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May 19, 2025

The Honorable Kenneth Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

Dear Chairman Weyler and Members of the Committee,

On April 18, 2025, prompted by the attached letter from Senate President Sharon Carson, we were asked by the Fiscal Committee to review the finances and operations of the Youth Development Center Claims Administration and Settlement Fund (the Settlement Fund) established in RSA 21-M:11-a. The Legislature established the Settlement Fund to provide a less adversarial process to compensate victims of abuse while avoiding the time and costs associated with litigating hundreds of lawsuits. We gained an understanding of the Settlement Fund claims process by reviewing relevant laws, policies, data, and conducting interviews with key Settlement Fund personnel. We thank both the Youth Development Center Claims Administration (YDCCA) Administrator and the New Hampshire Attorney General for their timely cooperation, without which this review would not have been possible.

This review was not an audit conducted in accordance with *Government Auditing Standards*, but is research as specified in RSA 14:31, III. We believe this review contains sufficient information to help facilitate the Legislature's budgeting and oversight responsibilities. As a result of our work, we are providing the following: a summary of results, background information on the claims process, and answers to the Committee's questions from the April 18, 2025 letter.

Sincerely,

Christine Young, CPA
Director of Audits



The Senate of the State of New Hampshire

107 North Main Street, Concord, NH 03301-4951

April 18, 2025

Mr. Michael Kane
Legislative Budget Assistant
Office of Legislative Budget Assistant
State House Room 102
Concord, New Hampshire 03301

Dear Mr. Kane,

The Joint Legislative Fiscal Committee is requesting more information concerning the operations and finances of the New Hampshire Youth Development Center Claims Administration and Settlement Fund established in RSA 21 M:11-a. Pursuant to RSA 14:31, III, we are asking your office to conduct a comprehensive review of the finances and operations of this fund since its creation.

This review should include, but not be limited to, questions such as:

- Funds allocated to and paid from the fund each year;
- Claims filed each year;
- Claims accepted and reviewed each year;
- Claims settled each year including:
 - Amount of settlement,
 - Term of settlement,
 - Amount paid to attorneys per settlement,
 - Whether attorneys were paid in the same term as claimants,
- An amortization schedule of approved settlements over the remainder of the settlement terms including interest;
- Standard of evidence required; and
- Unsettled claims to date.

As you know, the fund administrator is requesting additional funds in order to continue its operation, which will be considered as part of the overall state budget. Accordingly, it is requested that you provide a preliminary report by May 19, 2025 and a final report by June 6, 2025.

Sincerely,

A handwritten signature in cursive script that reads "Sharon M. Carson".

Sen. Sharon Carson
Senate President

Executive Summary

System Of Controls Is Implemented

The Legislature established the Settlement Fund claim process with numerous controls to safeguard State resources while providing compensation to former residents who were found to have been abused at certain State facilities. The Legislature also approved the detailed policies and procedures on how the Settlement Fund should be administered by State officials and consultants. During our review of the Settlement Fund, co-managed by the YDCCA Administrator and the Attorney General, we found the claims process was well-documented and appeared to operate in compliance with laws and policies.

Quarterly Reports Are Accurate

During our review of the finances and operations of the Settlement Fund, we verified the total of all claim payments reported in Settlement Fund Quarterly Reports agree to the claim payments reported in the State accounting system. We also verified a sample of claim payments were reviewed and approved by the YDCCA Administrator and Department of Justice (DOJ), and that payments agreed to the settlement awards. Each claim was handled by multiple State officials and consultants, which provided built-in supervision and segregation of duties throughout the processing of the claim. These controls provided a degree of assurance that the number, type, and amount of settlement awards were accurate.

Claims Data Tracking Processes

Claim data currently resides in two databases – MS Access and a claims management system (CMS) platform. YDCCA staff intend to migrate legacy data from the MS Access database to CMS in Fall 2025. Additionally, YDCCA and DOJ staff acknowledged the current process for monitoring settlement awards and payments through various MS Excel worksheets will not be sufficient to monitor the Settlement Fund and execute installment payments in the future. YDCCA staff reported exploring options to address the anticipated issue in collaboration with the DOJ.

Detailed Expenditure Data Tracking

Based on a review of allocation and payment data in the State's accounting system and detailed information tracked by either the YDCCA or DOJ, we were able to provide additional or more detailed information on the nature of the claims processed, on expenditure information related to claims and associated operational costs, and on the breakout of amounts paid to claimants and law firms for resolved claims. In addition, the DOJ tracks claims resolved with installment plans, including the breakout of the term for claimant payment and the term for legal fees to be made, which is described in this letter.

Background

RSA 21-M:11-a established the Settlement Fund on May 27, 2022, with a focus on developing an alternative resolution process to litigation that is both victim-centered and trauma-informed. YDCCA's mission is to "give life to the statutory language and guidelines, by providing trauma-informed processes and voluntary non-litigation resolution options for impacted former [Youth Development Center (YDC)] residents in a fair, efficient and victim-centered manner." Figure 1 on page 3 presents a timeline of events which had an impact on the Settlement Fund process.

Only "former YDC residents" who were personally subjected to sexual abuse or other abuse can file a claim. RSA 21-M:11-a, I(f) defines former YDC resident as "an individual who resided at the YDC *at any time*." [emphasis added] RSA 21-M:11-a, I(m) provides the following clarification for applicable YDC facilities:

...the Youth Development Center, as identified in RSA chapter 621, including its renamed or successor entity, the Sununu Youth Services Center, and any predecessor entity performing the function of housing or providing services to children who are the subject of delinquency proceedings, children in need of services proceedings, whether pre- or post-adjudication, including the State Industrial School, the Anna Philbrook Center, the Tobey Special Education School, as well as the temporary detention facility identified in RSA 621-A as the youth services center and also referred to at times as the youth detention services unit, YDSU, or the ADC.

Incarcerated Claimants

Some claimants are or have been in correctional facilities. The YDCCA, in collaboration with the New Hampshire Department of Corrections, ensure residents have the opportunity to file claims. The YDCCA keeps claimants' locations up to date so they can be reached during and after the claims process. Therefore, the number of claimants residing in a correctional facility changes daily. On May 5, 2025, there were 198 claimants in a correctional facility, of which 181 (91.4 percent) resided in New Hampshire.

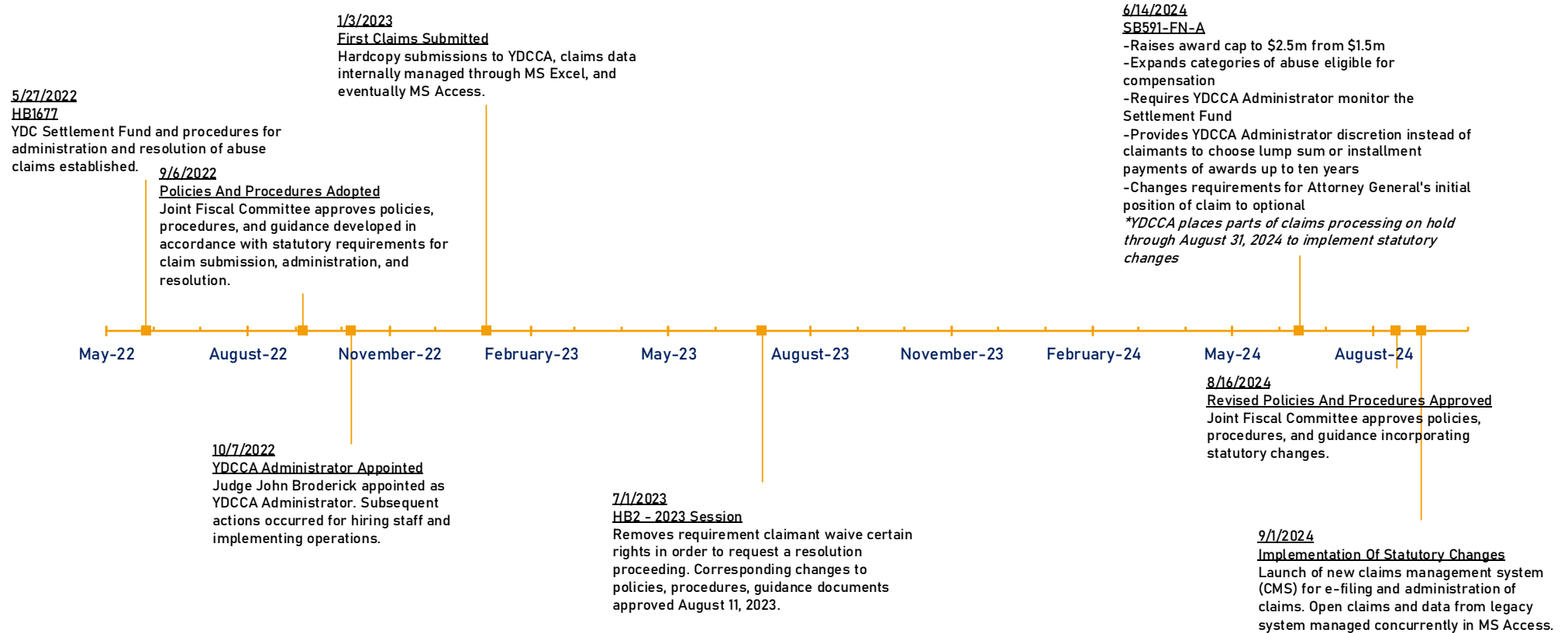
Period Of Allegations And Pending Litigation

According to the YDCCA Administrator, claimants who attended a resolution proceeding through April 2025 ranged in age from 19 to 78 years old. Allegations of abuse dated back to 1967 with more frequent allegations occurring in the 1980s and 1990s. As of April 29, 2025, there were 659 claims filed with a related litigation case. A *Notice of Filing of Claim and [Partial] Stay* is filed with the courts while claimants go through the YDCCA process. If claimants accept the Administrator's final decision, the claim is resolved, and pending litigation related to the allegations in the claim ends. Claimants who do not accept the decision may continue litigation.

Figure 2 on page 4 is an overview of the three stages of the current claims process after statutory changes took effect in June 2024.

Figure 1

Timeline Of Significant Events

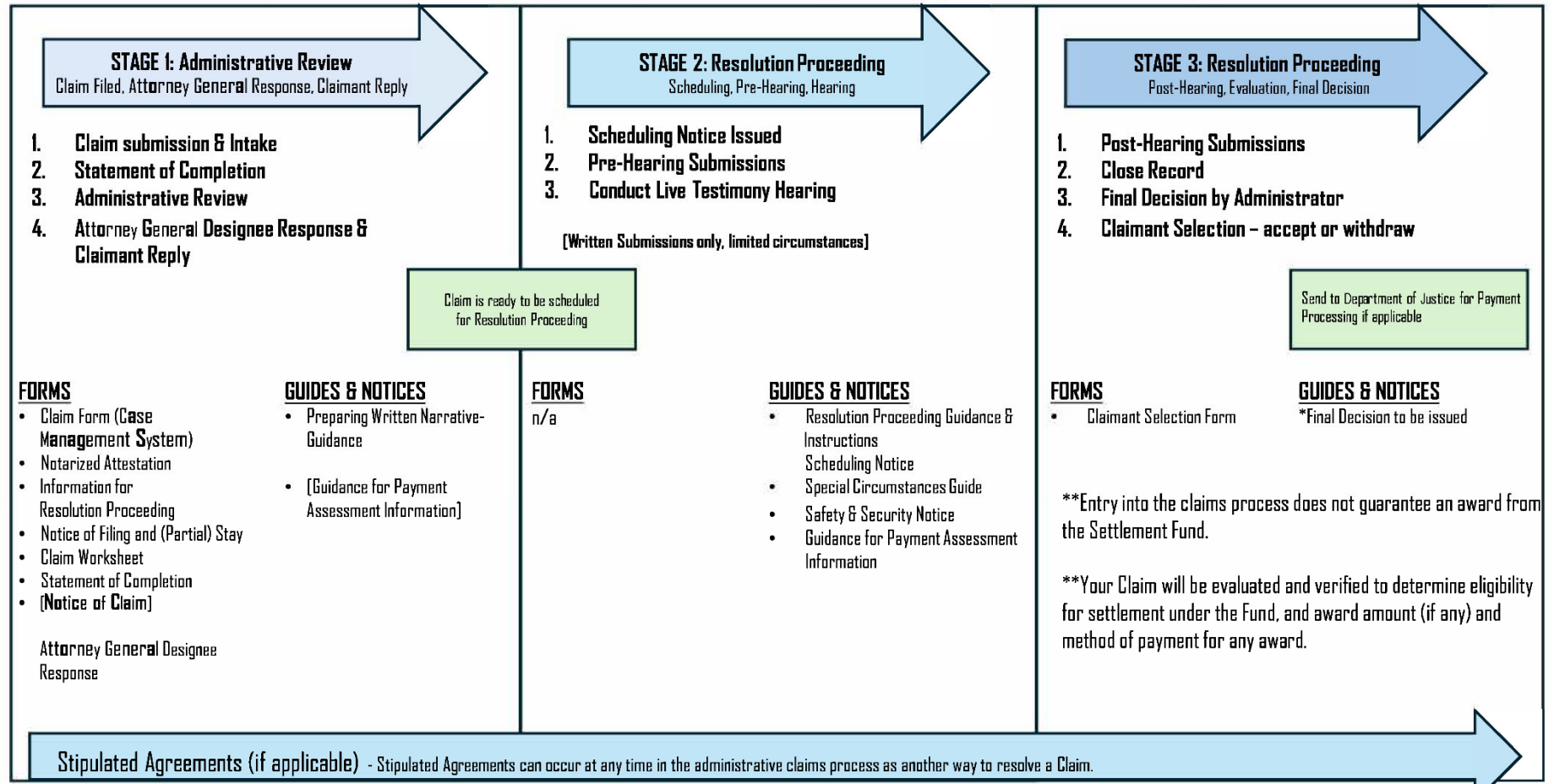


Source: LBA analysis of Settlement Fund activities.

Figure 2

Stages of the Claims Process

*Requirements of the administrative claims process for parties to follow are in **Legal Documents** posted on the Resources & Forms page of our website



Source: YDCCA website (<https://www.ydcclaims.nh.gov/resources-forms>) with minor LBA edits.

I. Funds Allocated To And Paid From The Fund Each Year

Table 1

Settlement Fund Appropriations And Expenditures As Of March 31, 2025

State Fiscal Year (SFY)	Total Appropriations	Claim Payments	Administrative Costs ^{1, 2}	Total Expenditures
2023	\$100,000,000	\$1,670,000	\$255,828	\$1,925,828
2024	60,000,000	71,333,000	3,505,534	74,838,534
2025 ³	-	50,175,753 ⁴	3,218,938	53,394,691
Total	\$160,000,000⁵	\$123,178,753	\$6,980,300⁶	\$130,159,053

Notes:

¹ Includes consultant contracts, certain salaries and benefits, rent, etc. for both the YDCCA and DOJ.

² Other salary and benefits, such as those of the Attorney General (AG) designee, are not charged to the Settlement Fund and are excluded from this amount.

³ Includes first three quarters of the fiscal year.

⁴ Does not include claims that have been settled but have yet to be paid from the Settlement Fund.

⁵ Five million in additional appropriations was approved after March 31, 2025, by the Joint Fiscal Committee and Governor and Council.

⁶ 38.4 percent of the total administrative costs are attributable to YDCCA and 61.6 percent to DOJ.

Source: LBA review of Statements of Appropriations.

II. Claims Filed Each Year

Table 2

Number Of Claims Filed As Of March 31, 2025

SFY	Claims
2023	92
2024	460
2025 ¹	583
Total²	1,135

Notes:

¹ Includes first three quarters of the fiscal year.

² Includes 31 claims dismissed for procedural reasons or withdrawn by claimant.

Source: YDCCA data.

III. Claims Accepted And Reviewed Each Year

Once a claim is filed, YDCCA performs an administrative review of the claim for initial eligibility and completeness. YDCCA assigns a “complete date” for eligible and complete claims and forwards all documentation to the AG designee at the DOJ for further processing. Table 3 shows the number of claims assigned a complete date each SFY. The remaining 256 claims filed during the same period had yet to be determined complete as of March 31, 2025.

Table 3

Number Of Claims Assigned A Complete Date As Of March 31, 2025

SFY	Claims
2023	49
2024	339
2025 ¹	491
Total	879

Note:

¹ Includes first three quarters of the fiscal year.

Source: YDCCA data.

Notice Of Claim

Table 3 does not include claimants that have filed a *Notice of Claim* with the YDCCA and not a subsequent completed claim. As of March 31, 2025, 71 *Notices of Claim* were filed, of which 24 subsequently became filed claims, and 47 were still pending a claim filing. Per RSA 21-M:11-a, VIII(a), “a claimant shall have 60 days from the filing of a notice of claim to file a complete claim form that includes all information the claimant wishes to submit to the administrator and states the amount of compensation sought by claimant.” Therefore, a *Notice of Claim* may be filed through June 30, 2025, and YDCCA could continue to receive complete claims through August 29, 2025.

IV. Claims Settled Each Year Including:

A. Amount Of Settlement

As of March 31, 2025, 296 claims were settled for an average award amount of \$543,000. Table 4 includes award amounts with interest for resolved claims by SFY with the portions of those paid or pending payment. Figure 3 provides the range of award amounts including interest for claims settled.

Table 4

**Award Amounts Of 296 Resolved Claims
As Of March 31, 2025**

SFY	Award
2023	\$4,887,500
2024	90,740,000
2025 ¹	65,013,642
Total	\$160,641,142
Awards Paid And Pending Payment	
Paid	\$123,178,753
Pending	\$37,462,389 ²

Notes:

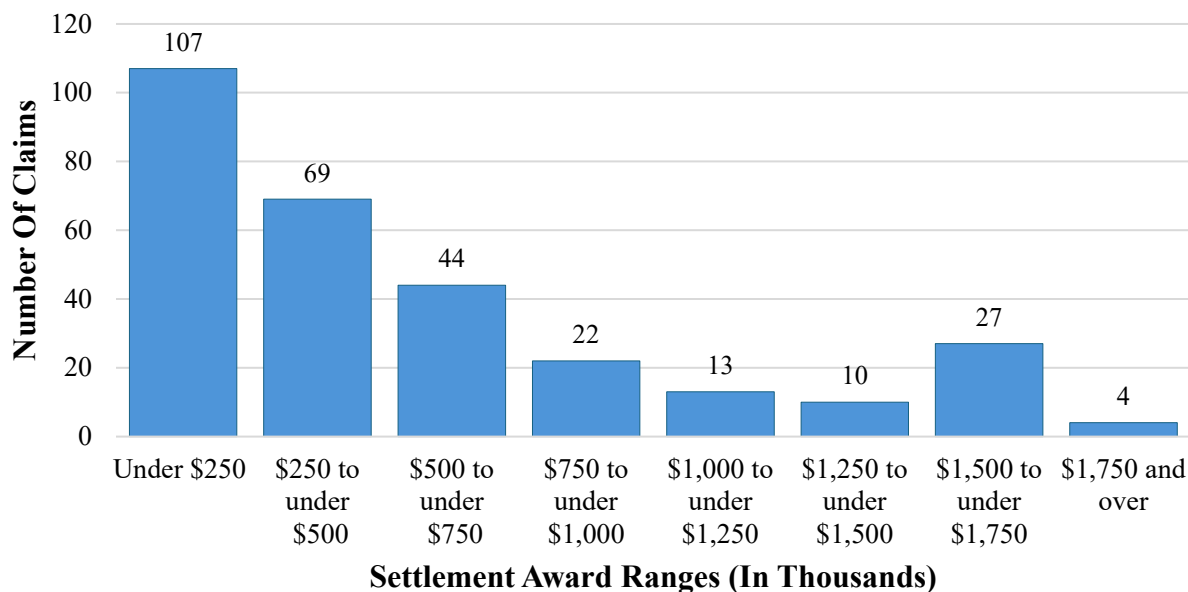
¹ Includes first three quarters of the fiscal year.

² Includes installments to be paid in future fiscal years.

Source: LBA review of DOJ data, YDCCA data, and Statements of Appropriations.

Figure 3

**Range Of 296 Settlement Award Amounts
As Of March 31, 2025**



Source: LBA analysis of DOJ and YDCCA data.

B. Terms Of Settlement

Since June 14, 2024, RSA 21-M:11-a, XII(a) provides the YDCCA Administrator discretion “to determine whether a claim should be paid as a lump sum or through periodic payments *based on a totality of claimant’s circumstances, including, but not limited to, claimant’s health and financial circumstances.*” [emphasis added] Statute limits the Administrator to authorize award amounts within available appropriations, and no more than \$75,000,000 in claims may be paid out each SFY. These both must also be considered when determining a lump sum or installment payment. Previous legislation left the decision to the claimant which YDCCA staff reported was always a lump sum payment. RSA 21-M:11-a, XI limits installment periods up to ten years. Claimants may agree to payments terms with either the DOJ should they choose to settle before a resolution proceeding, or the YDCCA Administrator if a resolution proceeding is requested.

Guidance for Payment Assessment Information available on the YDCCA website outlines how a claimant should submit information regarding their circumstances for the Administrator to consider. Information must be submitted as a statement or declaration signed under oath by the claimant with supporting documentation for any health, financial, or other related circumstances such as a loan.

The YDCCA Administrator reported considering the value of the award after legal fees are paid and preliminarily associates larger amounts with a longer installment period. Then, each claimant’s life circumstances are considered such as their health (e.g., terminal illness), living situation (e.g., homeless), education and financial capabilities of the claimant, settlement loans, and other circumstances that may put receiving the award payments at risk. The Administrator does not consider other circumstances such as car loans, child support obligations, overdue rent, or financial goals (e.g., purchasing a home) when deciding payment terms. The claimant’s counsel is required to sign an affidavit certifying that all information is accurate. The affidavit also includes agreement on whether loans or debts exist, and that settlement loans will be discharged with available award money.

Table 5 shows payment terms for claimants receiving installments, number of claimants for each payment term, and total award amounts associated with those installment payment terms. Of the 296 claims settled through March 31, 2025, 80 claimants were paid in installments and the remaining 216 received lump sum payments.

Table 5

**Claimant Awards Paid In Installments
As Of March 31, 2025**

Years Of Payment Term	Number Of Claimants	Total Award Amount Over Payment Term^{1, 2}
2	15	\$2,937,226.00
3	19	6,336,638.60
4	16	8,122,428.00
5	10	5,833,569.41
6	7	5,499,536.54
7	5	5,400,254.00
8	2	2,305,262.00
9	1	1,179,383.00
10	5	6,988,381.00
Total	80	\$44,632,678.55

Notes:

¹ Does not include attorney fees. See Table 7 for attorney fees.

² Includes five percent annual interest.

Source: LBA analysis of DOJ data.

Number Of Settlement Loans Not Reviewable

Submitting information for the Administrator to consider payment terms was not a necessary part of the claims process before June 14, 2024, and is currently optional. The claimant may submit as little or as much information as they choose. Additionally, if supporting documentation is submitted, no data regarding claimant circumstances is tracked. Therefore, we could not reliably collect and identify how many claimants received private settlement loans.

C. Amount Paid To Attorneys Per Settlement

RSA 21-M:11-a, XV allows the YDCCA Administrator to approve reasonable attorney fees up to 33.33 percent of the award amount. All attorney fees we reviewed appeared statutorily compliant with the 33.33 percent limit. According to DOJ data provided on April 29, 2025, the average of all attorney fees, for both Administrator decisions and AG designee agreements, was 30.80 percent of the award amount.

According to procedures approved by the Joint Fiscal Committee, the Administrator uses Rule 1.5 Fees section of the *New Hampshire Rules of Professional Conduct* as a guide to determine a reasonable percentage for the attorney fee. Factors to consider include the following:

- time, labor, and skill required to perform the legal service;
- opportunity cost of taking on the engagement;
- fee usually charged for similar legal services in the surrounding area;
- amount of award requested and amount settled;
- time limitations imposed by the client or circumstances;
- nature and length of the professional relationship with the client;
- experience, reputation, and ability of the lawyer; and
- whether the fee is fixed or contingent.

The Administrator reported also considering efforts made to prepare a claimant to file a claim and for a resolution proceeding; assistance to ensure efficiency in a resolution hearing, such as providing security and technology; trauma-informed support provided to the claimant; and amount of legal work for a claim with related litigation, if applicable. Claims processing procedures require the claimant to provide the Administrator a copy of the fee agreement with the attorney, provide a fee affidavit detailing the time and work spent on a claim, and ensure the affidavit is updated for the final evaluation of the claim.

D. Whether Attorneys Were Paid In The Same Term As Claimants

Attorneys are generally not paid on the same terms as claimants. Statute does not clearly provide the same authority to the Administrator to exercise discretion for attorney payment terms as determining lump sum or installments for the claimant's award. However, YDCCA staff have encouraged law firms to agree to installments for their fees up to a three-year period. Table 6 lists 18 law firms which have agreed to receive fees in installments up to three years, and the number of claimants each represents as of May 5, 2025. RSA 21-M:11-a, VII(c) requires the Administrator publish names of attorneys or law firms willing to consult with individuals when deciding whether to file a claim, which the YDCCA has included on its website.

Table 6

**Law Firms Agreeing To Receive Installments
As Of May 5, 2025**

Law Firm	Number Of Claimants¹
A	536
B	124
C	76
D	33
E	31
F	30
12 Law firms representing 1-14 claimants each	43
Total	873

Note:

¹ Includes both resolved and unresolved claims.

Source: YDCCA staff.

Some law firms reportedly agreed to receive installments when YDCCA staff first began outreach while others agreed much later. For example, Law Firm B submitted an agreement in September 2024, while Law Firm A, which represents the largest number of claimants, submitted an agreement on March 26, 2025. Law firms representing a remaining 44 claimants have not provided agreements.

Table 7 shows attorney fee payment terms, number of claims, and total attorney fees associated with those installment payment terms.

Table 7

**Attorney Fees Paid In Installments
As Of March 31, 2025**

Years Of Payment Term	Number Of Claims	Attorney Fees Over Term¹
2	6	\$423,855.00
3	22	5,926,745.35
4	1	107,320.00
Total	29	\$6,457,920.35

Note:

¹ Includes five percent annual interest.

Source: DOJ data.

For 207 other claims, both the attorney and client received a lump sum payment, with attorney fees totaling approximately \$30 million. Additionally, 50 claims had attorney fees totaling \$11,186,831 in lump sum payments while their clients were receiving an award in installment payments. Award amounts for claimants with installment payments are available in Table 5.

V. Amortization Schedule Of Approved Settlements Over The Remainder Of The Settlement Terms Including Interest

Prior to June 14, 2024 legislative changes, all claimants exercised their discretion in choosing lump sum payments for settlement awards. Subsequently, the Administrator was authorized to determine terms of settlement payments up to ten years with calculated interest. RSA 21-M:11-a, XII(b) requires "...all claims that are paid in periodic installments... shall include a calculation of interest on all deferred payments.... of 5 percent of the remaining unpaid amount of the award per annum for each year of repayment, which shall be compounded annually."

For the first three quarters of SFY 2025, installment payments were made totaling \$26 million – \$13 million to claimants and \$13 million for attorney fees. The first-year payment does not include interest in accordance with statute. Attorney fees appear disproportionately high in SFY 2025 due to the fees being paid over a shorter term than for the claimants. See Table 5 for claimant awards paid in installments and Table 7 for attorney fees paid in installments. Table 8 provides the amortized schedule of future installment payments including interest for resolved claims as of March 31, 2025.

Table 8

**Future Installment Claim Payments
As Of March 31, 2025¹**

SFY	Claimant Amounts	Attorney Fees	SFY Total
2026	\$8,365,717	\$2,214,515	\$10,580,232
2027	7,139,000	2,002,095	9,141,095
2028	5,413,385	26,770	5,440,155
2029	3,450,064	-	3,450,064
2030	2,559,882	-	2,559,882
2031	1,697,857	-	1,697,857
2032	1,047,245	-	1,047,245
2033	796,592	-	796,592
2034	678,333	-	678,333
Total	\$31,148,075	\$4,243,380	\$35,391,455²

Notes:

¹ All amounts provided will increase based on settlement awards made during the fourth quarter of SFY 2025, and any future fiscal year awards.

² Includes payment plans sent to claimants that the DOJ anticipates will be accepted.

Source: DOJ data.

VI. Standard Of Evidence Required

RSA 21-M:11-a, VII(a) restricts filing a claim to any former YDC resident who was personally subjected to sexual abuse or other abuse. For a claim to be considered complete, claimants must submit the documents in Table 9. If a claim is not found eligible or only partially eligible (e.g., majority of allegations occurred at an inapplicable facility, but some remaining allegations are associated with an applicable facility), claimants may choose to withdraw from the process. According to the 2025 *Quarter One* report, 31 of 1,135 filed claims (2.7 percent) have been withdrawn or dismissed for procedural reasons as of March 31, 2025.

We identified various controls throughout the Settlement Fund claims process to help ensure claims were credible, complete, and accurate thereby reducing the risk of fraud.

Table 9

Documentation Necessary To Assess Completeness And Eligibility

Document Or Information	Required Or Optional	Description
Claim Form	Required	The electronic form is available through the claim management system (CMS). Claims must be filed through the CMS on the YDCCA website unless otherwise arranged.
Written Narrative Guidance	Required	Guidance for the claimant's preparation of the written narrative, which is required for a complete claim submission. It can also include the claimant's victim impact statement.
Notarized Attestation Of Claimant	Required	Form to declare under oath, upon penalty of perjury, that the information provided in the claim and all information submitted in support of the claim is true and correct.
Information for Resolution Proceeding Form	Required	This will assist staff with scheduling a resolution proceeding with information about the claimant's special circumstances, request for type of resolution proceeding, victim advocate, etc.
Notice Of Filing Of Claim And (Partial) Stay	Required when applicable	This is required when filing a claim that also involves a related lawsuit in court. It indicates that a claimant has an existing lawsuit against the State of New Hampshire but is choosing to pursue a settlement at this time. Once the Administrator certifies this form, it will be filed in court by the Attorney General's Office and become part of the public record
Claim Worksheet	Optional	Filing this worksheet is strongly encouraged. It helps a claimant determine what they may identify as a total claim amount to seek from the Settlement Fund. The <i>Guidelines for Valuing Claims for Settlement Purposes</i> explains how to determine a total claim amount. However, claimants can also provide an estimate of a total claim amount without using the valuation worksheet, but all valuations completed by the AG designee and YDCCA Administrator follow the <i>Guidelines for Valuing Claims for Settlement Purposes</i> to calculate a total award amount.

Other Supporting Documents For A Claim	Optional	It is strongly encouraged for a claimant to provide documents to support a claim when possible. This will help the Administrator verify and evaluate a claim. The <i>Claims Process for Administration of the YDC Settlement</i> lists the types of helpful documents. These include medical records, mental health records, diaries or journals; photographs; statements from witnesses, and written impact statement.
Statement Of Completion; Includes Statement Of Eligibility	Required	The completion form is required for YDCCA staff to begin administrative review of a claim. This form (1) lists all materials submitted for the claim; (2) requires eligibility information, (3) identifies the efforts taken to locate supporting documentation; and (4) affirms that all information the claimant wishes to submit to the Administrator has been provided. After the claimant submits this form, YDCCA will review the materials to assess if the claim is administratively complete and ready for evaluation. The <i>Statement of Completion</i> includes a section called "Eligibility as a Former YDC Resident." The claimant <u>must</u> provide a written response identifying information relied on for asserting eligibility.

Note: Additional documents are listed on the YDCCA website to assist claimants in preparing and submitting their claim.

Source: LBA review of YDCCA website.

YDCCA Administrative Review

We identified the following controls for determining a claim initially eligible and complete.

- RSA 21-M:11-a, VII(f) requires claims to be submitted under oath. Any claimants who submitted false claims may be referred to an appropriate law enforcement agency. Claimants are required to submit with their claim a notarized oath and acknowledgement that all information and documents are truthful and correct to the claimant's knowledge under the penalty of perjury.
- An administrative review is conducted by contractors from Affiliated Monitors Inc. (AMI), which specializes in claims administration, and YDCCA staff trained to determine that the claim is both initially eligible and complete. AMI reported conducting a risk assessment which included assessing fraud risks to inform the development of the administrative review process and CMS.
- AMI reported all claims are first reviewed to ensure duplicates are not filed by checking names, dates of birth, social security numbers, and photo identification. The authenticity

of documentation is verified. Some examples include: 1) photo identification must be valid and have a clear picture of the claimant; 2) the *Notarized Attestation of the Claimant* is reviewed to ensure the notary's name is associated with a real person, and the license is active with a valid number; and 3) verifying the claimant sent a request to the Department of Health and Human Services for resident files of a YDC facility. The claim is further evaluated for completeness in the CMS. The database features an option to flag any documentation for further scrutiny if anything is incomplete or cannot be validated. The database also has a robust audit trail to track all access and changes made to a claim. Any questionable or unverifiable documentation are immediately addressed directly with the claimant or their counsel. No claim can be determined administratively complete to move forward in the process until all concerns or issues have been addressed.

For claims determined initially eligible and administratively complete, YDCCA notifies the claimant and AG designee, and subsequently forwards the completed claim to the AG designee for the next assessment to determine their initial position.

AG Designee Review And Initial Position

Prior to June 14, 2024, statute *required* the AG designee provide the claimant and YDCCA Administrator its position as to whether the AG designee agreed fully or partially with the claim. The position included the AG designee's valuation of the total award. RSA 21-M:11-a, VIII(d) now makes the requirement *optional*. However, except for providing the total award value in the AG designee's letter sent to the claimant, the practice remains substantially in place to provide the AG designee's position as an "information statement" indicating areas of agreement or disagreement.

We identified the following controls for determining the AG designee's initial position.

- DOJ contracts with Verrill Dana, a law firm, to review administratively complete claims provided by the YDCCA to additionally assess completeness and eligibility, evaluate each allegation of abuse for potential compensation, and provide a preliminary recommendation to the AG designee for areas of agreement or disagreement and a total award value calculated using *Guidelines for Valuing Claims for Settlement Purposes*. Verrill Dana also assisted the DOJ in related civil litigation cases and the development of the Settlement Fund claims process prior to the establishment of the YDCCA office.
- RSA 21-M:11-a, VIII(d) allows the AG designee to indicate whether additional records are needed and if the YDCCA Administrator should refer any aspect of the claim to a fact facilitator for further investigation. The AG designee has requested a referral to a fact facilitator in certain cases. However, RSA 21-M:11-a, VIII(f) specifies claims should only be referred to a fact facilitator if the Administrator believes "written submissions *and live testimony in a resolution proceeding* will not sufficiently answer a question that is material to the administrator's final determination of the claim." [emphasis added] YDCCA staff reported requests have not been granted by the Administrator to conduct an additional independent investigation because statute requires timely processing of claims, and the resolution proceeding uses trauma-informed professionals to address verification and

credibility questions in addition to controls throughout the claims process. Contracts for these professionals include fact facilitation in the scope of work should it ever be needed. Resolution proceeding controls are discussed in the next section.

- The AG designee reviews each claim, a summary of the claim, and corresponding recommendation from Verrill Dana to ensure the DOJ agrees with Verrill Dana's evaluation or whether changes are needed prior to sending the claimant its position. Substantive claims with potentially higher award amounts are also reviewed with the Attorney General.
- If the claimant chooses to settle with the DOJ without a resolution proceeding, then an agreement is made with the Attorney General's approval and sent to the YDCCA Administrator for a final review for accuracy, and then a signed decision is sent to the claimant to respond. YDCCA staff reported trained legal and financial personnel also review all DOJ agreements prior to obtaining the Administrator's signature.

Resolution Proceeding

RSA 21-M:11-a, IX(a) allows a claimant to request the Administrator hold a resolution proceeding to provide additional testimony. During resolution proceedings, a YDCCA hearings team (Administrator or Assistant Administrator, staff person, and contracted trauma-informed professional); claimant, counsel, and advocate or social worker; and DOJ representative (AG designee or Verrill Dana) attend the resolution proceeding which is generally held at the law firm of claimant's counsel. However, the DOJ representative observes the proceeding remotely and does not actively participate in the hearing portion.

We identified the following controls regarding the YDCCA Administrator determining a final decision.

- Prior to the resolution proceeding, the Administrator reviews the claim and all documentation submitted throughout the process and for the proceeding, including the AG designee's initial position and supporting documentation.
- RSA 21-M:11-a, VIII(a) specifies testimony is provided under oath, which YDCCA staff administer for the resolution proceeding.
- A trauma-informed professional, that has "expertise with individuals who have suffered physical and sexual trauma sensitive to the associated difficulties in recalling and expressing abuse," conducts the interview and asks most of the questions, but the Administrator may also ask questions. A YDCCA staff person observes and takes notes of the meeting to include in considerations for the Administrator's final decision.
- Following the hearing, there is an opportunity for the DOJ and claimant's counsel to provide any additional information or input for the Administrator's consideration. There is also an opportunity for either side to request the trauma-informed professional ask additional questions, which the Administrator has discretion to approve or deny based on materiality to the claim. The claimant is not present for these discussions.

- Once the hearing ends, the YDCCA team convenes to review and discuss all documentation, observations from the hearing, and DOJ and claimant counsel's input to inform the final decision-making process.
- Professional judgment contributes to determining credibility. In addition to decades of relevant professional experience, the Administrator reported identifying patterns in cases which contribute to determining credibility of allegations (i.e., connections in time periods, locations, types of allegations against specific staff, etc.). Trauma-informed professionals provide input following the hearing for the Administrator to consider in the decision-making. YDCCA staff also received training from trauma-informed professionals for administering the claims process and resolution proceedings.
- The YDCCA team reported being careful to ensure allegations were compensable, or under the correct category in law for compensation. If a claimant alleges abuse such as solitary confinement, YDCCA determines whether the circumstances were justified under the law. Additionally, both the DOJ and YDCCA reported each allegation must be supported. For example, a claimant may provide credible details for three instances of abuse, but the claimant stated it routinely happened each week during a six-month residency. Only the three instances could be found compensable, not the additional alleged abuse.
- The Administrator makes a final determination of which allegations are found credible and compensable, and a calculation of the total award is made using the *Guidelines for Valuing Claims for Settlement Purposes*. YDCCA staff reported trained legal and financial personnel also review all decisions for accuracy prior to obtaining the Administrator's signature and issuing the final decision to the claimant to accept or withdraw.

VII. Unsettled Claims To Date

RSA 21-M:11-a, V provides monetary limits on certain allegations of abuse, with the total award amount not to exceed \$2,500,000. Prior to June 14, 2024, the total award amount could not exceed \$1,500,000. Claimants are encouraged to complete the *Guidelines for Valuing Claims for Settlement Purposes* approved by the Joint Fiscal Committee to calculate a potential settlement award amount based on applicable compensable allegations under RSA 21-M:11-a. However, claimants can also provide an estimate of a total claim amount without using the guidelines, which results in some claimants seeking an amount greater than the statutory limit. Regardless, all subsequent valuations are completed by the AG designee and YDCCA Administrator in accordance with the approved guidelines.

According to YDCCA data, 808 of the 1,135 claims filed (71.2 percent) were pending resolution as of March 31, 2025, for a total requested award amount of \$1,111,580,306. These include award amounts claimants requested above the statutory limit. Of the 296 claims resolved as of March 31, 2025, claimants sought \$309,230,525, which were eventually settled for a total of \$156,343,215 excluding interest.