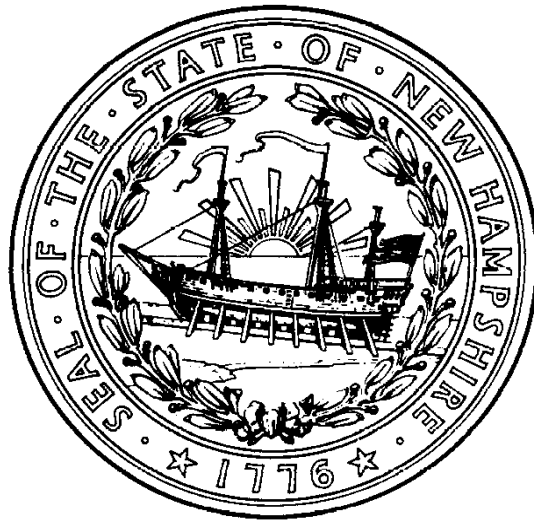
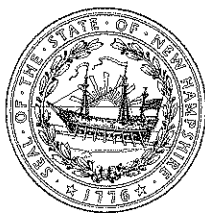


FISCAL COMMITTEE



**Special Meeting of March 10, 2014
2:30 p.m.
Room 103, State House**



JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3161

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3161

State of New Hampshire
OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

RICHARD J. MAHONEY, CPA
Director, Audit Division
(603) 271-2785

March 3, 2014

To the Members of the Fiscal Committee
of the General Court

The Chairman of the Fiscal Committee of the General Court, as established by RSA 14:30-a, of which you are a member, has requested that you be notified that the Fiscal Committee will hold a Special meeting pertaining to tabled Insurance Department item FIS 14-014, on Monday, March 10, 2014, at 2:30 p.m. in Room 103 of the State House.

Please find attached information to be discussed at that meeting.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey A. Pattison".

Jeffrey A. Pattison
Legislative Budget Assistant

JAP/pe
Attachments

FISCAL COMMITTEE
SPECIAL AGENDA

Monday, March 10, 2014 in Room 103 of the State House

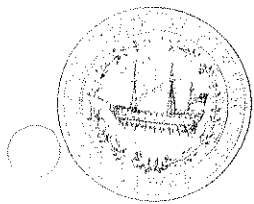
2:30 p.m.

(1) Item tabled at the February 14, 2014 meeting

FIS 14-014 Insurance Department – authorization to 1) accept and expend \$2,048,237 in federal funds for FY 2014 and FY 2015, through December 31, 2014, and authorization to 2) establish consultant positions through December 31, 2014. Tabled 02/14/14

(2) Date of Next Meeting and Adjournment

The next meeting of the Fiscal Committee is scheduled for Friday, March 21, 2014 at 10:00 a.m.



THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

FIS 14 014

21 SOUTH FRUIT STREET SUITE 14
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

February 14, 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 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 \$2,048,237.00 for FY 2014 & FY2015 from the U.S. Department of Health and Human Services for continued implementation of plan management partnership operations during calendar year 2014, and for exploring continuity of coverage options. This action is to be effective upon Fiscal Committee and Governor and Executive Council approval through December 31, 2014. Source of Funds is 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 02-24-24-2400-89040000 for the period of Fiscal Committee and Governor and Executive Council approval through December 31, 2014.

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

CY2014 Level I Establishment Grant
 02-24-24-2400-89040000
 RSRC: 403507

		Fiscal Year 2014	Fiscal Year 2015
Class	Description	New Appropriation	New Appropriation
20	Current Expense	\$1,000	\$1,000
30	Equipment	\$1,000	\$ -
41	Audit Set Aside	\$ -	\$2,048
46	Consultants	\$1,248,040	\$752,323
50	Personal Services Part Time Temp	\$12,000	\$12,000
60	Benefits	\$918	\$918
70	In-State Travel	\$3,260	\$3,260
80	Out of State Travel	\$7,235	\$3,235
	Total Appropriation	\$1,273,453	\$774,784
	Source of Funds		
000	Federal Funds	\$1,273,453	\$774,784

EXPLANATION

The New Hampshire Insurance Department has received a federal grant to continue the support of Plan Management partnership functions connected with the Health Insurance Marketplace being operated by the federal government, and to explore continuity of care coverage options for Marketplace users. These activities are structured so as to preserve the state's insurance regulatory authority, to the greatest extent possible, for insurance plans sold on the Marketplace. The Level One Establishment Grant is made available pursuant to Public Law 111-148 and Public Law 111-152 (The Patient Protection and Affordable Care Act).

The acceptance of the grant funds, in the amount of \$2,048,237 and the following appropriation authority is being requested for Fiscal Year 2014 and 2015:

1. Class 020 – Current Expenses – FY14 - \$1,000; FY15 - \$1,000. These funds are required in order to pay for any conference calls that may occur between the department & consultants and for public advertisement of the requests for proposals.

2. Class 030 – Equipment (new/replacement) – FY14 - \$1,000. These funds are required to purchase necessary computer systems, software, and technical support for the part-time employee and internal Department support personnel who will be overseeing and/or supplementing the contractors' efforts.
3. Class 041 – Audit set aside – FY15 - \$2,048. These funds are required in order to meet audit costs associated with the grant program.
4. Class 046 – Consultants – FY14 - \$1,248,040; FY15 - \$752,323. These funds are required to hire consultants to support Plan Management operations for CY2014 and to explore continuity of care coverage options.
5. Class 050 – Personal Services – PT Temp – FY14 - \$12,000; FY15 - \$12,000. These funds are set aside in order to pay the part time employee to administer the grant program.
6. Class 060 – Benefits – FY14 - \$918; FY15 - \$918. These funds are necessary for the payroll contributions for the part-time employee.
7. Class 070 – In-State Travel – FY14 - \$3,260; FY15 - \$3,260. These funds are required for travel related to grant activities within the state.
8. Class 080 – Out of-State Travel – FY14 - \$7,235; FY15 - \$3,235. These funds are required for travel related to grant activities out of state.

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" that ends 09/30/2014. 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. Department will also employ various contractors to work on this project. Funding for this position and various consultant contracts will be good through December 31, 2014.

3. Relationship to existing agency program: This grant will provide support of the Insurance Department functions by funding the continued support of a Plan Management partnership functions for the Health Insurance Marketplace and exploring continuity of care coverage options, in a manner that preserve the state's insurance regulatory authority, to the greatest extent possible, for insurance plans sold on the Marketplace.

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 January 22, 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 Appropriation	\$2,048,237.00
FY2014 Requested Appropriation	\$1,273,453.00
FY2015 Requested Appropriation	\$ 774,784.00
Total Appropriations	\$2,048,237.00

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 01/22/2014 | 2. CFDA NO. 93.525 | 3. ASSISTANCE TYPE Cooperative Agreement

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
except that any additions or restrictions previously imposed remain
in effect unless specifically rescinded

4. GRANT NO. 1 HBEIE140190-01-00 Formerly | 5. ACTION TYPE New

6. PROJECT PERIOD MM/DD/YYYY From 01/22/2014 Through 12/31/2014

7. BUDGET PERIOD MM/DD/YYYY From 01/22/2014 Through 12/31/2014

NOTICE OF AWARD

AUTHORIZATION (Legislation/Regulations)
Section 1311 of the Affordable Care Act, Health Insurance Exchange

8. TITLE OF PROJECT (OR PROGRAM) Cooperative Agreement to Support Establishment of the Affordable Care Act's Health Insurance

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 K. Feldvebel
21 S Fruit St
Concord, NH 03301-2428
Phone: (603)271-2261

10a. GRANTEE AUTHORIZING OFFICIAL
Mr. Alexander K. Feldvebel
21 S Fruit St
Concord, NH 03301-2428
Phone: (603)271-2261

10b. FEDERAL PROJECT OFFICER
Leslie Shah
200 Independence Avenue, S.W.
Room 738-G
Washington, DC 20201
Phone: 301-492-4452

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	0.00
b. Fringe Benefits	0.00
c. Total Personnel Costs	0.00
d. Equipment	0.00
e. Supplies	0.00
f. Travel	0.00
g. Construction	0.00
h. Other	2,048,237.00
i. Contractual	0.00
j. TOTAL DIRECT COSTS	2,048,237.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	2,048,237.00
m. Federal Share	2,048,237.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION	
a. Amount of Federal Financial Assistance (from item 11m)	2,048,237.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	0.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	2,048,237.00
13. Total Federal Funds Awarded to Date for Project Period	2,048,237.00

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 (Add / Deduct Option)	
e. OTHER (See REMARKS)	

b

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARING AGENCY 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
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 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)
Please see 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. 4-5992638	b. HBEIE0190A	c. SEPI	d. \$2,048,237.00	e. 7540115
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.