

AID Rate Review Budget Narrative – Cycle II

Re-Budgeted 11/21/2014

The Arkansas Insurance Department Rate Review grant application (CFDA 93.511 Cycle II, Phase I) is being submitted for a four-year period in accordance with the no-cost extension granted to the Department dated March 10, 2014. The budget requests are as follows:

Time Period	Dates	Amount
Year1 (FY 2012)	(10.1.11 – 9.30.12)	\$2,135,105
Year2 (FY 2013)	(10.1.12 – 9.30.13)	
Year3 (FY 2014)	(10.1.13 – 9.30.14)	
Year4 (FY 2015)	(10.1.14 – 9.30.15)	\$1,738,993
TOTAL		\$3,874,098*

The **\$3,874,098** total AID RR application consists of:

- Baseline (\$3,000,000)
- Performance (\$ 600,000)
- Workload (\$ 274,098)

The AID RR budget shows the first three years "**front loading**" (\$2,135,105) for very important reasons. If AID RR is to be as successful with Cycle II as we have been with Cycle I implementation, then beginning with our Cycle II funding date (10.1.11), certain categories such as Data and Outreach need immediate implementation steps which require significant "front end" funds. It is also obvious from our narrative content how important we consider Data and Outreach to be in our overall Cycle II strategy.

Data

- A. Aggressive collection, processing, and multi-query generated analyses of all relevant healthcare data is the mandatory cornerstone of the AID Rate Review program. To accomplish this, AID RR is committing \$500,000 in "year one" Cycle II funds to establish a data center to identify reliable and reputable alternative entities that can deliver all reliable, relevant healthcare data needed by AID RR on a timely basis.
- B. Creation of a robust, innovative, 'state of the art', internal healthcare database system within AID which will meet or exceed all of the requirements of the ACA, including but not limited to, all state Rate Review responsibilities as well as stated obligations of AID RR to the state Exchange.

Outreach

- A. It is critical that AID RR is able to issue an RFP as soon as possible to select an innovative and reputable company to create a user friendly, robust, and attractive website that will generate widespread usage among Arkansas residents in regard to rate review.
- B. It is very important that AID RR is able to execute an interagency agreement which will do a great deal of foundation work in educating and informing Arkansas residents about rate review.

Contractual Costs: Given the specialized nature of the proposed contractual needs of Data, IT, and rate review enhancements, \$1,110,359 is allocated to contracts over the first three years, with \$1,472,048 allocated to contracting in the final year.

Personnel and Fringe Benefits: Moving in to this extension period, the staff and fringe costs will be limited to three full-time personnel. Details on the personnel costs may be found below:

Personnel

Position Title	Name	Annual	% Allocate	Months	Amount
Deputy Commissioner	Dr. Lowell Nicholas	\$94,365	100%	12 Months	\$94,365
Public Information Officer	Lesia Carter	\$55,156	100%	12 Months	\$55,156
Database Administrator	Kimberly McLemore	\$45,377	100%	12 Months	\$45,377

Job Description: Deputy Commissioner

Dr. Lowell Nicholas

This position directs the overall operation of the project; responsible for overseeing the implementation of project activities, coordination with other agencies, development of materials, provisions of in service and training, conducting meetings; designs and directs the gathering, tabulating and interpreting of required data, responsible for overall program evaluation and for staff performance evaluation; and is the responsible authority for ensuring necessary reports/documentation are submitted to HHS. This position relates to all program objectives.

Job description: Public Information Officer

Lesia Carter

This position oversees the consumer outreach program including public relations activities; planning, development, administration and distribution of educational and training material. The Public Service Officer will present the outreach programs to civic groups, governmental agencies, and all other interested parties. The PSO will also be responsible for the division's webpage, advertisement content and all printed material used in the outreach program.

Database Administrator

Kimberly McLemore

This position will manage the internal AID RR database, including but not limited to, operation, input, processing queries, and maintenance.

Cash Flows for Categories & Functions

Category	FYs 2011/2012 2013/2014	FY 2015 (10.1.14 - 9.30.15)				
	Total Actuals	Core Rate Review	IT/Data	Outreach	Legal	FY 2015 Total
Personnel	\$596,591	\$177,074				\$177,074
Fringe Ben.	\$186,884	\$55,027				\$55,027
Travel	\$19,743	\$20,000				\$20,000
Equipment	\$16,402					
Supplies	\$140,800					
Contractual	\$1,110,359		\$1,464,848			\$1,464,848
*Other	\$64,326	\$22,045				\$22,045
TOTAL	\$2,135,105		\$1,464,848			\$1,738,993

*Other (FY 2015)	
Rent	\$14,845
Telecommunications	\$7,200
Total Other	\$22,045

Category	Grant Total
Personnel	\$773,665
Fringe Ben.	\$241,910
Travel	\$39,743
Equipment	\$16,402
Supplies	\$140,800
Contractual	\$2,575,207
*Other	\$86,371
TOTAL	\$3,874,098

CYII

BUDGET INFORMATION - N - Construction Programs

OMB Approval

3348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$ 0.00	\$ 0.00	\$ 2,409,249.78	\$ 0.00	\$ 2,409,249.78
2. IT/Data		0.00	0.00	1,464,848.22	0.00	1,464,848.22
3. Outreach		0.00	0.00	0.00	0.00	0.00
4. Legal		0.00	0.00	0.00	0.00	0.00
5. Totals		\$ 0.00	\$ 0.00	\$ 3,874,098.00	\$ 0.00	\$ 3,874,098.00

SECTION B - BUDGET CATEGORIES

Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1) Core Rate Review	(2) IT/Data	(3) Outreach	(4) Legal	
a. Personnel	\$ 773,664.60	\$ 0.00	\$ 0.00	\$ 0.00	\$ 773,664.60
b. Fringe Benefits	241,910.43	0.00	0.00	0.00	241,910.43
c. Travel	39,743.06	0.00	0.00	0.00	39,743.06
d. Equipment	16,402.09	0.00	0.00	0.00	16,402.09
e. Supplies	140,799.71	0.00	0.00	0.00	140,799.71
f. Contractual	1,110,359.04	1,464,848.22	0.00	0.00	2,575,207.26
g. Construction	0.00	0.00	0.00	0.00	0.00
h. Other	86,370.85	0.00	0.00	0.00	86,370.85
i. Total Direct Charges (sum of 6a-6h)	2,409,249.78	1,464,848.22	0.00	0.00	3,874,098.00
j. Indirect Charges	0.00	0.00	0.00	0.00	0.00
k. TOTALS (sum of 6i and 6j)	\$ 2,409,249.78	\$ 1,464,848.22	\$ 0.00	\$ 0.00	\$ 3,874,098.00

7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
-------------------	---------	---------	---------	---------	---------

Authorized for Local Reproduction

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
9.	0.00	0.00	0.00	0.00
10.	0.00	0.00	0.00	0.00
11.				
12. TOTAL (sum of lines 8-11)	\$	\$	\$ 0.00	\$ 0.00

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	2nd Quarter			3rd Quarter			4th Quarter		
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
13. Federal	\$ 3,874,098.00	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	
14. Non-Federal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
15. TOTAL (sum of lines 13 and 14)	\$ 3,874,098.00	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	\$ 968,524.50	

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. Core Rate Review	\$ 2,409,249.78	\$ 0.00	\$ 0.00	\$ 0.00
17. IT/Data	1,464,848.22	0.00	0.00	0.00
18. Outreach	0.00	0.00	0.00	0.00
19. Legal	0.00	0.00	0.00	0.00
20. TOTAL (sum of lines 16-19)	\$ 3,874,098.00	\$ 0.00	\$ 0.00	\$ 0.00

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges: \$3,874,098	22. Indirect Charges: 0.00
23. Remarks: Request is for re-budgeting of funds based on usage and extended project time line. Some funds of grant total have been spent/committed, but	

Public reporting burden for this collection of information is estimated to average 180 minutes 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 the 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 (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in Column (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For *new applications*, leave Column (c) and (d) blank. For each entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program

INSTRUCTIONS FOR THE SF-424A (continued)

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

Application for Federal Assistance SF-424

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input type="checkbox"/> Application <input checked="" type="checkbox"/> Changed/Corrected Application		* 2. Type of Application: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input checked="" type="checkbox"/> Revision		* If Revision, select appropriate letter(s): <input type="text" value="C: Increase Duration"/> * Other (Specify): <input type="text"/>	
--	--	--	--	---	--

* 3. Date Received: <input type="text" value="11/21/2014"/>	4. Applicant Identifier: <input type="text"/>
--	--

5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text" value="PRPPR140042"/>
--	---

State Use Only:

6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>
---	---

8. APPLICANT INFORMATION:

* a. Legal Name: <input type="text" value="AR Dept of Insurance"/>	
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="71-0847443"/>	* c. Organizational DUNS: <input type="text" value="0815015580000"/>

d. Address:

* Street1:	<input type="text" value="1200 W 3rd Street"/>
Street2:	<input type="text"/>
* City:	<input type="text" value="Little Rock"/>
County/Parish:	<input type="text"/>
* State:	<input type="text" value="AR: Arkansas"/>
Province:	<input type="text"/>
* Country:	<input type="text" value="USA: UNITED STATES"/>
* Zip / Postal Code:	<input type="text" value="72201-1904"/>

e. Organizational Unit:

Department Name: <input type="text" value="Arkansas Insurance Department"/>	Division Name: <input type="text" value="Administration"/>
--	---

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: <input type="text"/>	* First Name: <input type="text" value="Lowell"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Nicholas"/>	
Suffix: <input type="text"/>	
Title: <input type="text" value="Deputy Commissioner, Rate Review Director"/>	

Organizational Affiliation:

<input type="text" value="Arkansas Insurance Department"/>
--

* Telephone Number: <input type="text" value="501-683-3638"/>	Fax Number: <input type="text" value="501-683-1299"/>
---	---

* Email: <input type="text" value="Lowell.nicholas@arkansas.gov"/>
--

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

CMS - Consumer Information & Insurance Oversight

11. Catalog of Federal Domestic Assistance Number:

93.511

CFDA Title:

Affordable Care Act Grants to States for Health Insurance Premium Review

*** 12. Funding Opportunity Number:**

PR-PRP-13-001

Title:

Grants to States to Support Health Insurance Rate Review and Increase Transparency in Health Care Pricing, Cycle III

13. Competition Identification Number:

PR-PRP-13-001-017918

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

*** 15. Descriptive Title of Applicant's Project:**

Grants to States to Support Health Insurance Rate Review and Increase Transparency in Health Care Pricing, Cycle III

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="3,134,794.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="3,134,794.00"/>

* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)

Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:

* First Name:

Middle Name:

* Last Name:

Suffix:

* Title:

Telephone Number:

Fax Number:

* Email:

* Signature of Authorized Representative:

* Date Signed:

To: Commissioner Kerr

Cc: Lenita Blasingame
Pam Looney

From: Lowell Nicholas

Subject: State HIRRD Re-budgeting Cycle II & III

Your written approval is required prior to submitting this Re-budgeting (appropriations) request to JBC/PEER. When the appropriation is approved by JBC/PEER, the additional income will have to be subsequently certified by both you and Pam Looney.

Please review. Your signature will be required on the two MFG forms enclosed (Cycle II & III). Those are attached as well as the re-budgeted grant awards for both Cycle II & III.

Enclosed:

- 1) Re-budgeting Summary
- 2) Revised NOA - Cycle II
- 3) Revised NOA - Cycle III
- 4) MFG Appropriation Request - Cycle II
- 5) MFG Appropriation Request - Cycle III

Re-budgeting summary for the HIRRD:

The Division recently requested and was approved for a federal re-budgeting of Rate Review Cycle II and Cycle III funds. This re-budgeting request did not include a request for any additional federal dollars. After an intense internal review of the projected utilization of funds of both Cycle II & III, it was determined that a fund shift within certain categories was needed as compared to the original award categories.

To summarize the categorical changes for each grant cycle, funds were shifted from categories with excess funds into the "Contractual" budget category. These shifts are being made to more-closely align the cost items that were originally anticipated with spending plans for the remainder of the grants' lifecycles. As an example of one change and the reasoning behind it, the Division was not able to hire all anticipated staff budgeted for in the original "Personnel" total, leading to an excess of funds in that category. This re-budgeting accommodates costs for actual staffing levels for the grant period. A summary of the changes made across categories for each cycle is included below:

Cycle II		Cycle III		
Category	Original	Revised	Change	
501:00:00 Salary	\$1,178,607	\$796,261		
501:00:03 Matching	\$294,651	\$247,049		
502:00:02 Maintenance & Operations	\$701,340	\$243,573		
505:00:09 Conference Fees and Travel	\$163,749	\$39,743		
506:00:10 Professional Service Contracts	\$1,535,751	\$2,547,472		
512:00:11 Capital Outlay	\$-	\$-	\$-	\$-

Cycle II		Cycle III		
Original	Revised	Change		
\$299,301	\$199,671			
\$92,661	\$60,165			
\$129,032	\$22,045			
\$25,775	\$-			
\$2,588,025	\$2,852,914			
\$-	\$-	\$-	\$-	\$-

The re-budgeting requests for both grants were approved by CCIIO on December 10, 2014, and the categorical totals are projected to remain in effect for the remainder of the Cycle II and Cycle III grant lifecycles. All re-budgeting funds from Cycle II & III go into "Contractual." New "Contractual" funding increased by:

- Cycle II → \$1,011,721
- Cycle III → \$264,889

After the above recommended re-budgeting, sufficient funding will remain to keep the division operational through 9.30.16. No cost reimbursements (NCE) are encouraged by HHS and could extend HIRRD past 9.30.16.

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)

1a. SUPERSEDES AWARD NOTICE dated 09/23/2013
except that any additions or restrictions previously imposed remain
in effect unless specifically rescinded

4. GRANT NO. 6 PRPPR140042-01-01 Formerly		5. ACTION TYPE Post Award Amendment	
PROJECT PERIOD From	MM/DD/YYYY 10/01/2013	Through	MM/DD/YYYY 09/30/2015
7. BUDGET PERIOD From	MM/DD/YYYY 10/01/2013	Through	MM/DD/YYYY 09/30/2015

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

9a. GRANTEE NAME AND ADDRESS
Arkansas Insurance Department
1200 W 3rd St
Administration-DUP
Little Rock, AR 72201-1904

9b. GRANTEE PROJECT DIRECTOR
Dr. Lowell Nicholas
1200 W 3rd St
Little Rock, AR 72201-1904
Phone: 501-683-3638

10a. GRANTEE AUTHORIZING OFFICIAL
Dr. Lowell Nicholas
1200 W 3rd St
Little Rock, AR 72201-1904
Phone: 501-683-3638

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 <input checked="" type="checkbox"/>	
a. Salaries and Wages	177,074.00
b. Fringe Benefits	55,026.63
c. Total Personnel Costs	232,100.63
d. Equipment	0.00
e. Supplies	0.00
f. Travel	0.00
g. Construction	0.00
h. Other	22,044.60
i. Contractual	2,880,648.77
j. TOTAL DIRECT COSTS	3,134,794.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	3,134,794.00
m. Federal Share	3,134,794.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION	
a. Amount of Federal Financial Assistance (from item 11m)	3,134,794.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	3,134,794.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
13. Total Federal Funds Awarded to Date for Project Period	3,134,794.00

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)	<input checked="" type="checkbox"/>

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDING 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. The 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)

This Notice of Award approves the revised budget narrative and SF 424A as per the Grantee request dated December 10, 2014.

GRANTS MANAGEMENT OFFICER: Gabriel Nah

17. OBJ CLASS	4115	18a. VENDOR CODE	1716006766A1	18b. EIN	710847443	19. DUNS	081501558	20. CONG. DIST.	02
FY-ACCOUNT NO.		DOCUMENT NO.		ADMINISTRATIVE CODE		AMT ACTION FIN ASST		APPROPRIATION	
21. a.	3-5992933	b.	PRPPR0042A	c.	IPR	d.	\$0.00	e.	75140112
22. a.		b.		c.		d.		e.	
23. a.		b.		c.		d.		e.	

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)

1a. SUPERSEDES AWARD NOTICE dated 03/26/2014
except that any additions or restrictions previously imposed remain
in effect unless specifically rescinded

4. GRANT NO.
6 PRPPR120006-01-03
Formerly

5. ACTION TYPE
Post Award
Amendment

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
Arkansas Insurance Department
1200 W 3rd St
Administration
Little Rock, AR 72201-1904

9b. GRANTEE PROJECT DIRECTOR
Dr. Lowell Nicholas
1200 W 3rd St
Little Rock, AR 72201-1904
Phone: 501-683-3638

10a. GRANTEE AUTHORIZING OFFICIAL
Mr. Jay Bradford
1200 West 3rd Street
Administration
Little Rock, AR 72201-1904
Phone: 501-371-2621

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 <input checked="" type="checkbox"/>	
a. Salaries and Wages	773,664.60
b. Fringe Benefits	241,910.43
c. Total Personnel Costs	1,015,575.03
d. Equipment	16,402.09
e. Supplies	140,799.71
f. Travel	39,743.06
g. Construction	0.00
h. Other	86,370.85
i. Contractual	2,575,207.26
j. TOTAL DIRECT COSTS	3,874,098.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	3,874,098.00
m. Federal Share	3,874,098.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION	
a. Amount of Federal Financial Assistance (from item 11m)	3,874,098.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	3,874,098.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
13. Total Federal Funds Awarded to Date for Project Period	3,874,098.00

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)

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDING 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 subgrant 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 revised budget narrative and SF 424A as per the Grantee request dated December 8, 2014.

GRANTS MANAGEMENT OFFICER: Gabriel Nah

17. OBJ CLASS	4115	18a. VENDOR CODE	1710847443A9	18b. EIN	710847443	19. DUNS	081501558	20. CONG. DIST.	02
FY-ACCOUNT NO.		DOCUMENT NO.		ADMINISTRATIVE CODE		AMT ACTION FIN ASST		APPROPRIATION	
21. a.	1-5992933	b.	PRPPR0006A	c.	IPR	d.	\$0.00	e.	75X0112
22. a.		b.		c.		d.		e.	
23. a.		b.		c.		d.		e.	

**MISCELLANEOUS FEDERAL GRANT PROGRAM APPROPRIATION
AND PERSONNEL AUTHORIZATION REQUEST
A.C.A. §19-7-501 ET SEQ.**

Date: 2/4/15 Grant ID 6 PRPPR120006-01-03 Legislative Review Date: _____

Agency: Arkansas Health Insurance Department Program Title: Health Insurance Rate Review CYCLE II

Granting Organization: Health & Human Services Grant #: 6 PRPPR120006-01-03

Effective Date of Authorization: _____ Beginning: 07/01/2014 Ending: 06/30/2015

Purpose of Grant / Reason for addition or change: (include attachments as necessary to provide thorough information):

Establish or enhance a comprehensive effective rate review program that is transparent to the public, enrollees and policyholders, under which rate filings are thoroughly evaluated. Develop an infrastructure to collect, analyze and report critical information about rate review decisions and trends. Develop and enhance data centers that provide pricing data in a transparent, user-friendly way to consumers, employers, researchers, non-profit organizations and other government agencies in order to improve the value of care delivered in the state.

Additional appropriation is needed to utilize available federal funding for Personal Service Contracts.

Project-Grant Funding

Business Area Code: 0425
 Funds Center Code: 85P
 Fund Code: FID1100
 Functional Area Code: COMM

Continuation of Existing Program:
 Change In Existing Program:
 New Program:

	New Federal Funds	State Matching Funds	Other Matching Funds	Project Total
Regular Salaries				
Extra Help				
Operating Expenses				
Personal Services Matching				
Conference & Travel Expense				
Professional Fees	748,299			748,299
Capital Outlay				
Data Processing				
American Recovery and Reinvestment Act of 2009				
Others:				
Total	\$ 748,299			\$ 748,299

Add

Remove

Funding Percentages

	Federal		State		Other		Total	
		%		%		%		%
FY 15	100	%		%		%	100	%
FY 16		%		%		%		%
FY 17		%		%		%		%
FY 18		%		%		%		%
FY 19		%		%		%		%

Type of Federal Grant

WIA
 Non-WIA
 ARRA

Anticipated Duration of Federal Funds 09/30/15

DFA IGS State Technology Planning Date _____

Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

Positions to be established: (list each position separately)

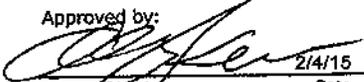
* Gr 66 & 99 only

Personnel Area	Position Number	Cost Center	Commitment Item	Position Title	Class Code	Grade	Line Item Maximum*

Add

Remove

State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.

Approved by: 
 Agency Director Date 2/4/15

Office of Budget Date _____

Office of Personnel Mgmt Date _____

**FOR
MISCELLANEOUS FEDERAL GRANT PROGRAM APPROPRIATION
AND PERSONNEL AUTHORIZATION REQUEST
A.C.A. §19-7-501 ET SEQ.**

Date: 2/4/15 Grant ID 6 PRPPR140042-01-01 Legislative Review Date: _____

Agency: Arkansas Health Insurance Department Program Title: Health Insurance Rate Review CYCLE III

Granting Organization: Health & Human Services Grant #: 6 PRPPR140042-01-01

Effective Date of Authorization: Beginning: 07/01/2014 Ending: 06/30/2015

Purpose of Grant / Reason for addition or change: (include attachments as necessary to provide thorough information):

Establish or enhance a comprehensive effective rate review program that is transparent to the public, enrollees and policyholders, under which rate filings are thoroughly evaluated. Develop an infrastructure to collect, analyze and report critical information about rate review decisions and trends. Develop and enhance data centers that provide pricing data in a transparent, user-friendly way to consumers, employers, researchers, non-profit organizations and other government agencies in order to improve the value of care delivered in the state.

Additional appropriation is needed to utilize available federal funding for Personal Service Contracts.

Project-Grant Funding

Business Area Code: 0425
 Funds Center Code: M57
 Fund Code: FID1101
 Functional Area Code: COMM

Continuation of Existing Program:
 Change in Existing Program:
 New Program:

	New Federal Funds	State Matching Funds	Other Matching Funds	Project Total
Regular Salaries				
Extra Help				
Operating Expenses				
Personal Services Matching				
Conference & Travel Expense				
Professional Fees	272,007			272,007
Capital Outlay				
Data Processing				
American Recovery and Reinvestment Act of 2009				
Others:				
Total	\$ 272,007	\$	\$	\$ 272,007

ADD

END

Funding Percentages

Type of Federal Grant

	Federal	State	Other	Total
FY 15	100 %	%	%	100 %
FY 16	%	%	%	%
FY 17	%	%	%	%
FY 18	%	%	%	%
FY 19	%	%	%	%

WIA
 Non-WIA
 ARRA

Anticipated Duration of Federal Funds 09/30/16

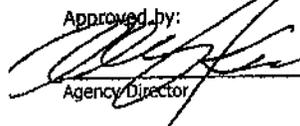
DFA IGS State Technology Planning **Date**
 Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

Positions to be established: (list each position separately)

* Gr 66 & 99 only

Personnel Area	Position Number	Cost Center	Commitment Item	Position Title	Class Code	Grade	Line Item Maximum*

State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.

Approved by: 
 Agency Director 2/4/15
 Date

Office of Budget Date

Office of Personnel Mgmt Date