



**THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

21 SOUTH FRUIT STREET SUITE 14
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

October 10, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
And the Honorable Executive Council
State House
Concord, NH 03301

Requested Action

1. Pursuant to RSA 14:30-a, VI, authorize the Insurance Department to accept and expend federal grant funds in the amount of \$398,777.00 for FY 2015 from the U.S. Department of Health and Human Services ("USDHHS") for the purpose of improving the rate review process. This action is to be effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2015. 100% Federal Funds.
2. Pursuant to RSA 124:15 authorize the Insurance Department to establish a Class 046 (Consultants) to enter into contracts for consulting services with various vendors in Account Number 02-24-24-2400-59300000 for the period of Fiscal Committee and Governor and Executive Council approval through June 30, 2015.

Funds will be budgeted as set forth in the table below. Source of funds: 100% Federal Funds.

FY 2015-2017 Health Insurance Premium Review Cycle IV Grant
02-24-24-2400-59300000

Fiscal Year 2015		
Class	Description	New Appropriation
20	Current Expense	\$2,100
46	Consultants	\$383,452
50	Personal Services Part Time Temp	\$12,285
60	Benefits	\$940
	Total Appropriation	\$398,777
	Source of Funds	
0	Federal Funds	\$398,777

EXPLANATION

The New Hampshire Insurance Department has received a federal grant to support improving the health insurance premium rate review process and transparency related to health insurance premiums and medical care costs in New Hampshire. The Health Insurance Premium Rate Review Grant –Cycle IV is made available pursuant to Public Law 111-148 (The Patient Protection and Affordable Care Act). The purpose of the grant program is to help make private health insurance more accessible and affordable and to increase the transparency of the health insurance system by providing grants to states to help them improve the health insurance rate review process. Specifically, the Insurance Department will use these funds to improve the rate review process by enhancing the rate review filing requirements; improving the data submission process and market conduct oversight; enhancing the NH health claims database, the Comprehensive Health Information System (CHIS) and the NHHealthcost.org website for publishing medical pricing; improving the transparency of the information from a consumer perspective; reaching out to additional audiences with medical pricing information; developing provider payment reform options for consideration by policymakers; and supporting the fulfillment of the Department’s regulatory responsibilities in the area of health policy.

The Insurance Department currently reviews health insurance premium rates, and has been deemed to be an effective rate review state by USDHHS. We are requesting the acceptance of this grant in the amount of \$398,777 to allow for the continuation of the efforts to improve our health insurance rate review process during FY 2015.

The following appropriation authority is being requested for Fiscal Year 2015:

1. Class 020 – Current Expenses – FY15 - \$2,100. These funds are required in order to provide general supplies to the part-time employee, conference call between the department and consultants, and miscellaneous expenses (postage, printing).
2. Class 046 – Consultants – FY15 - \$383,452. These funds are required to hire consultants to perform quantitative analysis of various data sources, create futuristic models of the insurance marketplace, improve the transparency of information for consumers, and enhance the HealthCost website as a centralized location for health care price information.
3. Class 050 – Personal Services – PT Temp – FY15 - \$12,285. These funds are set aside in order to pay the part time employee to administer the grant program.
4. Class 060 – Benefits – FY15 - \$940. These funds are necessary for the payroll contributions for the part-time employee.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

1. List of personnel involved: This federal grant will continue to fund a part time temporary position of Grants and Contracts Technician (Labor Grade 15). We are using the Supplemental Job Description that was approved by the Director of Personnel on December 1, 2010. This position is currently funded by the "Grant to Support States in Health Insurance Rate Review" Grant Cycle II which ends 09/30/2015 and Rate Review Grant Cycle III which ends 09/30/2015. A copy of the director's approval is attached.

Upon Fiscal Committee and Governor and Executive Council approval, the Insurance Department will award contracts to various vendors and pay them from the Consultants line item.

2. Nature, need, and duration: The position of Grants and Contracts Technician will be serving as the financial records assistant, maintaining all financial records and creating requisite financial reports for the grant. The Department will also employ various contractors to work on this project. Funding for this position and various consultant contracts will be good through June 30, 2015.
3. Relationship to existing agency program: The funds from this federal grant will be used to enhance Insurance Department functions related to our existing health insurance premium rate review process. Funds will be used to improve the transparency of cost drivers in the New Hampshire health insurance system by providing the means to improve current data sources and in turn the health insurance rate review process.

4. Has a similar program been requested of the legislature and denied? The nature of the work to be completed under the grant has never been requested and denied by the General Court.

5. Why wasn't funding included in the agency's budget request? The September 19, 2014 notification of the federal government's funding of this grant occurred after the 2014/2015 state budget closed.

6. Can portions of the grant funds be utilized? 100% of federal grant funds can be used to fund the personnel costs and all program costs associated with this request.

7. Estimate the funds required to continue this position(s): There will be no cost to the State of New Hampshire associated with this position or any consultants as all will terminate at the end of the grant period.

FISCAL SITUATION

U.S. Department of Health and Human Services Grant	\$1,179,000.00
FY2015 Requested Appropriation	\$398,777.00
FY16 Agency Budget Request	\$583,191.00
<u>FY17 Agency Budget Request</u>	<u>\$197,032.00</u>
Total Appropriations	\$1,179,000.00

In the event that federal funds become no longer available, General Funds will not be requested to support this program. Thank you for your consideration.

Respectfully submitted,



Roger A. Sevigny

Enclosures

SUPPLEMENTAL JOB DESCRIPTION

Classification: Grants and Contracts Technician
Position Title: Bookkeeper – Grants
Position Number: 9TEMP

Function Code: 4863-024
Date Established: 12-1-10
Date of Last Amendment:

SCOPE OF WORK:

Develop and administer a combination of fiscal and technical support (including bookkeeping), for federally funded grants awarded to the New Hampshire Insurance Department. Provide fiscal management, budget development, account monitoring, analysis, and reporting; maintain financial data and personnel data entry relative to grant funded activities. 100% of this position's 20 hour work week is devoted to the implementation of the Federal Affordable Care Act. .

ACCOUNTABILITIES:

- Completes regular and ongoing systematic analysis of business processes to ensure compliance with State of New Hampshire and Federal requirements and applicable auditing standards with respect to federal grant administration.
- Implements and monitors Insurance Department and federal grant financial and administrative procedures, including monitoring and reporting on federal grant budgets and expenditures.
- Complies with federal and state requirements for internal controls to monitor cash receipts and expenditures for federal grant funds.
- Prepares various State of New Hampshire and Federal financial and business reports, related to federal grant funds.
- Ensures appropriate audit trails, and properly completes assigned State of New Hampshire and Federal financial tasks.
- Completes financial reporting and data entry into applicable systems for Federal grant fund receipts and expenditures.
- Completes accounting tasks and financial reporting procedures in compliance with State of New Hampshire and federal grant requirements.

MINIMUM QUALIFICATIONS:

EDUCATION : Associate's degree from a recognized college or technical institute with a major study in business administration, accounting, or public administration, or related field. Each additional year of approved formal education may be substituted for one year of required work experience.

EXPERIENCE: Two years' experience in responsible office or business management activities with experience in grants and/or contracts processing or review. Each additional year of approved work experience may be substituted for one year of required formal education.

LICENSE/CERTIFICATION: None required

PREFERRED QUALIFICATIONS: Experience with, and training in the Lawson System and Excel software applications. Bookkeeping or business administration involving financial recordkeeping and reporting, preferably with federal grant bookkeeping and/or financial accounting experience preferred.

DISCLAIMER STATEMENT: The supplemental job description lists typical examples of work and is not intended to include every job duty and responsibility specific to a position. An employee may be required to perform other related duties not listed on the supplemental job description provided that such duties are characteristic of that classification.

SIGNATURES:

I have reviewed the above job description with my supervisor.

Employee's Name and Signature

Date Reviewed

Supervisor's Name and Title: _____

The above supplemental job description accurately describes this employee's job responsibilities and duties.

Appointing Authority/Supervisor

Date

Jennifer J. Elberfeld MR

12-1-10

Division of Personnel

Date Approved

1. DATE ISSUED MM/DD/YYYY 09/19/2014	2. CFDA NO. 93.511	3. ASSISTANCE TYPE Project Grant
1a. SUPERSEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded		
4. GRANT NO. 1 PRPPR140070-01-00 Formerly	5. ACTION TYPE New	
6. PROJECT PERIOD From MM/DD/YYYY 09/19/2014	Through MM/DD/YYYY 09/18/2016	
7. BUDGET PERIOD From MM/DD/YYYY 09/19/2014	Through MM/DD/YYYY 09/18/2016	

Department of Health and Human Services
Centers for Medicare & Medicaid Services
Office of Acquisitions and Grants Management
7500 Security Boulevard
Baltimore, MD 21244-1850

NOTICE OF AWARD

AUTHORIZATION (Legislation/Regulations)
Section 2794 of the Public Health Service Act (Section 1003 of the
Affordable Care Act)

8. TITLE OF PROJECT (OR PROGRAM)
Grants to States to Support Health Insurance Rate Review and Increase Transparency in the Pricing of

9a. GRANTEE NAME AND ADDRESS State of New Hampshire Insurance Department 21 S Fruit St -DUP3 Concord, NH 03301-2428	9b. GRANTEE PROJECT DIRECTOR Mr. Alexander K. Feldvebel 21 S Fruit St Concord, NH 03301-2428 Phone: (603)271-2261
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10a. GRANTEE AUTHORIZING OFFICIAL Mr. Alexander K. Feldvebel 21 S Fruit St Concord, NH 03301-2428 Phone: (603)271-2261	10b. FEDERAL PROJECT OFFICER Ms. Susan Lorden 200 Independence Ave Sw Rm 738-G Washington, DC 20201-0004 Phone: (301)492-4162
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ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)		12. AWARD COMPUTATION	
I Financial Assistance from the Federal Awarding Agency Only		a. Amount of Federal Financial Assistance (from item 11m) 1,179,000.00	
II Total project costs including grant funds and all other financial participation <input checked="" type="checkbox"/>		b. Less Unobligated Balance From Prior Budget Periods 0.00	
a. Salaries and Wages	35,100.00	c. Less Cumulative Prior Award(s) This Budget Period 0.00	
b. Fringe Benefits	2,685.00	d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION 1,179,000.00	
c. Total Personnel Costs	37,785.00	13. Total Federal Funds Awarded to Date for Project Period 1,179,000.00	
d. Equipment	0.00	14. RECOMMENDED FUTURE SUPPORT	
e. Supplies	0.00	(Subject to the availability of funds and satisfactory progress of the project):	
f. Travel	0.00	YEAR	TOTAL DIRECT COSTS
g. Construction	0.00	a. 2	d. 5
h. Other	7,179.00	b. 3	e. 6
i. Contractual	1,134,036.00	c. 4	f. 7
j. TOTAL DIRECT COSTS	1,179,000.00	15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:	
k. INDIRECT COSTS	0.00	a. DEDUCTION	
l. TOTAL APPROVED BUDGET	1,179,000.00	b. ADDITIONAL COSTS	
m. Federal Share	1,179,000.00	c. MATCHING	
n. Non-Federal Share	0.00	d. OTHER RESEARCH (Add / Deduct Option)	
		e. OTHER (See REMARKS)	
		16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARING AGENCY OR THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:	
		a. The grant program legislation	
		b. The grant program regulations	
		c. This award notice including terms and conditions, if any, noted below under REMARKS	
		d. Federal administrative requirements, cost principles and audit requirements applicable to the grant.	
		In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.	

REMARKS (Other Terms and Conditions Attached - Yes No)

Refer to the following Award Attachments: 1) Standard Terms and Conditions 2) Programmatic Terms and Conditions

GRANTS MANAGEMENT OFFICER: Michelle Feagins, Grants Management Officer

17. OBJ CLASS 4115	18a. VENDOR CODE 1026000618M1	18b. EIN 026000618	19. DUNS 808591051	20. CONG. DIST. 02
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION
21. a. 4-5992933	b. PRPPR0070A	c. IPR	d. \$1,179,000.00	e. 75X0112
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.