCH 2021

Summarized in Three Categories:

- Aid to individuals and families
- Aid to non-governmental and non-profit organizations
- Aid to governments

KEY ARPA AID: INDIVIDUALS AND FAMILIES

- Unemployment compensation expanded, added \$300 per week
- Economic Impact Payments, \$1,400 for individuals
- Supplemental Nutrition Assistance Program benefits increased by 15 percent through to end of September 2021
- Continuation of Pandemic EBT program for students out of school
- Expanded and fully-refundable Child Tax Credit in 2021
 - Advance payments on monthly basis (\$320.7M during 2021)
 - Estimated to have reached about 85 percent of New Hampshire children
 - National estimates suggest 2021 Credit reduced child poverty by about 43 percent
- Expanded Earned Income Tax Credit for certain adults in 2021
- Health coverage subsidies for individual marketplace purchasers
- Emergency rental assistance, \$152M to help New Hampshire renters (following \$200M from the December 2020 federal aid package)
- Support for child care aid grants for eligible individuals (\$30M)

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Census Bureau, Poverty in the United States: 2021, September 2022; U.S. Department of the Treasury, By State: Advance Child Tax Credit Payments Distributed in December 2021, December 15, 2021.

KEY ARPA AID: NON-GOVERNMENTAL ORGANIZATIONS

- Child Care Stabilization Grants for centers with less revenue, higher costs during pandemic (\$48M to New Hampshire)
- Higher Education Emergency Relief Fund, focus on student assistance (\$165M to New Hampshire schools)
- Emergency Assistance to Non-Public Schools (combined \$7M to New Hampshire schools)
- Aid to health centers funded through the U.S. Health Resources and Services Administration for several purposes
- Expanded Paycheck Protection Program eligibility
- Tax credits for smaller employer paid sick, family leave costs
- Aid focused on restaurants and closed venues

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Department of Health and Human Services; U.S. Department of Education; U.S. Department of the Treasury; NH Office of Legislative Budget Assistant

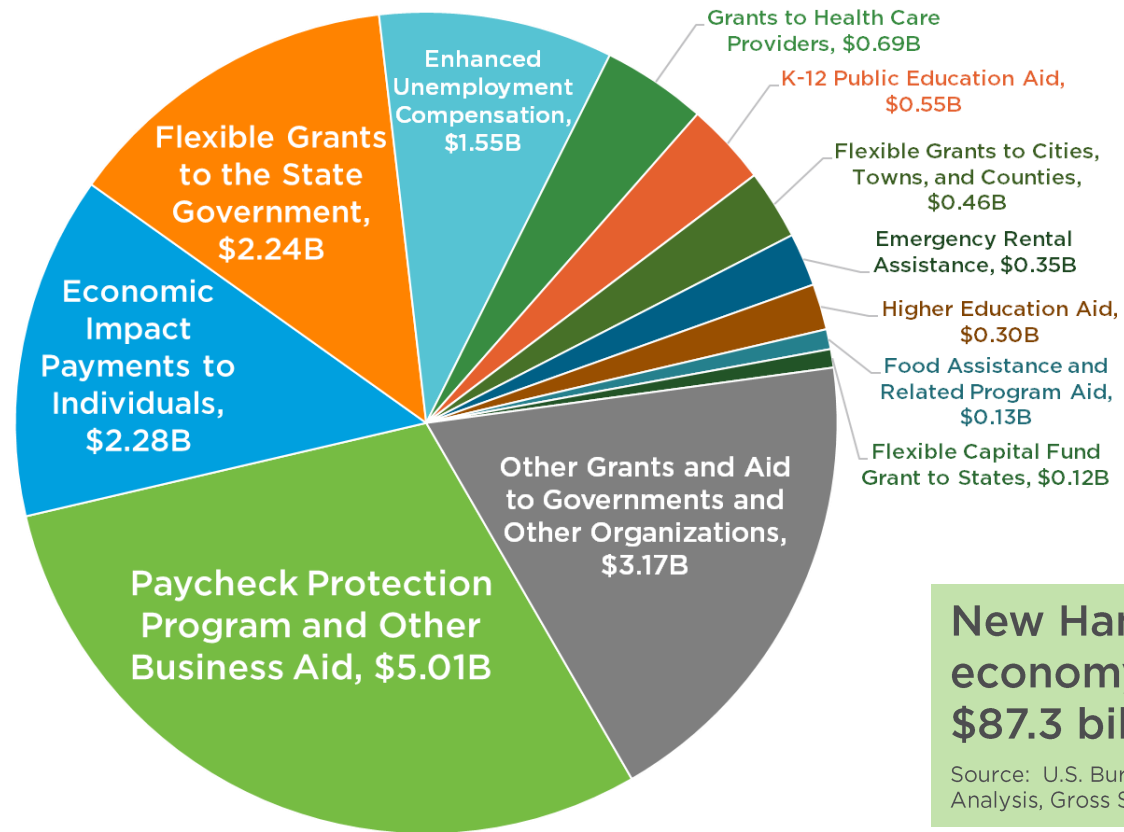
KEY ARPA AID: GOVERNMENTS

- Elementary and Secondary School Emergency Relief, reopening schools and addressing pandemic learning loss (\$350M to New Hampshire K-12 schools)
- Temporary Assistance to Needy Families one-time allocation (\$4M to New Hampshire)
- Enhanced federal funding for home and community-based services through Medicaid (about \$115M)
- Capital Projects Fund, critical investments in broadband, capital assets (\$122M to New Hampshire)
- State Small Business Credit Initiative (\$56M to New Hampshire)
- Coronavirus State and Local Fiscal Recovery Funds (\$1,457M to New Hampshire)

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Department of Health and Human Services; U.S. Department of Education; U.S. Department of the Treasury; NH Office of Legislative Budget Assistant; NH Department of Health and Human Services

ABOUT \$17 BILLION TO NEW HAMPSHIRE FEDERAL ASSISTANCE RELATED TO COVID-19 IN NEW HAMPSHIRE

Total of Nearly \$16.9 billion Through July 7, 2022



New Hampshire economy in 2019: \$87.3 billion

Source: U.S. Bureau of Economic Analysis, Gross State Product

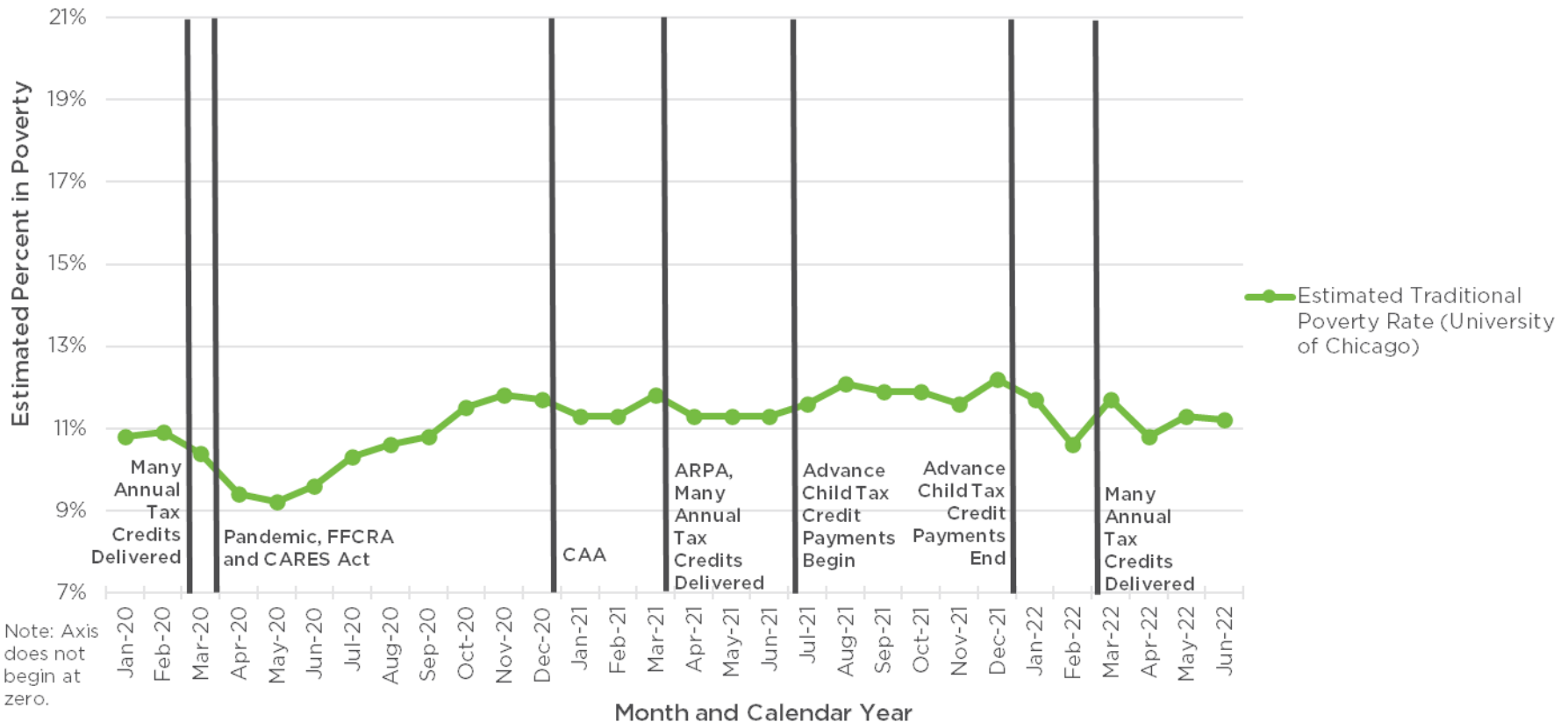
Note: Sums may include small amounts of double-counting due to summation mismatches. Totals presented are derivations. Small amounts of aid to individuals are also included in the "Other Grants and Aid" section, including aid for funeral expenses.

Source: New Hampshire Office of Legislative Budget Assistant, Federal COVID-19 Funds, New Hampshire Allocations, July 7, 2022.

ECONOMIC IMPACTS OF FEDERAL PANDEMIC AID

NATIONAL DATA SHOW EFFECTIVENESS IN REDUCING POVERTY

ESTIMATED MONTHLY U.S. POVERTY RATE AND SUPPLEMENTAL POVERTY MEASURE, WITH AND WITHOUT PANDEMIC LEGISLATION



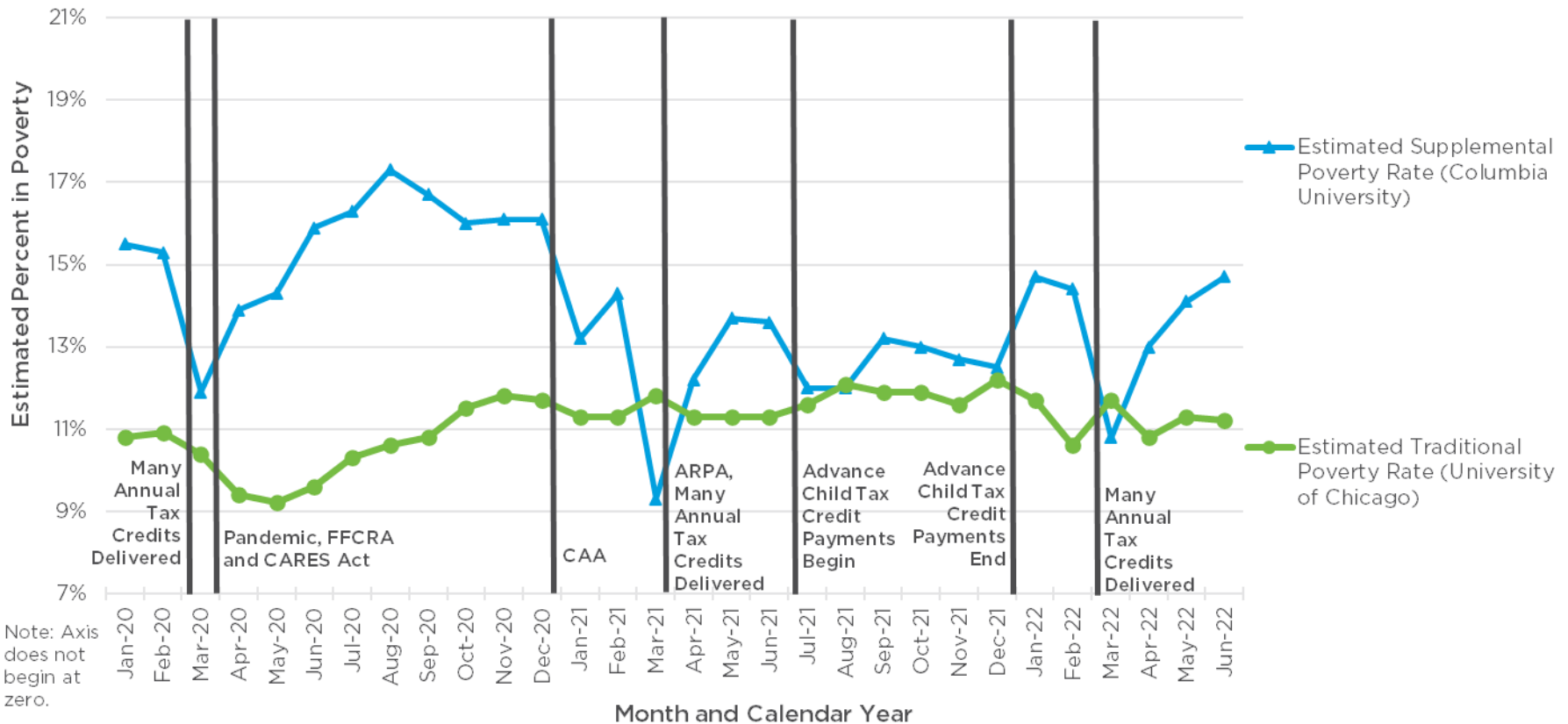
Note: Axis does not begin at zero.

Notes: FFCRA refers to the FamiliesFirst Coronavirus Response Act. CARES Act is the Coronavirus Aid, Relief, and Economic Security Act. CAA refers to the Consolidated Appropriations Act of 2021. ARPA refers to the American Rescue Plan Act.

Sources: "Near Real Time COVID-19 Income and Poverty Dashboard," University of Chicago and Notre Dame, November 23, 2022; "Monthly Poverty Data," Center on Poverty and Social Policy at Columbia University, based on Parolin, Curran, Matsudaira, Waldfogel, and Wimer (2022), November 23, 2022.

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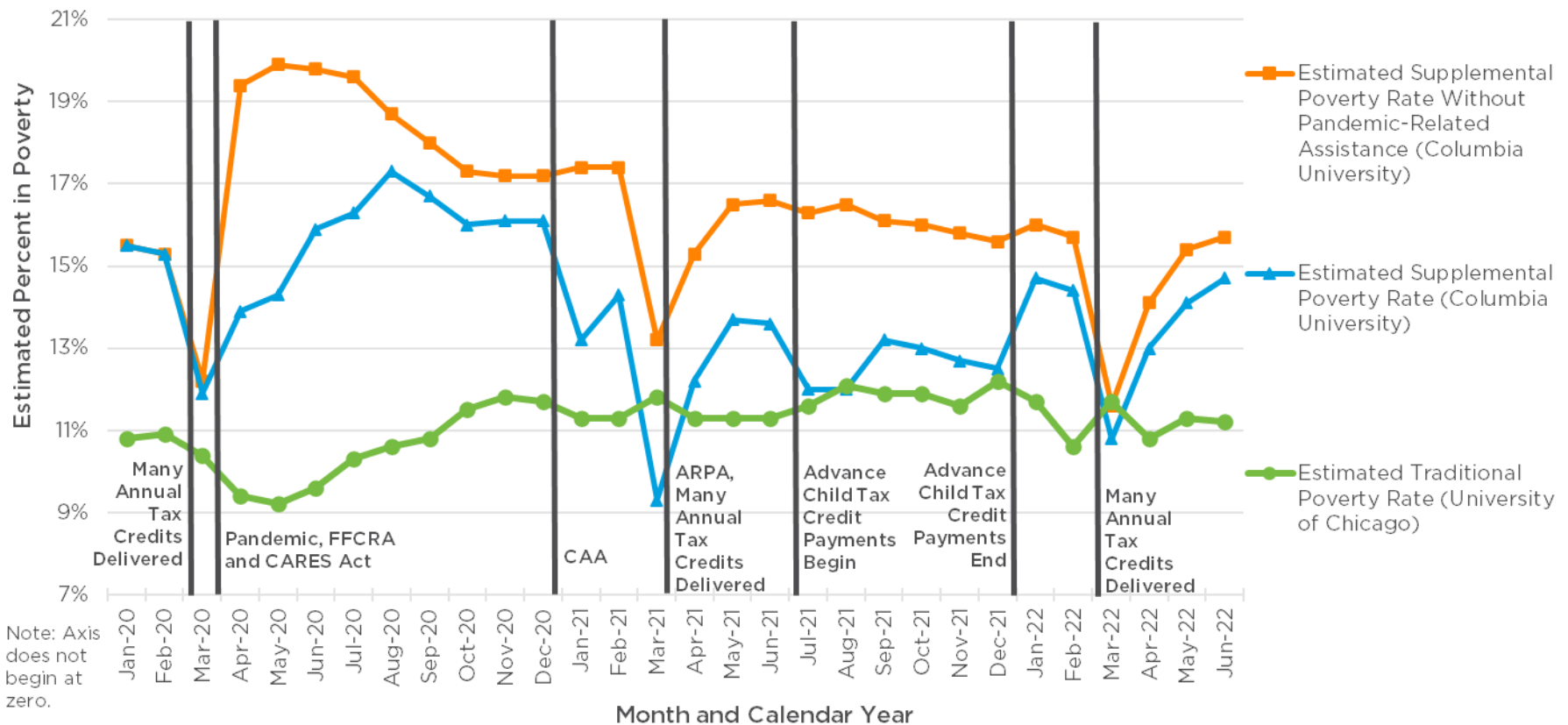
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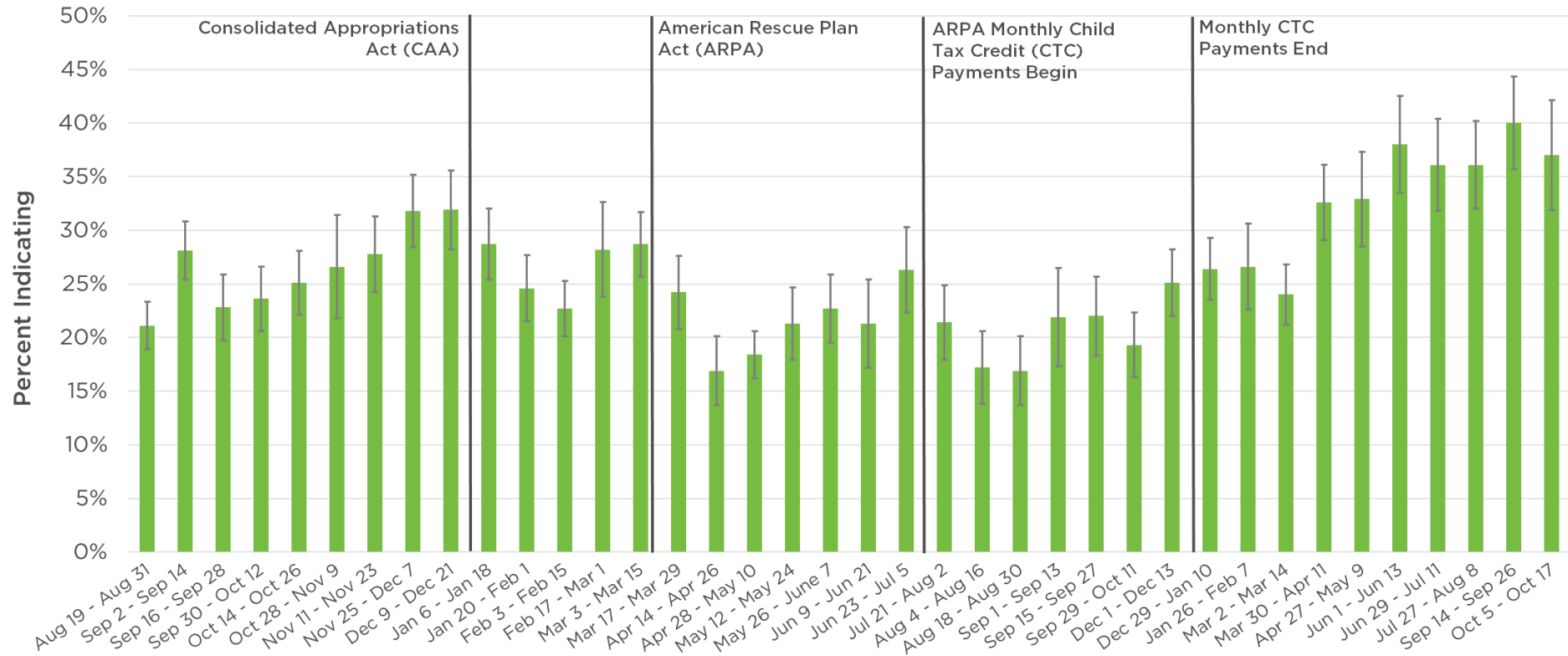


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NEW HAMPSHIRE DATA SHOW HELP OF FEDERAL AID, IMPACTS OF INFLATION

NEW HAMPSHIRE ADULTS REPORTING DIFFICULTY WITH USUAL EXPENSES
Percentage Living in Households Where it Has Been Somewhat or Very Difficult to Pay for Usual Household Expenses During The Last Seven Days



Survey Period (Years 2020-2022)

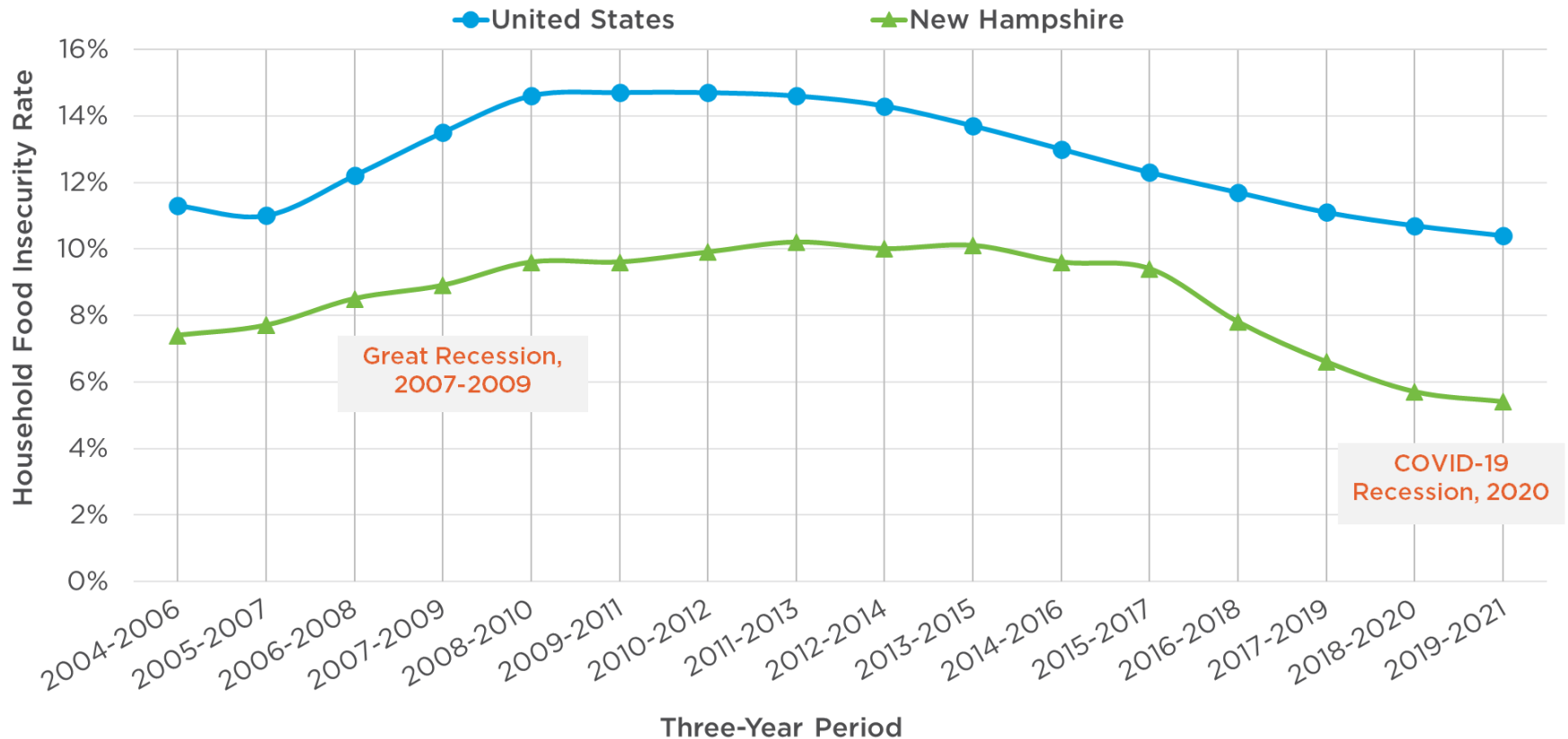
Note: Margin of error bars represent 90 percent confidence intervals

Source: U.S. Census Bureau, 2020-2022 Household Pulse Survey, accessed November 23, 2022

RESPONSE TO PANDEMIC PREVENTED EXPECTED INCREASE IN FOOD INSECURITY

ESTIMATED HOUSEHOLD FOOD INSECURITY

New Hampshire and the United States

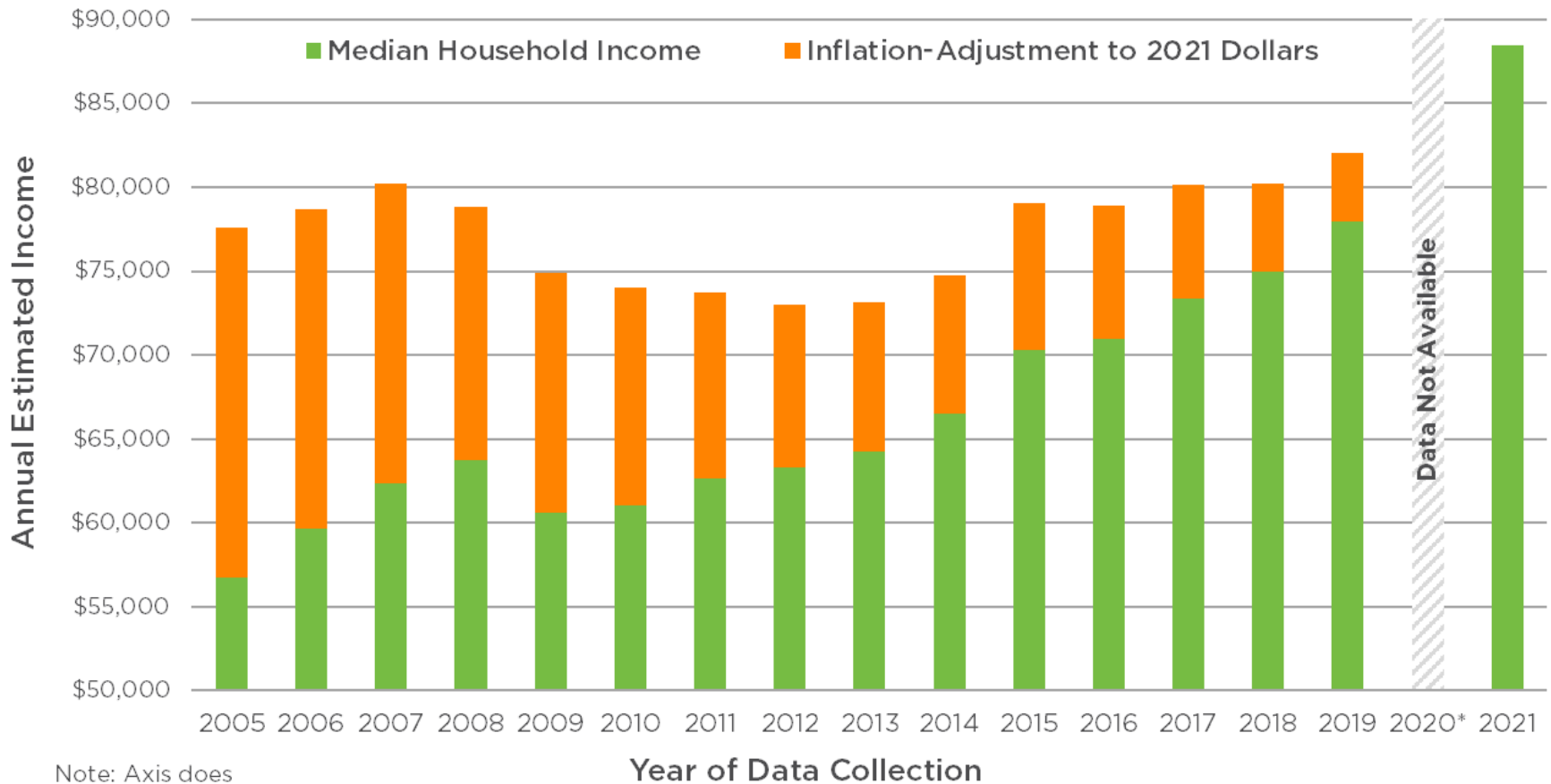


Notes: Each period of data represents an average of three years of data.

Source: U.S. Department of Agriculture, Economic Research Service, Household Food Insecurity in the United States

MUCH FASTER INCOME GROWTH THAN RECOVERY FROM THE GREAT RECESSION

MEDIAN HOUSEHOLD INCOME IN NEW HAMPSHIRE

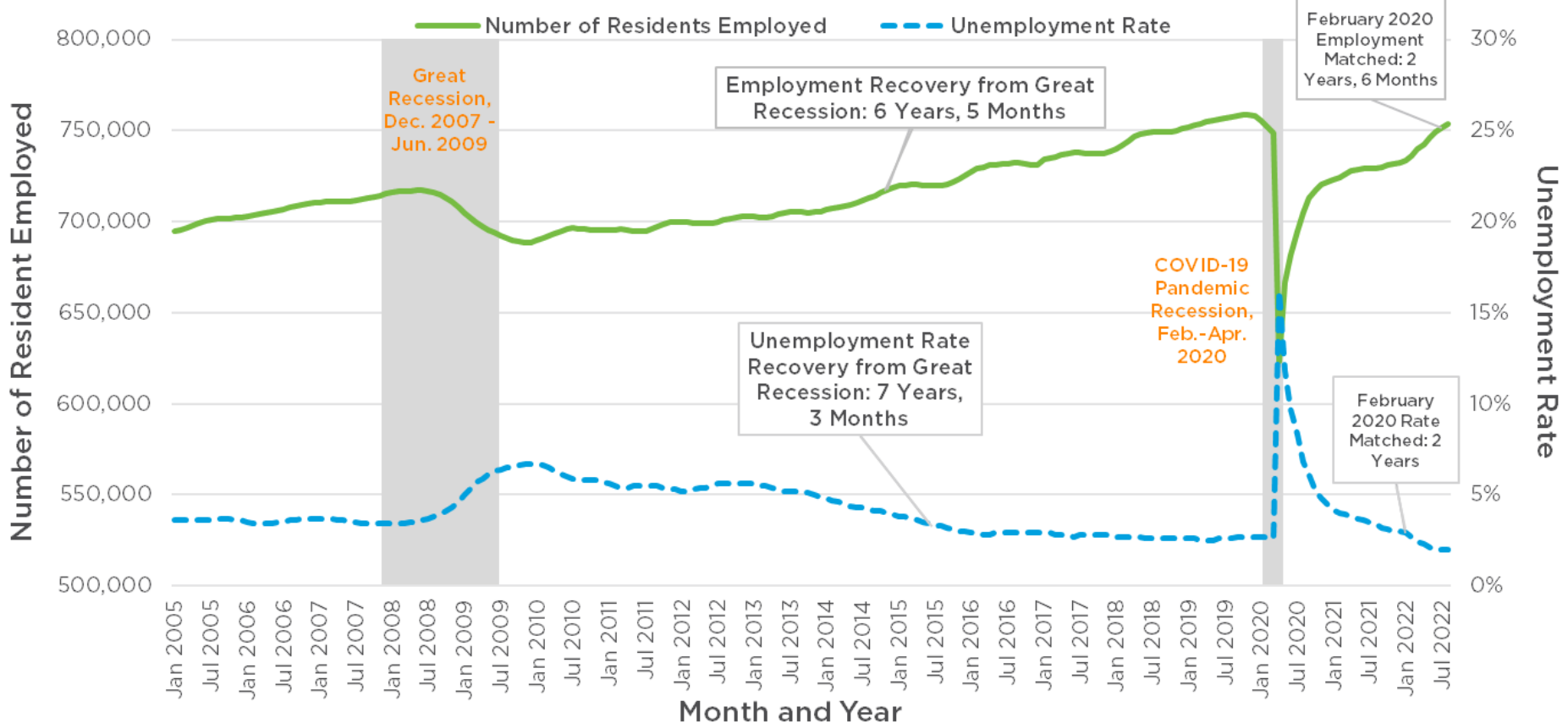


Note: Axis does not begin at zero.

*Note: These data were not available for 2020 due to disruptions associated with the pandemic.
Sources: U.S. Census Bureau, American Community Survey One-Year Estimates;
U.S. Bureau of Labor Statistics, Consumer Price Index-Urban, Northeast

MORE RAPID RECOVERY FOR EMPLOYMENT AND UNEMPLOYMENT RATE

EMPLOYMENT AND UNEMPLOYMENT RATE RECOVERIES FROM RECESSIONS IN NEW HAMPSHIRE



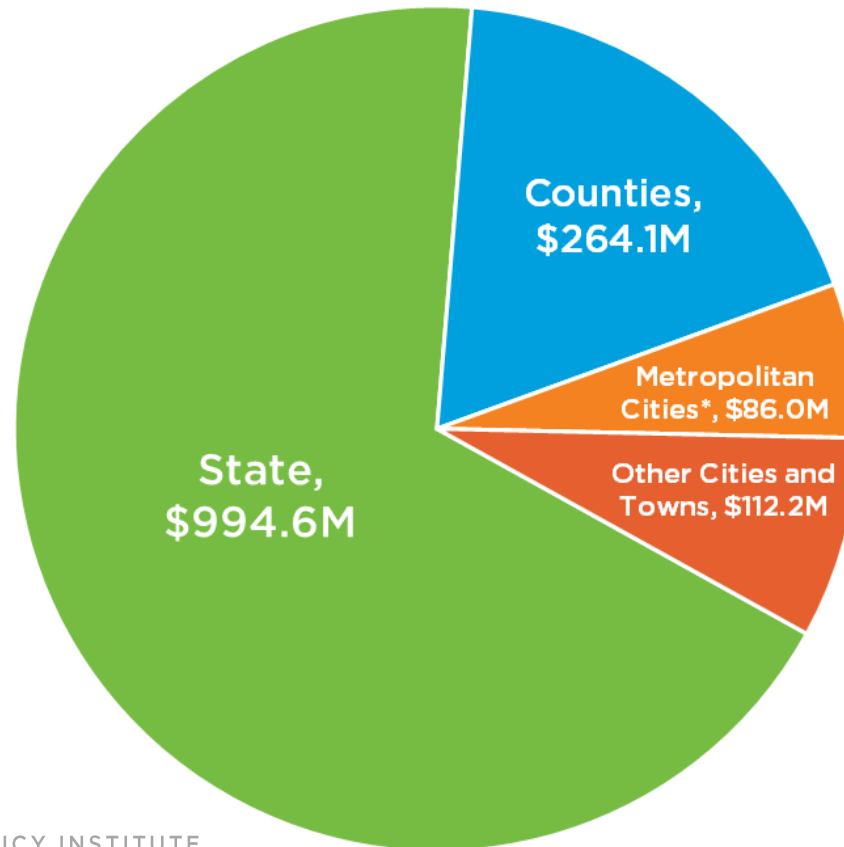
Note: Data are seasonally-adjusted estimates.
Source: New Hampshire Employment Security

FLEXIBLE FEDERAL AID: CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

NEW HAMPSHIRE'S ALLOCATIONS OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Source: U.S. Department of the Treasury, *Coronavirus State and Local Fiscal Recovery Funds*, accessed May 16, 2021



Funds must be obligated by December 31, 2024 and spent by December 31, 2026.

Source: U.S. Department of the Treasury

*"Metropolitan Cities" in New Hampshire include Dover, Manchester, Nashua, Portsmouth, and Rochester.

FISCAL RECOVERY FUNDS PERMITTED USES

Relatively flexible funds designed to:

- Respond to the public health and economic impacts of the pandemic
- Provide premium pay for essential workers
- Replace lost public sector revenue
- Invest in water, sewer, and broadband infrastructure
- Provide services to “impacted” households or communities (generally, below 300 percent of the Federal Poverty Guidelines, or experiencing certain conditions or hardships or qualifying for existing programs)¹

U.S. Treasury Department:

- “...encourages recipients to consider funding uses that foster a strong, inclusive, and equitable recovery, especially uses with long-term benefits for health and economic outcomes.”²
- Fiscal Recovery Funds can help address “...systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color.”²

1. U.S. Department of the Treasury, Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule, January 2022

2. U.S. Department of the Treasury, Interim Final Rule, May 10, 2021

MANY GRANITE STATERS ELIGIBLE FOR SERVICES SUPPORTED BY THESE FUNDS

NEW HAMPSHIRE POPULATION BY IMPACTED INCOME GROUP, 2016-2020 ESTIMATES RELATIVE TO 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES (FPG)

New Hampshire County	Percent of Population Below 300 Percent FPG	People with Incomes Below 300 Percent FPG
Belknap	40%	24,300
Carroll	41%	19,600
Cheshire	39%	27,900
Coos	53%	15,600
Grafton	42%	35,000
Hillsborough	32%	130,600
Merrimack	34%	48,700
Rockingham	24%	73,000
Strafford	35%	42,100
Sullivan	43%	18,300
Statewide	33%	435,200

Sources: U.S. Census Bureau, American Community Survey, 2016-2020; U.S.

Treasury Department

NEW HAMPSHIRE FISCAL POLICY INSTITUTE

- One-quarter of children enrolled in New Hampshire public schools in October 2019 eligible for free or reduced-price meals (generally, 185 percent FPG eligibility)
- School meal-eligible 2019 students included 58 percent of children identifying as Black, 54 percent of Hispanic children, and 33 percent of Multiracial children
- About one out of every four single-female headed households with children in poverty
- Approximately 22,000 adults age 65 or older within 125 percent FPG

Sources: NHFPI, Greater Investments Key for Students Facing Inequities Across New Hampshire, August 25, 2021; U.S. Census Bureau, American Community Survey, 2016-2020

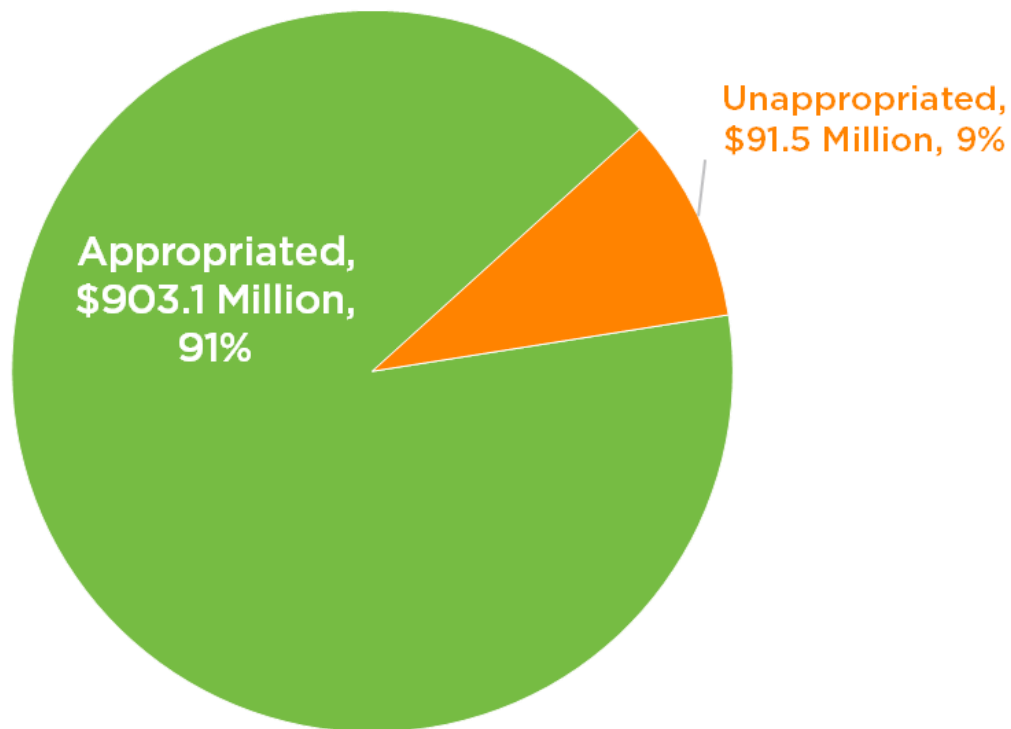
PROCESS FOR ACCEPTING FEDERAL FUNDS IN NEW HAMPSHIRE

- A pre-existing process and legal framework for accepting federal funds outside budget processes used for pandemic-related funds
- Different process during the State of Emergency, when the Governor directed the flexible Coronavirus Relief Funds from the CARES Act
- Process for ARPA Coronavirus State Fiscal Recovery Funds:
 1. State agencies generate proposal for expenditures
 2. Joint Legislative Fiscal Committee and the Executive Council approvals are required for any transfer of funds over \$100,000, including federal grants
 3. Executive Council approval is also required to enter contracts of over \$10,000
 4. Spending authority lasts through the end of the State Budget biennium
- Reporting required to U.S. Treasury Department, but no specific application is required for the use of these flexible funds
- Tracking and certain administration of these funds conducted by the Governor's Office for Emergency Relief and Recovery (GOFERR)

MORE THAN \$90M CORONAVIRUS STATE FISCAL RECOVERY FUNDS UNALLOCATED

AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

As of November 22, 2022

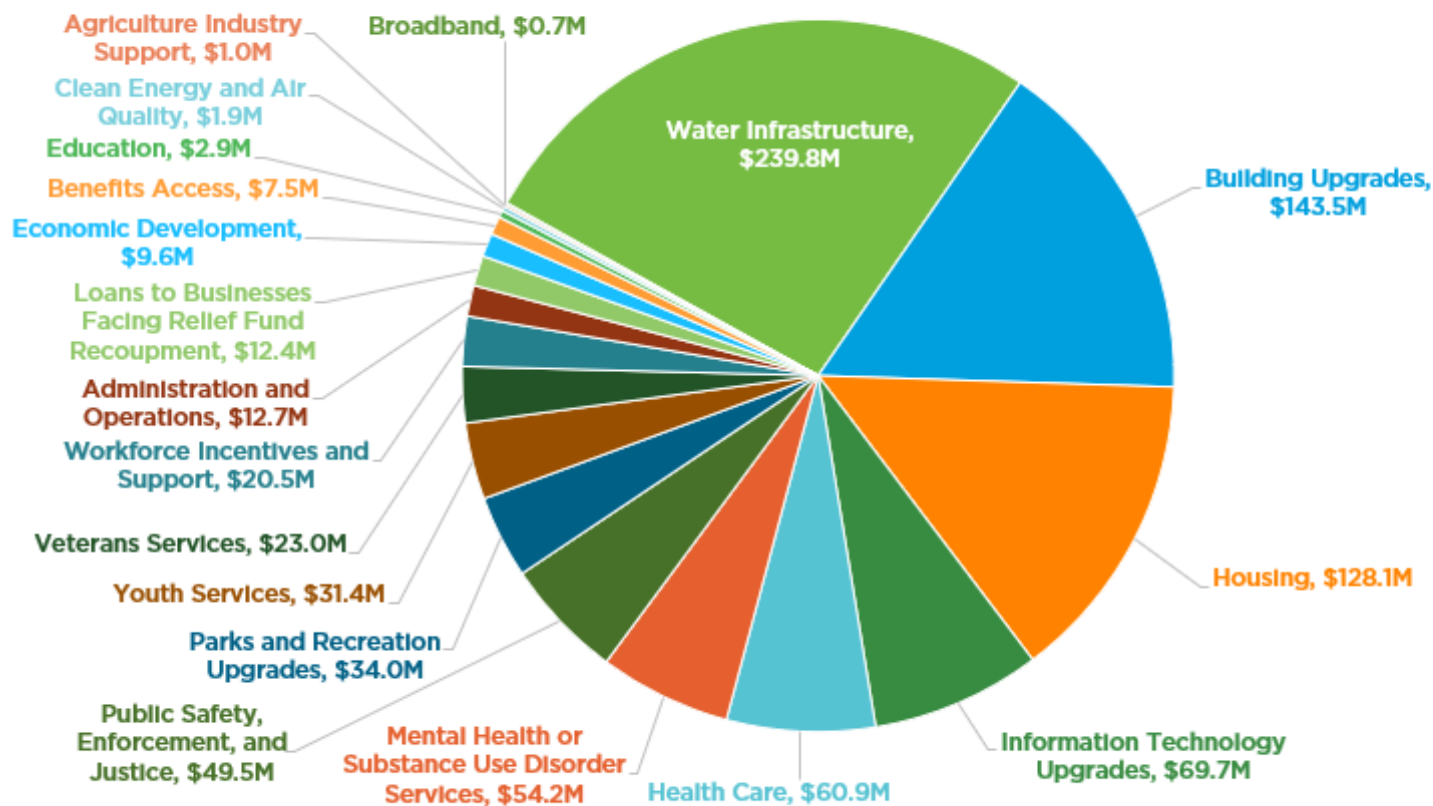


Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021-November 2022

CORONAVIRUS STATE FISCAL RECOVERY FUND NEW HAMPSHIRE APPROPRIATIONS

NEW HAMPSHIRE'S CORONAVIRUS STATE FISCAL RECOVERY FUND ALLOCATIONS, AS OF NOVEMBER 22, 2022

Does Not Include Federal Funds Allocated From Other Sources

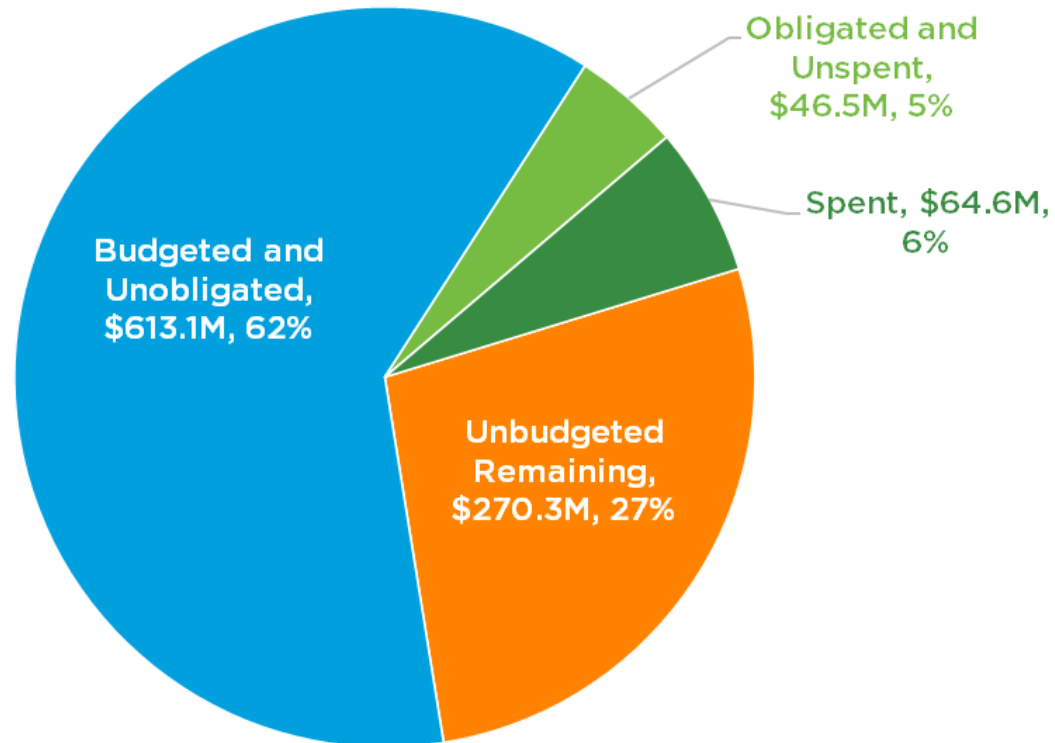


Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021 - November 22, 2022

AS OF JUNE 30, LESS THAN SEVEN PERCENT OF TOTAL AVAILABLE REPORTED SPENT

AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE FISCAL RECOVERY FUND EXPENDITURES IN NEW HAMPSHIRE

As of June 30, 2022



Source: U.S. Treasury Department

MENTAL HEALTH AND SUD FUNDING FROM THE STATE FISCAL RECOVERY FUNDS

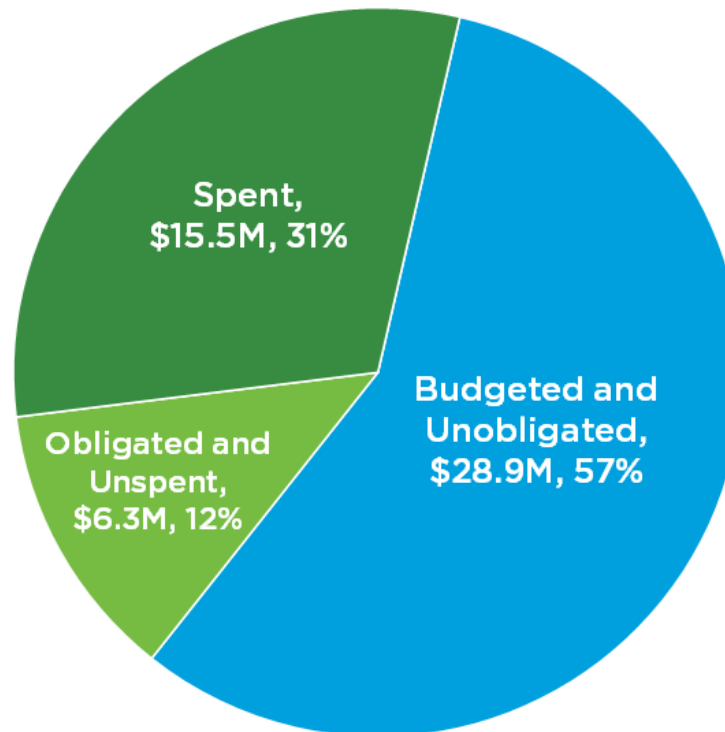
About \$54.1 million (6.0 percent of all appropriations) budgeted for Mental Health or Substance Use Disorder Services, including:

- Purchase of Hampstead Hospital for behavioral health services for children (\$15.1M)
- Pre-transfer care at New Hampshire Hospital and Glenclyff, Designated Receiving Facility beds at PATH Center, contracted inpatient and transitional services (\$13.1M)
- Hampstead Hospital operating budget (\$9.1M)
- State SUD efforts, including information for school children, counseling licensing support, bed capacity, Naloxone (\$8.2M)
- Student behavioral health and assistance programming through schools, also to support parents, caregivers, and school staff (\$2.8M)
- Psychiatric care strike team at Hampstead Hospital (\$2.2M)
- Additional purchasing costs, staffing at Hampstead Hospital (\$1.8M)
- Recovery Friendly Workplace Initiative (\$1.0M)
- Youth anti-drug awareness campaign (\$0.5M)
- Choose Love Bus Tour program (\$0.2M)

FLEXIBLE FUNDS SPENT ON BEHAVIORAL HEALTH SERVICES FASTER THAN TOTAL

AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE FISCAL RECOVERY FUND EXPENDITURES IN MENTAL HEALTH AND SUBSTANCE USE SERVICES CATEGORIES IN NEW HAMPSHIRE

As of June 30, 2022



Source: U.S. Treasury Department

OTHER FUNDS FROM THE AMERICAN RESCUE PLAN ACT: MENTAL HEALTH AND SUBSTANCE USE DISORDER AID

KEY MENTAL HEALTH AND SUD GRANTS

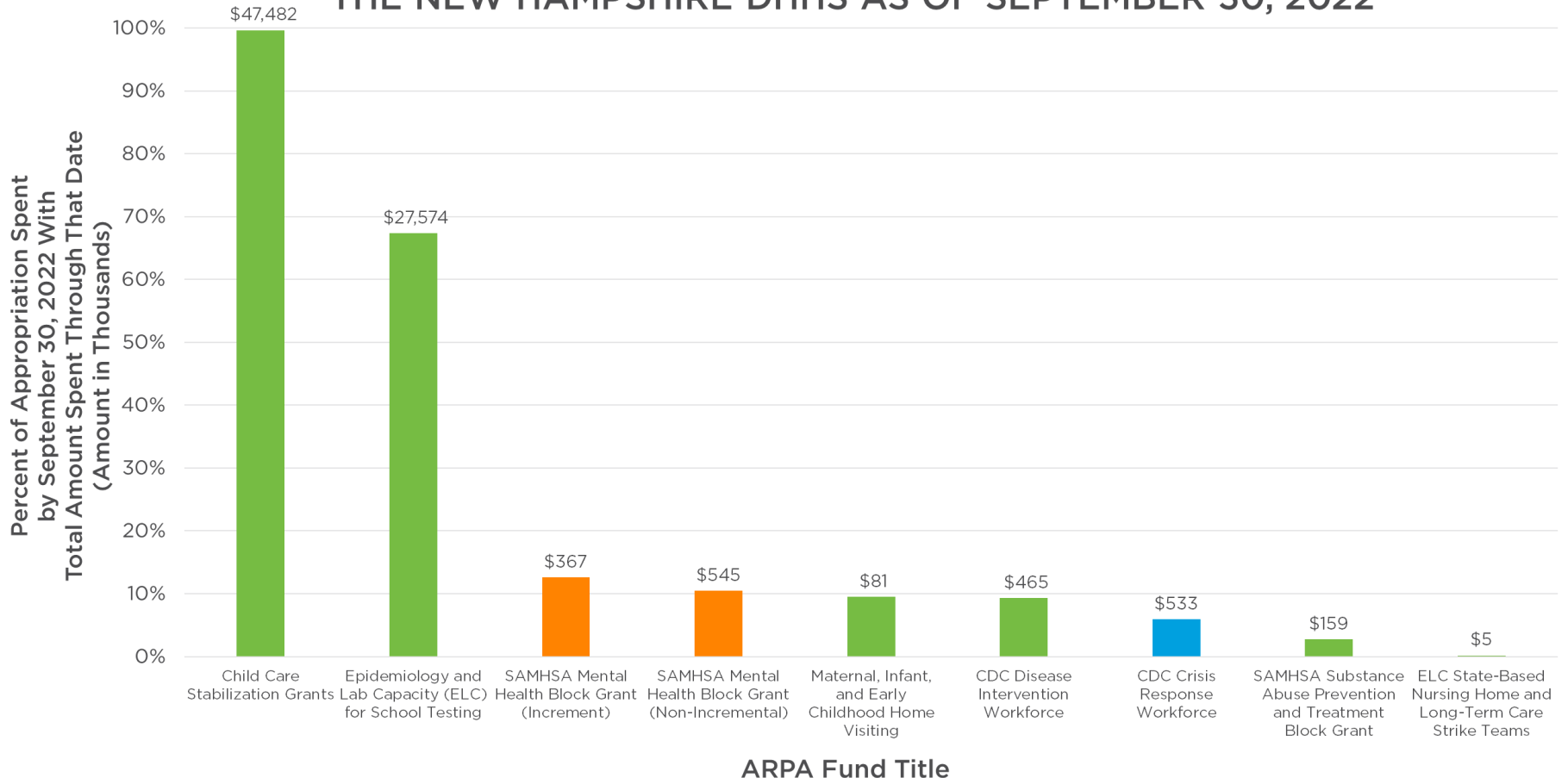
APRA provided grants targeted at mental health and substance use disorder services directly to the New Hampshire Department of Health and Human Services (DHHS), including (but not limited to):

- U.S. Substance Abuse and Mental Health Services Administration (SAMHSA) Mental Health Block Grants (\$5.2M and \$2.9M in separate grants) for adults with severe mental illness and for children with serious emotional disturbance, with funds available through September 2025
 - DHHS identified funds will be used to support the 10-Year Mental Health Plan, Children's System of Care, Rapid Response Access Point, 9-8-8 and Suicide Prevention efforts, and several other new initiatives and assessments
- SAMHSA Substance Abuse Prevention and Treatment Block Grant (\$5.8M) to be used like existing block grant program, with at least 20 percent for primary prevention services, available through Sept. 2025
 - DHHS indicated funds will be used to support the Doorways, respite bed providers, and recovery community organizations, with additional efforts in development
- U.S. Centers for Disease Control and Prevention Crisis Response Workforce Grant (\$8.9M), available through June 2023
 - DHHS identified part of use as supporting community mental health center workforce

Source: NHFPI analysis of funds flowing to New Hampshire from the Office of Legislative Budget Assistant, as well as information from the DHHS, SAMHSA, and the U.S. Centers for Disease Control and Prevention

ARPA FUNDS FOR KEY PURPOSES BEING SPENT AT VARYING RATES

EXPENDITURES OF SELECTED ARPA FUNDS REPORTED BY THE NEW HAMPSHIRE DHHS AS OF SEPTEMBER 30, 2022



Note: Titles have minor modifications for brevity in key places.

Source: New Hampshire Department of Health and Human Services, provided via email October 2022

ADDITIONAL FUNDING

Three additional new federal statutes:

- Infrastructure Investment and Jobs Act
 - Significant new broadband investment, including a focus on underserved areas
- Bipartisan Safer Communities Act
 - Includes boost to SAMHSA Community Mental Health Block Grants and mental health aid directed at schools
- Inflation Reduction Act
 - Enhanced tax credits for health care premium costs on individual marketplace, caps certain Medicare drug costs

Source: National Conference of State Legislatures

KEY TAKEAWAYS

- Significant, historic federal aid provided key resources to support New Hampshire's people, economy, and public services through the pandemic
- ARPA included significant aid to the State government, including both flexible funds and funds targeted at mental health and SUD services, with relatively long timelines for use
- Fund expenditure rates have varied, and only small portions of certain funds have been spent, according to the most recently available data
- Additional resources and reallocated funds may be available in the future, including surplus State revenues
- Substantial resources remain to support an equitable and inclusive recovery from the COVID-19 crisis

ADDITIONAL NHFPI RESOURCES

- Resource Page: The American Rescue Plan Act and New Hampshire: Recent and Updated Resources
<https://nhfpi.org/resource/the-american-rescue-plan-act-and-new-hampshire-recent-and-updated-resources/>
- Issue Brief: The State Budget for Fiscal Years 2022 and 2023 – August 17, 2021
<https://nhfpi.org/resource/the-state-budget-for-fiscal-years-2022-and-2023/>
- Publication: Building the Budget: New Hampshire’s State Budget Process and Recent Funding Trends – February 9, 2017
<https://nhfpi.org/resource/building-the-budget-new-hampshires-state-budget-process-and-recent-funding-trends/>
- Resource Page: Health
<https://nhfpi.org/topic/health/>



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