



South Carolina Department of Insurance

MARK SANFORD
Governor

SCOTT H. RICHARDSON
Director of Insurance

September 10, 2010

The Office of Consumer Information and Insurance Oversight
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear OCIO Staff:

It is my pleasure to submit South Carolina's grant application for the Consumer Assistance Program Grant provided under the Affordable Care Act (ACA).

The South Carolina Department of Insurance (Department) is the designated entity responsible for ensuring the successful completion of the grant. The Department has existing authority to oversee and coordinate the proposed activities.

The Department intends to use the grant funds to do 1) enhance the services it currently provides (i.e., complaint assistance, consumer education, data collection and reporting, policy development and recovered benefits); 2) to provide additional consumer assistance by leveraging the services provided by other state agencies and nonprofit organizations (i.e., enrollment, advocacy, additional complaint and appeals assistance); and 3) to enhance the technology that supports its consumer services program.

Jim Byrd will serve as the Department's Principal Investigator for the project. Jim's contact information is shown below:

Jim Byrd
Deputy Director
1201 Main Street, Suite 1000
Columbia, SC 29201
Phone: 803-737-6143
Fax: 803-737-6159
E-mail: jbyrd@doi.sc.gov

I look forward to our continued partnership in implementing the important reforms to our health care system provided under the Affordable Care Act.

Sincerely,

A handwritten signature in blue ink that reads "Scott H. Richardson".

Scott H. Richardson, CPCU
Director

Opportunity Title:	Affordable Care Act (ACA) - Consumer Assistance Program
Offering Agency:	Ofc of Consumer Information & Insurance Oversight
CFDA Number:	93.519
CFDA Description:	Care Act (ACA) - Consumer Assistance Program Grants
Opportunity Number:	CA-CAP-10-002
Competition ID:	CA-CAP-10-002-011720
Opportunity Open Date:	07/22/2010
Opportunity Close Date:	09/10/2010
Agency Contact:	Grants.gov HelpDesk 1-800-518-4726 support@grants.gov

This electronic grants application is intended to be used to apply for the specific Federal funding opportunity referenced here.

If the Federal funding opportunity listed is not the opportunity for which you want to apply, close this application package by clicking on the "Cancel" button at the top of this screen. You will then need to locate the correct Federal funding opportunity, download its application and then apply.

This opportunity is only open to organizations, applicants who are submitting grant applications on behalf of a company, state, local or tribal government, academia, or other type of organization.

* **Application Filing Name:**

Mandatory Documents

Move Form to Complete

Move Form to Delete

Mandatory Documents for Submission

Application for Federal Assistance (SF-424)
Other Attachments Form
Project Abstract Summary
Project/Performance Site Location(s)
Project Narrative Attachment Form
Budget Narrative Attachment Form
Budget Information for Non-Construction Program

Optional Documents

Move Form to Submission List

Move Form to Delete

Optional Documents for Submission

Instructions

- 1** Enter a name for the application in the Application Filing Name field.
 - This application can be completed in its entirety offline; however, you will need to login to the Grants.gov website during the submission process.
 - You can save your application at any time by clicking the "Save" button at the top of your screen.
 - The "Save & Submit" button will not be functional until all required data fields in the application are completed and you clicked on the "Check Package for Errors" button and confirmed all data required data fields are completed.

- 2** Open and complete all of the documents listed in the "Mandatory Documents" box. Complete the SF-424 form first.
 - It is recommended that the SF-424 form be the first form completed for the application package. Data entered on the SF-424 will populate data fields in other mandatory and optional forms and the user cannot enter data in these fields.
 - The forms listed in the "Mandatory Documents" box and "Optional Documents" may be predefined forms, such as SF-424, forms where a document needs to be attached, such as the Project Narrative or a combination of both. "Mandatory Documents" are required for this application. "Optional Documents" can be used to provide additional support for this application or may be required for specific types of grant activity. Reference the application package instructions for more information regarding "Optional Documents".
 - To open and complete a form, simply click on the form's name to select the item and then click on the => button. This will move the document to the appropriate "Documents for Submission" box and the form will be automatically added to your application package. To view the form, scroll down the screen or select the form name and click on the "Open Form" button to begin completing the required data fields. To remove a form/document from the "Documents for Submission" box, click the document name to select it, and then click the <= button. This will return the form/document to the "Mandatory Documents" or "Optional Documents" box.
 - All documents listed in the "Mandatory Documents" box must be moved to the "Mandatory Documents for Submission" box. When you open a required form, the fields which must be completed are highlighted in yellow with a red border. Optional fields and completed fields are displayed in white. If you enter invalid or incomplete information in a field, you will receive an error message.

- 3** Click the "Save & Submit" button to submit your application to Grants.gov.
 - Once you have properly completed all required documents and attached any required or optional documentation, save the completed application by clicking on the "Save" button.
 - Click on the "Check Package for Errors" button to ensure that you have completed all required data fields. Correct any errors or if none are found, save the application package.
 - The "Save & Submit" button will become active; click on the "Save & Submit" button to begin the application submission process.
 - You will be taken to the applicant login page to enter your Grants.gov username and password. Follow all onscreen instructions for submission.

Application for Federal Assistance SF-424

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
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* 3. Date Received: <input type="text" value="09/10/2010"/>	4. Applicant Identifier: <input type="text"/>
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5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>
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State Use Only:

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

* a. Legal Name:

* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="57-6000286"/>	* c. Organizational DUNS: <input type="text" value="9628050030000"/>
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d. Address:

* Street1:
Street2:
* City:
County/Parish:
* State:
Province:
* Country:
* Zip / Postal Code:

e. Organizational Unit:

Department Name: <input type="text"/>	Division Name: <input type="text"/>
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f. Name and contact information of person to be contacted on matters involving this application:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:
Title:

Organizational Affiliation:

* Telephone Number: <input type="text" value="803-737-6805"/>	Fax Number: <input type="text" value="803-737-6159"/>
---	---

* Email:

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:**

Ofc of Consumer Information & Insurance Oversight

11. Catalog of Federal Domestic Assistance Number:

93.519

CFDA Title:

Care Act (ACA) - Consumer Assistance Program Grants

*** 12. Funding Opportunity Number:**

CA-CAP-10-002

* Title:

Affordable Care Act (ACA) - Consumer Assistance Program Grants

13. Competition Identification Number:

CA-CAP-10-002-011720

Title:

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

Add Attachment

Delete Attachment

View Attachment

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

South Carolina Consumer Assistance Program Grant

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

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="441,000.00"/>
* 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="441,000.00"/>

*** 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:

Other Attachment File(s)

* Mandatory Other Attachment Filename:

[Add Mandatory Other Attachment](#)

[Delete Mandatory Other Attachment](#)

[View Mandatory Other Attachment](#)

To add more "Other Attachment" attachments, please use the attachment buttons below.

[Add Optional Other Attachment](#)

[Delete Optional Other Attachment](#)

[View Optional Other Attachment](#)

Project Abstract Summary

Program Announcement (CFDA)

93.519

*** Program Announcement (Funding Opportunity Number)**

CA-CAP-10-002

*** Closing Date**

09/10/2010

*** Applicant Name**

South Carolina Department of Insurance

*** Length of Proposed Project**

12

Application Control No.

Federal Share Requested (for each year)

*** Federal Share 1st Year**

\$ 441,000

*** Federal Share 2nd Year**

\$ 0

*** Federal Share 3rd Year**

\$ 0

*** Federal Share 4th Year**

\$ 0

*** Federal Share 5th Year**

\$ 0

Non-Federal Share Requested (for each year)

*** Non-Federal Share 1st Year**

\$ 0

*** Non-Federal Share 2nd Year**

\$ 0

*** Non-Federal Share 3rd Year**

\$ 0

*** Non-Federal Share 4th Year**

\$ 0

*** Non-Federal Share 5th Year**

\$ 0

*** Project Title**

South Carolina Consumer Assistance Program Grant

Project Abstract Summary

* Project Summary

The SC Department of Insurance (SCDOI) seeks funds to expand the services it currently offers to SC consumers. Given the amount of SC's anticipated allocation, we propose to leverage existing services provided by the SCDOI, other agencies and nonprofits to fulfill the purposes of this opportunity so that the expanded services may be sustainable. Set forth below is a general description of how these funds will be used.

The SCDOI does not currently offer enrollment assistance to SC consumers, however, as part of the grant activities, the SCDOI plans to partner with organizations and others that provide enrollment assistance. Additionally, The SCDOI will work with insurers and producers to provide training on the ACA. Consumers unable to find health insurance coverage will be referred to producers in their areas for the necessary assistance. Consumers contacting the SCDOI will be transferred directly to the nonprofit partner or local insurance producer for enrollment assistance.

The SCDOI assists consumers with insurer complaints and the SCDOI proposes to enhance the assistance provided by its current consumer staff with the temporary grant employees, student interns and nonprofit volunteers. The Project Manager will function as an Ombudsman and provide general consumer advocacy assistance. Student interns will assist with handling consumer calls and inquiries and will provide general directory information to consumers about how to access various services. Student interns will also assist with the completion of the form (s) for complaints and inquiries received via telephone. These complaint forms will be referred to health insurance analysts for more substantive reviews, investigation and contact with insurers. Additionally, some of our partners will be asked to complete complaint forms with the consumer's consent, so that they may be submitted electronically for more efficient processing. The SCDOI does not investigate consumer complaints involving self-funded or government-sponsored plan because this Department lacks regulatory jurisdiction. However, we do provide consumers general information about self-funded plans. The written complaint or inquiry is referred to the appropriate federal agency for the appropriate investigation and action. The SCDOI plans to enter into an MOU with Department of Labor regarding the taking of complaints. The grant funds will enable the SCDOI to expand its consumer services to this segment of the market by enhancing the technology associated with the consumer services it provides. The SCDOI will use a complaint form that will capture information about all types of insurers, including self-insurers. The completed forms will be forwarded electronically to the appropriate federal agency for processing. The SCDOI provides general information to consumers about the rights of appeal set forth in the insurance contract. It does not represent insurers in proceedings or matters before an insurer or judicial tribunal. The Ombudsman will provide advocacy assistance within the parameters set forth by the SC Office of Attorney General so to avoid allegations of the unauthorized practice of law. For assistance that requires the services of an attorney, the SCDOI will refer consumers to legal advocacy groups for the appropriate legal representation.

The grants funds will enable the SCDOI to expand its consumer education and outreach services. The SCDOI will use the funds to develop printed literature, webinars and other easily downloadable documents from our website. Additionally, the SCDOI, will develop training materials and train nonprofit organizations and state agencies on the requirements of and consumer rights under the Act

A portion of the grant funds will be used to enhance the IT systems that support the SCDOI's consumer complaint databases. These upgrades will enable The SCDOI to track and report on all complaints, inquiries, referrals and other requests.

* Estimated number of people to be served as a result of the award of this grant.

700000

Project/Performance Site Location(s)

Project/Performance Site Primary Location I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

* Street1:

Street2:

* City: County:

* State:

Province:

* Country:

* ZIP / Postal Code: * Project/ Performance Site Congressional District:

Project/Performance Site Location 1 I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

* Street1:

Street2:

* City: County:

* State:

Province:

* Country:

* ZIP / Postal Code: * Project/ Performance Site Congressional District:

Additional Location(s)

Project Narrative File(s)

* **Mandatory Project Narrative File Filename:**

To add more Project Narrative File attachments, please use the attachment buttons below.

Budget Narrative File(s)

* **Mandatory Budget Narrative Filename:**

To add more Budget Narrative attachments, please use the attachment buttons below.

BUDGET INFORMATION - Non-Construction Programs

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. Personnel	93.519	\$	\$	\$ 211,000.00	\$	\$ 211,000.00
2. Equipment/Office/Supplies	93.519			60,000.00		60,000.00
3. Contractual				170,000.00		170,000.00
4.						
5. Totals		\$	\$	441,000.00	\$	441,000.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1) Personnel	(2) Equipment/Office/ Supplies	(3) Contractual	(4)	
a. Personnel	\$ 140,000.00		\$	\$	140,000.00
b. Fringe Benefits	25,000.00				25,000.00
c. Travel	11,000.00				11,000.00
d. Equipment		15,000.00			15,000.00
e. Supplies		30,000.00			30,000.00
f. Contractual			170,000.00		170,000.00
g. Construction					
h. Other	15,000.00				30,000.00
i. Total Direct Charges (sum of 6a-6h)	191,000.00	60,000.00	170,000.00		\$ 421,000.00
j. Indirect Charges	20,000.00				\$ 20,000.00
k. TOTALS (sum of 6i and 6j)	\$ 211,000.00	\$ 60,000.00	\$ 170,000.00		\$ 441,000.00
7. Program Income	\$		\$		

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SECTION C - NON-FEDERAL RESOURCES

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

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 441,000.00	\$ 142,000.00	\$ 125,000.00	\$ 93,000.00	\$ 81,000.00
14. Non-Federal	\$				
15. TOTAL (sum of lines 13 and 14)	\$ 441,000.00	\$ 142,000.00	\$ 125,000.00	\$ 93,000.00	\$ 81,000.00

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. Equipment/Office/Supplies	\$	\$	\$	\$
17. Contractual				
18.				
19.				
20. TOTAL (sum of lines 16 - 19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:		22. Indirect Charges:	
23. Remarks:			

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 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 (0348-0040), 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.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

<p>* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL</p> <p>Cathy Cauthen</p>	<p>* TITLE</p> <p>Director</p>
<p>* APPLICANT ORGANIZATION</p> <p>South Carolina Department of Insurance</p>	<p>* DATE SUBMITTED</p> <p>09/10/2010</p>

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

Approved by OMB
0348-0046

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
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4. Name and Address of Reporting Entity:
 Prime SubAwardee

* Name: SC Department of Insurance

* Street 1: 1201 Main Street, Suite 1000 * Street 2: _____

* City: Columbia * State: SC: South Carolina * Zip: 29201

Congressional District, if known: SC-002

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: SC Health and Human Services	7. * Federal Program Name/Description: Care Act (ACA) - Consumer Assistance Program Grants CFDA Number, if applicable: 93.519
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8. Federal Action Number, if known: _____	9. Award Amount, if known: \$ _____
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10. a. Name and Address of Lobbying Registrant:

Prefix _____ * First Name N/A Middle Name _____

* Last Name N/A Suffix _____

* Street 1 _____ * Street 2 _____

* City _____ * State _____ * Zip _____

b. Individual Performing Services (including address if different from No. 10a)

Prefix _____ * First Name N/A Middle Name _____

* Last Name N/A Suffix _____

* Street 1 _____ * Street 2 _____

* City _____ * State _____ * Zip _____

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* Signature: Cathy Cauthen

* Name: Prefix _____ * First Name Scott Middle Name _____
* Last Name Richardson Suffix _____

Title: Director Telephone No.: 803-737-6805 Date: 09/10/2010

PROJECT ABSTRACT

The South Carolina Department of Insurance (Department) seeks \$441,000 to expand the services it currently offers to South Carolina consumers. Given the amount of South Carolina's anticipated allocation, we propose to leverage existing services provided by this Department, other agencies and nonprofits to fulfill the purposes of this funding opportunity and so that the expanded services may be sustainable. Set forth below is a general description of how these funds will be used.

Assisting Consumers with Enrollment. The Department does not currently offer enrollment assistance to South Carolina consumers. A number of nonprofit organizations and state agencies do provide enrollment assistance. As a part of the grant activities, the Department plans to partner with organizations such as the South Carolina Benefit Bank, the South Carolina Department of Health and Human Services and others that provide enrollment assistance. Additionally, the Department will work with insurers and producers to provide training on the ACA. Consumers unable to find health insurance coverage will be referred to producers in their areas for the necessary assistance. Consumers contacting the Department will be transferred directly to the nonprofit partner or local insurance producer for enrollment assistance. .

Assisting Consumers with the filings of complaints and appeals. The Department assists consumers with complaints filed against insurers authorized to transact the business of insurance in South Carolina. The Department proposes to enhance the assistance provided by its current consumer staff with the temporary grant employees, student interns and nonprofit volunteers. The Project Manager will function as an Ombudsman and provide general consumer advocacy assistance. Student interns will assist with handling consumer calls and inquiries and will provide general directory information to consumers about how to access various services. Student interns will also assist with the completion of the form(s) for complaints and inquiries received via telephone. These complaint forms will be referred to health insurance analysts for more substantive reviews, investigation and contact with insurers. Additionally, some of our nonprofit partners will be asked to complete complaint forms with the consumer's consent, so that they may be submitted electronically for more efficient processing. The Department does not investigate consumer complaints involving self-funded or government-sponsored plan because this Department lacks regulatory jurisdiction. However, we do provide consumers general information about self-funded plans. The written complaint or inquiry is referred to the appropriate federal agency for the appropriate investigation and action. The Department plans to enter into an MOU with the Department of Labor regarding the taking of complaints. The grant funds will enable the Department to expand its consumer services to this segment of the market by enhancing the technology associated with the consumer services it provides. The Department will use a complaint form that will capture information about all types of insurers, including self-insurers. The completed complaint forms will be forwarded electronically to the appropriate federal agency for processing. The Department provides general information to consumers about the rights of appeal set forth in the insurance contract. It does not represent insurers in proceedings or matters before an insurer or judicial tribunal. The Ombudsman will provide advocacy assistance within the parameters set forth by the South Carolina Office of Attorney General so as to avoid allegations of the unauthorized practice of law. For assistance that requires the services of an attorney, the Department will refer consumers to the South Carolina Bar's Pro Bono Program, The South Carolina Applesseed Justice Association and other consumer legal advocacy groups for the appropriate legal representation.

Consumer Education. The grant funds will enable the Department to expand its consumer education and outreach services. The Department will use the funds to develop brochures, one-page fact sheets, webinars and other health insurance related materials that can be easily downloaded from the Department's website and disseminated to state consumer organizations. Additionally, the Department, with the assistance of its partners, will develop training materials and train the staff of nonprofit organizations and state agencies on the requirements of and consumer rights under the Affordable Care Act (ACA).

Data Collection and Reporting. A portion of the grant funds will be used to enhance the IT systems that support the Department's consumer complaint databases. These upgrades will enable the Department to track and report on all complaints, inquiries, referrals and other requests for assistance for private, public and self-funded insurance plans.

Project Narrative

1. OVERVIEW OF CONSUMER SERVICES PROVIDED BY THE SC DEPARTMENT OF INSURANCE

The South Carolina Department of Insurance (SCDOI or Department) is charged with the responsibility of regulating the South Carolina insurance industry. It is organized into four main divisions which include: Consumer and Individual Licensing Services; Market, Actuarial, and Alternative Risk Transfer Services; Financial Services, and Administrative and Strategic Planning Services. Consumer assistance is provided through the Consumer and Individual Licensing Services Division.

a. Scope of Program Assistance

The mission of the SCDOI is protect the insurance consumers, the public interest, and the insurance marketplace by: ensuring the solvency of insurers; enforcing and implementing the insurance laws of this State; and regulating the insurance industry in an efficient, courteous, responsive, fair, and equitable manner. In part, the Department fulfills its mission by: 1) assisting consumers through its Office of Consumer Services (OCS) on a wide range of insurance claims and policy issues; 2) responding to consumer inquiries and complaints; 3) providing market assistance to those consumers requiring help with locating hard-to-place insurance coverage(s) within the state's insurance market; 4) performing education and outreach functions around the state to help educate South Carolina consumers on their rights and responsibilities under the terms of their insurance contract and applicable law.

The OCS provides certain advocacy and complaint assistance. It does not currently provide enrollment assistance or assistance with appeals. The Department lacks regulatory jurisdiction of government, self-funded or self-insured health plans. Accordingly, requests for assistance related to those programs are generally referred to the agencies with the requisite jurisdictional authority.

The OCS analysts assist the consumer by reviewing the complaint in conjunction with the insurance contract. The analysts review the policy to determine whether coverage exists. If coverage exists, the Department requires insurers to comply with the terms of the insurance policy. The analysts are supported by attorneys who are trained in mediation, coverage determinations and negotiation. They help the analysts assist individuals as they navigate the complexities of health insurance coverage in an unbiased and credible manner.

The OCS collects and tracks complaint data. The OCS reports consumer complaint data to the National Association of Insurance Commissioners (NAIC) on a variety of insurance products including health insurance. This data includes complaints involving claim denials, denials of coverage, rate increases, policy cancellations, service delays, improper sales or marketing tactics, claims handling, claim delays, and unsatisfactory settlement or claim offers, etc. Set forth below is a summary of some of the OCS' accomplishments.

b. Program Accomplishments

- 1) Consumer Assistance. In 2009, the OCS received nearly 65,000 telephone complaints or inquiries of which 32,000 were health insurance related. It also received more than 2,700 written complaints the majority of which (over 1,500) were related to health insurance issues during the same period. The OCS attempts to provide same-day services to consumers with telephone inquiries or complaints. The average time for processing a written complaint is 10-15 days. Of the 1,700 satisfaction surveys returned in 2009, more than 95% have rated the service received as satisfactory or better.

The OCS coordinates with other agencies at the state and federal level. Complaints involving Medicare or Medicaid related issues are referred to CMS pursuant to a Memorandum of Understanding. Additionally, the OCS refers complaints to the Department's Office of Legal Services if it appears that a violation of the South Carolina insurance laws have occurred. Complaints involving fraud or other criminal activity are referred to the South Carolina Office of the Attorney General or the local solicitor's office for investigation or prosecution.

- 2) Consumer Education. Annually, the SCDOI sponsors as many as forty to fifty consumer education and outreach events across the state. The topics include, "*How to Obtain Health Insurance*;" "*Information on Preexisting Conditions and Its Impacts on Being Able to Secure Insurance Coverage*;" "*The South Carolina Health Insurance Pool*;" and "*How to Contact Federal Agencies About Self-Insured Plans*." The Department also works with state government programs such as I-CARE and Baby-Net programs. These organizations serve as advocacy organizations for the most vulnerable in our society—infants with special needs and the elderly. The OCS also conducts insurance education programs for employers, faith-based organizations, schools and producers. Most of these programs focus on answering specific questions about South Carolina's insurance laws and regulations.

The Department's website is updated periodically to provide health insurance information. The responses to the most frequently asked consumer questions are placed on the Department's website. Publications on health insurance issues such as Medicare Supplement Guide, Long Term Care Insurance, and other insurance related topics are placed on the Department's website and may be downloaded.

- 3) Data Collection, Management and Reporting. The OCS currently collects and tracks data using its Market Conduct Complaint System. This system tracks consumer complaints coming into the Department. It interfaces with the Complaint Database System (CDS) application developed by the National Association of Insurance Commissioners. The CDS tracks complaints that have been closed following investigation by the OCS. The OCS records and tracks telephone inquiries and their disposition.
- 4) Policy Development. Data collection by line of insurance has been a great management tool for quickly identifying unusual patterns or trends in the marketplace. It also plays an important role in the Department's legislative recommendations as an increase in consumer complaints could be an indication of unfair trade practice or potential solvency issue with an insurer. Accordingly, the data collected by OCS assists with monitoring insurer solvency and may serve a basis for some legislative recommendations.
- 5) Recovered Benefits. Historically, the Department has not tracked the amount of benefits recovered for South Carolina consumers. During 2009, the OCS assisted consumers in collecting an estimated two million dollars (\$2,000,000) in insurance proceeds. Approximately half or one million dollars (\$1,000,000) was related to health insurance issues

c. Expertise of Consumer Assistance Program Personnel

The OCS employs five consumer analysts who provide consumer assistance to South Carolina residents. The analysts have specialized experience in one or multiple lines of insurance coverage. The majority of the OCS staff has worked with the Department for more than 10 years. Their educational backgrounds consist of a combination of college degrees, prior insurance claims or adjustment experience, or both. Some of the analysts have also attained insurance-related designations. Of the five consumer analysts, three analysts specialize in health insurance. They are familiar with both federal and state health insurance laws. Our health insurance

analysts have on average more than 30 plus years of health insurance experience. Two of the three have been certified in group health insurance or have successfully completed courses toward the Chartered Life Underwriters (CLU) designation. Our analysts attend courses sponsored by the Department and other organizations on a variety of insurance or insurance regulatory issues. All analysts are encouraged to obtain insurance designations.

d. Accessibility

South Carolinians have access to the SCDOI and the OCS through many different telecommunications means. The OCS has a dedicated toll-free number (800-768-3467) which is staffed at all times during regular business hours. The OCS also has a dedicated fax line (803-737-6231), email address (consumers@doi.sc.gov) and webpage (www.doi.sc.gov/consumer). Most importantly, South Carolinians have direct one-on-one access to the OCS as our analysts provide in-person consultation services to walk-in constituents during regular business hours. Regular business hours are Monday through Friday from 8:30 a.m. - 5:00 p.m. The OCS receives approximately 200-300 walk-in visitors annually. Policyholders also have 24-hour access to the OCS via the Department's website.

The Department is also able to provide assistance to consumers for whom English may be a second language. South Carolina has a significant Hispanic population. Therefore, the greatest need for interpretive services is for the Hispanic community. Historically, the SCDOI has used existing employees fluent in conversational Spanish to assist Spanish speaking consumers and to interpret for our consumer analyst staff when needed.

Consumers with physical challenges are also able to access the Department's services. The Department is located in a building that meets Americans with Disabilities Act (ADA) requirements. It is wheelchair accessible and we have elevators that transport consumers to the 10th Floor where the Department of Insurance is located. Additionally, the services of the SCDOI are accessible to consumers who are deaf and/or blind through the South Carolina Relay Service sponsored by Sprint. To access the OCS, a hearing impaired consumer calls 1-800-735-8583. They are asked by the operator for the number they wish to contact and the call is placed for them. The conversation between the analyst and the consumer is transcribed by the operator so the consumer can read it.

e. **Process for Ensuring Privacy and Security of Personally Identifiable Information**

The SCDOI network is protected by a firewall. The internal network is divided into two zones. All web servers are in one zone and all desktops and all other servers are in another. Internal desktops and servers are assigned private IP addresses. The firewall blocks all attempts from remote sources to access the internal network, unless there is an explicit rule in the firewall for the connection. Any request to our web servers must go through our network firewall and our web application firewall. Our network is also monitored by an Intruder Detection System. The SCDOI system displays confidential or secure information behind the firewall. Information such as social security numbers will never display without a secure user ID and password.

All reporting data files are encrypted before transmission through a secure File Transfer Protocol (FTP). We are able to encrypt any files before transmitting using the RSA algorithm (the standard for public key encryption) through calls to the Microsoft Cryptography API. Where required, we are also able to use Advanced Encryption Standard (AES). In the near future, we will be implementing Next Generation Cryptography (NGC) through the latest version of the API for data recipients who wish to specify their own cryptographic algorithm.

Concomitantly, an Application Security system safeguards the data transmitted to/from SCDOI via the Department's website. This feature enables the SCDOI to accept data from licensed individuals, licensed business entities, and members of the general public. All Internet transactions are encrypted or handled through Secure Socket Layer (SSL).

Users access SCDOI data via the Internet over a SSL connection which ensures the security of the information as it passes through the Internet. SSL has been accepted for the Internet for authenticated and encrypted communications between clients and servers. The protocol uses a combination of public-key cryptography, private-key cryptography, and message hash algorithms.

The system does not log data reads as access is controlled by application level security. The system logs, writes and deletes some, but not all, data changes. Deletes are performed by appropriate IT staff personnel.

The SCDOI provides multiple levels of built-power redundancy for the highest levels of availability. Battery and Uninterruptible Power Supply (UPS) backup power sources automatically take over in emergencies.

To ensure the protection of the data, all data is maintained on full redundant high availability storage. In addition, the Oracle database is backed-up (hot backups) nightly. System dumps are taken on a daily basis and cold backups are run bi-monthly. Data is backed up to tape on a daily basis and moved to an off-site storage facility. The SCDOI plans to replace the tape backup system with a scalable disk- to-disk backup system which will accelerate the back-up process and provide near instant data recovery. Traditional disaster recovery plans include documented procedures by which services and data can be reassembled over a matter of hours or days. Access to data is controlled by network log-in, application level log-in, application level privileges, roles and user rights in the database. Roles are applied to each user to determine the level of access and authority each user has.

The Department's legal counsel hosts seminars on privacy issues and on protecting the confidentiality of information. Our employees are also required to sign Confidentiality/Nondisclosure Agreements where in they agree not to disclose certain confidential information. Printed material with personally identifiable information is shredded on a regular basis, and personally identifiable information is segregated from other portions of the file and redacted for purposes of complying with information requests. South Carolina law also prohibits the dissemination of personally identifiable information for commercial solicitation purposes. Employees violating Department policies are subject to disciplinary action up to and including dismissal from employment. Additionally, persons violating the Act may be subject to civil and criminal penalties for violations of the South Carolina Family and Personal Identifying Information Privacy Protection Act. See S.C. Code Ann. § 30-2-10 *et seq.* (2001).

2. ENHANCEMENT OF CONSUMER SERVICES---PROJECT OVERVIEW

The SCDOI plans to use its allocation of funds to 1) enhance the services it currently provides (i.e., complaint assistance, consumer education, data collection and reporting, policy development and recovered benefits); 2) to provide additional consumer assistance by leveraging the services provided by other state agencies and nonprofit organizations (i.e., enrollment, advocacy, additional complaint and appeals assistance); and 3) to enhance the technology that supports its consumer services program. A detailed summary of the proposed activities follows.

a. Assisting Consumers with Enrollment

The OCS does not provide enrollment assistance to South Carolina consumers. The SCDOI proposes to partner with nonprofit organizations and other state agencies that provide these services. Listed in the table below are

the examples of the types of organizations with which the SCDOI proposes to partner and a description of its membership or the population it serves. Additionally, the SCDOI plans to train volunteers associated with other nonprofits on how to complete enrollment and complaint forms, so the nonprofit can provide this assistance directly to its membership.

b. Assisting Consumers with Filing Complaints and Appeals

The SCDOI provides complaint and some advocacy assistance to consumers throughout the state of South Carolina. We will continue to provide these services. The SCDOI anticipates a significant increase in the number of inquiries related to health insurance over next few years. As such, the SCDOI proposes to contract with its public and private partners to expand the services it currently provides. Grant funds will be used to upgrade the technological infrastructure which supports our consumer services program and to hire student interns to assist with certain consumer complaints.

1) *Technological Upgrades.* Grant funds will be used to invest in an interactive voice response system. This system will be programmed into the Department's database and should provide information to consumers about how to contact the various private and public insurance plans. Most importantly, it will enable the health insurance analysts to focus on providing substantive assistance to consumers rather than directory information about other insurance programs.

Second, funds will be used to support upgrades of the Complaint Database System (CDS) and for a license to the complaint module of the State-based System (SBS) system developed by the National Association of Insurance Commissioners (NAIC). The CDS system is linked to the SCDOI's Market Conduct System. It tracks and reports data on closed insurance complaints. The data collected and reported goes into the Consumer Data Complaint System maintained by the NAIC. The SBS system tracks complaints, referrals and inquiries related to health insurance. It will track all data elements required for reporting to the Secretary of the U.S. Department of Health and Human Services.

Moreover, the SCDOI will also be able to permit limited access to the SBS system to its partners. This will enable nonprofits and other state agencies to assist consumers with their authorization by completing and submitting a complaint form rather than referring these complaints telephonically. Security features will permit the partner to review and track only the status of complaints that it enters, but will block its access to complaints and other data referred by other partners. It is envisioned that SCDOI staff

will then be able to access these complaints via the SBS system. The analyst will be able to process the complaint and once it is resolved and entered into the SBS database, the SBS system will automatically update the CDS system.

The SCDOI does not currently provide assistance with appeals. The OCS will apprise consumers of their rights to appeal and the process for appealing a complaint or determination. Additionally, it will partner with organizations to provide training to volunteers on how to navigate the appeals process for various insurance products.

However, certain advocacy services such as accompanying a consumer to a hearing, providing advice on appellate rights, etc., go beyond the regulatory jurisdiction of the Department and may constitute the unauthorized practice of law. For services that go beyond its regulatory jurisdiction, the SCDOI plans to partner and establish a referral program with nonprofits such as the Pro Bono Program of the South Carolina Bar, South Carolina Legal Services Program and Appleseed Justice and other state agencies that provide this type of legal advocacy service. The OCS will refer consumers to those entities for advocacy and other forms of legal assistance.

2) *Student Interns*

The SCDOI proposes to enter into a Memorandum of Understanding with the University of South Carolina to establish an internship program for students pursuing insurance majors. The SCDOI proposes to use grant funds to hire up to four (4) student interns as temporary grant employees. These interns will receive training on the provisions of the ACA, conflict resolution and the components of various public and private health insurance programs. Specifically, the interns would function in a triage capacity for the health insurance analyst. They would: a) complete the initial complaint forms for the consumer; b) provide directory information, if needed (i.e., provide name and number of the appropriate contact person at a referral agency or nonprofit partner); c) refer the consumer to the appropriate agency (if the SCDOI does not have regulatory jurisdiction of the program); or d) refer the complaint and consumer call to a health insurance analyst for a substantive discussion of the consumer's rights and responsibilities under state and federal health insurance laws. Student interns would receive academic credit for their internship. Concomitantly, they would be required to sign confidentiality and nondisclosure agreements. They would

only be able to access the SBS system via their workstation at the SCDOI. At least one intern will be able to speak Spanish.

c. **Consumer Education**

The OCS proposes to expand its education and outreach programs by conducting community forums, hosting webinars, by using both broadcast and print media. The SCDOI will develop educational materials and conduct training sessions by leveraging its relationships with its nonprofit and agency partners. The proposed education and outreach activities include:

1) *Conducting Community Forums.*

The SCDOI and its partners will develop an educational curriculum on the provisions of the ACA and the rights and responsibilities of consumers. These educational materials will be used to train the SCDOI staff, the staff of its nonprofit partners and other state agencies involved in consumer protection and healthcare. Educational sessions will be conducted throughout the state by SCDOI staff and our partners. Community forums or educational sessions on the ACA are tentatively being planned for the following areas: Beaufort/Hilton Head/ Bluffton; Charleston and Dorchester Counties; Georgetown/Myrtle Beach; Florence/Darlington; Greenville/Spartanburg; Rock Hill/Fort Mill; Kershaw/Lancaster/Chesterfield and Columbia/Lexington/Aiken.

2) *Creating a Healthcare Webpage*

The SCDOI will work with its IT and state web developers on developing a webpage for information related to health insurance issues including healthcare reform. This webpage will contain links to other state and federal agencies and links to consumer pages of other organizations that provide health care services. The webpage will also include summaries of the ACA, brochures and one-page fact sheets on various aspects of the ACA that can easily be downloaded by the consumer. Educational materials and webinars will also be placed on this site. Information about the dates, location and times of educational sessions and other programs will also be included on the site

3) *Print and Broadcast Media*

Grant funds will be used to develop brochures, one-page fact sheets and other printed information related to the ACA and consumer rights. The Department will work with its partners to develop printed materials. If funding permits, the SCDOI plans to work with a local or public television station

on the development of a webinar or educational program on the ACA that can be broadcast around the state. Copies of this program will be made available to community centers and other organizations around the state. The webinar will be accessible through the SCDOI website. It will also be available on the website of other SCDOI partners

4) *Educating Providers and Members of the Insurance Industry on the ACA*

The SCDOI will allow other sponsors to develop, subject to Department approval, continuing insurance education courses for members of the South Carolina insurance industry on the requirements of the ACA. These educational sessions will provide an overview of the requirements of the law, but focus primarily on the rights and responsibilities of insurance consumers.

d. Data Collection, Management and Reporting

Our OCS currently tracks consumer complaints and inquiries. However, our system does not currently track all of the data elements required for reporting to the Secretary of the U.S. Department of Health and Human Services. As described above, the SCDOI will subscribe to the consumer complaint module of the SBS developed by the NAIC. The SBS is being enhanced to collect and track the required data including internal and external appeals. Additionally, the CDS systems will be enhanced also so that it will be updated with the statistics from closed consumer complaints. Grant funds will be used to enhance the Department's already established consumer tracking system infrastructure. The additional data collected will ensure an efficient and uniform reporting system. Provided all data elements are identified and provided at the time of the grant award, the Department anticipates being able to start collecting the required data in January of 2011. Assuming the Department is able to collect the data in January 2011, the first report would be issued in April 2011 based upon the January 2011 data.

e. Provide Premium Tax Credit Assistance

The SCDOI proposes to partner with the South Carolina Department of Revenue (DOR) and will refer clients to the DOR for more substantive assistance with tax questions on this issue. The SCDOI will provide links on its website to this type of information and provide directory assistance, if necessary. Educational materials will also be developed with the assistance of the DOR.

Budget Narrative

The SCDOI requests \$441,000 to execute the proposed expansion of its consumer services program. It plans to allocate the funding requested as follows:

1. Personnel

- a. **Project Manager.** Funding will be allocated to hire a Project Manager who shall also serve as the Ombudsman for Health Insurance. As such, this position will be responsible the day-to-day management of all aspects of the grant. The Project Manager will be responsible for working with the Department's IT staff and others involved in tracking of data on the health uninsured in our state, monitoring the public and private health insurance market, and logging consumer inquiries and complaints, including the resolutions; and serving as a liaison between the SCDOI and its private and public partners. Seventy-five Thousand Dollars (\$75,000) will be allocated for salary (\$50,000 in salary and \$25,000 in fringe benefits). Attached is a detailed position description for the project manager.
- b. **Program Assistant.** The Department will also hire a program assistant who will be responsible for handling health insurance consumer complaints and for providing assistance to the Project Manager. Forty Thousand Dollars (\$40,000) in salary.
- c. **Student Interns.** The SCDOI proposes to hire four (4) student interns pursuing degrees in insurance to provide consumer assistance services. These students will be hired as temporary employees and will work an average of 20-25 hours per week at \$10-12.00 per hour. Fifty Thousand Dollars (\$50,000) has been allocated to fund the cost of these services during the grant period.

2. Training

Fifteen Thousand (\$15,000) in funding will be allocated to provide additional training to our existing OCS staff, members of the project team and student interns. Additionally, OCS and grant staff will receive additional training on the South Carolina health insurance laws, the provisions of the ACA as well as training on interviewing, negotiating, problem solving, gathering of information and evidence, and maintaining case and data files.

3. **Equipment**

A total of \$15,000 is requested to purchase the following items of equipment: 4 laptops and 2 printers (that can be taken to outreach events and activities); 1 power point projector and screen; 2 Blackberries, software and annual telephone and data subscription; and 3 scanners (that can be taken to outreach events and activities).

4. **Travel**

A total of \$11,000 is proposed for travel. Eight Thousand Five Hundred (\$8,500) is requested for the principal investigator, project manager to conduct educational programs around the state. This amount includes hotel/meals, registration, and incidentals for an average 1-2 day trip per week. Additionally, \$2,500 is requested in funds to support travel for the principal investigator and project manager to attend meetings scheduled by the NAIC or the U.S. Department of Health and Human Services (HHS) on the activities related to the consumer services components of the ACA.

5. **Other Direct Costs**

- a. **Materials and Supplies**: A total of \$5,000 is requested for materials, supplies and consumables needed to carry out the proposed research such as paper, pens, legal pads, staples, staplers, printer ink; toner, presentation folders, name tags, etc.
- b. **Printing**: A total of \$5,000 is requested for printing charges related to the production of brochures, one page fact sheets, seminar materials, etc.
- c. **IT Consultant Services**: A total of \$120,000 is requested for consultant services for subscriptions to the consumer module of the SBS system and programming and installation of the interactive voice response system. Twenty Thousand (\$20,000) is allocated for the subscription costs for the license and subscription to the consumer module of the SBS system. One Hundred Thousand Dollars is estimated for the cost of developing and programming the interactive voice response system for the OCS.
- d. **Subcontracts**: A total of \$50,000 is requested for a subcontract with various partners to provide consumer assistance under this grant project. These costs are broken down by partner in the attached budget exhibit.

e. **Other:**

- i. *Communications/Postage:* A total of \$20,000 is requested to cover the costs of installation of additional phone lines and service, postage, fax, etc.
- ii. *Office space:* A total of \$15,000 is allocated to prepare office space and provide equipment for the project manager, program assistant and student interns.

6. **Indirect Costs**

Indirect Costs are calculated in accordance with the SCDOI Indirect Cost Rate Agreement the Department is trying to put in place with the United States Department of Health and Human Services. Currently, the SCDOI is using a rate of 5% indirect cost rate. Accordingly, \$20,000 is being allocated for indirect costs.