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**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

December 18, 2015

The Honorable Neal M. Kurk, 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

Pursuant to RSA 9:16-c, Transfer of Federal Grant Funds, authorize the Insurance Department to reduce the appropriated funds down by \$162,608 to the grant fund balance available from the U.S. Department of Health and Human Services ("USDHHS") (Health Insurance Premium Review Grant) and to realign the remaining appropriation for FY 2016 effective upon Fiscal Committee and Governor and Council approvals. 100% Federal Funds.

Funds will be budgeted as set forth in the table below.

FY 2015-2017 Health Insurance Premium Review Grant
02-24-24-2400-59780000

Fiscal Year 2016				
Class/Acct.	Description	2016 Adjusted Authorized	Requested Action	Revised Appropriation
20-500200	Current Expense	\$5,086	(\$3,824)	\$1,262
27-502799	Transfers to DOIT	\$10,416	(\$10,416)	\$0
30-500311	Equipment New Replacement	\$14,975	(\$14,975)	\$0
41-500801	Audit Set Aside	\$8,396	(\$7,366)	\$1,030
46-500464	Consultants	\$410,052	(\$240,039)	\$170,013
48-500226	Contractual Maint Build	\$700	(\$700)	\$0
49-500294	Transfers to Other Agencies	\$0	\$155,000	\$155,000
50-500019	Personal Services Part Time Temp	\$9,089	(\$4,849)	\$4,240
60-500611	Benefits	\$618	(\$293)	\$325
62-500537	Workers Compensation	\$10,834	(\$10,834)	\$0
66-500555	Employee Training	\$3,125	(\$3,125)	\$0
69-500567	Promotional Marketing Exp.	\$4,705	(\$4,705)	\$0
70-500709	In State Travel Reimbursement	\$3,483	(\$3,482)	\$1
80-500710	Out Of State Travel Reimbursement	\$13,000	(\$13,000)	\$0
	Total Appropriation	\$494,479	(\$162,608)	\$331,871
	Source of Funds			
	Federal Funds	\$494,479	(\$162,608)	\$331,871

EXPLANATION

The New Hampshire Insurance Department received a federal grant from the USDHHS to improve health insurance rate filing requirements, enhance consumer protection standards related to health insurance premium rate filings, provide additional IT capacity for processing, to review health insurance premium rate filings, and for reporting to the US Secretary of Health and Human Services on health insurance premium rate increase patterns. The Health Insurance Premium Rate Review Grant – Cycle II 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 increase the transparency of the health insurance system by providing grants to states to help them improve the health insurance rate review process. The Insurance Department currently reviews health insurance premium rates, and has been deemed to be an effective rate review state by the USDHHS. However, the grant enhances current efforts and provides greater transparency and public input into the rate approval process.

This action is required due to the reversal of Fiscal Item #15-168 (August 26, 2015) and Governor and Council Item #42 (September 16, 2015) that was approved during the Continuing Resolution and the need to ensure sufficient funding in accounts prior to final reconciliation of the program which was completed by September 30, 2015. All program costs were expended prior to the completion date. This true-up request will re-align the budget for the final disposition of the program. The requested adjustments to the expense classes are a result of the overall request to decrease the FY 16 appropriation by \$162,608 and the need to create a Class 049 to support an inter-agency transfer of \$155,000 to the New Hampshire Department of Health and Human Services.

The following appropriation authority is being requested for Fiscal Year 2016:

1. Class 020 – Current Expenses – FY16 - \$1,262. These reduced 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 027 – Transfers to DOIT – FY16 - \$0. Funding eliminated.
3. Class 030 – Equipment New/Replacement – FY16 - \$0. Funding eliminated.
4. Class 041 – Audit set aside – FY16 - \$1,030. These reduced funds are required in order to meet audit costs associated with the grant program.
5. Class 046 – Consultants – FY16 - \$170,013. These reduced funds are required for 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.

6. Class 048 – Contractual Main Building – FY16 - \$0. Funding eliminated.
7. Class 049 – Transfer to Other State Agencies –FY16 - \$155,000. Appropriation is needed to allow for the transfer of funds to the New Hampshire Department of Health and Human Services to support NH Comprehensive Health Care Information System (NHCHIS) data consolidation efforts. MOA between NHID and NHDHHS.
8. Class 050 – Personal Services – PT Temp – FY16 - \$4,240. These reduced funds are set aside in order to pay the budgeted part time employee to administer the grant program.
9. Class 060 – Benefits – FY16 - \$325. These reduced funds are necessary for the payroll contributions for the part-time employee.
10. Class 062 – Workers Compensation – FY16 - \$0. Funding eliminated.
11. Class 066 – Employee Training – FY16 - \$0. Funding eliminated.
12. Class 069 – Promotional Marketing Exp. – FY16 - \$0. Funding eliminated.
13. Class 070 – In State Travel Reimbursement – FY16 - \$1.
14. Class 080 – Out of State Travel Reimbursement – FY16 - \$0. Funding eliminated.

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 funds 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, Rate Review Grant Cycle III which ends 09/30/2016, Rate Review Cycle IV which ends 9/18/2016, and CY2014 Level I Establishment Grant which ends 12/31/2015.

The Insurance Department funds existing vendors and pays them from the Consultants line item.

2. Nature, need, and duration: The position of Grants and Contracts Technician serves as the financial records assistant, maintaining all financial records and creating requisite financial reports for the grant. The Department also employs various contractors to work on this project.

3. Relationship to existing agency program: The funds from this federal grant are used to enhance Insurance Department functions related to our existing health insurance premium rate review process. Funds are 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? This request is due to changes in the project.

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

Grant Award Cycle I (Net)	\$520,196
Cycle I Amount Spent (Fiscal Year 2012)	(\$520,196)
Grant Award Cycle II	\$3,564,938
Less Amount Spent Fiscal Year 2012	\$146,105
Less Amount Spent Fiscal Year 2013	\$1,537,591
Less Amount Spent Fiscal Year 2014	\$820,201
Less Amount Spent Fiscal Year 2015	<u>\$729,170</u>
Grant Balance Remaining	<u>\$331,871</u>
FY2016 Approved Appropriation	\$494,479
FY2016 This Request	<u>(\$162,608)</u>
Total FY2016 Appropriation	<u>\$331,871</u>

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

1. DATE ISSUED MM/DD/YYYY 08/08/2014
 2. CFDA NO. 93.511
 3. ASSISTANCE TYPE Project Grant

Department of Health and Human Services
 Centers for Medicare & Medicaid Services
 Office of Acquisitions and Grants Management

7500 Security Boulevard
 Baltimore, MD 21244-1850

1a. SUPERSEDES AWARD NOTICE dated 11/09/2011
 except that any additions or restrictions previously imposed remain
 in effect unless specifically rescinded

NOTICE OF AWARD

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

4. GRANT NO. 4 PRPPR120031-01-02
 Formerly
 5. ACTION TYPE Post Award Amendment
 6. PROJECT PERIOD From 10/01/2011 Through 09/30/2015
 7. BUDGET PERIOD From 10/01/2011 Through 09/30/2015

8. TITLE OF PROJECT (OR PROGRAM)
 Grants to Support States in Health Insurance Rate Review Grant Cycle II

9a. GRANTEE NAME AND ADDRESS
 State of New Hampshire Insurance Department
 21 S Fruit St
 Concord, NH 03301-2428

9b. GRANTEE PROJECT DIRECTOR
 Mr. Alexander Feldvebel
 21 South Fruit Street
 Concord, NH 03301-0000
 Phone: 6032712261

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

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)	
I Financial Assistance from the Federal Awarding Agency Only	
II Total project costs including grant funds and all other financial participation	
a. Salaries and Wages	99,967.00
b. Fringe Benefits	51,715.00
c. Total Personnel Costs	151,682.00
d. Equipment	25,200.00
e. Supplies	0.00
f. Travel	16,500.00
g. Construction	0.00
h. Other	128,556.00
i. Contractual	3,243,000.00
j. TOTAL DIRECT COSTS	3,564,938.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	3,564,938.00
m. Federal Share	3,564,938.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION	
a. Amount of Federal Financial Assistance (from Item 11m)	3,564,938.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	3,564,938.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
13. Total Federal Funds Awarded to Date for Project Period	3,564,938.00

14. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project)			
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:

a. DEDUCTION
 b. ADDITIONAL COSTS
 c. MATCHING
 d. OTHER RESEARCH (R&D / Devoted Option)
 e. OTHER (See REMARKS)

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDOING 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 staff requirements applicable to this 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)

This Notice of Award approves the 12 Months No Cost Extension as per the grantees request dated August 6, 2014.

GRANTS MANAGEMENT OFFICER: Gabriel Nah

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.	1-5992933	b.	PRPPR0031A	c.	IPR	d.	\$0.00	e.	75X0112
22. a.		b.		c.		d.		e.	
23. a.		b.		c.		d.		e.	

1. DATE ISSUED MM/DD/YYYY 10/25/2011	2. CFDA NO. 93.511	3. ASSISTANCE TYPE Project Grant
1a. SUPERSEDES AWARD NOTICE dated 08/31/2011 except that any additions or restrictions previously imposed remain in effect unless specifically rescinded		
4. GRANT NO. 6 IPRPR100026-01-02 Formerly	5. ACTION TYPE Post Award Amendment	
6. PROJECT PERIOD From 08/09/2010 Through 03/31/2012		
7. BUDGET PERIOD From 08/09/2010 Through 03/31/2012		

Department of Health and Human Services
Centers for Medicare & Medicaid Services
Office of Consumer Information and Insurance Oversight
Grants, Contracts and Integrity Division
7501 Wisconsin Ave West Tower
Room 10-15
Bethesda, MD 20814-6519

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)
2010 Grants to States for Health Insurance Premium Review-Cycle I

9a. GRANTEE NAME AND ADDRESS
State of New Hampshire Insurance Department
21 S Fruit St Ste 14
Concord, NH 03301-2428

9b. GRANTEE PROJECT DIRECTOR
Ms. Leslie Ludtka
21 S Fruit St Ste 14
Concord, NH 03301
Phone: 603-271-7973 ext 246

10a. GRANTEE AUTHORIZING OFFICIAL
Ms. Leslie Ludtka
21 S FRUIT ST STE 14
CONCORD, NH 2428
Phone: 603-27-7973

10b. FEDERAL PROJECT OFFICER
Ms. Jacqueline Roche
200 Independence Ave Sw Rm 738-G
Washington, DC 20201
Phone: 202-260-6094

11. APPROVED BUDGET (Excludes HHS Direct Assistance)

I HHS Grant Funds Only

II Total project costs including grant funds and all other financial participation

a. Salaries and Wages	0.00
b. Fringe Benefits	0.00
c. Total Personnel Costs	0.00
d. Equipment	0.00
e. Supplies	3,000.00
f. Travel	0.00
g. Construction	0.00
h. Other	373,000.00
i. Contractual	624,000.00
J. TOTAL DIRECT COSTS	1,000,000.00
k. INDIRECT COSTS (rate of)	0.00
L. TOTAL APPROVED BUDGET	1,000,000.00
m. Federal Share	1,000,000.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION FOR GRANT

a. Amount of HHS Financial Assistance (from Item I frg)	1,000,000.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	1,000,000.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
12. Total Federal Funds Awarded to Date for Project Period	1,000,000.00

14. RECOMMENDED FUTURE SUPPORT
(Subject to the availability of funds and satisfactory progress of the project):

YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORDANCE WITH ONE OF THE FOLLOWING ALTERNATIVES:

a. DEDUCTION
b. ADDITIONAL COSTS
c. SAVING
d. OTHER RESEARCH (AM / Debit Option)
e. OTHER (See REMARKS)

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, HHS ON 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 cited above.
b. The grant program regulations cited above.
c. This award notice including terms and conditions, if any, noted below under REMARKS.
d. HHS Grants Policy Statement including addenda in effect as of the beginning date of the budget period.
e. 45 CFR Part 74 or 45 CFR Part 92 as applicable.

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)

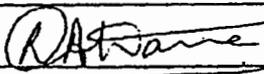
This Notice of Award approves the budget revisions as per the grantee's request date August 11, 2011.

GRANTS MANAGEMENT OFFICER: Michelle Feagins, Senior Grants Management Specialist

17. OBJ CLASS 4121	18a. VENDOR CODE 1026000618M1	18b. EIN 026000618	18. DUNS 808591051	20. CONG. DIST. 02
FY-ACCOUNT NO. 0-199RE19	DOCUMENT NO. IPRPR0026A	ADMINISTRATIVE CODE IPR	AMT ACTION FIN ASST \$0.00	APPROPRIATION 75040112
21. a.	b.	c.	d.	e.
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted Office of Acquisition and Grants Management		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) 6 IPRPR100026-01-02		Page 1	of pages		
3. Recipient Organization (Name and complete address including Zip code) State of New Hampshire Insurance Department, 21 South Fruit St, Suite 14, Concord, NH 03301							
4a. DUNS Number 8085910510000	4b. EIN 02-6000618	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual			
8. Project/Grant Period From (Month, Day, Year) To: (Month, Day, Year)			9. Reporting Period End Date (Month, Day, Year)				
10. Transactions				Cumulative			
<i>(Use lines a-c for single or multiple grant reporting)</i>							
Federal Cash (To report multiple grants, also use FFR Attachment):							
a. Cash Receipts				520,195.85			
b. Cash Disbursements				520,195.85			
c. Cash on Hand (line a minus b)				0.00			
<i>(Use lines d-o for single grant reporting)</i>							
Federal Expenditures and Unobligated Balance:							
d. Total Federal funds authorized				1000,000.00			
e. Federal share of expenditures				520,195.85			
f. Federal share of unliquidated obligations							
g. Total Federal share (sum of lines e and f)				520,195.85			
h. Unobligated balance of Federal funds (line d minus g)				479,804.15			
Recipient Share:							
i. Total recipient share required							
j. Recipient share of expenditures							
k. Remaining recipient share to be provided (line i minus j)							
Program Income:							
l. Total Federal program income earned							
m. Program income expended in accordance with the deduction alternative							
n. Program income expended in accordance with the addition alternative							
o. Unexpended program income (line l minus line m or line n)							
11. Interest Expense							
a. Type		b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
g. Totals:							
12. Remarks: Attach any explanations deemed necessary, or information required by Federal sponsoring agency in compliance with governing legislation.							
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)							
a. Typewritten or Printed Name and Title of Authorized Certifying Official Dave Ruju, Business Administrator			c. Telephone (Area code, number and extension) 603-271-7973 x240				
			d. Email address ruju.dave@ins.nh.gov				
b. Signature of Authorized Certifying Official 			e. Date Report Submitted (Month, Day, Year) 08062012				
14. Agency use only:							

Standard Form 425
OMB Approval Number: 0348-0061
Expiration Date: 10/31/2011

Paperwork Burden Statement
According to the Paperwork Reduction Act as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.