

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
and the Honorable Council

December 19, 2019
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00S-000010	GENERAL FUNDS	\$2,802,763	\$777,321	\$3,580,084
	Total:	\$3,675,039	\$777,321	\$4,452,360

EXPLANATION

The Department was appropriated a sum of \$350,000 and authorized an additional \$562,340, approved by the Fiscal Committee of the General Court on July 25, 2019, item FIS 19-169, and approved by the Governor and Executive Council on July 31, 2019, item #99, for a total of \$912,340, to utilize for general litigation expenses for Fiscal Year 2020. The Department estimates it will need an additional \$1,197,630 to cover on-going legal processes through the end of Fiscal Year 2020.

The Department will incur significant litigation costs in the Criminal Bureau for investigations and prosecutions of homicides, death-resulting drug cases and Medicaid Fraud cases. The Department anticipates that it will incur estimated expenses for various lab tests, crime scene evaluations and expert reviews for upcoming hearings and trials. The Department also anticipates incurring expenses relating to discovery, depositions, experts, and retention of counsel in the course of defending civil claims against the State. The Consumer Bureau will continue to incur significant costs with respect to a proposed affiliation between health systems and expects to be partially reimbursed by the parties involved. Those reimbursements will be received as revenue and will offset General Funds. The Department also anticipates costs for litigation for the Environmental Protection Bureau, the Transportation and Construction Bureau, and the Charitable Trust Unit.

The Department incurred costs with respect to proposed affiliations between health systems. Since July 1, 2019, the Department received partial reimbursement, in the amount of \$367,465 for the Exeter Health/Wentworth Douglas/Mass General proposed merger and \$52,844 for the Dartmouth Hitchcock/GraniteOne merger, for a total of \$420,309. **Requested Action #1** requests permission to utilize those reimbursement funds (Non General Funds) to offset litigation costs through June 30, 2020. **Requested Action #2** requests permission to utilize \$777,321 in General Funds to further offset litigation costs through June 30, 2020.

Please let me know if you have any questions regarding this request. Your consideration is greatly appreciated.

Respectfully submitted,


Gordon J. MacDonald
Attorney General