



State of New Hampshire
Governor's Office
FOR
EMERGENCY RELIEF AND RECOVERY
(GOFERR)
STAKEHOLDER ADVISORY BOARD

PUBLIC MEETING

TUESDAY, May 12, 2020
1:00 p.m.

in
One Eagle Square
Concord, NH 03301

Stakeholder Advisory Board Members:

Bill	Ardinger
Dean J.	Christon
Lisa	Drabik
Jim	Jalbert
Amy	LaBelle
Al	Letizio Jr.
Donnalee	Lozeau
Scott	Mason
Michelle	McEwen
Nancy	Merrill
Jeffrey	Myers
Hollie	Noveletsky
Kathleen	Reardon
Benjamin	Wilcox

AGENDA

- Roll Call and meeting information
- GOFERR Presentation
- Presentations
- Discussions Regarding Recommendations
- Other Business
- Next meeting - Thursday May 14, 2:00 pm

1 P R O C E E D I N G S

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4 JOE DOIRON: This is again, this meeting is being
5 recorded. If you do not wish to be recorded, you may
6 disconnect at any time. This is a duly noticed meeting for
7 the Stakeholder Advisory Board.

8 If you would like to speak, you can virtually
9 raise your hand by pressing 5* on your dial pad. You will
10 then be called upon in the order that your hand was raised.

11 Again, that's 5* on your dial pad, to ask a
12 question by raising your hand.

13 Please take a moment to enter your speaker code,
14 if you've not already done so. Please remember to mute your
15 phones until speaking.

16 Good afternoon and welcome to a duly noticed
17 meeting of the Stakeholder Advisory Board to the Governor's
18 Office of Emergency Relief and Recovery.

19 The Governor's Office for Emergency Relief and
20 Recovery was created when Governor Sununu issued Executive
21 Order 2020-06. That order is publicly available on the
22 Governor's website.

1 Today's meeting is an official meeting of the
2 Board. It's open to the public, and will be run in a manner
3 compliant with RSA 91-A.

4 We have someone on the phone taking minutes, which
5 will be posted to the GOFERR webpage. Meeting materials for
6 the Board and the public can be found by visiting the GOFERR
7 webpage at www.GOFERR.nh.gov. Again, that's
8 www.GOFERR.nh.gov.

9 And again, this meeting today is being recorded.
10 I will help facilitate today's meeting.

11 Because the Board is meeting by phone, under RSA
12 91-A there are a few initial logistics that we need to do
13 before I turn it over to Chair Donnalee Lozeau. First, each
14 of us must state our names, where we are located, and who is
15 with us.

16 As we move through our agenda today, each Board
17 member and anyone else speaking is asked to identify
18 themselves before speaking. Should you choose to take any
19 votes today, they must be done by roll call. We will now
20 proceed with the attendance roll call, following this
21 example.

22 I am Joe Doiron, Deputy Director of the GOFERR, in

1 the GOFERR office, 1 Eagle Square, in Concord. With me are:

2 [00:02:28 indiscernible proper name]

3 LISA ENGLISH: Lisa English.

4 JOE DOIRON: And we are all appropriately socially
5 distanced in a large conference room at the
6 Department of Business and Economic Affairs. Now
7 we will proceed with Board members,
8 alphabetically. Bill Ardinger?

9 BILL ARDINGER: Hello, Joe, and everybody. This
10 is Bill Ardinger. I'm in my home in Concord, New Hampshire,
11 and I'm alone. Thank you.

12 JOE DOIRON: Thank you, Bill. Dean Christon?

13 DEAN CHRISTON: Good afternoon, this is Dean
14 Christon. I'm at my office in Bedford and I'm alone.

15 JOE DOIRON: Thank you, Dean. Lisa Drabik?

16 LISA DRABIK: Good afternoon, everyone, this is
17 Lisa Drabik. I am at my home office in Londonderry, and I'm
18 alone in the room.

19 JOE DOIRON: Thank you, Lisa. Jim Jalbert?

20 JIM JALBERT: Good afternoon, everyone. This is
21 Jim Jalbert. I'm at my office in Portsmouth, New Hampshire,
22 and I am alone.

1 JOE DOIRON: Thank you, Jim. Amy LaBelle?

2 AMY LABELLE: Hi, Amy Labelle here. I am in my
3 office at home and I am alone.

4 JOE DOIRON: Thank you, Amy. Al Letizio Jr.?

5 AL LETIZIO JR: Hi, everyone, this is Al Letizio
6 Jr., and I am in my office in Windham, New Hampshire, alone.

7 JOE DOIRON: Thank you, Al. Donnalee Lozeau?

8 DONNALEE LOZEAU: 'Afternoon, this is Donnalee
9 Lozeau, in my office in Manchester, and I am alone.

10 JOE DOIRON: Thank you, Donnalee. Scott Mason?

11 SCOTT MASON: This is Scott Mason. I am at my
12 farm office in North Stratford, New Hampshire. I am alone.

13 JOE DOIRON: Thank you, Scott. Michelle McEwen?

14 MICHELLE MCEWEN: Good afternoon, everyone. I am
15 in my office in Plymouth, New Hampshire, and I am alone.

16 JOE DOIRON: Thank you, Michelle. Nancy Merrill?

17 NANCY MERRILL: Hi, this is Nancy Merrill, and I
18 am at my work office in Claremont, and I am alone.

19 JOE DOIRON: Thank you, Nancy. Jeffrey Myers?

20 JEFF MYERS: Good afternoon, it's Jeff Myers.
21 I'm at my home in Concord, New Hampshire, and I'm alone.

22 JOE DOIRON: Thank you, Jeff. Hollie Noveletsky?

1 HOLLIE NOVELETSKY: Good afternoon, this is Hollie
2 Noveletsky. I am in my office in Greenland, New Hampshire
3 and I'm alone.

4 JOE DOIRON: Thank you, Hollie. Kathleen Reardon?

5 KATHLEEN REARDON: Good afternoon, this is
6 Kathleen Reardon. I'm in my home in New Boston, and I'm
7 alone.

8 JOE DOIRON: Thank you, Kathleen. Benjamin Wilcox?

9 BENJAMIN WILCOX: Hi, everybody, this is Ben
10 Wilcox. I am in North Conway in my office here at Cranmore,
11 and I am alone.

12 JOE DOIRON: Thank you, Ben. Donnalee, with the
13 roll call completed, all Board members are in attendance and
14 we are ready to continue.

15 DONNALEE LOZEAU: Great, thank you, Joe, much
16 appreciated. The next item on our agenda is going back your
17 way, Joe, for a GOFERR presentation on updates from your
18 shop, from the lab, and from the Reopening Task Force.

19 JOE DOIRON: Thank you, Donnalee. I'm going to
20 turn it over to Lisa English.

21 DONNALEE LOZEAU: Wonderful, thank you Joe.

22 LISA ENGLISH: Thank you. So we don't have any

1 specific updates just for GOFERR, but I do have a couple of
2 updates from both LAB and the Reopening Task Force.

3 So the Legislative Advisory Board met yesterday to
4 complete the work it has been doing on a funding allocation
5 proposal.

6 And so, that, there is a cover letter describing
7 that funding allocation proposal, as well as the Excel
8 spreadsheet that goes through proposed funding, proposed --
9 in some places proposed funding mechanics, as well as a list
10 of some of the other federal funding that had been received
11 by industry or by governments to date.

12 And so, that's something that if we haven't been
13 able to get to you yet, we will as it gets finalized. We'll
14 make sure that the Stakeholder Advisory Board has access to
15 that, and that it will be up on our website.

16 I believe the Legislative Advisory Board is not
17 going to meet this week, but they do intend to meet I
18 believe on Monday. Is that correct, Joe?

19 JOE DOIRON: That is correct.

20 LISA ENGLISH: To talk about housing. So they're
21 continuing their work, but at a different pace as they
22 finish this first initial product that was talked about in

1 the joint meeting on Friday.

2 As far as the Reopening Task Force, they are
3 continuing their work as well. They're meeting today, and
4 their discussion -- their agenda and materials are on
5 newhampshireeconomy.com/reopeningtaskforce. And they
6 continue to work as a group on proposed guidance by
7 industry.

8 And according to the website for today, they're
9 talking about guidance for massage, performing arts, child
10 care, lodging, attractions, health and fitness, and
11 equestrian. That is all I have to report for today.

12 JOE DOIRON: Great.

13 DONNALEE LOZEAU: Thank you very much, Lisa, I
14 appreciate it. The next item on our agenda are
15 presentations for today, and I'd like to thank Michelle
16 McEwen for organizing today's presentations, and also, her
17 willingness to lead off after each presenter with the first
18 question.

19 So our first presenter today is Beth Slepian,
20 President and CEO of the Capital Region Visiting Nurse
21 Association. And Beth, I am hoping I pronounced your last
22 name properly. The floor is yours.

1 JOE DOIRON: Hey, Donnalee, this is Joe. We're
2 just trying to get Beth logged into the system. It appears
3 to be, I guess, no surprise, a little slow today. So Beth,
4 if you wouldn't mind hitting 5* for us, so we can find you
5 and get you a line. Again, that's 5*.

6 Beth, I think we found you. Can you confirm that
7 for us, please?

8 BETH SLEPIAN: Yes, I can, this is Beth Slepian.
9 Thanks, Beth. Sorry for the technical difficulties.

10 DONNALEE LOZEAU: Okay.

11 BETH SLEPIAN: So good afternoon, are you ready
12 for me to begin?

13 DONNALEE LOZEAU: Yes, we are, thank you Beth.

14 BETH SLEPIAN: So good afternoon, everyone. Thank
15 you so much for inviting me to participate. My name is Beth
16 Slepian. As mentioned, I am the President and CEO of
17 Concord Regional VNA.

18 As noted in my submitted comments, Concord
19 Regional Visiting Nurse Association is a non-profit,
20 Medicare-certified agency providing home health, hospice,
21 palliative, private duty, senior health and community health
22 education in 44 towns in the Capital Region.

1 We've been serving the community for 120 years.
2 We have approximately 400 employees, and care for more than
3 7300 patients in the community in 2019.

4 Our senior health and community health education
5 problems serve thousands more community members. I am a
6 physical therapist by trade, and I have spent my entire 33
7 year career in New Hampshire, 26 of which in home health and
8 hospice, and I have had the privilege for caring for
9 individuals in their homes.

10 So this pandemic has impacted our entire
11 operation, from our staff to our patients and the greater
12 communities that we serve. We've redesigned how we deliver
13 care, due to the impact on hospitals, as well as challenges
14 faced by our workforce and fear of exposure by our patients.

15 We also provided many senior health clinics and
16 educational programs [00:10:23 indiscernible - audio unclear
17 that had to be cancelled.]

18 Our most vulnerable population is isolated,
19 lonely, and potentially not seeking the care that they need.
20 We continue to offer our home health hospice and private
21 duty services, and have adapted to the needs of our patients
22 and our referral sources.

1 At Concord Regional VNA, we have not reduced our
2 workforce, but remained ready to meet the challenges that we
3 face each day.

4 We've also had more than 40 staff members
5 volunteer to become trained to provide in-home testing for
6 state of New Hampshire, which brings us back to our roots of
7 public health, and we're proud to serve.

8 My peers and I in the home care and hospice
9 industry in New Hampshire have accepted the challenge,
10 acknowledged the importance of our services in caring for
11 our community, and are committed to be part of the solution.

12 Initially, the acquisition of PPE was all-
13 encompassing. We've worked tirelessly with vendors and the
14 state to acquire the necessary PPE to keep our staff safe.

15 This was a challenge for us and our peers. We
16 helped each other through this. What's important to
17 understand is that the need for PPE at these levels was
18 unbudgeted by many of us and for not-for-profit
19 organizations, which is a large, unexpected expense.

20 Some of my peers do continue to struggle to obtain
21 adequate supplies of PPD, but I do think that that is
22 becoming more attainable for all of us.

1 So we budgeted neutral for our fiscal year, we
2 have no margins. Our focus was on expense control, and with
3 the additional costs of PPE and a 20 percent reduction in
4 our visit volume, clearly revenue has taken a hit.

5 Most organizations have a large volume of Medicare
6 patients, and Medicare changed its payment model in January,
7 which has a component of necessary in-person visits to
8 determine payments.

9 During the pandemic, telehealth, which is a great
10 tool for providing care, Medicare doesn't recognize as a
11 billable service. Governor Sununu's Executive Order has
12 relieved some of the burden on Medicaid and commercial
13 insurers to pay for telehealth, but for those of us Medicare
14 is 75-- to 85 percent of our census, and so, that is a
15 tremendous burden.

16 We also care for clients in the Choices for
17 Independence program, which is a long-term support program
18 supported by Medicaid. These programs historically are
19 challenged by low reimbursement, which limits organizations'
20 ability to pay competitive wages, and leads to workforce
21 shortages and access the service.

22 This brings me to workforce. Workforce has been

1 impacted by school closures leading to staffing challenges.
2 Other staff are choosing not to work for fear of spreading
3 the virus to their family, as they care for elders,
4 children, and aging spouses.

5 Keeping the workforce safe and healthy is a
6 priority. They are truly frontline, and in the home setting
7 there are unknown exposure risks.

8 Our industry has diligently approached every
9 funding opportunity that has arisen through the Paycheck
10 Protection Program. It's allowed us to have a workforce at
11 the ready. The long-term care stabilization program will
12 provide stipends for those eligible frontline workers, and
13 similar payments will assist us all with cash flow.

14 However, many agencies, especially smaller ones,
15 were concerned about sustainability prior to COVID-19, and
16 this has just made it even more challenging. And as a rural
17 state, we need the support of all of our agencies to serve
18 our population.

19 I think it's fair to say that we've been humbled
20 by the support of our communities and businesses with PPE,
21 cleaning solution and monetary donations. However, the next
22 chapter is an unknown for us. We rely on hospitals and

1 medical practices for our referrals. And if they don't
2 resume operations, then the effect will be even greater.

3 We are a critical link in the health care system,
4 and our staff and our place is not receiving the same
5 attention as the place of the hospital. We do serve the
6 most vulnerable, in the place that they all want to be,
7 their home.

8 So what are the opportunities that are arising for
9 us in the near future? I think what would help us is a
10 relief on the Medicaid side. That would be helpful for
11 organizations that have a large Medicaid population. Many
12 times it's fifty cents on the dollar for our costs.

13 Public funding to assist with vital services, such
14 as senior clinics, provision of care in our rural setting,
15 and funds to implement robust telehealth programs can be
16 used to decrease isolation and ensure that people are
17 seeking the appropriate care.

18 Lastly, is how do we support our front line
19 workers, whether it be for safe child care, or the
20 reassurance that they will be supported if they indeed test
21 positive for COVID, or other challenges that they're
22 experiencing.

1 So thank you for listening, and are there any
2 questions that I may answer for you?

3 DONNALEE LOZEAU: Thank you, Beth, much
4 appreciated. Michelle, would you like to lead us off?

5 MICHELLE MCEWEN: Sure. And I don't need a 5*,
6 right? You can hear me?

7 BETH SLEPIAN: Yes, I can hear you.

8 DONNALEE LOZEAU: Yes, we can.

9 MICHELLE MCEWEN: Okay, great. So thank you very
10 much, Beth, for giving us this overview of the home health
11 care sector in our state, and certainly the impacts of
12 COVID. Just, if you could briefly tell us how many home
13 health agencies are there across the state? I mean, do we
14 have equal access across the state?

15 And the second part of that is you had indicated
16 that the relief funds could be certainly helpful in
17 developing a robust telehealth program, and how that can be
18 used in home health? Because certainly some services you
19 provide are hands on.

20 BETH SLEPIAN: Sure.

21 MICHELLE MCEWEN: And obviously long-term
22 reimbursement by Medicare would be necessary, I suppose, to

1 keep that successful?

2 BETH SLEPIAN: Sure. So I don't know exactly how
3 many agencies are throughout the state. I know that there
4 are approximately 40 that are represented in our
5 association, and then there are others. I would tell you
6 that the North Country does not have the support and the
7 coverage for the agencies.

8 Access is a tremendous issue. I would say
9 Concord, even the Lakes Region South, and the rest of the
10 state, is covered by multiple agencies. And so, access in
11 the North Country is the greatest challenge for our
12 population. And we know that that is where many of our
13 aging seniors are living.

14 So your second question was about telehealth and
15 hands on.

16 MICHELLE MCEWEN: Mm-hm.

17 BETH SLEPIAN: So we use telehealth. There are
18 many different ways. So with the video monitoring, we can,
19 you know, see the patient and certainly triage the patient
20 if the patient -- if there are issues.

21 I think in the COVID-19 world, it really allows us
22 to have contact with people, so that we can ensure that we

1 can manage symptoms, we can decrease their isolation and
2 their depression.

3 Also, many telehealth products in the true
4 telehealth world have peripherals which allow you to monitor
5 blood pressure, they allow you to monitor weight for those
6 patients who have challenges with congestive heart failure.

7 And so, you're able to identify symptoms before
8 they do lead them into a hospitalization, so reducing the
9 risk to hospitalization.

10 On the hospice side, it's similar. Many of our
11 hospice patients really require a support network, and
12 symptom management. But many people also don't want us in
13 the house. So being able to have a robust telehealth
14 program, which is different than telemedicine, would be
15 extremely valuable.

16 As I did mention, Governor Sununu has recognized
17 from a Medicaid and a commercial insurance perspective, and
18 it has mandated that that be covered. That was true prior
19 to COVID-19, but under COVID-19, the rates are intended to
20 be comparable.

21 Medicare, however, which, unfortunately we don't
22 have control over at the state level, although our

1 congressional delegation is very supportive in Washington,
2 does not recognize telehealth for home health as a billable
3 service, and therefore it is not included in our
4 reimbursement. So that is a challenge.

5 MICHELLE MCEWEN: It certainly sounds like it.

6 BETH SLEPIAN: Yeah. And then your third question
7 was?

8 MICHELLE MCEWEN: I think you touched them all.

9 BETH SLEPIAN: Ok.

10 MICHELLE MCEWEN: It was how do you use the
11 telehealth and the Medicare piece of it. So thank you,
12 Beth.

13 BETH SLEPIAN: Okay. Thank you, Michelle.

14 DONNALEE LOZEAU: Are there questions from other
15 members of the Board?

16 KATHLEEN REARDON: Yes. We have a question from
17 Kathleen Reardon.

18 DONNALEE LOZEAU: Thank you. Kathleen?

19 KATHLEEN REARDON: Sorry, I was on mute. Thank
20 you, Beth, for that presentation. I have -- it may be a
21 very detailed question, but you had mentioned that a lot of
22 the home health care agencies, a high percentage of your

1 funding comes from Medicare.

2 BETH SLEPIAN: Mm-hm.

3 KATHLEEN REARDON: And I know the weekly stipends
4 for frontline workers -- I think that that's Medicaid
5 related? So my question is, is that something that your
6 agencies are able to access, or is it only Medicaid
7 specific?

8 BETH SLEPIAN: So that is a great question. So
9 when the stipend was announced a month ago, certainly, you
10 know, a lot of the emphasis was on front line and home
11 health workers. So we have spent the last four weeks -- me
12 and most of my peers -- dialoging and trying to understand
13 the stipend.

14 Over the last -- we are a Medicaid eligible
15 provider. We are a Medicaid provider. And so, over the
16 last week, guidance has just been released that our staff --
17 because in doing their normal work -- would potentially see
18 Medicaid clients, are eligible for the long-term care
19 stipends, which will be helpful.

20 So, to understand, though, we just received
21 confirmation on that last week, and so, certainly our
22 workforce is anxiously awaiting. Not all of our direct-care

1 workforce is eligible, it does -- we have to ensure that
2 they are in the Medicaid -- on the Medicaid side, so private
3 duty employees, if they just see private pay, would not be
4 eligible.

5 But yes, so the good news is that we have just
6 been -- many of us have just been approved to the program,
7 and that will help going forward.

8 BETH SLEPIAN: Thank you.

9 DONNALEE LOZEAU: Thank you. We have about two
10 minutes left. Are there any questions from members of the
11 Board?

12 JOE DOIRON: And again, that's 5* to ask a
13 question, 5*. Donnalee, it doesn't appear that anyone has
14 raised their hand.

15 DONNALEE LOZEAU: Okay, great. Thank you so much,
16 Beth. Thank you for your time and your thoughtful
17 presentation. I think we'll learned a little something.
18 Appreciate it.

19 BETH SLEPIAN: Well, great. If there's anything
20 else that I can do for you, please let me know. Have a good
21 day.

22 DONNALEE LOZEAU: Thank you. You as well. Our

1 next presenter is Eric Johnson, the CEO for the Northern Hm
2 Services.

3 ERIC JOHNSON: Thank you, and good afternoon. I'm
4 actually in my office in Conway, and I'm alone. My name is
5 Eric Johnson, and I'm the CEO of Northern Human Services.
6 I've been the CEO for the past seven years.

7 Before that, I served as the Chief of Operations
8 for 16 years. I have worked for Northern for a total of 36
9 years, starting out as a case manager in 1984.

10 I've been fortunate to have worked during the
11 years of steady growth and expansion when the New Hampshire
12 community-based system of care for adults and children who
13 experience the challenge of mental health was built.

14 At the same time, I was also part of the
15 development of the state system that provides supports and
16 services to children and adults who have intellectual
17 disabilities, physical disabilities and brain injuries.

18 Northern Human Services has also been a long-term
19 provider of outpatient substance use disorder services.

20 We are a very large, private non-profit that has
21 collaborated with the Department of Health and Human
22 Services for over 40 years. We operate under two important

1 contracts with the state, which support our work in serving
2 many of the most vulnerable citizens living across northern
3 New Hampshire.

4 I want to note that my experience has been that
5 the Department is a supportive partner in community service
6 delivery, and it holds its contract as accountable for
7 quality service delivery as well as meeting contract
8 requirements.

9 In the end, however, it is up to each individual
10 agency like mine to sustain its operations in a cost-
11 effective manner, and to keep pace with evolving standards
12 of care and complex reimbursement requirements.

13 Over the past three decades, the community mental
14 health and developmental services systems that have evolved
15 in New Hampshire have risen to face many challenges, and
16 they have succeeded.

17 Much of their success can be attributed to the
18 support that each agency receives from the two professional
19 associations that Northern belongs to.

20 They are the New Hampshire Community Behavioral
21 Health Association and the community support network. Both
22 associations are led by very experienced Directors, and each

1 benefits from having Board members who assume leadership
2 roles, which is key to moving statewide issues forward.

3 Leading Northern Human Services has allowed me the
4 unique opportunity to manage both the mental health and the
5 developmental service systems in the most rural environment
6 of New Hampshire.

7 Our [00:25:27] indiscernible catch area reaches
8 from the Canadian border south to Wolfeboro and west of
9 Piermont. The primary office locations are in Berlin,
10 Holbrook, Littleton, Conway and Wolfeboro.

11 Northern provides services throughout Coos,
12 Carroll and Northern Grafton counties. We are operating
13 more than 18 service sites across the region. We cover 155
14 miles from north to south, and more than 40 percent of the
15 geographic area of the state.

16 Assuring widespread access to our services in a
17 cost-effective manner has been a constant balancing act
18 throughout the history of the agency.

19 Sometimes when I'm at meetings in southern New
20 Hampshire and I meet new people, many often comment that
21 they have never heard of Northern Human Services. They
22 often ask, "Are you up near the Notch?"

1 I feel like it is difficult to briefly explain
2 really where we are, and what we do for work up here. And
3 frankly, I have a certain level of pride that historically
4 we do not usually need or wish to draw attention to our
5 work, or the challenges that we face.

6 This is a rare time, when Northern feels the need
7 to reach out and ask for consideration.

8 Briefly, what this agency does best is to provide
9 a comprehensive array of services. The services include
10 outpatient mental health treatment for people of all ages,
11 psychiatric evaluation and medication monitoring services,
12 case management, supportive employment, community-based
13 symptom management, assertive community treatment, and 24/7
14 staff residential treatment services.

15 We also provide 24/7 emergency psychiatric
16 services with a prescriber on call at all times. We provide
17 early childhood, family support, residential and community-
18 based day services for adults with developmental
19 disabilities and brain injuries. We provide victims of
20 crime treatment services, drug court services, infant mental
21 health services, EAP services and a multitude of other
22 programs such as child impact and professional consultation

1 within county jails.

2 Most hospitals, of which there are seven in our
3 [00:27:35 indiscernible] area, local nursing homes and
4 schools. Northern employs board-certified psychiatrists,
5 Nurse Practitioners, psychologists, Master's level staff,
6 nurses and Bachelor's level staff.

7 We also employ a large number of direct support
8 staff who have been with us for many years. The staff at
9 work in our five group homes are dedicated and are on the
10 front line during this frightening time.

11 We also contract with 130 home care providers, who
12 provide daily support and services to people with
13 developmental disabilities.

14 There is not another provider in northern New
15 Hampshire that offers this service capacity and level of
16 specialized services. Northern currently serves more than
17 4600 individuals and families each year.

18 Many of the people receiving long-term services
19 that last for years, as they experience conditions that are
20 lifelong, and they require extensive support to maintain
21 living in their local communities to avoid
22 institutionalization in long-term care facilities.

1 When at full staff, Northern employs 660 people.
2 We currently have about 200 who are out of work due to the
3 COVID pandemic. We have not laid off, nor have we
4 terminated, any employees. Many are seeking unemployment
5 benefits.

6 For some, we do not have work for them to carry
7 out, as their primary responsibilities are to support
8 clients face to face in their local communities. The stay-
9 at-home order has resulted in a significant number of people
10 not engaging in services.

11 With reduced service provision, inevitably comes
12 reduced revenue. The vast majority of our services are
13 reimbursed by Medicaid. The Department of Health and Human
14 Services has been very supportive in providing short-term,
15 regulatory relief to support agencies like Northern in
16 providing services in alternative manners such as telehealth
17 and telephonic communications.

18 Nonetheless, face-to-face services are at the core
19 of our business, and as long as the stay-at-home order
20 remains in effect, we will see reduced revenues. Returning
21 staff to work will need to be a gradual process, as the
22 demand for services increases.

1 Many employees are currently not working would
2 likely seek alternative employment if they are not called
3 back to work in a timely manner. This will create
4 challenges to hire and train new staff. They anticipate an
5 increased demand for mental health services after the peak
6 of the pandemic subsides, due to delayed stress reactions
7 and adjustment disorders.

8 I read yesterday that scientists at the Center for
9 Infectious Disease Research and Policy lay out three
10 scenarios for how the COVID-19 pandemic will progress over
11 the next few months. The bottom line is that experts
12 suggest the outbreak will last between 18 and 24 months.

13 As reserves diminish through the decreased
14 revenues, the need to maintain the agency's capacity to pay
15 bills and support our large infrastructure and the need to
16 meet payroll will become challenging, as long as the COVID
17 crisis continues.

18 Of major concern, Northern did not qualify for
19 federal assistance through the federal Payroll Protection
20 Program, because we employ more than 500 people, and we did
21 not meet the criteria for exceptions where the employee
22 count could exceed 500.

1 We would like to be considered for financial
2 assistance from the \$1.25 billion dollars in relief funds
3 that New Hampshire has recently been allocated.

4 I should note that all of the other 9 community
5 mental health centers and 9 area agencies did meet the
6 criteria for the Payroll Protection Program loans, and the
7 majority have secured funding.

8 My request would be based on the funding amount,
9 which we would have been eligible for, were we to have
10 qualified for the program. The request for funding would be
11 used to support payroll costs, utilities, and facility rent
12 fees.

13 The prioritization and future viability of non-
14 profits who provide services to the state's most vulnerable
15 citizens has not been in the forefront in the recent press.
16 Community-based, long-term care is not often thought of in
17 the same context of health care when funding is the issue
18 being debated.

19 At some point, everyone needs medical care, but
20 not everyone will need or seek brief treatment or long-term
21 care services. This may lead some people to believe that
22 these services are not critical, or as much of a priority

1 for consideration during this unprecedented time.

2 In closing, the simple mission statement of
3 Northern Human Services is to advocate for and serve those
4 most in need. It is my job to prepare and not to wait until
5 things deteriorate or become a crisis. History has shown
6 that as exponentially more costly and problematic to wait
7 until after a large non-profit business is in financial
8 trouble before intervention occurs.

9 Waiting too long will destabilize the operation
10 and the standards of quality that exist to maximize client
11 safety. Once disrupted, these standards can take years to
12 once again reach acceptable levels.

13 Thank you for the opportunity to present today.
14 I'm happy to answer any questions.

15 DONNALEE LOZEAU: Thank you very much. Michelle,
16 would you like to lead us off?

17 MICHELLE MCEWEN: Sure, great. And Eric, thank
18 you very much for your presentation. It's quite clear in
19 listening to you that your organization is extremely
20 comprehensive and the breadth and scope of services that you
21 provide make your organization unique, when you look at the
22 community mental health centers or the other GD type

1 centers, you've got them all wrapped under one roof.

2 You had made some mention about -- many of your
3 service is reimbursed by Medicaid. But you also mentioned
4 about key contracts with the Department of Health and Human
5 Services.

6 So from a high-level perspective, can you kind of
7 explain where your sources of revenue are? Certainly, you
8 have some fee-for-service, but are there contracts as well?
9 And could you sort of give me by percentage what the
10 different sources are?

11 ERIC JOHNSON: Yes, I can. Medicaid is probably
12 about 80 percent of our revenue stream. The sources of that
13 are on the mental health side through the three managed care
14 entities that are operating in the state.

15 The contract with the state for mental health
16 services provides us with some limited state dollars to
17 fulfill contract scope of service requirements. However,
18 the majority of the revenue that we produce is paid by the
19 MCOs directly in terms of Medicaid.

20 We also do bill and receive Medicare funds,
21 commercial insurance. We have several different grants.
22 The Attorney General's office provides us with funding to

1 treat victims of crime. We get Tillotson grant money to do
2 early childhood services.

3 The grants are relatively -- and in the trying to
4 diminish their value, but relatively small in comparison to
5 the Medicaid dollars that we generate, because on the
6 developmental services side, that is our primary source of
7 revenue, and it is all through service delivery and home-
8 based community care waiver. And the contract that we hold
9 with the state on developmental services is inclusive of a
10 pretty wide array of services from birth until death, and
11 our developmental services budget is larger than our mental
12 health budget.

13 We also do self-pay for people that don't have
14 insurance. We have sliding fee scale for people who have
15 inability to pay. We really don't do a lot of fundraising.
16 We don't have a development or marketing position that's
17 full-time that works on that for us.

18 So I don't know if that helps to clarify a little
19 bit about our revenue?

20 MICHELLE MCEWEN: Yeah. So it sounds like a
21 majority of it is vulnerable to volume?

22 ERIC JOHNSON: Correct. Yeah.

1 MICHELLE MCEWEN: Okay, great. Thank you.

2 DONNALEE LOZEAU: Thank you Michelle. We have a
3 minute or two left. Are there further questions from
4 members of the Board?

5 JOE DOIRON: Donnalee, we have a hand raised from
6 Jeff Myers. Go ahead, Jeff.

7 JEFF MYERS: Thank you. Eric, thank you so much
8 for your presentation, and I also want to thank you for your
9 leadership in the North Country over many years for
10 providing really critical services, as do your counterparts
11 all over the state.

12 I want to make sure I understand. I thought I
13 heard you say that of all -- and it's reflected in your
14 submission to the Advisory Committee, that of all of the
15 community mental health centers and their agencies, yours
16 was the only one that was not approved for a Payroll
17 Protection Act loan, is that correct?

18 ERIC JOHNSON: We did not meet the criteria. So
19 we weren't denied, because we actually didn't apply, but
20 there were exceptions to the 500 employee count, but with
21 those, you had to have certain limitations on annual
22 revenue. And we were in excess of that criteria.

1 JEFF MYERS: I see. Yeah. Okay. Two other
2 points, quickly: Has your organization, or do you know if
3 the other community mental health agencies have applied for
4 the FCC telehealth grants?

5 ERIC JOHNSON: I do not know the answer to that,
6 Jeff.

7 JEFF MYERS: Okay. All right. Well, I can follow
8 up with you offline. And then could you just talk for -- I
9 think you mentioned a little bit, but can you add a little
10 bit more information in terms of if you were to receive the
11 money out of the \$1.25 billion on the recommendation of this
12 Advisory Committee, how you would purpose those funds?

13 ERIC JOHNSON: Yes.

14 JEFF MYERS: What would -- how would they be
15 prioritized, in other words?

16 ERIC JOHNSON: Yep. To keep things simple, what I
17 would do is I would have the requests based on the exact
18 same methodology as the federal program, and what was
19 allowable in that was covering payroll costs, rent, and
20 utilities. And the formula that they used was 2.5 times you
21 monthly costs for each of those items.

22 So I would simply ask for that, since I didn't

1 qualify, and if the -- as the two associations work with the
2 GOFERR committees on other requests, I would not duplicate
3 at all what I would be requesting today. Those two
4 association requests would be separate from this altogether.

5 JEFF MYERS: Yeah. And would that money allow you
6 to rehire the 200 staff that you've had to lay off at this
7 point, or something close to that?

8 ERIC JOHNSON: If we could get people back into
9 service, yes. That would help us to make that happen
10 quicker. We would definitely, definitely attribute the
11 dollars to the purposes for which they were asked, and if we
12 didn't end up needing to use them all, which I would be
13 surprised, we would be willing to return the dollars.

14 JEFF MYERS: Okay. Thank you, so much.

15 ERIC JOHNSON: Thank you.

16 DONNALEE LOZEAU: Thank you very much. So we're
17 out of our 15-minute time zone, but if there is a burning
18 question that needs to be asked, we're happy to take it.
19 Joe, are there any other questions remaining?

20 JOE DOIRON: Donnalee, there does not appear to be
21 so.

22 DONNALEE LOZEAU: Okay, great. Thank you so much

1 for your presentation, Eric. It's much appreciated.

2 ERIC JOHNSON: Thank you.

3 DONNALEE LOZEAU: Next on our list for presenters
4 is Tom Blonski, the President and CEO of New Hampshire
5 Catholic Charities, who's joined by Brendan Williams, the
6 President and CEO of New Hampshire Health Care Association.
7 Thank you for joining us. Tom, the floor is yours.

8 TOM BLONSKI:

9 JOE DOIRON: Tom, could you hit 5* for us, please?
10 5*.

11 DONNALEE LOZEAU: No pressure, Tom.

12 TOM BLONSKI: Can everyone hear me now?

13 JOE DOIRON: We can. Thank you, Tom.

14 TOM BLONSKI: Great. Sorry about that. I pressed
15 5*, and then I had to press pound after it, so. Good
16 afternoon. I just want to thank all of you for taking the
17 time to hear us out. I know this is a difficult decision.

18 A lot of dollars at stake and a lot of need at
19 stake. So I can understand also the importance this is for
20 all of you and the pressure it is for all of you. So I just
21 want to say thank you for taking the time for all of us.

22 So Catholic Charities, this year we're celebrating

1 our 75th anniversary. As Donnalee had mentioned, my name is
2 Tom Blontski. I've been the President and CEO of Catholic
3 Charities, New Hampshire, a little over 14 years now.

4 We are a large human service organization that
5 serves the state of New Hampshire with a budget of a little
6 over \$83 million dollars. Fully staffed, we would be about
7 120 employees. 66 percent of our revenues are related to
8 health care -- specifically, long-term care and about 82
9 percent of our employees are related to health care out of
10 our total employees.

11 As an aside, I won't focus on Social Services, but
12 I do want to thank you for your support of a New Hampshire
13 food bank, which is probably one of our best known programs.
14 I know there potentially has been a recommendation of some
15 monies earmarked for them.

16 But getting back to health care, but historically
17 the nursing home industry in New Hampshire has been from a
18 Medicaid perspective, in New England, we are the lowest
19 funded in regard to the Medicaid out of all the states in
20 New England.

21 And historically across the states we are at the
22 bottom of the heap around 45 out of 50 states in terms of

1 the Medicaid shortfall per Medicaid resident per day. It's
2 close to \$50 for Medicaid residents per day.

3 And I'm just mentioning that to give you
4 perspective in regard to how thin our margins are in regard
5 to how we operate. We certainly appreciate the slight bump
6 in the Medicaid rate last year that was presented to us.
7 And we -- that has helped, but there still remains a
8 tremendous shortfall in terms of day-to-day operations.

9 So in light of how difficult it was before the
10 pandemic hit, you know, operating on a typical margin of 1
11 percent to 3 percent on an extremely good year, but
12 realistically it was closer to break even if that on any
13 given year.

14 We have been looking at in the first four months
15 projecting out a couple of months forward, we at Catholic
16 Charities will be projecting about a million-dollar loss,
17 and within a year, all things being equal, we will look at
18 approximately \$5.5 million dollars, spread across our six
19 facilities across the state and in one facility that we
20 provide pro bono management services to.

21 We operate 6 nursing homes, 3 in Manchester, one
22 in Windham, one in Laconia, one in Berlin, and one in St.

1 Anne, 3 assisted living and one independent living facility.
2 We did sell one facility last year, last May, in Jaffrey,
3 because of money losses there, and revenue losses.

4 So part of what we've been looking at is an
5 additional increase in PPE expense. Currently, I think the
6 number I sent in when I answered the questions was about a
7 half a million dollars, we're up to about \$600 -- sorry
8 half, yes, half a million dollars. We're up to about
9 \$600,000 right now.

10 We have -- those are unbudgeted costs in light of
11 how we've had to respond to this pandemic. Every new
12 admission we received right now is on immediate isolation
13 for 14 days with full PPE precautions.

14 Any resident who tests positive in our facility
15 also will be put on full PPE precautions in a COVID bed or
16 on a COVID unit that we've had to set aside. That is a bed
17 that we are not receiving revenue on, unless we put a COVID-
18 positive patient in one of those beds.

19 So in addition to the increased costs with PPS
20 supplies, we also have the lowered Census. Our Census is
21 down by about 11 percent off of budgets in the last six or
22 seven weeks. That is directly attributable to hospitals

1 whose Censuses have been down, as all of us know, because
2 they have only been open until this past week to COVID
3 residents.

4 So we -- for example, Mount Carmel, our largest
5 facility in the state, at 120 beds, is at 100 beds today.
6 So they are 20 beds down in Census.

7 Let me -- so in regard to payer mix, I know that
8 it's come up in some of the questions. About 65 to 80 plus
9 percent of our payer mix is Medicaid, and I'm giving you a
10 range because it depends on the area of the states in regard
11 to what our payer mix is. So Berlin, for example, our
12 Medicaid percentage mix-up there is 82%.

13 Title 18 are Medicare dollars. They range
14 anywhere from 15 to 20 percent, and I just explained to you
15 earlier at the start of my conversation, the Medicaid
16 shortfall we have for every Medicaid resident that we admit
17 to our facility, and how we make up for that shortfall
18 financially is with Medicare residents and private pay
19 dollars.

20 And with Medicare admissions, usually they're
21 referred from hospitals to come to our facility for rehab or
22 other skilled services. They are short-term residents who

1 are then transitioned back home, usually after a couple of
2 months, after 100 days or so.

3 Those Medicare admissions, as you can imagine,
4 have plummeted in the last 6-7 weeks. What used to be 18 to
5 20 percent of our payer mix is now, you know, closer to 5 to
6 10 percent of our payer mix. And private pay residents, who
7 make up the last component -- actually we have third-party
8 insurance, which is 1 to 2 percent, but private pay mix is
9 in the range of 10 to 15 percent of our payer mix. And that
10 makes up the complement of how we are funding it for our
11 nursing facilities.

12 We did not qualify for PPE supports, because of
13 our volume of staff and the revenue, our annual revenue,
14 which were too high.

15 So I am, like everyone else that preceded me, very
16 concerned about our future stabilization. We, like Northern
17 Community Services and the Home Care services, really serve
18 the most vulnerable population in our states. You know, our
19 average age of residents is in different facilities anywhere
20 from 87 to 90 years old.

21 And if they're in the nursing facility, they're
22 there for a reason; generally because they cannot care for

1 themselves at home because of multiple comorbidities, or the
2 families or caretakers don't have the resources to be able
3 to meet their care needs in a 1:1 setting. So they end up
4 in our nursing facility.

5 So concerned about what the future holds for us in
6 regards to being able to continue to afford this new normal
7 of additional PPE equipment, as guided by CMS, as required
8 by COMES, and how we are -- what we're going to look like in
9 the future in regard to how we're going to be able to afford
10 to continue to incent our staff to pay at the current rates
11 that we offer them outside of the long-term care
12 stabilization funding, or whether or not we have to continue
13 to compete with unemployment funds, which are much more
14 attractive for our staff to stay home, rather than to
15 continue to work.

16 So my understanding is that the LPP stabilization
17 dollars will run out by the end of June. What will happen
18 after that, in regard to incenting my staff to continue to
19 show up to work every day at the risk of exposing themselves
20 to COVID, and their families back home, without being able
21 to match that kind of funding that they're receiving right
22 now, which is about an additional \$7.50 an hour.

1 We would never be able to afford that from our own
2 budget right now, looking at -- like I had mentioned earlier
3 -- a loss of a million dollars over the next four months,
4 and \$5.5 million dollars over the next year, without
5 additional funding.

6 So I have a concern about how we're going to be
7 able to address this moving forward, and continue to support
8 our staff, so that they're paid fairly, and they're paid
9 just wages, and have some kind of -- like I said --
10 incentive to be able to show up to work in light of the
11 exposure that they are facing on a day to day basis.

12 I am open for questions, if anyone has any.

13 DONNALEE LOZEAU: Thank you, Tom. Do you want to
14 take questions from Michelle, or because you're presenting
15 with Brendan, would you rather have Brendan have an
16 opportunity, and then questions for both of you?

17 TOM BLONSKI: Probably the latter, if that's okay?

18 DONNALEE LOZEAU: Yes.

19 TOM BLONSKI: Thank you.

20 DONNALEE LOZEAU: You're welcome.

21 BRENDAN WILLIAMS: This is Brendan Williams. Can
22 you hear me?

1 DONNALEE LOZEAU: Yes, thank you, Brendan.

2 BRENDAN WILLIAMS: I don't really have anything to
3 say to improve upon what Tom said. I think he described the
4 situation that facilities of all types are experiencing.

5 I just, you know, would reemphasize the point
6 about Personal Protective Equipment. The costs are just
7 extraordinary, and it really is a Wild West out there in
8 terms of one's ability to access things like disposable
9 isolation gowns.

10 I delivered 250 today to a facility in Portsmouth.
11 Normally 250 gowns would have cost twenty-five cents each,
12 so it would have been about \$100. Today that box of gowns
13 would be worth about \$2400, because the price of the gowns
14 is in excess of \$6 per gown out of the market -- assuming
15 one can even get those gowns past either the Chinese
16 government or the us government, which have a tendency to
17 impound a lot of what we order.

18 So I think Skilled Nursing News has estimated that
19 the additional costs of Personal Protective Equipment for
20 100-bed facility would be an excess of \$10,000 a month. And
21 I'm not sure if that estimate occurred before the federal
22 requirement that every nursing home employee wear a mask

1 while at work, but that certainly has also added to the
2 cost.

3 So that's been very, very concerning, and as Tom
4 said, the staffing issue has been very concerning as well.
5 We appreciate the long-term care stabilization program.
6 Like anything that's brand new, it's had its hiccups.

7 I think only a handful, if that, of providers have
8 received any stipends so far through that program. But
9 because the program was announced a few weeks ago, providers
10 have been paying those stipends out, in order to hold on to
11 their staff.

12 So certainly, this is an existential crisis when
13 it comes to funding.

14 DONNALEE LOZEAU: Thank you very much.

15 BRENDAN WILLIAMS: Can I make one more comment,
16 Donnalee, please?

17 DONNALEE LOZEAU: Yes, you can.

18 BRENDAN WILLIAMS: So just for perspective, and I
19 realize Massachusetts population wise is quite a bit larger
20 than us, but they are spending another \$130 million dollars
21 on nursing home care alone on top of the \$130 million
22 dollars that they previously made available on April 15.

1 Even looking at Alabama for example, they -- for
2 nursing home funding alone, they had committed \$20 per
3 resident per day -- per Medicaid resident per day. If we
4 were to look at that for New Hampshire, that would be closer
5 to a \$30 million-dollar number than the \$20 million-dollar
6 number that is being considered.

7 And at the \$20 million-dollar level, we're about
8 \$13.36 per day per Medicaid resident. And I do want to
9 thank all of you and applaud you for understanding and
10 considering how important the lives of seniors are, in light
11 of so much negative press out there regarding nursing homes,
12 and even people commenting about the value of a senior's
13 life versus getting the economy back on track.

14 I don't think they should be mutually exclusive.
15 It should be a both/and proposition, not that one should be
16 traded off for the another.

17 So I do want to thank you for stepping up to the
18 plate and considering this amount that supports our nursing
19 facilities, and more importantly, our revenue.

20 TOM BLONSKI: Amen.

21 DONNALEE LOZEAU: Well, on behalf of the Board,
22 I'm happy to say you're welcome. Michelle, we have about

1 minutes left if you want to lead off with a question, and
2 then we can determine whether there are others.

3 MICHELLE MCEWEN: Okay, sure. And actually I'll
4 apologize in advance. I have two questions. My first one
5 is in regard to your response on question 6. And you had
6 indicated that if you were able to get these funds, you
7 would use them to provide substantial pay increase for your
8 frontline workers to incentivize them to continue staying at
9 work.

10 And I certainly understand that the Long-term Care
11 Stabilization Fund is helping you now, but the \$1.25 billion
12 we have is really one-time, and has to be expensed out
13 before the end of the calendar year. So my question, in
14 light of what you just talked about, Medicaid reimbursement
15 and that being a large part of your payer mix, how would you
16 sustain that beyond these funds?

17 BRENDAN WILLIAMS: Well, I think the next six
18 months are going to be extremely trying, as we continue to
19 look at rebuilding our Census. So in light of the fact that
20 the projected loss of revenue due to lowered Census, we have
21 a very large, significant PR campaign to work on as an
22 industry to get people to trust nursing homes again.

1 There is a sense that now, I would imagine, with
2 all of the press that we've been getting nationally, that
3 you go to a nursing home you're going to die or you're going
4 to catch some kind of awful virus.

5 So to build that rapport again, and to have those
6 positive outcomes like we've experienced in the past, that
7 is going to be critical. And it's going to take a while to
8 get our Census back up and our revenue back up, which I hope
9 will be by the start of the new year.

10 So to get us through the end of this calendar year
11 would be critical.

12 MICHELLE MCEWEN: Okay, thank you.

13 BRENDAN WILLIAMS: Yep.

14 MICHELLE MCEWEN: And you kind of touched on my
15 second question. You know, I do recognize that, you know,
16 the prevalence of COVID has been seen in places where a
17 number of individuals congregating together. So long-term
18 care, prisons --

19 BRENDAN WILLIAMS: Sure.

20 MICHELLE MCEWEN: It's just unfortunately the
21 situation we face. How did you think long-term care will
22 change after this, or will it change, from what we've

1 learned with COVID?

2 BRENDAN WILLIAMS: I can address that a little
3 bit, Tom, and I'm sure you have ideas too. I think one of
4 the things that I've seen nationally is that there hasn't
5 been much of an emphasis placed when it comes to the
6 Medicaid share of cost for facility infrastructure.

7 Obviously, the thing that's most sympathetic when
8 it comes to funding is the wages of caregivers and staff,
9 and the capital needs tend to sort of fall by the wayside.

10 But I think in the future, considering the strain
11 that we've seen this place upon facilities in terms of
12 taking beds offline in order to be able to isolate those who
13 are presumptive positive or positive for COVID-19, that
14 we're going to have to as a society, but also as a state,
15 just look at the infrastructure, the physical plans of
16 facilities.

17 Because I think that that has been a challenge.
18 That's been something that's been neglected.

19 DONNALEE LOZEAU: Thank you.

20 TOM BLONSKI: I would agree with that. I think in
21 the future you're probably going to see facilities that have
22 more private rooms, that you're not going to see the old

1 three-room facilities and fewer semi-private rooms, just so
2 that we have -- I think the new norm is going to be a
3 tendency towards social distancing, and not these big, large
4 events.

5 And infection control protocol is something that
6 we typically follow anyway. It is a requirement in the
7 nursing facilities, we're very regulated. But it's going to
8 be, I think, much more predominant in regard to encouraging
9 folks to exercise that same protocol when they leave the
10 facility. Because a lot of this, as you know, is being
11 brought into the facility, not the other way around.

12 So ensuring that people follow infection control
13 protocols outside of the facility as well should keep
14 viruses at bay, in as much as we're able to.

15 MICHELLE MCEWEN: Okay, thank you.

16 BRENDAN WILLIAMS: Thank you.

17 DONNALEE LOZEAU: Thank you. Are there further
18 questions from Board members? We're a little bit over time,
19 but.

20 DONNALEE LOZEAU: Donnalee, this is Joe. We have
21 a hand raised from Jeff Myers.

22 JEFF MYERS: Tom and Brendan, thank you for your

1 presentation. I'll be very quick, because I know we're
2 running right on time. I agree with you. I think there's
3 an existential crisis at your nursing homes are facing in
4 the state of New Hampshire right now and across the country
5 that absolute should be addressed, including in New
6 Hampshire with some of these funds.

7 I just want to clarify looking at your submission
8 in questions 4 and 5, I'm just trying to get a hard figure
9 on what's your estimate of your member's per month loss
10 right now in New Hampshire, taking into account the cost of
11 PPE and decreased Census and, you know, other costs that you
12 have? What's the per month loss that you're estimating?

13 TOM BLONSKI: So based on the annual projection,
14 all things being equal, with a \$5.5 million-dollar loss, we
15 would be just under half a million dollars loss per month,
16 \$400 -- about \$450,000.

17 JEFF MYERS: So you're not including the
18 additional pay that you might have to provide workers?

19 TOM BLONSKI: No, no, I'm not including that.

20 JEFF MYERS: Okay, okay. That's helpful. Thank
21 you very much.

22 TOM BLONSKI: Okay.

1 DONNALEE LOZEAU: Thank you. Are there further
2 questions?

3 JOE DOIRON: Donnalee, we don't have any further
4 hands raised.

5 DONNALEE LOZEAU: Okay. Thank you very much, Tom
6 and Brendan. We appreciate your presentation very much.

7 TOM BLONSKI: We appreciate your good work.

8 BRENDAN WILLIAMS: Thank you so much.

9 DONNALEE LOZEAU: Thank you, you're welcome. Next
10 presenter today is Steve Ahnen -- President of the New
11 Hampshire Hospital Association Tom Meade, the CEO of the
12 North Country Health. And my understanding is that Steve
13 Norton from Solution Health is also joining.

14 STEVE NORTON: That is correct.

15 DONNALEE LOZEAU: Okay, great. So -- the floor is
16 yours. Steve?

17 STEVE AHNEN: All right, thank you so much. I
18 appreciate the opportunity to present, and I want to thank
19 my colleagues who have gone before us. Obviously, the
20 COVID-19 challenge is one that is affecting all of us in the
21 health care system, and so, perspectives of all of those is
22 very important.

1 As you noted, in addition to myself, the President
2 of the Hospital Association, we represent all hospitals here
3 in the state; Tom Meade, from North County Health Care, a
4 multihospital system in the North Country, will be
5 presenting along with Steve Norton, a multihospital system
6 in the setting part of the state.

7 So I'm going to be brief, and then I'll toss it
8 over to my colleagues to share their perspective. But, as
9 you know, hospitals in the state have, you know, gone to
10 unprecedented steps to prepare for and to manage the care of
11 patients with COVID-19 beginning back in mid-March, when
12 hospitals at the urging of national as well as state
13 officials, suspended non-urgent elective procedures to
14 preserve resources -- PPE, hospital inpatient capacity, as
15 well as to prevent the spread of the virus.

16 That began back in mid-March and certainly was an
17 important step in trying to help prevent the spread of the
18 disease, but has had a significant financial impact on
19 hospitals. About a 40 to 50 percent reduction in revenue on
20 a monthly basis translates to a little over \$200 million
21 dollars in lost revenue, which is just simply staggering and
22 unsustainable.

1 Whether you're a large hospital, whether you're a
2 small hospital, it's simply going to cripple you in terms of
3 your ability to continue to serve your patients and
4 communities without significant financial support and
5 investment in hospitals.

6 As you know, hospitals have been receiving federal
7 support and we appreciate that. The delegation in
8 Washington has been very, very supportive, and I will
9 provide an update to the document that I sent to you
10 earlier.

11 In addition to the funds that we had identified at
12 that time, last week an additional \$112 million dollars came
13 into rural hospitals in the northern and western portions of
14 the state for rural hospitals from Emergency Relief Fund out
15 of the CARES Act.

16 That was very helpful, but certainly didn't go to
17 all hospitals, and hospitals in the southern part of the
18 state and the seacoast did not receive any of those funds,
19 and all hospitals continue to be challenged with all of us.

20 This is not an event that will end at the end of
21 May. It certainly didn't end at the end of April, and will
22 continue for the next several months. We anticipate that,

1 you know, by the end of June, we will see somewhere in the
2 neighborhood of \$700 million dollars in losses across all
3 hospitals.

4 As you know, last week we began the resumption of
5 time-sensitive, elective procedures, which is an important
6 step as we move back towards reopening the economy and all
7 of the rest, but it will be done very slowly.

8 And in fact, I know some hospitals that have begun
9 that process actually had to postpone some of those
10 procedures because of, you know, the number of COVID
11 patients they had, or the number of ICU beds that they had -
12 - simply needed to take that slow. And we'll see that over
13 the coming months.

14 And I would anticipate that as hospitals start
15 that process, we will need to continue to keep an eye on all
16 of those factors, to ensure that if there are increases in
17 the number of COVID patients, or ongoing challenges with the
18 supply chain for Personal Protective Equipment and testing
19 and the like, we will need to make adjustments as we go
20 forward.

21 I think there are a number of things that we can
22 look to that can be very helpful as we go forward, and we

1 can talk a little bit more about those as we get into the
2 question and answer period.

3 The Hospital Association has been very engaged
4 working with its members and working with stakeholders at
5 the state and federal levels, to try and ensure that we
6 break down barriers and eliminate regulatory roadblocks to
7 being able to provide the right care at the right place at
8 the right time.

9 Many of those have been -- can be very helpful,
10 and we're hopeful that those can continue as we move
11 forward.

12 So again, I'm going to stop and I'm going to turn
13 it over to my colleagues. I'll toss it to Tom Meade first,
14 and then we'll go to Steve, so we can get to your questions
15 as well. Thank you very much.

16 Tom, are you able to jump in?

17 JOE DOIRON: Tom and Steve, could you please press
18 5* for us -- your line?

19 TOM MEADE: I --

20 JOE DOIRON: I believe Tom and Steve -- oh, go
21 ahead.

22 TOM MEADE: I think that -- this is Tommy,

1 everybody can hear me?

2 JOE DOIRON: We can hear you.

3 DONNALEE LOZEAU: Yes, we can.

4 TOM MEADE: Great. Thank you very much. And I
5 welcome the platform. And thanks to Steve and everyone that
6 spoke before him. And my name is Tom Meade. I'm the Chief
7 Executive Officer of North Country Healthcare.

8 We cover all of Coos County. We represent three
9 hospitals and home care and hospice, roughly 100 [01:07:31
10 indiscernible amongst] the system; net patient service
11 revenue of just about \$120 million dollars on an annual
12 basis.

13 In the North Country, we have seen lost revenue
14 exceeding that, that we're seeing in our southern
15 counterparts, with revenues down 50 to 60 percent, since we
16 began to reschedule elective procedures.

17 And that's notable in a Hispanic industry where on
18 any given month, typically a variant of only a point or two
19 can be the difference between finishing in the black or the
20 red, finishing among 50 to 60 percent behind in net patient
21 service that's revenue indicates staggering losses for us.

22 We operate in Coos County, which I'm sure you're

1 all aware is the largest, poorest and the least populated
2 county in the state of New Hampshire. We have a population
3 density of 18 people per square mile.

4 So residents of Coos County have been practicing
5 social distancing for -- pretty much for their lifetimes.
6 And as a result, we have not seen a surge of COVID in the
7 North Country.

8 In fact, since testing began, we have seen only
9 two positive COVID cases in Coos County, and that is not for
10 a lack of testing.

11 The end result is that beginning on March 16, when
12 we began to reschedule elective procedures, our hospitals
13 have been largely empty. They look like ghost towns. The
14 parking lots are empty. We in fact had a day where we had
15 no ED volume, which in 32 years of health care
16 administration is something that I have never had to say
17 before, that we actually had no volume in our ED.

18 And Coos County is also a vacation destination for
19 people traveling from the south through the summer and into
20 the fall for the colors. And we obviously do not anticipate
21 much of a migration this year for vacations.

22 In each of our markets -- and we include Weeks

1 Medical Center in Lancaster, also Connecticut Valley
2 Hospital in Colebrook, Androscoggin Valley Hospital in
3 Berlin, and North Country Home Care and Hospice in Littleton
4 -- we are a largest employer in our region.

5 It's notable that going into this that on a
6 nationwide basis, 51 percent of rural hospitals were losing
7 money before the COVID crisis, so this becomes even more
8 problematic.

9 Pre-COVID, two of the four North Country Health
10 Care affiliates were losing money. Often, of that 100
11 [01:09:58 indiscernible], we have not laid off or put anyone
12 on involuntary furlough. As stated very eloquently
13 previously by Eric, in the North Country, if we lay off or
14 displace an employee, chances are we are not going to retain
15 them. And someday -- not soon -- but someday volumes will
16 return to normal levels, and I can't go into that with 80
17 percent of my workforce.

18 So we have managed to trim our workforce about 8
19 percent by virtue of voluntary furloughs and people taking
20 time off without pay, but to date we have not laid anybody
21 off.

22 We saw a modest loss in March approaching \$1

1 million dollars. The April books are not yet complete, but
2 we will see a staggering loss in April of several millions
3 of dollars.

4 And while we have received both state and federal
5 stimulus money, I want to be very clear and very candid that
6 to the extent that any of these accelerated payments are
7 structured as loans, we are simply kicking the can down the
8 road in terms of how long it takes for a New Hampshire
9 hospital to become insolvent.

10 We had adequate liquidity going into the crisis.
11 The accelerated payments have helped our liquidity, but they
12 will not be enough if they are loans to withstand this on a
13 long-term basis.

14 The only financial model that ensures ongoing
15 liability of New Hampshire hospitals going forward are
16 grants, with the intention of keeping hospitals whole into
17 lost revenue.

18 My closing point: There have been some silver
19 lining associated with COVID. And one of those has been the
20 leveraging of telehealth. And many of my colleagues have
21 spent some time talking about this prior to me.

22 But in the North Country, we have been able to

1 leverage telehealth to provide access to patients in a
2 manner that we wouldn't previously do prior to COVID.

3 In fact -- and this is our experience only -- in
4 some select service lines, most notably behavioral health,
5 we are seeing increased compliance with treatment regimens
6 and medication regimens and making appointments via
7 telehealth.

8 But post COVID, we will have the perverse
9 financial incentive where we either are not getting paid for
10 telehealth, or getting paid at a rate less than one-third of
11 what we would get for a pre-COVID visit.

12 So, you know, on the -- I happen to be a
13 Registered Nurse, so on the clinician and ethical side,
14 being a hospital administrator, I've got a mechanism that is
15 fitting superior, in terms of reaching a difficult to access
16 population, but the fiduciary obligations I have as a system
17 CEO prevent me from considering that, because we simply
18 can't afford that level of reimbursement for necessary
19 service.

20 That concludes my presentation. I'm certainly
21 willing to take any questions or comments at this time.

22 DONNALEE LOZEAU: I think we might hold the

1 questions until we make sure that everybody that presented
2 would like to, if you don't mind. Steve, were you going to
3 present, or just be available for questions?

4 STEVE NORTON: Yep.

5 DONNALEE LOZEAU: I'll give you Steve Norton.

6 STEVE NORTON: Yes.

7 DONNALEE LOZEAU: Okay.

8 STEVE NORTON: I'm here now -- can you hear me
9 now, Donna? Donnalee?

10 DONNALEE LOZEAU: Yes, I can.

11 STEVE NORTON: Can you hear me now? Okay, great.

12 So I'll be brief. SolutionHealth is a result of a
13 combination of two systems; the Elliott in Manchester and
14 Southern New Hampshire Health in Nashua. Came together
15 given the common charitable mission, which includes acting
16 as the largest provider of acute inpatient psychiatric care,
17 as well as our community hospital activities.

18 We operate across Hillsboro County. We have 290
19 beds at the Elliott, 170 beds at Southern New Hampshire
20 Health, and the Manchester VNA, which provides home health
21 care to residents across Hillsboro County. We have about
22 7000 FTEs.

1 And like my colleague said before, we changed our
2 posture significantly, the implications of which have been
3 significant, from a financial perspective.

4 In March, we had a negative 30 percent margin,
5 which across the system was about a \$16 million-dollar loss,
6 and we haven't closed our books yet for April, but it's
7 looking like we're going to see as much as \$26 million
8 dollar loss in April as well.

9 I'm seeing some resurgence of care and activity,
10 because patients have been delaying care and the acuity is
11 increasing and they're coming in, but we're nowhere near
12 recovery. We're looking at right now at about 62, 63
13 percent of the activity that we had before.

14 So that means just in March, the first, last two
15 weeks of March and the month of April, we've lost almost \$42
16 million dollars.

17 Now, as Steve said, we've been very grateful for
18 the congressional support. We've seen about a third of that
19 loss covered. And, as I said, we're grateful. We do not
20 anticipate seeing a decline in our losses through the end of
21 our fiscal year, which is through June.

22 And we're anticipating a loss of \$75 million

1 dollars which, you know, is obviously not sustainable and
2 has severe implications for our activities as a community
3 hospital and our ability to manage capital investments and
4 the like.

5 So New Hampshire is in an interesting place,
6 because we have three different types of hospitals right
7 now. We have the North Country hospitals which have not
8 been touched necessarily by high rates of COVID, but are
9 being hurt significantly by the lack of volumes.

10 We have facilities like Concord and Dartmouth,
11 which also are fairly lightly touched by the COVID
12 hospitalizations.

13 And then you have facilities like the Elliott,
14 CMC, St Joe's, and Southern New Hampshire Health and Nashua,
15 which are the hotspots in New Hampshire. They're not
16 Massachusetts, they're not New York, and while that's good
17 that we're not New York, what that also means is that we're
18 going to be hampered in a different way from seeing a
19 recurrence of a business.

20 Because we're planning to live with COVID, and a
21 changed business cycle, probably through the end of the
22 year.

1 So I'll stop there and take questions with my
2 colleagues.

3 DONNALEE LOZEAU: Thank you very much. Michelle,
4 you want to lead us off?

5 MICHELLE MCEWEN: Certainly, great. Thank you to
6 all three of you for presenting. I -- being in the health
7 care industry, I'm sensitive and fully aware of the losses
8 that we're all incurring, and how staggering those numbers
9 may become, depending on how and when volumes might get back
10 to normal.

11 Also being a member of this Advisory Board,
12 hearing the economic impacts on all the other sectors -- and
13 it's quite clear the \$1.25 billion dollars that we have
14 available, it's certainly not going to be enough to make
15 everybody whole in Health Care and the other sectors.

16 I think, you know, the intent is to provide some
17 immediate relief as best as we can to the various sectors
18 that have been financially hurt -- and I understand some
19 hospitals, and the longer this goes, more hospitals will
20 really be on the edge.

21 But I just want to ask the question, if these
22 funds were available, you know, certainly it can give us

1 some short-term mitigation, but how do you also position
2 hospitals for mitigation of future financial challenges?

3 I think, you know, we've all been able to learn
4 lessons as we face these challenges, and I'd just like to
5 hear about what types of things you're thinking that perhaps
6 these short-term funds could help you in investing in the
7 future?

8 STEVE AHNEN: I'll start request, Michelle. This
9 is Steve Ahnen. I think, you know, obviously some of the
10 most significant challenges, as you've heard from Tom and
11 Steve in terms of the impact that this is having on their
12 institutions and their ability to continue to serve their
13 patients and communities, those funds are going to be
14 incredibly helpful to shore things up to help them continue
15 to be able to do that to get them to the other side so that
16 they can continue to serve their patients and communities.

17 I think there are a couple of things that I would
18 suggest that, you know, we ought to start thinking about.
19 You know, there have been a number of efforts to streamline,
20 to eliminate, you know, barriers and roadblocks to providing
21 care in new and innovative ways. And certainly, the use of
22 telehealth and the expanded use of telehealth I think has

1 been incredibly important.

2 You know, Medicare is one of the largest payers of
3 health care services in the country, and they've been one of
4 the slowest to move towards reimbursing telehealth services
5 more broadly. And I think they've certainly made some moves
6 in that direction. CMS administrator Seema Verma made the
7 comment that, you know, telemedicine is here to stay, and
8 we're not going to go back.

9 But we need to make certain that all of the gains
10 that we've been able to make, both at the federal level, but
11 as well as at the state level, are allowed to continue, that
12 we simply don't revert back to the way it used to be at some
13 point in the future.

14 The other thing I think I would suggest as we
15 think about, you know, all of the planning that we do in
16 partnership with state and federal, you know, partners is,
17 you know, thinking about the next pandemic -- hopefully not
18 the next pandemic, but certainly the next certain public
19 health emergency or challenge -- you know, what do we need
20 to be thinking about doing as it relates to the public
21 health infrastructure?

22 All of the folks that really need to be a part of,

1 you know, contact tracing and doing all of those kinds of
2 things, but also, you know, the stockpile. You know, when
3 every state in the country is relying on the strategic
4 national stockpile as the backstop for their emergency
5 preparedness plans, that's a challenge when every state in
6 the country is trying to tap that strategic national
7 stockpile.

8 So I think those are some of conversations that
9 we're going to need to have. Once we get through all of
10 this, once we make certain that we have the resources that
11 are necessary to help hospitals get through to the other
12 side, there's no question health care's going to look very
13 differently, but if, you know, if we don't do enough now to
14 ensure that those hospitals can continue to survive and
15 serve their communities, we'll certainly be challenged in
16 the future.

17 MICHELLE MCEWEN: Great, thank you.

18 DONNALEE LOZEAU: That has us a few minutes over,
19 but if there's another question, we're willing to take that.
20 Joe?

21 JOE DOIRON: We have a question from Bill
22 Ardinger. Go ahead, Bill.

1 BILL ARDINGER: Thank you, Joe. And thank you
2 gentlemen for a very good presentation. I guess Steve, you
3 mentioned that, you know, a number of lost revenues during
4 this period -- for example is \$200 million for a month
5 across the state -- you know, I'm assuming that there has
6 been as well an impact on the expense side of the income
7 statement.

8 Could you address whether there's been any expense
9 mitigation that might offset that \$200 million-dollar gross
10 revenue reduction? Thank you.

11 STEVE AHNEN: Certainly.

12 STEVE NORTON: Hey, Bill.

13 STEVE AHNEN: Thank you Bill for the question.
14 And Steve Norton, if you want to jump in, go right ahead.

15 STEVE NORTON: Yeah, so we've taken a number of
16 measures, Bill, to mitigate expenses. We've reduced, we've
17 furloughed, change in reduction in hours to about 60,000
18 hour reduction, you know, beginning March 16 and extending
19 through April.

20 Then a -- the numbers that I provided you for
21 April for the system include those expense mitigation
22 efforts. We're obviously not doing any discretionary

1 spending. We've limited all capital spend at this point
2 except for things that were on the fly, like our development
3 of a cancer center.

4 And we are getting prepared now to trigger a whole
5 other set of cost-saving initiatives, which become, frankly,
6 more and more draconian the deeper we get into these monthly
7 losses.

8 I can provide, you know, our expense mitigation
9 plan to the committee if you thought that might be helpful.

10 BILL ARDINGER: I thank you very much for that. I
11 think maybe the Association could follow up with some more
12 general sense. It doesn't have to be by particular systems,
13 but I think a general sense of what the expense mitigation
14 impact has been against, you know, the revenue loss impact.

15 And I thank you for clarifying that your numbers
16 were net. Thank you.

17 STEVE AHNEN: And bill, this is Steve Ahnen. I
18 would also want to say that those numbers that I've provided
19 are net of those expense mitigation efforts.

20 You know, one of the challenges, as others have
21 said prior to ours is, you know, the ongoing costs of sort
22 of standing up all of the things that are necessary to be

1 able to respond to the COVID-19, you know, crisis.

2 So accessing PPE, you know, modifying one's
3 facilities to stand up additional capacity inside your
4 facility, as well as outside your facility.

5 So a number of things are ongoing that actually
6 add to the cost, and don't reduce those costs. But again, I
7 would want to just note that those were inclusive of the
8 mitigation efforts?

9 BILL ARDINGER: Thank you.

10 TOM ABRAM: And this is Tom [01:23:32
11 indiscernible proper name], North Country. Our numbers were
12 net as well. And in the hospital industry, there needs to
13 be a recognition that a huge portion of our costs are fixed
14 and are not variable, according with patient volumes. And
15 there simply exists no budget recovery plan that I can
16 implement based on variable costs that would allow me to
17 respond to a 50 percent reduction in monthly revenue.

18 BILL ARDINGER: Thank you.

19 DONNALEE LOZEAU: Thank you, so much. Are there
20 further questions, Joe?

21 JOE DOIRON: Donnalee, we have a hand raised from
22 Jeff Myers. Go ahead, Jeff.

1 JEFF MYERS: Thanks. Question for Steve Ahnen.
2 Steve -- first of all, both Steves -- and Tom as well, thank
3 you for your presentation. Steve Ahnen, could you put in
4 context the impact of the CARES distributions?

5 Because for the benefit of the committee, I think
6 everybody knows there's been a significant amount of money
7 coming in to hospitals in the state, both in the general
8 distribution under the CARES Act, and then more recently as
9 you noted in the rural distribution.

10 But as a percentage of the loss, could you
11 describe across the system, not just in the one hospital or
12 another, but as a system, what percentage of the loss are
13 those CARES Act funds actually covering?

14 STEVE AHNEN: Well, you know, when you look at app
15 times, so if we look at towards the --

16 JEFF MYERS: Right.

17 STEVE AHNEN: -- the end of April, you know, well
18 over \$300 million dollars in losses, and as of the end of
19 April, you know, we've received about \$110 million or so
20 funds from the Emergency Relief Fund from the CARES Act.
21 So, you know, that offset, you know, not quite a -- you
22 know, less than a third.

1 JEFF MYERS: Right.

2 STEVE AHNEN: The additional rural funds that came
3 in just this last week in the month of May will help offset
4 losses for some hospitals in the month of May.

5 Again, you know, obviously we don't have -- May is
6 not closed, so we don't know the impact of everything in
7 May, but based upon what I'm hearing from folks, I would
8 anticipate that we'll be, you know, around that \$200 million
9 dollars in lost revenue again.

10 So I think -- but what I would also say is we just
11 -- we need to remember that this is, you know, something
12 that is going to continue for some time to come.

13 And I would say through the end of this year --
14 and, you know, many are suggesting that, you know, we won't
15 get back to, you know, pre-COVID types of volumes until well
16 into 2020/2021, and that's in a good case scenario, where we
17 don't have, you know, a spike in cases at some point down
18 the road, as we begin to open the economy back up a little
19 bit more.

20 JEFF MYERS: Yeah. Right, what you're saying,
21 though, is that really at best it may be covering 30 percent
22 of the loss?

1 STEVE AHNEN: At best.

2 JEFF MYERS: Yeah, right. Okay, thank you.

3 DONNALEE LOZEAU: Any further questions? Okay. It
4 sounds like no. All right. With that, thank you gentlemen.
5 Very much appreciate your presentation today.

6 STEVE AHNEN: Thank you very much for your time.

7 DONNALEE LOZEAU: You're welcome. Next on our
8 presenting list is Bonnie Payette, the Executive Director of
9 the New Hampshire Health Education Facilities Authority.
10 Bonnie, the floor is yours.

11 BONNIE PAYETTE: Good afternoon. Are you able to
12 hear me?

13 DONNALEE LOZEAU: Yes, we are.

14 BONNIE PAYETTE: That's great. I am Bonnie
15 Payette, Executive Director of New Hampshire Health
16 Education Facilities Authority, and I am joined by Susan
17 Cummings, the Director of Operations and Finance for the
18 Authority, what will be available to answer any questions.

19 First, I would like to thank you for allowing us
20 to present to you today. When we learned that the state was
21 looking for possible organizations to disburse the funds, we
22 started reaching out, because we saw this as a way to not

1 only support our not-for-profits, but to support the state
2 as well.

3 Because this is what we were set up to do. The
4 Authority was set up by the state under RSA-195D and 195E to
5 fund and support nonprofits in New Hampshire.

6 Our mission was to work with the non-profit health
7 care and educational entities to provide access to high-
8 quality, readily available, low-cost financing alternatives.

9 We accomplished this by issuing tax-exempt bonds
10 and notes, and by offering taxable low-interest rates loans.

11 In response, through the years, we initially were
12 only able to provide tax-exempt financing. So we worked
13 with a lot of the hospitals, colleges, retirement
14 communities, and other larger, not-for-profits. But the
15 Executive Director and the Board saw a need to provide
16 funding for smaller not-for-profits, so we developed a
17 capital loan program and direct loan program.

18 The direct loan program is administered by the
19 Authority, which allows us to quickly respond to the impact
20 that COVID -- allowed us to quickly respond to the impact
21 that COVID-19 was having on our smaller not-for-profits.

22 So on March 19, the Authority Board voted to offer

1 a deferment of loan payments for three minutes. Within a
2 week, we received executed note amendments for 66 percent of
3 our loan portfolio. This reduced the Authority's revenues
4 by 330,000 for the three months.

5 This decrease in revenue will impact our ability
6 to provide future financing opportunities for our smaller
7 institutions, but these deferments allowed not-for-profits
8 to hold onto their cash to support new, immediate needs.

9 My Board will assess the impact of restarting the
10 economy, and will reassess whether or not the deferment
11 needs to be extended. We have executed forbearance
12 arrangements for nonprofits with bonds to defer payments for
13 four to six months, and we have approved the Payroll
14 Protection Program applications for entities that needed our
15 approval.

16 Our responses to the needs of our not-for-profits
17 over the years shows the Authority's dedication and
18 awareness of the needs of non-profits, large and small. By
19 the numbers, the Authority has issued \$11.9 billion in tax-
20 exempt financing.

21 Through our loan programs, we have provided \$41.7
22 million dollars to not-for-profits. Repayment on our loan

1 program is \$100 percent. Our Board members represent
2 different sectors of not-for-profits, legal counsels who
3 worked with not-for-profits and a prior banker who financed
4 for not-for-profits.

5 We have well-established relationships with health
6 and educational institutions in the state. We currently
7 provide financing for over 50 percent of the members of the
8 Hospital Association. We monitor financials and come into
9 compliance on a regular basis. We review requisitions to
10 disburse funds for eligible expenses.

11 We disburse funds for financing ranging from
12 \$10,000 to \$125 million.

13 As I mentioned earlier, we have developed an
14 administered loan programs, and implemented processes that
15 allow us to review, approve and disburse funds quickly and
16 efficiently.

17 We have heard from many sectors of our non-
18 profits, from the hospitals who are losing millions of
19 dollars in revenue each week to child care centers who have
20 had to close their doors or remain open with decreased
21 ratios to provide care for essential workers in New
22 Hampshire.

1 The educational institutions face uncertainty for
2 the fall. If they open in the traditional sense, will
3 students come? How will families been impacted, and what
4 will the financial needs be for the coming year?

5 Like most non-profits, our hospitals, colleges,
6 schools, health care centers, and many other agencies that
7 we work with already provide discounts and do a significant
8 amount to give back to those who do not have the ability to
9 pay.

10 The needs will become greater in the coming months
11 and year. As I mentioned earlier, this is what we do. We
12 were set up by the state to exclusively serve not-for-profit
13 health and education entities.

14 We would welcome the opportunity to continue to
15 support them through these unprecedented times. We have
16 partnered with them and seen incredible growth, but we have
17 also been there when they have weathered hard times, all
18 while they continued to provide the best care to meet the
19 needs of the populations that they serve.

20 We see two phases to the stimulus funds. One is
21 relief, and the other is recovery. And I think likely the
22 Authority would focus more on a recovery aspect of it, so a

1 little further down in this year.

2 The expenses above budgets to cover costs of new
3 procedures to be implemented provide a safe environment for
4 patients, students, clients and staff.

5 If the Authority were to disburse funds, we would
6 lean towards grants to support the phasing in of operations,
7 reopening, rehiring, and implementation of new procedures
8 for any non-profits that we work with.

9 As we discussed, the way that this could be
10 handled is that the GOFERR website has a lot of resources,
11 and I think it would be a great place for anybody
12 participating in receiving these stimulus funds to be able
13 to go. If we could design a simple application that would
14 be used by all entities and all organizations, the state
15 funds are for relief and recovery from the impact of COVID-
16 19, it's very specific. So I think one application to cover
17 it all would work.

18 If there is an option to provide loans versus
19 grants, there would likely have to be two different
20 applications.

21 When submitting applications, an entity would be
22 required to disclose lifting -- disclose who they have

1 submitted applications to, who they have received funds
2 from, and what the funds were used for; backup documentation
3 from the entities to support the application and request for
4 funds.

5 If on the GOFERR website, you were able to provide
6 a list of the organizations who will be disbursing funds and
7 the sector that each organization will be working with, I
8 think this would help the entities so much in figuring out
9 where they need to go, quickly and easily.

10 I also think that clear guidelines have to be in
11 place before these funds go out, so that as we get down the
12 road a little ways, institutions that are not asked to
13 reevaluate everything they have done, and return any funds
14 that were initially eligible, or believed to be eligible to
15 be used for the response to the COVID-19, and then have to
16 return funds.

17 I think I'll stop there. Does anybody have any
18 questions?

19 DONNALEE LOZEAU: Michelle, would you lead us off?

20 MICHELLE MCEWEN: Sure, great, thank you. And
21 Bonnie, thank you for your presentation. And the fact that
22 you've given this some thought about how something like this

1 could be operationalized. You know, we have had
2 conversations about indirect grants, coming as
3 recommendations from the Stakeholder Advisory Board and
4 using entities that already exist, and ability to get the
5 funds out quickly, efficiently and effectively.

6 And you're right, you know, there should be some
7 standardization across those various entities that might be
8 doing that.

9 In health care, we use the term, "No wrong door"
10 in regard to when patients access care, you know, you don't
11 want them to reach out for help and say, "No, it's not here,
12 you've got to go over there to the other door to get that
13 help."

14 And with not-for-profits, I see some of the
15 organizations that we're looking at, whether it's [01:36:10
16 indiscernible] whether it's the CDFA, Charitable Foundation,
17 and maybe even BFA, because they do not-for-profit funding
18 as well. You know, how would you work with those other
19 organizations to ensure that any not-for-profit reaching out
20 for assistance doesn't go through wrong door?

21 BONNIE PAYETTE: Sure. That's a great question.
22 I think that if we could set up a clearing house for

1 applications on that GOFERR website, where any organizations
2 who are set up to disburse the funds would be able to report
3 to that clearing house of any institutions who have
4 submitted applications to them.

5 And the information that would need to be provided
6 would be obviously the name of the entity. Maybe we use the
7 FEIN number, the amount of the request and the use of the
8 funds.

9 And I think that clearing house would need to
10 update daily, and then provide to each of the organizations
11 disbursing the funds a list of who has been requesting funds
12 from which institution.

13 And I think if a not-for-profit or -- is reaching
14 out to several different organizations, that would be the
15 time where we would contact that other organization directly
16 and discuss whether they will do the funding, or we will do
17 the funding. But we will make sure that hopefully it will
18 also reduce the likelihood of duplication of funds for one
19 particular entity.

20 MICHELLE MCEWEN: Thank you.

21 BONNIE PAYETTE: Does that answer your question,
22 Michelle?

1 MICHELLE MCEWEN: It does, great, thanks.

2 DONNALEE LOZEAU: Thank you. Are there further
3 questions from other members of the Board?

4 JOE DOIRON: Donnalee, we have a hand raised from
5 Bill Ardinger. Go ahead, Bill.

6 BILL ARDINGER: Thank you, Joe. Bonnie, this is
7 an excellent presentation. I thank you very much for coming
8 in to let us know about your direct loan programs. They're
9 very good. I see that you've got a great list in your
10 annual report of non-profits who have borrowed money.

11 If there were a program that would direct the use
12 of COVID relief funds to help non-profits by reducing long-
13 term debts that they may have on their books now that drains
14 operational resources currently, if the funds were used to
15 reduce that debt, lower the cash flow demand, and provide
16 then a stronger balance sheet, as they came out... is
17 [01:38:58 indiscernible] in a position to administer a grant
18 program, that would essentially be providing these funds on
19 a grant basis, making sure that the local organizations
20 would pay off that long-term debt in a manner that reduced
21 current cash flow needs and strengthened balance sheets?
22 Thank you.

1 BONNIE PAYETTE: Thank you for your question,
2 Bill. That is something that we would entertain with our
3 Board, and certainly be willing to learn more about it and
4 see if that is something that we could do. But at this
5 point, if we can help them, and if that is an avenue that we
6 can be "used to do", then we would.

7 BILL ARDINGER: Thank you.

8 DONNALEE LOZEAU: Thank you. Further questions,
9 Joe?

10 JOE DOIRON: Donnalee, I don't believe we have any
11 other hands raised from Board members.

12 DONNALEE LOZEAU: Okay, great. Thank you so much,
13 Bonnie, for taking the time to present today. We appreciate
14 you taking the initiative to see what we were doing and
15 offer to help.

16 BONNIE PAYETTE: Thank you very much for the
17 opportunity. And again, I want to echo some of the other
18 folks who spoke before us and thank all of you for the time
19 that you are putting in to try and be sure that our state
20 gets back on its feet in the best way possible, and to
21 support as many of these entities that you possibly can. So
22 thank you.

1 DONNALEE LOZEAU: You're welcome. Thank you.
2 Okay. The next item on our agenda is discussions regarding
3 recommendations. I am hopeful that all of you have the
4 opportunity to see that I sent you a document this morning,
5 and then based on feedback I got from a few members, we
6 added a couple of items and I resent it.

7 So hopefully everybody has the correct document in
8 their hands.

9 The original document, "Long-term Care
10 Facilities," was not under Health Care, and we wanted to
11 call that out. Thank you, Jeff. And under, "Human
12 Services" we added, "Developmental Disabilities" just to be
13 clear that that was something that we thought probably fell
14 in that category, rather than the Health Care.

15 This is by no means meant to reflect every sector
16 that we can talk about. I was trying to find a way to give
17 us a document that allowed our discussion to reflect the
18 conversations that we've had in multiple settings, as well
19 as information that you individually have sent to me about
20 what your thoughts are, based on priorities.

21 I'd like to thank Bill Ardinger, whose brain works
22 this way, and was able to work with me to put together this

1 spreadsheet.

2 You'll note that we did not prioritize in the
3 typical sense. We went A through H, tried to do broad
4 categories so that we weren't picking single business.

5 We're hopeful that this format will allow all
6 kinds of businesses to fit in these different categories,
7 whether they're for-profit or non-profit, whether it's a --
8 you know, something in the housing realm, the health care
9 realm, human services, that type of thing.

10 We based -- again, on conversations and
11 information provided from you as individual Board members,
12 have ranked what we believe the higher and highest
13 priorities are. And that's an area where we can talk a
14 little bit about timing.

15 Based on things that are here, I would say that
16 what we're demonstrating is that we think those are -- the
17 timing for that is get the dollars out as soon as possible.

18 The "Mechanism for Distribution column" shows you
19 multiple ways that we can get the money out as -- again --
20 we've talked about, and implementing agencies. Sometimes
21 those are also the distribution entity.

22 And then we put the two columns in that add other

1 distribution sources other than CARES Act money, so that
2 conversation we've had about have you received money from
3 another source?

4 And then that last column is money that has been
5 distributed from the CARES Act funds to date. I'm sure you
6 remember those funds that the state has received, and not
7 put out for those few purposes.

8 So with that, I would open it up for discussions
9 from the numbers, and if I look at the agenda, we did talk
10 about -- I did list here "Funding for Support and Advisory
11 Entities." You will see that in item C.

12 And I think it also shows up in "Other Items" and
13 if it's not called out specifically, we do want to make sure
14 that the entities that support people with putting their
15 best foot forward, whether it's being able to apply, whether
16 it's putting a business plan back together, whether it's
17 building capacity to be able to help, building strength like
18 the Center for Non-Profits does with non-profits.

19 The intention here is that those supporting
20 entities will be included to help the distribution entities
21 and the businesses trying to apply for funds.

22 And then if people would comment on these other

1 items on our item 4, "Conditions on Distribution," whether
2 we should have them, the sector discussion -- I think that's
3 what this document shows.

4 And then I think we'll save that last clarity on
5 the December 31 Spend Compliance item for end of our
6 discussion.

7 So I don't necessarily want to put everybody on
8 the spot, but I am hopeful that people will push *5 (sic),
9 raise their hand, and give their feedback and input on this
10 document, as much as you're able to today.

11 So with that, Joe -- you know what, actually, Bill
12 would you like to add anything while people are thinking?

13 BILL ARDINGER: I think, Donnalee, you covered it
14 very well. I would just say that obviously the Legislative
15 Advocacy (sic) Board has also moved down a path of trying to
16 identify priorities and potential implementing agencies.
17 They've actually taken the further step of trying to
18 identify precise amounts that they would recommend for
19 specific purposes.

20 I think that this spreadsheet obviously has not
21 done that. Because our members really haven't been
22 discussing that in our meetings, and you haven't gotten a

1 lot of input on that yet, because we haven't asked for it.

2 You haven't reached out to the members for that yet.

3 I would say that I particularly am happy that we
4 are not putting individual size of amount or amount
5 recommendations down, because it is important that we follow
6 our elected officials, like the Governor, and the members of
7 the Legislature in setting those priorities. So deferring a
8 little bit there is fine with me at this point.

9 But trying to get a list together, this is -- I
10 really thank you for putting -- for urging -- and I was
11 happy to help perform at it, but putting out something on
12 paper that would generate discussions today.

13 DONNALEE LOZEAU: Thanks, Bill. Really, this
14 group has -- most -- a lot of our discussion has been around
15 the framework, the process, you know, kind of the logic of
16 moving forward.

17 So with that, I will open it up. Joe? Has
18 anybody raised their hand for input?

19 JOE DOIRON: Yes, indeed, Donnalee. Real fast,
20 just for members of the public, you can find both this
21 discussion that Bill just talked about on our website, under
22 the "Presentations" and you can also find what the

1 Legislative Advisory Board voted on yesterday, in an Excel
2 document with their proposed allocations. That went out to
3 Board members this afternoon, and I sent it out as soon as I
4 get it, so that is on our website.

5 And again, those members of the public trying to
6 follow along, again, if you go to our website, we have the
7 information there.

8 With that, 5* to raise your hand, and we have a
9 first hand raise from Michelle. Go ahead, Michelle.

10 MICHELLE MCEWEN: Great, thank you. And I don't
11 know if this is probably a Bill question, since he's the
12 author of this, and certainly our first time looking at
13 this. So I'm just trying to understand what the various
14 components mean.

15 So you have, "Purposes" listed under each sector.
16 Is that intended to be sort of different buckets, or a
17 grouping of types of purposes that you envision -- for
18 example a not-for-profit could apply for, that we would then
19 use to sort of expand maybe the Legislative Advisory Board's
20 sort of purpose, because they had one for each sector?

21 DONNALEE LOZEAU: I think both Bill and I could
22 respond to that.

1 MICHELLE MCEWEN: Sure.

2 DONNALEE LOZEAU: So what we're trying to do is
3 paint a broader picture. So instead of saying, "'Hair
4 salons' you'll go here", and "'Restaurants,' you'll go
5 there," the larger categories under those sections give some
6 indication of what the purpose is.

7 So let's just pick the for-profit Item C, the
8 sector "For-Profit." It talks about loans, grants with
9 conditions to small and mid-sized businesses with distinct
10 needs caused by COVID, because we know that's a requirement
11 of the CARES Act.

12 Then a relief BFA Cap program, so their existing
13 program which is -- which I've learned more about how they
14 operate that, and who else they involve in it. But
15 establishing something specific for this. You know, it's
16 meant to be, "You can go here," no matter what your business
17 is, if you're a for-profit business, and you can explain
18 what your problem has been and what funds you might like.

19 Bill, do you want to add to that a little bit
20 more?

21 BILL ARDINGER: Yes, just as an example, if you
22 would look, Michelle, at the sector, "Housing Security"

1 which is E, as another example, we heard testimony on the
2 Housing Sector the other thing and some of the information
3 we received were recommendations for actual programs that
4 could be operationalized quickly and distribute the money.

5 Those included the Housing Finance Authority Rent
6 Stabilization Program, which in Dean's written remarks had a
7 number of very helpful details about how that rent
8 stabilization would be maintained distinct and separate from
9 its current rate stabilization program.

10 It also had some other program items, some of
11 which are listed here, so that those items under "Purposes"
12 are really types of program formats that we have heard
13 about. For example, Donnalee focused on the BFA CAP
14 program. That program has been identified as well by the
15 Legislative Advisory Board as a system of rules to get money
16 out rapidly.

17 And so, if -- you know, when Donnalee was kind of
18 talking about how can we put something on the table, the
19 goal was to list some of the stuff we have heard, and
20 identify that it's not just housing security generally, but
21 it would be housing security implemented through some
22 specific distribution programs and purposes. Thank you.

1 MICHELLE MCEWEN: So then within each one of
2 those, we'll stay on Housing Security, you have some rated
3 as, "highest" and some as "high" so does that mean the
4 timing will be different for each one of those different
5 programs?

6 BILL ARDINGER: Donnalee?

7 DONNALEE LOZEAU: Yeah, I think the timing -- go
8 ahead, Bill.

9 BILL ARDINGER: Well, I was just going to say on
10 that, this is very hard -- it's in the Legislative Advisory
11 Board, they've been talking about what needs to be done
12 right away, what needs to be done in the midterm, and what
13 needs to be done maybe after a little bit more review of
14 development?

15 And this was an attempt to put on paper a rating
16 that -- of highest need, higher need, and high need. And it
17 doesn't -- you could do them, this is a discussion starter,
18 Michelle.

19 MICHELLE MCEWEN: Okay.

20 BILL ARDINGER: You know, what do people feel are
21 the high -- if you had to pick 1,2 and 3 that would get the
22 highest priority, what would they be? It's really an

1 opener.

2 MICHELLE MCEWEN: Okay, thank you.

3 DONNALEE LOZEAU: You all set, Michelle?

4 MICHELLE MCEWEN: For now, yep.

5 DONNALEE LOZEAU: Okay. And I don't -- I'm not
6 proposing that we have to make final decision on this today.
7 I just think -- I want to have something in place to work
8 from. A blank sheet of paper is not the easiest thing to
9 try to do, particularly as you've heard me say many times in
10 our format.

11 And we have talked about timing -- whether all the
12 money should go out right now, whether we should get some
13 out immediately, whether we should see the results of some
14 of that and see what's next from there. So I think it's
15 been discussed in both groups, as you heard the other day. I
16 believe we have a hand raised from Dean. Go ahead, Dean.

17 DEAN CHRISTON: Thank you, Joe, thank you,
18 Donnalee. So I actually appreciate this framework that you
19 and Bill put together, Donnalee.

20 I think it actually goes towards what I think in
21 the end the Board should be thinking is kind of our goal
22 here, which is to establish some broad categories that we

1 think of the resources ought to be focused on, then within
2 those identify some specific activities that we believe have
3 some merit and some priority, identify a potential mechanism
4 for distributing the resources.

5 And I think I agree with Bill in the end, that I
6 don't believe that we should get too far into the weeds
7 around specific dollar amounts, because I think in the end
8 in each case, assuming that GOFERR and ultimately the
9 Governor accept some or all of these recommendations,
10 there's going to need to be a lot of serious work done with
11 the GOFERR team around exactly what the parameters of a
12 particular initiative are, and what level of resources might
13 be most immediately made available for those purposes.

14 And also, I think Bill's point is well-taken; that
15 the Legislative Advisory Board has already done some of that
16 thinking and some other that work, and we might want to be
17 thoughtful about deferring to them in that context.

18 But I can also see that as a program, if you will,
19 is being developed further, between a potential implementing
20 entity and the GOFERR staff as they understand better what
21 the rules are and what the statutory requirements are, that
22 the size of that program may evolve, based upon those facts.

1 So getting too specific about dollar amounts at
2 this point with this document, could actually be problematic
3 down the road.

4 DONNALEE LOZEAU: Thanks, Dean. Appreciate your
5 input. Joe, are there other members?

6 JOE DOIRON: Donnalee, we have a hand raised from
7 Jim Jalbert. Go ahead, Jim.

8 JIM JALBERT: Okay. I would agree with Bill and
9 Dean about not getting into the weeds on the dollar amounts.
10 I would suggest, though, that if you look through each one
11 of these categories, we're really talking about grants, with
12 the exception of C, which is in a price for profit where we
13 would establish a combination of grants and loans.

14 I am fearful that the impact of small business in
15 the state of New Hampshire and around the country has been
16 so significant that -- and I mentioned this once in the past
17 -- that focusing on loans may really just in the long run
18 not help many of these companies that have been so damaged.
19 And the reason for that is they could borrow their way right
20 into bankruptcy.

21 Absent of having really strong balance sheet and
22 absent of having some assurance that they can get through to

1 the other side of this thing quickly, it would cause me
2 great concern if there wasn't more of a focus put on grants
3 alone. And so I just think we need to think about that.

4 Obviously, this legislative committee is going to
5 have their thoughts on what dollar amounts should be, and
6 what they should be made up of.

7 But I think the intent of the money was really to
8 get us through this awful situation in New Hampshire, and
9 the intent of the money was to be the bridge, if you will.
10 And I just don't want to see a company borrow money and not
11 be able to repay it. So I'll leave it there for now.

12 DONNALEE LOZEAU: Thanks, Jim. I have to tell you
13 that I absolutely do not disagree with you. I don't think
14 anybody carrying more debt is going to help them,
15 particularly if they were in trouble before.

16 But my understanding of the CAP program is it is a
17 forgivable loan. It sounds -- it's like the Payroll
18 Protection Program -- well the CAP program is not like that,
19 but when I look at the Payroll Protection Program and
20 understand how that was structured from the FDA, and how
21 that works, and the forgivable nature of it, I think is
22 something that a business could easily understand.

1 And if they follow the certain criteria and they
2 spend it as intended, they don't pay it back. And I think
3 that's a worthwhile thing. So, you know, I agree.

4 JIM JALBERT: I think, Donna, the one thing about
5 PPP -- and it's, you know, Congress is rapidly trying to
6 deal with this, is that it doesn't work for a lot of
7 companies.

8 And the real struggle in this is when you start a
9 company up, and you're trying to get people to go into your
10 restaurant door, or trying to go into their shop, and
11 they're just not going to generate enough revenue, and
12 they're not going to be able to pay their health and pay
13 their bills.

14 And PPP, the way it was designed, really put a
15 stranglehold on small business. You know, it didn't make a
16 lot of sense, when New Hampshire has a shelter-in-place rule
17 to give money to pay people for eight weeks. It really made
18 sense to give money to people -- give companies or
19 businesses money to pay their people when they started up,
20 and extend that period out, so they could start generating
21 enough cash flow, enough revenue, so they could survive.

22 And so I hope the mistakes with PPP will be

1 considered as the BFA, if the BFA is in fact the
2 intermediary that distributes funding. I hope we will take
3 a long, hard look at it, and I hope we can help them if need
4 be.

5 DONNALEE LOZEAU: Hm. Thank you, Jim. Always
6 good to have lessons learned. And you did -- I remember you
7 mentioning that early on in our first day of presentation,
8 asking about the difference that would make if it was
9 extended the other direction. So thank you for putting it
10 back on the table.

11 JIM JALBERT: Thanks.

12 DONNALEE LOZEAU: Further members?

13 JOE DOIRON: Donnalee, we have a number of hands
14 raised. Al Letizio, Jr. Go ahead, Al.

15 AL LETIZIO JR.: Thank you very much. And I just
16 wanted to thank you, Donnalee and Bill for the work you did
17 in structuring this.

18 And I appreciate the explanation of it, and, you
19 know, I've been going through and kind of testing this chart
20 to make sure that this fits everything that we're doing, and
21 it looks really good.

22 As I look at item C for the for-profit

1 enterprises, that seems like a lot are going to roll up into
2 that, and for example when we talk about the gyms and
3 personal care, that strikes me that you had in mind that
4 that would be -- find its way under "For-profit Enterprises"
5 is that correct?

6 DONNALEE LOZEAU: It is.

7 AL LETIZIO JR.: Okay. So when we get to -- and
8 I'm surprised I'm the first one to ask this question and not
9 my colleague here, who's the farmer. But when we talk about
10 agriculture and farming, where do you envision that? Do you
11 see that in the for-profit enterprises as well?

12 DONNALEE LOZEAU: Well, I certainly think that
13 farms would like to be profitable.

14 AL LETIZIO JR.: Okay, so --

15 DONNALEE LOZEAU: But if I -- well, I think that
16 if they --

17 AL LETIZIO JR.: You're not thinking about it as
18 agriculture and food supply chain, I suppose, as a category.

19 DONNALEE LOZEAU: No, I don't think we are. I
20 think we're thinking of it as a business. If you look under
21 C, the "Agricultural Grant Support Program," do you see it
22 there? It's one, two, third one down?

1 AL LETIZIO JR.: Okay, okay. Sure. Oh, I'm
2 sorry. Okay. Got it.

3 DONNALEE LOZEAU: That's okay. Well, you're
4 right. You picked the right category.

5 AL LETIZIO JR.: And, you know, just to echo what
6 Jim is saying about the forgivable nature of the loans. I
7 think -- it seems to me that the intent for this is -- with
8 the grants is sort of fun to mandate. You know, the mandate
9 was, "You got to close, and by no fault of your own, if
10 you're out there closed and you've got all your fixed bills,
11 but you have no income, because it's been shut off, it seems
12 more fair that this would be something that provides relief,
13 versus encumbering somebody with a liability.

14 And I know that that's what we're saying when we
15 talk about forgivable loans, that that's the security that
16 we put along with this, using taxpayer money to say, "Yes,
17 you use it the right way and it's forgivable. So in essence
18 it is a grant."

19 So with that, I'll let anybody else speak. Thank
20 you.

21 DONNALEE LOZEAU: Thanks, Al. Joe?

22 JOE DOIRON: Donnalee, we have hand raised from

1 Lisa. Go ahead, Lisa?

2 LISA ENGLISH: Thank you. First, I want to echo
3 everyone, and thanking Donnalee and Bill for putting this
4 together. It makes complete sense to me. I like the
5 prioritization.

6 Because, quite frankly, the most difficult and
7 amorphous thing about this task of this committee to me has
8 been how would we actually assign numbers to this? And
9 instead, I've been trying to think of priorities.

10 And so, I think if we submit something like this
11 whenever we have it in its final form, once we've gone
12 through additional sectors if necessary, that the GOFERR
13 office and the Governor can put this together with what the
14 legislative group is doing, and perhaps they will actually
15 mesh and direct the thinking.

16 Because I wouldn't want to come in with numbers
17 which are contrary. I think we should defer to them.

18 So I really like this chart, because to me it
19 reflects a bottom-up approach, meaning we need to shore up
20 things -- and I've had this conversation with Donnalee, but
21 we need to shore up things like, you know, mortgage and rent
22 stabilization, the food supply chain, child care, so that

1 when we take care of those things -- or hopefully we do at
2 the highest priority, as well as in small businesses, that's
3 going to help them stay in business, and, you know, then
4 move up the food chain, if you will.

5 So again, I just wanted to thank you for taking
6 the time to put this together, and especially signing the
7 particular pass-through entities. I've learned a lot from
8 all of you, and from the presentation. So, again, thank you
9 very much. I think it looks great so far.

10 DONNALEE LOZEAU: You're welcome, thank you. And
11 thank you for all of your input. I appreciate the
12 conversations we've had.

13 LISA ENGLISH: Thanks.

14 DONNALEE LOZEAU: More hands up, Joe?

15 JOE DOIRON: Donnalee, we have a number. So we're
16 going to go next to Scott. Go ahead, Scott.

17 SCOTT MASON: All right, thank you. Yeah. I
18 mean, I -- this is a great chart, and I appreciate the work
19 that's gone into it. Donnalee, how do you anticipate us
20 engaging in discussion as far as setting these priorities?
21 Are we going to have a line-by-line discussion at some
22 point, or what's your thoughts on how to do that?

1 DONNALEE LOZEAU: Well, as you can appreciate, and
2 we've talked about a lot, our process is not necessarily
3 easy, particularly -- you know, you look at the legislative
4 group, and they're very accustomed to policymaking, as we
5 talked about in our meeting.

6 They're also accustomed to working with each
7 other, so their conversations, they kind of get where each
8 other goes. For our group, it's a little better more of a
9 challenge. We obviously understand the sectors that some of
10 us come from, but having that same line-by-line discussion
11 is a bit of a challenge.

12 What I thought about was presenting this the way
13 that we presented it, have discussion today, I'm sure some
14 of you will -- you know, sleep on it, and think of something
15 that you want to make sure we talk about, and then revisit
16 it on Thursday, where we could maybe find some that we agree
17 on.

18 If people take the time --

19 [Phone ringing, loud music]

20 JOE DOIRON: Hi there, this is Joe - whoever that
21 is, please mute your phone --

22 DONNALEE LOZEAU: Hello? And there's been plenty

1 of time to shut that phone off. Hello?

2 JOE DOIRON: Hello? So this is Joe in the GOFERR
3 office. If whoever is --

4 [Music stopped]

5 JOE DOIRON: -- playing music -- thank you. As a
6 reminder to everybody, please mute your phones unless if you
7 are speaking, thank you.

8 DONNALEE LOZEAU: Appreciate that. We were not
9 looking for a brief musical interlude. Anyway, so going
10 back to that question, Scott, so if we look down the timing
11 priority -- high, highest, higher, that list -- I think it
12 would be helpful for people between -- you know, today and
13 tomorrow to look at that and see if there are any that they
14 would categorize differently than we've done on this first
15 pass.

16 And then we'll see where we land. And then we'll
17 take it from there.

18 SCOTT MASON: Okay.

19 DONNALEE LOZEAU: Does that make sense?

20 SCOTT MASON: Yep, that makes sense to me. My
21 other question, just so I understand, when we get into
22 potential implementing agencies, when I -- your slash marks,

1 is that an "or" or is it going from BFA to using RDC
2 networks to other agencies, or are those slashes more of an
3 "or" or are they --

4 DONNALEE LOZEAU: No, we would expect that they
5 will be at least those and others.

6 SCOTT MASON: Okay. So it's not that you're going
7 to go from BFA to RDC --

8 DONNALEE LOZEAU: No.

9 SCOTT MASON: -- to, okay.

10 DONNALEE LOZEAU: Nope. Nope.

11 SCOTT MASON: Good. The shorter the chain the
12 better.

13 DONNALEE LOZEAU: Yep. Well then, I think that --
14 you know, some of it may very well depend on what the dollar
15 amount is, right? So small dollar amounts might be a quick,
16 easy thing out of one organization versus another, you know?

17 SCOTT MASON: Right.

18 DONNALEE LOZEAU: So however that might work. And
19 of course the BFA often uses banks. And having banks play a
20 role here with their resources would be helpful too, I
21 think.

22 SCOTT MASON: Yep. Okay. Thank you.

1 DONNALEE LOZEAU: You're welcome. Next, Joe?

2 JOE DOIRON: Donnalee, we have a hand raised from
3 Bill Ardinger. Go ahead, Bill.

4 BILL ARDINGER: Thank you, Joe. And thanks to
5 everybody for going through this process like this.
6 Donnalee, it takes a lot of guts for a Chair to put the
7 stuff on the table, in this very difficult situation where
8 you have to meet over the phone.

9 My comment relates to the -- to Jim's comment,
10 which is very good about the purpose of the program is
11 getting the money out there to businesses and other
12 recipients like, you know, our 26 hospitals, for example, in
13 the state. The one concern that I want to put in the back
14 of everyone's mind that I have is that whatever program
15 we've got, whether it's grant or loan, that we think about
16 how to structure it so that the chances for fraud or waste
17 or abuse are reduced.

18 Nothing could harm our recovery from the COVID
19 crisis more than structuring a program that, you know, may
20 have the best of intent to get the money out fast, to get it
21 out to small business for example, but that it ends up we
22 find out that we worked so hard to get it out fast, that we

1 didn't build in protection that protect the value of these
2 funds for the good of our state and our residents.

3 I just wanted to raise that concern that I'm
4 struggling with and get it on the table to the group. Thank
5 you.

6 DONNALEE LOZEAU: Thanks, Bill, I appreciate it.
7 I think that, you know, part of that is the double dip
8 conversation that we've been having. And some of it is the
9 Shake Shack Lakers discussion of -- in shorthand, pointed
10 out --

11 BILL ARDINGER: Absolutely.

12 COLLECTIVE: Thank you.

13 DONNALEE LOZEAU: -- that we talked about.

14 BILL ARDINGER: Donnalee, you put your finger
15 right on it. It's that kind of stuff that I think has
16 undermined public faith in recovery and relief efforts,
17 and I just hope that we can urge the GOFERR team and
18 the Governor and the legislative branch not to make
19 those mistakes to the extent we can avoid them.

20 DONNALEE LOZEAU: I agree. It's funny, Dean
21 Christon and I both remembered Edna Pearl Parr from
22 Legislature back in the day, like way back in the late

1 '70s or early '80s and she used to say, "Well, folks,
2 just want to be making sure we're helping the needy,
3 not the greedy." And, you know, actually I think we all
4 want to be careful about that.

5 You know, with all due respect, I'm not interested
6 in supporting a business that maybe last year made 15
7 percent in profit, and then this year it looks like they're
8 only going to make 3 percent.

9 I don't think it's our responsibility with these
10 kinds of dollars to try to make up their 12 percent loss in
11 profit, rather than these businesses that we're trying to
12 say, "Due to no fault of your own, we closed you, and now,
13 you know, you have no margin of profit even close to being
14 possible, until we can make you whole."

15 I think all of us feel that way, based on the
16 conversations we've been having. Joe? Next on the phone,
17 anybody?

18 JOE DOIRON: Donnalee, we have a growing list,
19 which is great. Again, 5*. We're going to go next to Ben.
20 Go ahead, Ben.

21 BEN WILCOX: Thanks, Joe, and thanks, Donnalee. I
22 agree with all the other comments on this format. I think

1 this is -- when I first got a glance at it, it really helps
2 put things into perspective similar to the legislative chart
3 that was put together.

4 And Scott raised my first question, which was how
5 we're going to prioritize this list, and any thoughts on
6 that process. And I think you answered that by saying you
7 wanted input from each of us on highest versus high, with
8 highest I'm assuming being we want to get some funds out
9 right away.

10 A couple other observations that -- some of which
11 have been shared already. On the "Profit" category, I think
12 the comment was made that that's a pretty huge bucket of
13 different sectors that sort of all fall into that bucket.
14 And so, we may want to think about that. I know the
15 Tourism market is the second largest industry in the state,
16 as far as collective. So just making sure that there's some
17 definition there.

18 And I thought it was really interesting, Bonnie's
19 presentation from New Hampshire Health and Education. She
20 had made a suggestion that potentially the GOFERR site could
21 be a -- sort of a conduit for the intermediary. So I get a
22 lot of questions on a daily basis about, "Well who do we

1 talk to for that funding source, and how -- you know, where
2 she the branch?"

3 And I thought that was a great suggestion. And
4 so, when we do prioritize these, and when that process gets
5 moving, I just thought that was worth noting.

6 And totally second, Jim Jalbert's comment about
7 the funds being grants, and if loans forgivable -- I've
8 talked to so many businesses that are not going to recover
9 from this, and this is recovery money more than stability
10 money, I think.

11 And Bill, your comment's right on, just making
12 sure it's all done in a sound fashion. So just observations
13 -- a lot of which was covered already. But hopefully we can
14 get the priorities straight. That would be great. Thank
15 you.

16 DONNALEE LOZEAU: Thanks, Ben. Joe?

17 JOE DOIRON: We have a question from Nancy. Go
18 ahead, Nancy.

19 NANCY MERRILL: Here we go. A lot of what I was
20 going to talk about has been covered. I really appreciate
21 the framework. It really is helpful, and it sort of makes
22 me want to go back and look at some of the prior testimony

1 as well, and see if there's anything else that we might want
2 to include in the list.

3 The presentations that we had from the funders in
4 the "For-Profit" column, they both talked about targeted
5 grant support. So I think that that is sort of included in
6 their thinking already, which is -- I hear that from several
7 other people on the line, so it's important to me as well.

8 My one question had to do with the in the non-
9 profit category, I think we're very specific on the food
10 bank and legal assistance. I'm a little concerned that
11 maybe our economic support grants for non-profits, that's
12 going to be a mighty big pool. I mean, there are a broad
13 range of needs in there.

14 So that was I think one thing I just wanted to
15 throw into the conversation, whether we needed to break that
16 out at all, or not. That's --

17 DONNALEE LOZEAU: You mean the fourth one under
18 item B?

19 NANCY MERRILL: The third.

20 DONNALEE LOZEAU: The third one, "Economic Support
21 Grants with conditions."

22 NANCY MERRILL: Yeah.

1 DONNALEE LOZEAU: Okay.

2 NANCY MERRILL: There's just such a broad group of
3 non-profits and needs, and everything from arts
4 organizations to -- you know, small groups that do all kinds
5 of important things in our community. So that -- I think
6 that's it for me.

7 I really agree with others. I thought that
8 Bonnie's comments on that conduit concept -- I really like
9 that as well. So that's it for me.

10 DONNALEE LOZEAU: Okay, thanks. You know, Nancy,
11 the point that you just made about wanting to go back and
12 look at testimony, I can actually really understand why you
13 would say that. I think one of the lenses that would be
14 helpful to use when -- you know, looking at this list again
15 is to say, "I'm concerned about X group, whatever it is --

16 NANCY MERRILL: Mm-hm.

17 DONNALEE LOZEAU: -- because I thought about the
18 arts as well, and would they fall under one of these
19 categories that we described. And if so, how do we make
20 sure that there's funding enough to take care of it. And I
21 think funding at different levels makes a difference too.

22 NANCY MERRILL: Yep.

1 DONNALEE LOZEAU: Because some organizations, you
2 know, \$20,000 could make all the difference in the world to
3 them.

4 NANCY MERRILL: I agree.

5 DONNALEE LOZEAU: And others, unless it's
6 \$200,000, they don't even want to ask.

7 NANCY MERRILL: Right.

8 DONNALEE LOZEAU: Because they know how big it is.
9 So I think that that's a good lens for the Board members to
10 use when looking at this list as well. Thank you.

11 NANCY MERRILL: Mm-hm.

12 DONNALEE LOZEAU: Joe?

13 JOE DOIRON: Donnalee, we have a few more hands.
14 And the next hand raised was Amy LaBelle. Go ahead, Amy.

15 AMY LABELLE: Good afternoon. My question is
16 relative to the For-Profit Business section of the grid.
17 And if anyone has kind of a ballpark number of For-Profit
18 Businesses in the state. I'm curious, you know, I know
19 there's going to be a lot of need. And what would that
20 \$100,000 dollars look like if -- you know, 80 percent of the
21 businesses apply for it? Thank you.

22 DONNALEE LOZEAU: Amy, what do you mean, \$100,000?

1 AMY LABELLE: I'm just looking at the grid, and it
2 looks and then otherwise the Legislative Board was
3 recommending \$100 million dollars you set aside. I'm just,
4 you know, looking at the relative categories and wondering
5 how to best use this money to make impacts.

6 And if anyone had a sense of how many businesses
7 would be applying -- you know, both on the non-profit I
8 think Nancy touched on as well as in the for-profit areas.
9 You know, if that \$100 million is going to be split among, I
10 don't know 10,000 businesses --

11 DONNALEE LOZEAU: Mm-hm.

12 AMY LABELLE: -- or, et cetera.

13 DONNALEE LOZEAU: I get it now. You threw me when
14 you said \$100,000. I think you meant the \$100 million that
15 you --

16 AMY LABELLE: I meant \$100 million. Thank you.

17 DONNALEE LOZEAU: That's okay. I'm like, geez,
18 did somebody put \$100 --? Okay. Yeah. I -- you know, I
19 think we do know the number of businesses in the state --
20 small, medium and large, actually.

21 And I -- I'm trying to recall if that was in the
22 BFA paperwork or the REDC responses, but I'll take a look

1 for where we can get that information, and I'll try to send
2 it out to everybody today if I can find an answer.

3 AMY LABELLE: Thank you, Donnalee.

4 DONNALEE LOZEAU: You're welcome. Joe?

5 JOE DOIRON: Donnalee, we have a hand raised from
6 Hollie. Go ahead, Hollie.

7 HOLLIE NOVELETSKY: Thank you. I just wanted to
8 throw in my support. I really like the template, and the
9 rankings as they've been identified. I think they put the
10 focus on life safety, and I think those do deserve the
11 highest priority.

12 I have a question on section C, where it talks
13 about loans and grants to small or midsize. Nowhere does it
14 mention larger sized businesses, and are they going to be
15 eligible for funding?

16 And the other question is, just looking at a
17 sector, I wasn't quite sure if it would fall under "For-
18 Profit" or "Not-for-Profit" would be animal welfare. I
19 would assume that would probably go under "Not-For-Profit."

20 DONNALEE LOZEAU: I think it would if they were a
21 not-for-profit. But if they're a -- let's say a veterinary
22 office that's a for-profit, they'd fall in the other

1 category.

2 HOLLIE NOVELETSKY: And then the larger sized
3 businesses?

4 DONNALEE LOZEAU: That's a good question. I think
5 we just -- most of the responses that I've gotten for people
6 were focused on small and mid-sized. So I think if you're a
7 large business, and as I used the example earlier, your for-
8 profit and your losing money, I don't see why you wouldn't
9 apply.

10 And that loss of money means real money, not loss
11 of profit.

12 HOLLIE NOVELETSKY: Right, right, related to
13 COVID.

14 DONNALEE LOZEAU: Right, exactly.

15 HOLLIE NOVELETSKY: Right.

16 DONNALEE LOZEAU: Good catch. Thank you.

17 HOLLIE NOVELETSKY: Thank you.

18 DONNALEE LOZEAU: Joe?

19 JOE DOIRON: Donnalee, we have a question from
20 Lisa. Go ahead, Lisa.

21 LISA ENGLISH: Oh, I'm sorry. I actually did not
22 have a question. I think I pressed the wrong button. My

1 apologies.

2 DONNALEE LOZEAU: As soon as we're perfect, we
3 won't need a human race anymore.

4 JOE DOIRON: Donnalee, we have a hand raised from
5 Jim Jalbert. Go ahead, Jim.

6 JIM JALBERT: Thank you, Joe. I wanted to discuss
7 real briefly your comment on what Bill said about fraud. I
8 think one of the things with -- and bring back PPP for a
9 second. One of the problems with PPP was the onus was put
10 more on the applicant rather than the lender in the process
11 of applying and getting the loan. And I think that's where
12 some of the problems came from.

13 I think whether you're for-Profit or not-for-
14 profit, one of our challenges has to be the process in terms
15 of what the application requires. And the financial
16 reporting -- you know, hopefully current financial
17 statements, current tax returns -- all of that would play a
18 role in separating a good applicant or a viable applicant
19 from someone who is not.

20 The second thing is, if we involve intermediaries
21 -- and Donnalee you had that, I'm looking at administrative
22 costs of distribution -- if we involve intermediaries, they

1 have to be reimbursed for their costs, especially if it's a
2 state agency.

3 And I am fearful that some of these agencies who
4 try to do this, it's really going to -- as it's -- I sit on
5 a community bank Board, and I can tell you that the costs
6 associated with PPP were significant, and given what they
7 were out of the gate paying lenders to process PPP, it was a
8 losing situation. So, you know, good recordkeeping, good
9 financials, coupled with a sound process makes a lot of
10 sense.

11 And finally, Donnalee, you did an amazing job
12 putting this out on the table. And bill, thanks for your
13 assistance. Clearly, this is the direction we need to go
14 in.

15 DONNALEE LOZEAU: Thank you. Okay, what does the
16 Board look like, Joe?

17 JOE DOIRON: Donnalee?

18 DONNALEE LOZEAU: Yep?

19 JOE DOIRON: Donnalee, we have a hand raised from
20 Michelle. Go ahead, Michelle.

21 MICHELLE MCEWEN: Hi, thank you. Just a question
22 -- maybe it's a process question -- and I'm speaking

1 specifically to Health Care, because obviously we didn't
2 hear them until today, and the categories were put together
3 for these purposes, and their ranking was put together prior
4 to hearing them today.

5 So what would be the process to readdress these?
6 I mean, we heard, you know, federal funding is only probably
7 going to cover a third of the losses of the hospitals. You
8 know, I hear -- I see this range as "Higher" rather than
9 "Highest" which means later, and I'm just concerned about
10 the timing of that.

11 So just can you recommend what process I should
12 take, so that we could address this. I mean, I hear you're
13 going to talk about it Thursday, but do you want comments in
14 advance?

15 DONNALEE LOZEAU: I do.

16 MICHELLE MCEWEN: How would you like to handle it?

17 DONNALEE LOZEAU: I do.

18 MICHELLE MCEWEN: Okay.

19 DONNALEE LOZEAU: I would love everybody to send
20 me -- and again, not as a group, because we can't conduct
21 business that way, but information that you send me with
22 your thoughts about this grid, your thoughts about what

1 level or priority, your thoughts about -- Michelle I think
2 you're saying much the same as Nancy, go back look at some
3 of the testimony.

4 You know, but we -- I have spent some time reading
5 some of the things that have been posted before today from
6 both the Legislative Board as well as the packet that went
7 out for today's meeting.

8 But any adjustments that any of you see, please by
9 all means let me know, and we'll add it to Thursday's
10 discussion as we try to, you know, get our arms around this
11 and get something out the door.

12 MICHELLE MCEWEN: Great. And then what about
13 comments and ideas about sort of the intermediaries I guess
14 we'll call them. And I agree with Jim Jalbert, I think, who
15 was just speaking about, you know, PPP probably didn't pay
16 the banks enough, because I'm also on a community bank
17 Board.

18 But at least they had a standard, you know, a
19 minimum, and then based on size there was a percentage, so
20 that it didn't matter what agency it went through, everybody
21 was getting compensated something similarly. You know, the
22 application -- I would think that would be a GOFERR work

1 product.

2 But I mean how far down do you want us to go into
3 these different thoughts and considerations?

4 DONNALEE LOZEAU: Well, I mean, I think to some
5 degree we get in the weeds enough to understand it, so we
6 can make good decisions. But as I like to say, I try not to
7 get in the weeds so deep that I need floss to get the bugs
8 out of my teeth, if you know what I mean?

9 So I do think that there's a division of where we
10 end and GOFERR picks up. But I do think that us saying that
11 there should be standards around that, you know, just like
12 conditions on the application. I think it's well within our
13 role to advise as it relates to things like that.

14 These are the things we want to make sure are
15 considered in every application. This is the way we think
16 we should manage the costs of the entities that are
17 distributing -- whether it's a state agency that has a cost
18 associated with it, because their work is still ongoing.

19 How do we do that so we make sure that it's
20 reasonable and fair without being, you know, like, if you
21 say to somebody, "Well your rate can't exceed, you know, 10
22 percent" and they are distributing \$200 million dollars,

1 think the world would be like, "Are you kidding me, that's
2 it's going to take \$20 million dollars to -- "

3 So I think we can make recommendations in a broad
4 sense about what our concerns are, and then I think the
5 responsibility to take it to that next step is more likely
6 the GOFERR staff.

7 And if I'm wrong, I'm sure I will hear about it
8 between now and Thursday, and I will let you know of any
9 mistakes I've made in declaring that.

10 MICHELLE MCEWEN: Thank you.

11 DONNALEE LOZEAU: You're welcome.

12 JOE DOIRON: Donnalee, we have a hand raised from
13 Scott Mason. Go ahead, Scott.

14 SCOTT MASON: Thank you. One of the things I kind
15 of missed when I was first looking at this is Column D,
16 timing/priority. I almost -- we were having discussions
17 before about timing of funding, and I'm not sure -- I don't
18 remember us actually finishing up. But should we be timing
19 funding to go along with the reopening? You know, there may
20 be some money that needs to be made available to go along
21 with reopening of the state and bringing people back.

22 And then also we talked about timing in more of a

1 -- you know, we'll spend 60 percent of the funds on the
2 first go-around, and then do a second go-around, reevaluate,
3 do a second go-around, reevaluate, and finish up with a
4 final go-around.

5 Should we split this "Timing and Priority" column
6 into two separate columns, so that we can have a discussion
7 about timing and a discussion about priority of the funding?

8 DONNALEE LOZEAU: Well, there's no reason that we
9 couldn't. You know, and I had put on the table --

10 SCOTT MASON: Oh, I'm making it too complicated.

11 DONNALEE LOZEAU: Well, I, -- what I -- so I was
12 heading that way. Like, you see some of the things that I
13 provide you. It's just a stream of thought for me.

14 SCOTT MASON: Yes.

15 DONNALEE LOZEAU: You know, my own questions,
16 right? I think we all do that. But I have to,
17 embarrassingly, put mine out there, to try to help us move
18 forward from meeting to meeting.

19 And so, initially, you know, one of the things
20 that we talked about was should we time it with the
21 reopening? So the hair salons, you know, some of those
22 things, you know, as the Governor's Task Force is making

1 recommendations, and he's making decisions.

2 But if we can -- but then I thought, that's making
3 it a little complicated. If we create the categories like
4 we've done on this spreadsheet, and they're up and ready to
5 go, and we -- it will be obvious I think to some degree, or
6 it could be a recommendation that -- you know, the first
7 ones, you know, in the application, one of the first things
8 we want to make sure that we ask is, you know. "Are you
9 open?" Right? So maybe [you're] an essential business?

10 "Are you opening in the next, you know, 14 days,
11 30 days?" you know; however we want to phrase that question
12 on the application, which would allow the entities
13 responsible for the distribution and processing the
14 applications, they could look at them in that way. Who
15 needs it right now, because they're opening? Or who's going
16 to close tomorrow, because they don't have it, and won't be
17 able to open.

18 So I think we could, we certainly can talk more
19 about it, but that was kind of my frame of reference on why
20 I thought the category might be right.

21 SCOTT MASON: I guess that's what I'm saying, as a
22 committee should we discuss it and make a decision on where

1 we think priorities should be as far as timing?

2 DONNALEE LOZEAU: Yep.

3 SCOTT MASON: Or should we just stick with
4 priorities, as far as what we think is the most important
5 thing to get accomplished?

6 DONNALEE LOZEAU: I think that from now until
7 let's say close of business tomorrow, when everybody's had a
8 chance to really look at this more closely and think it
9 through, I think that will become evident to people, and any
10 of you that think that we should do it differently or
11 consider something else, I would appreciate knowing ahead of
12 time, so I can put it out there for conversation.

13 Or I can say, you know, "14 of you told me that
14 you want to not split it in two, you want to focus on, you
15 know, the urgency of getting money out right away, and the
16 timing can be part of the application." You know, let me
17 know whatever that is, and I'll report back.

18 Does that help at all, Scott?

19 SCOTT MASON: Thank you.

20 DONNALEE LOZEAU: You're welcome.

21 JOE DOIRON: Donnalee we have a hand raised from
22 Dean.

1 DEAN CHRISTON: Actually, Joe, Donnalee's comments
2 have addressed what I was going to ask her or suggest, and
3 so, I am fine. Thank you.

4 JOE DOIRON: Donnalee, we appear to not have any
5 hands raised. We had a long list, but there --

6 DONNALEE LOZEAU: Great.

7 JOE DOIRON: -- does not appear to be further
8 hands raised.

9 DONNALEE LOZEAU: Well, thank you everybody. You
10 know, I've -- I know that we've all put a lot of thought
11 into this, and we've also all done a lot of reading, and
12 we've also all had a lot of conversations with people that
13 call us when they know the role that we're playing in some
14 of this.

15 And so that's part of what has, you know, informed
16 this document that you have today. As I said, earlier, it's
17 by no means the end of the conversation, and I would really
18 appreciate you taking the time to think it through, and, you
19 know, the sooner you can get comments to me, you know,
20 between today and tomorrow, the better. Because then I can
21 get out a revised document to people for a robust discussion
22 on Thursday, where we go from there.

1 The last item under the -- regarding
2 recommendations is the clarity on the December 31, 2020
3 Spend Compliance. Instead of taking that up, we did talk
4 about it a little bit before.

5 Joe, could you ask on your team if somebody could
6 really look into that for us, and tell us just how clear it
7 is, versus not?

8 Because I think that that is important to know as
9 well, not necessarily for what we're doing right now, but
10 for the application and for the people getting the money I
11 think they're going to want to know -- have a better
12 understanding of that. Could you maybe look at doing that,
13 so that we can get an update if you can have it by Thursday?
14 And if not, we'll just keep it on our list, does that make
15 sense?

16 JOE DOIRON: Absolutely. I can ask if Nancy
17 commit to join us Thursday. I just want to make sure that I
18 have -- I want to make sure that I'm able to communicate
19 effectively to Nancy to make sure that we address your
20 concerns to -- specifically, if you could just help me, what
21 is it that you would like for GOFERR to present to the Board
22 relative to that?

1 DONNALEE LOZEAU: Well, there's been a few
2 conversations around what that December 31 deadline means as
3 far as "Spend." So some people have said that it means that
4 if the money has been given to business X by December 31,
5 that's considered spent and, you know, how they finish
6 spending it within their business, as long as it meets the
7 compliance, that's not a problem.

8 Others have said no, it needs to be out and spent
9 by the recipients by December 31. It's that kind of
10 conversation that I want to have a better sense on. And we
11 may not have better guidance, and it might be one of those
12 things that comes out, you know, a little further down the
13 road here in the next couple of weeks, I don't really know.

14 But wherever we are -- and if there's a difference
15 of opinion. I appreciate Attorney Smith's opinion, but I
16 also know that sometimes more than one lawyer can think
17 about something differently. Imagine that, if we could.

18 So I just want to kind of know what's in the mix.

19 JOE DOIRON: Absolutely. I'll have a conversation
20 with Nancy. And fortunately, we have a bunch of lawyers
21 here on staff, so I'm always very careful what I say.

22 DONNALEE LOZEAU: I was very careful.

1 JOE DOIRON: So yes.

2 DONNALEE LOZEAU: Just saying, I like lawyers.

3 Some of my best friends are lawyers.

4 JOE DOIRON: And so --

5 DONNALEE LOZEAU: All right. So you know what I'm
6 asking. I'd appreciate it.

7 JOE DOIRON: Absolutely. Thank you. Because I
8 just wanted to make sure so that I can -- and so, the Board
9 knows. So we will get on that. Thank you, fair enough.

10 DONNALEE LOZEAU: Okay. Other discussion under
11 item 4? Anybody? Okay. I'm not aware of any other
12 business, unless somebody has some. We'll give it a -- 30
13 seconds I think is what it takes to raise your hand?

14 JOE DOIRON: Donnalee, we don't appear to have any
15 hands raised.

16 DONNALEE LOZEAU: All right. Our next meeting is
17 Thursday at 2:00 p.m. Agriculture will be on the agenda.
18 I'd like to thank Scott Mason for working on getting that
19 ready. And as I've put on the agenda, we're anticipating on
20 May 19 Tourism and Hospitality.

21 And Ben is working on that. I know he's reached
22 out to Al, and if there's anybody else that -- from the

1 Board that wants to touch base with Ben with any ideas, I'm
2 sure he will welcome then.

3 Friendly reminder that we want to keep the -- you
4 know, presentations to that 15-minutes a piece window, and
5 enough time to do some of our work after.

6 So with that, if there's nothing else, I'd like to
7 thank everybody for a very robust discussion today. It's
8 very helpful. Thank you.

9 COLLECTIVE: Thank you.

10 [End of Proceedings]