

II. Program-Specific Recovery Plan for Recovery.gov (Q 2.8 of Guidance)	
DOL Agency MAX ID and name: Employment and Training Administration (ETA)	
Recovery Program: National Emergency Grants for Health Coverage Assistance	
Does this program align with an existing CFDA program?	17.260
1. Objectives:	
Program Purpose	The Trade and Globalization Adjustment Assistance Act of 2009, contained in the Recovery Act, appropriated \$150 million to the Department of Labor for National Emergency Grants (NEGs), by amending section 174(c)(1)(A) of the Workforce Investment Act (WIA), to enable states to continue to provide for a percentage of the cost of qualifying health insurance coverage for eligible individuals, until such time as they can be enrolled in the Internal Revenue Service's (IRS) Health Coverage Tax Credit (HCTC) program. Eligible individuals include workers who are certified as eligible for the Trade Adjustment Assistance (TAA) program, as a result of becoming unemployed because of increased imports from, or shifts in production to, foreign countries. States can pay this benefit for eligible individuals for approximately three months, until they can receive assistance through the HCTC program operated by the IRS. The health insurance assistance provided with NEG funds cannot supplant other Federal, state or local assistance for which the individual is eligible.
Public Benefits	These targeted NEGs will help eligible individuals and their families pay for health insurance. States use the grants to provide health insurance coverage assistance to eligible TAA-certified workers and other eligible individuals, as authorized under the Trade Adjustment Assistance Reform Act of 2002 and the expansion of the program in the Trade and Globalization Adjustment Assistance Act of 2009.
2. Projects and Activities:	
Kinds and scope of projects and activities to be performed	The Department of Labor will provide NEGs to states for health coverage assistance to eligible individuals.
List of Projects and Activities	<p>NEG funds may be used for infrastructure and bridge and gap-filler payments to individuals. Funding will be provided as discrete grants to states. Applications are submitted on an as-needed basis. Applications are reviewed by the Assistant Secretary for Employment and Training and approved by the Secretary of Labor.</p> <p>Infrastructure: Funds are available to assist states in establishing the infrastructure needed to ensure eligibility of individuals for assistance, proper referral to and enrollment of eligible individuals in qualified coverage, and effective verification of benefit payments.</p> <p>Bridge Payments: Funds may be used to help pay the cost of health insurance premiums for eligible individuals until such time as the infrastructure and mechanisms are in place to enable individuals to receive the health insurance coverage assistance through the tax credit mechanism.</p> <p>Gap-filler Payments: Funds may be requested to cover approximately three months of gap payments to support a percentage of the qualified premium for eligible individuals. The gap period is defined as the months required for the</p>

	IRS to enroll, process and pay a candidate's first payment under the HCTC program. This period is usually one month, but depending on the timing and other factors, may take up to three months. NEG funding for gap periods is predicated on the fact that the individual remains eligible for the HCTC for all gap months.
3. Characteristics:	
Types of Financial Awards to be used.	B Project Grants
Type of Recipient	Government – State
Type of Beneficiary	Individuals
4. Major Planned Program Milestones:	
Training	Provided training to potential state grantees on Health Coverage Assistance NEGs, via TAA forums on the provisions of the new TAA program authorized by the Recovery Act. The forums addressed all the components, provisions and benefits associated with the new TAA program, including health coverage assistance. The forums also covered participant eligibility for health coverage assistance, including that of Pension Benefit Guaranty Corporation pension beneficiaries. Representatives from the IRS and TAA program jointly presented on the health coverage assistance portion of the forums. Six TAA forums, covering all states, were held during the months of July, August and September 2009, all of which discussed the availability of HCTC NEGs.
	Completed: September 30, 2009
Issue Guidance	Issued Training and Employment Guidance Letter (TEGL) No. 25-09 <i>Health Coverage Tax Credit National Emergency Grants</i> describing policies and guidelines for use of NEG Recovery Act funds for health insurance coverage assistance for eligible TAA-certified workers. This guidance consolidates and updates all previous policy related to the eligibility, application, and utilization of NEGs to provide temporary funding for health coverage assistance in a straight-forward and easy-to-read manner.
	Completion Date: April 30, 2010
Technical Assistance	Provide technical assistance to states and other eligible applicants to communicate policies and guidelines. Office of National Response (ONR) staff continues to provide technical assistance, in collaboration with the Regional Offices, to applicants and potential applicants. This entails answering questions about eligibility to apply for the HCTC NEG and how to effectively manage the closeout of an existing HCTC NEG and the initiation of a new HCTC NEG.
	Expected Completion Date: December 31, 2010
Outreach	Conduct outreach to states and other eligible applicants to communicate policies and guidelines. Promote and encourage potential and existing state grantees to participate on monthly conference calls sponsored by the IRS. Representatives from ONR participate in the monthly calls to provide additional information or field any questions about the NEGs. Participation in the monthly conference calls also helps facilitate communication and coordination between ONR and the IRS. The Department of Labor participated in both conference calls the IRS hosted with Regional Office staff, in December 2009 and April 2010.
	Expected Completion Date: December 31, 2010

Review Applications	<ul style="list-style-type: none"> ○ Accept grant applications and review according to established procedures ○ Make grant awards <p>As of March 31, 2010, six (6) HCTC NEGs have been awarded using these funds.</p>
	Expected Completion Date: December 31, 2010
Monitor Progress and Outcomes	<ul style="list-style-type: none"> ○ Review grant activities and outcomes through quarterly reports ○ Share information about Recovery Act-funded Health Coverage Assistance NEGs through Recovery.gov
	Expected Completion Date: June 30, 2011
5. Monitoring and Evaluation:	
<p>The Department has established reporting systems and Office of Management and Budget-approved forms that grantees use to track, document and report expenditures and performance on a regularly scheduled basis that provides updated information to the Employment and Training Administration (ETA) at a minimum of once a quarter. Grantees are required to certify the accuracy of these reports prior to submitting them to ETA through the established electronic reporting systems.</p> <p>ETA uses its Grants Electronic Management System (GEMS) and other related electronic data collection systems to conduct and document quarterly desk reviews of financial obligations, expenditures and program performance. Grantees identified as “high risk grantees” through these reviews are given priority attention for on-site monitoring. ETA’s quarterly desk reviews along with on-site reviews are used to identify potential risks and encourage program improvements through technical assistance and training.</p> <p>To further ensure that funds are spent on the intended purpose and accurately reported, the Department requires all grantees to submit single audits annually. ETA works with grantees to resolve any audit findings through additional reviews and the development and implementation of corrective action plans.</p> <p>ETA conducts a final review of each grantee’s expenditures and performance during the grant close-out process.</p> <p>In December 2009, the Office of Inspector General (OIG) concluded its Recovery Act audit of the HCTC NEG which was directed to answer the following questions: (1) What is the status of states applying for, and using Recovery Act funds under the HCTC NEG program? (2) What outreach did ETA conduct to inform states of the availability of funds? The OIG’s final report of the audit was released on March 31, 2010 and recommended that ETA assess the need for the remaining \$142 million by obtaining an annual estimate of the amount of Recovery Act HCTC NEG funds needed by each state; reconcile the apparent conflict concerning the period of availability of Recovery Act funds; and issue guidance, provide effective outreach, and coordinate with the Pension Benefit Guaranty Corporation (PBGC) to identify eligible PBGC recipients for potential enrollment. The HCTC NEG guidance was issued on April 30, 2010.</p>	
6. Measures:	
Measure Text	Total Participants Enrolled in Health Coverage Assistance NEGs
Measure Type	Output
Measure Frequency	Quarterly
Direction of Measure	Increasing

Unit of Measure	Number of Participants
Explanation of Measure	<p>Health Coverage Assistance NEGs are used by state agencies to help eligible individuals temporarily pay for a percentage of their health insurance coverage costs. This measure reflects the cumulative number of eligible participants enrolled in NEGs to receive temporary assistance with health care premiums.</p> <p>The actual reported below is from the Program Year (PY) 2009 Q2 report ending December 31, 2009.</p>
Year	2009
Original Program Target	N/A
Revised Full Program Target	TBD
Targeted ARRA Increment	N/A
Actual	1,736
Goal Lead	Erica Cantor, Administrator, Office of National Response
Measure Text	Baseline Development for States and Individuals Served
Measure Type	Output
Measure Frequency	Once
Direction of Measure	Increasing
Unit of Measure	Number of HCTC NEGs and Participants
Explanation of Measure	<p>The Department will review the number of states that were awarded HCTC NEGs and the number of individuals that received payments under the HCTC NEGs, six months into PY 2009, for the purpose of developing estimates. Assessing the level of funding halfway through the PY will provide an indication of the rate the Recovery Act funds are being disbursed and if there is an anticipated balance for the end of the PY. If the number of states receiving HCTC NEGs and the number of participants receiving payments under the HCTC NEGs during PY 2009 is relatively low, ETA will develop and implement an information strategy to inform stakeholders that:</p> <ol style="list-style-type: none"> (1) Funds for HCTC NEGs do not expire on June 30, 2010, but are available until expended, because they were appropriated under Division B of the Recovery Act. (2) HCTC is an IRS-administered program; and (3) Use of HCTC NEG funds may be less than anticipated as a result of changes made by the Recovery Act to the IRS' administration of the HCTC program. <p>The actual reported below is as of December 31, 2009.</p>
Year	2009
Original Program Target	2,500
Revised Full Program Target	N/A
Targeted ARRA Increment	N/A
Actual	1,736
Goal Lead	Erica Cantor, Administrator, Office of National Response

7. Transparency and Accountability:
Consistent with the transparency and accountability objectives of the American Recovery and Reinvestment Act (ARRA), states submit supplemental monthly reports in addition to continuing to submit current quarterly and annual reports. The supplemental monthly reports provide more detailed information on training and other services delivered than is available in current quarterly reports. The supplemental report does not require a new data collection.
ETA posts summary of program data on the ETA website and the DOL Recovery webpage.
8. Federal Infrastructure Investments:
N/A
9. Barriers to Effective Implementation:
N/A
10. Environmental Review Compliance:
NA