

MEMORANDUM

TO: NRHI Board of Directors
FROM: Elizabeth Mitchell, CEO
Michael Wilson, VP Finance & Operations
RE: 2015 Budget Status - Grants
DATE: February 10, 2015

Outlined below is a brief summary of how actual awards of anticipated grants are tracking the 2015 budget assumptions, including anticipated grants that were unknown at the time the 2015 budget was built. This memorandum does not include any ongoing grants whose status has not changed materially since the 2015 budget was built.

For the Board's convenience, each item is color coded to indicate its status: Green means the grant/funding is on track/as planned; Yellow means some change that is not positive; and Red means the funding is at risk or negative.

NEW: Support and Alignment Network Federal Grant

The 2015 budget does not contain this grant, as it was unknown at the time the budget was done. NRHI recently submitted its application for this grant. If successful, this grant would be issued by the Center for Medicare and Medicaid Innovation ("CMMI") and would provide \$2.8 million over a four-year period. CMMI anticipates that it will issue notices of awards on April 10, 2015, with the project to start on May 1, 2015. We are optimistic that we will receive this award.

TCOC – Renewal Grant

We have been invited to apply for this renewal grant. In developing the 2015 budget, we conservatively put this grant in at the current funding level (about \$583K prorated over 8 months). Our request under the renewal is \$1.2 million (prorated for 8 months in 2015) over 18 months beginning in May, about \$500K of which \$1.2 million would go toward contracted services.

California Healthcare Foundation Grant

The 2015 budget does not contain this grant. NRHI was awarded a one-time grant of \$50K for a 12-18 month period to support an event coordinator position. This will be embedded in CHN and contribute to its expense and sustainability.

Choosing Wisely Campaign Grant (second round)

This is in the 2015 budget at about \$22.7K, scheduled to begin on April 1, 2015. We have been notified that we will receive this grant. It will be \$100K spread over three years (roughly \$33K

each year).

○Milbank Memorial Fund Grant

The 2015 budget reflects about \$25.5K. The total grant request was for \$47K to be spent November and December 2014 and the remainder (60%) spent January through March 2015. But our request included about \$7K for indirect costs. Milbank does not pay for indirect costs and, therefore, it reduced our request to a little over \$40K, 60% of which is \$24K versus the \$25.5 in the budget. However, all of this grant (\$40K) will be spent (and hence, all revenue will be earned) in 2015.

○NBER-Harvard Federal Grant

The 2015 Budget has about \$69K for this grant. The status of this grant currently is not yet known, though we were told we made the “first cut” and we still are being considered.

○Peterson/Stanford RRD Grant

The 2015 Budget has about \$25K (\$22K in revenue) for this grant. The status of this grant currently is unknown. The Peterson Foundation seems to be reconsidering its direction, making this award unlikely.