

1. DATE ISSUED (Mo./Day/Yr.) 09/29/2010		2. CFDA NO. 93.525
3. SUPERCEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded		
4. GRANT NO. 1 HBEIE100042-01-00 Formerly:		5. ADMINISTRATIVE CODES SEPI
6. PROJECT PERIOD Mo./Day/Yr. From 09/30/2010		Through 09/29/2011
7. BUDGET PERIOD Mo./Day/Yr. From 09/30/2010		Through 09/29/2011

Department of Health and Human Services
Office of the Secretary
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 GRANT AWARD
 AUTHORIZATION (Legislation/Regulations)
 Section 1311 of the Affordable Care Act, Health Insurance Exchange

8. TITLE OF PROJECT (OR PROGRAM) (Limit to 56 spaces) State Planning and Establishment Grants for the Affordable Care Act's Exchanges	
9. GRANTEE NAME AND ADDRESS a. North Carolina Department of Insurance b. 1201 Mail Service Ctr c. d. Raleigh e. NC f. 27699-1200	10. DIRECTOR OF PROJECT (PROGRAM DIRECTOR/PRINCIPLE INVESTIGATOR) (LAST NAME FIRST AND ADDRESS) Ernest Nickerson 1201 Mail Service Ctr Raleigh, NC 27699 Phone: 919-807-6870

11. APPROVED BUDGET (Excludes HHS Direct Assistance)		12. AWARD COMPUTATION FOR GRANT	
I HHS Grant Funds Only		a. Amount of HHS Financial Assistance (from item 11.u) 999,999	
II Total project costs including grant funds and all other financial participation (Select one and place NUMERAL in box)		b. Less Unobligated Balance From Prior Budget Periods 0	
a. Salaries and Wages 343,487		c. Less Cumulative Prior Award(s) This Budget Period 0	
b. Fringe Benefits 57,760		d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION 999,999	
c. Total Personnel Costs 401,247		13. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project):	
d. Consultants Costs 0		YEAR	TOTAL DIRECT COSTS
e. Equipment 77,000		a. 2	d. 5
f. Supplies 4,000		b. 3	e. 6
g. Travel 45,000		c. 4	f. 7
h. Patient Care - Inpatient 0		14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH):	
i. Patient Care - Outpatient 0		a. AMOUNT OF HHS Direct Assistance 0	
j. Alterations and Renovations 0		b. Less Unobligated Balance From Prior Budget Periods	
k. Other 172,752		c. Less Cumulative Prior Award(s) This Budget Period	
l. Consortium/Contractual Costs 300,000		d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION 0	
m. Trainee Related Expenses 0		15. PROGRAM INCOME SUBJECT TO 45 CFR PART 74, SUBPART F, OR 45 CFR 92.25, SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES: (Select one and place LETTER in box.)	
n. Trainee Stipends 0		a. DEDUCTION	
o. Trainee Tuition and Fees 0		b. ADDITIONAL COSTS	
p. Trainee Travel 0		c. MATCHING	
q. TOTAL DIRECT COSTS 999,999		d. OTHER RESEARCH (Add / Deduct Option)	
r. INDIRECT COSTS (rate of) 0		e. OTHER (See REMARKS)	
s. TOTAL APPROVED BUDGET \$ 999,999		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:	
t. SBIR Fee		a. The grant program legislations cited above.	
u. Federal Share \$ 999,999		b. The grant program regulation cited above.	
v. Non-Federal Share \$ 0		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)
 Refer to the following Award Attachments: 1) Standard Terms and Conditions 2) Special Terms and Conditions

GRANTS MANAGEMENT OFFICER (Signature) (Name - Typed/Print) Michelle Feagins (Title) Senior Grants Management Specialist	
17. OBJ CLASS 4121 FY-CAN	18. CRS - EIN 1561401519A2 DOCUMENT NO. ADMINISTRATIVE CODE
19. LIST NO. 0-199RE41	CONG. DIST.: 04
20. a. 0-199RE41	b. HBEIE0042A c. SEPI d. 999,999 e. 0
21. a.	b. c. d. e.
22. a.	b. c. d. e.

AWARD ATTACHMENTS

North Carolina Department of Insurance

1 HBEIE100042-01-00

1. Standard Terms and Conditions
2. Special Terms and Conditions

Office of Consumer Information and Insurance Oversight

**State Planning and Establishment Grants for the
Affordable Care Act's Exchanges**

**Standard Terms & Conditions
Attachment A**

1. **The HHS/Office of Consumer Information and Insurance Oversight (OCIIO) Program Official.** The Program Official assigned with responsibility for technical and programmatic questions from the Grantee is Susan Lumsden (Susan.Lumsden@hhs.gov).
2. **The HHS/OCIIO Grants Management Specialist.** The Grants Management Specialist assigned with the responsibility for the financial and administrative aspects (non-programmatic areas) of grants administration questions from the Grantee is Michelle Feagins in the Division of Grants Management (Michelle.Feagins@hhs.gov).
3. **The HHS Grants Policy Statement (HHS GPS).** This grant is subject to the requirements of the HHS GPS that are applicable to the Grantee based on your recipient type and the purpose of this award. This includes any requirements in Part I and II (available at <http://www.hhs.gov/grantsnet/adminis/gpd/index.htm>) of the HHS GPS that apply to an award.

Although consistent with the HHS GPS, any applicable statutory or regulatory requirements, including 45 CFR 92 directly applies to this award apart from any coverage in the HHS GPS.

4. **Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87).** This grant is subject to the requirements as set forth in Title 2 Part 225, State, Local, and Indian Tribal Governments (previously A-87).

Office of Consumer Information and Insurance Oversight

State Planning and Establishment Grants for the Affordable Care Act's Exchanges

Special Terms & Conditions Attachment B

- 1. Budget and Project Period:** The project and budget period for State Planning and Establishment Grants for the Affordable Care Act's Exchanges is from September 30, 2010 through September 29, 2011. The start date for the grants is on or after September 30, 2010. No grant funds can be used for expenses incurred prior to September 30, 2010.
- 2. Collaborative Responsibilities:** At the request of OCIO, Grantees may be required to participate in scheduled activities and communications to identify and share "best practices" for Exchanges, including discussion of State proposals and sharing of information via public websites. OCIO will post general summaries of the State proposals on the OCIO website. The Grantee is required to participate in all required communications (e.g., monitoring calls, guidance calls) as requested by OCIO.
- 3. Personnel Changes:** The Grantee is required to notify the OCIO Project Officer and the OCIO Grants Management Officer within thirty (30) days of any personnel changes affecting the grant's Project Director, Assistant Project Director, or the Financial Officer.
- 4. Funding Specifications:** All funds provided under this grant will be used by the Grantee exclusively for the State Planning and Establishment Grants for the Affordable Care Act's Exchanges as defined in Section 1311 of the Affordable Care Act and as described in the funding opportunity announcement. If the Grantee uses these funds for any purpose other than those awarded through this program (or those modifications that have the prior written approval of the OCIO Project Officer) then all funds provided under this grant may be required to be returned to the United States Treasury.
 - a. Consumer Assistance.** States can use Exchange grant funds to conduct activities that can be funded under the Consumer Assistance Program Grants and only to the extent that there will be no duplicative Federal funding for such activities and that the activities funded meet the terms and conditions for all of grants.
 - b. Medicaid/CHIP.** Exchange grant funds cannot be used exclusively for the modification of systems or processes solely related to Medicaid/CHIP eligibility.
 - c. Information Technology (IT) Systems.** The funding for Exchange IT systems should come from the Exchange grant funds. The Exchange grant funds awarded under this Notice of Grant Award are intended for planning activities only and any procurement activities should not be pursued without prior approval from OCIO.
 - d. Medical Loss Ratio (MLR).** Exchange grant funds cannot be used for the implementation of the MLR requirements of the Affordable Care Act. States can use

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
SPECIAL TERMS & CONDITIONS

Exchange grant funds for MLR activities only to the extent that such activities are related to the planning and implementation of Exchanges.

- 5. Required Grant Reporting:** The templates for the Required Grant Reporting will be forthcoming.
- a. Quarterly Project Report.** The Grantee is required to submit four (4) Quarterly Progress Reports to the OCIO Grants Management Specialist and to the OCIO Project Officer. Quarterly Progress Reports are due within 30 days after the end of the quarter (no later than January 31, April 30, July 31, and October 31, 2011).
 - b. Final Project Report.** The Grantee is required to submit a Final Project Report to the OCIO Grants Management Specialist, with a copy to the OCIO Project Officer, within 90 days after the project period ending date (no later than December 31, 2011).
 - c. Public Report.** The Grantee is required to prominently post specific information about the Exchange grants on their respective Internet websites to ensure that the public has information on the use of funds.
- 6. Required Financial Reports:** A Financial Status Report (FSR) (SF 269A – Short Form) is required from the recipient within 90 days after the end of the project period. Records of expenditures and any program income generated must be maintained in accordance with the provisions of 45 CFR 74.53 or 92.42. The Grantee will submit the FSR to the OCIO Grants Management Specialist listed on this Notice of Grant Award with a copy to the OCIO Project Officer. (The SF-269A may be accessed at the following site: www.whitehouse.gov/omb/grants/sf269a).

Effective January 1, 2010, Grantees are to report cash transaction data via the Payment Management System (PMS) using the Federal Financial Report (FFR or Standard Form 425) cash transaction data elements. The FFR must be filed within 30 days of the end of the quarter (instead of the 45 days allowed for filing the PSC 272). Reporting cash transaction data using the FFR replaces the use of the Federal Cash Transaction Report (SF-272/SF272A). Additional information and training are available on the Division of Payment Management website (www.dpm.psc.gov).

A Quick Reference Guide for completing the FFR in the PMS is at www.dpm.psc.gov/grant_recipient/guides_forms/ffr_quick_reference.