

**U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
Center for Clinical Standards and Quality**

**Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity:
Measure Development for the Quality Payment Program**

**Amended Notice of Funding Opportunity
Cooperative Agreement**

Notice of Funding Opportunity Number: CMS-1V1-18-002

CFDA: 93.986

Date: May 3, 2018

Applicable Dates:

Electronic Application Due Date: May 30, 2018 [3:00 p.m. Eastern Time]

Anticipated Issuance of Notices of Award: August 30, 2018

Anticipated Period of Performance: 12-months [September 4, 2018 to September 3, 2019]

24-months [September 4, 2018 to September 3, 2020]

36-months [September 4, 2018 to September 3, 2021]

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EXECUTIVE SUMMARY

This Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program (this “Funding Opportunity”) is authorized under section 1848(s)(2) and funding is made available under section 1848(s)(6) of the Social Security Act (the Act), as added by section 102 of MACRA (P.L. 114-10). Section 1848(s)(2) of the Act requires the Secretary to enter into contracts or other arrangements with entities, including organizations with quality measure development expertise, to develop, improve, update, or expand quality measures for application under the Merit-based Incentive Payment System (MIPS) and/or Advanced Alternative Payment Models (APMs), which are collectively referred to as the Quality Payment Program, in accordance with the CMS Quality Measure Development Plan, which is developed and updated as appropriate by the Secretary in accordance with section 1848(s)(1) of the Act¹. Such entities may include, but are not limited to, clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development. In entering into such contracts or other arrangements, the Secretary must give priority to the development of the types of measures described in section 1848(s)(1)(D) of the Act (specifically, outcome measures², including patient-reported outcome measures and functional status measures; patient experience measures; care coordination measures; and measures of appropriate use of services, including measures of over use). In selecting measures for development, the Secretary must consider whether such measures would be electronically specified, as well as clinical practice guidelines to the extent that such guidelines exist. Section 1848(s)(6) of the Act authorizes \$15 million for each fiscal year (FY) from 2015 through 2019, available through the end of FY 2022, to carry out section 1848(s) of the Act. Cooperative agreement awards under this Funding Opportunity are considered an “other arrangement” for purposes of section 1848(s)(2)(A) of the Act. Under this Funding Opportunity, up to \$30,000,000 of the funding authorized by Section 1848(s)(6) of the Act has been set aside for the cooperative agreement awards over 3 years.

HHS Awarding Agency	Centers for Medicare & Medicaid Services
CMS Awarding Center	Center for Clinical Standards and Quality
Notice of Funding Opportunity Title	Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program
Authorization	Section 1848(s)(2) and (6) of the Act, as added by section 102 of MACRA
Funding Opportunity Type	New
Funding Opportunity Number	CMS-1V1-18-002
Type of Award	Cooperative Agreement

¹ The CMS Measure Development Plan can be found at the following website: available at <https://www.cms.gov/Medicare/Quality-Payment-Program/Measure-Development/Measure-development.html>.

² For additional information on outcomes measures, and other types of measures, see the Measures Management System Blueprint for definitions and additional information. Found here: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/MMS/MMS-Blueprint.html>

Catalog of Federal Domestic Assistance	93.986
Letter of Intent to Apply Due Date (if applicable)	N/A
Cooperative Agreement Application Due Date & Time	May 30, 2018 3:00 p.m. Eastern time
Anticipated Issuance Notice(s) of Award	August 30, 2018
Anticipated Period of Performance	1 year, up to 3 years, estimated start date September 4, 2018
Anticipated Total Available Funding	Up to \$30,000,000 over 3 years
Estimated Number of Awards	Up to 20 Cooperative Agreements
Estimated Award Amount Per Entity	Up to \$2,000,000 per year, up to 3 years, totaling up to \$6,000,000 per recipient, subject to the availability of funds.
Estimated Award Date	August 30, 2018
Eligible Applicants	Entities, including organizations with quality measure development expertise. Such entities may include, but are not limited to, clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development. For this Funding Opportunity, the above categories are referenced collectively as entity or entities. Entities without quality measure development technical expertise for the entire measure development lifecycle are required to partner with one or more organizations, referred to as subrecipients, with such expertise, to meet the requirements of this Funding Opportunity. The following types of entities are not eligible to apply for this Funding Opportunity as a primary applicant: (i) entities with active grants, cooperative agreements, and/or contracts from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities where CMS is the measure steward; and (ii) entities that have Medicare deeming authority granted by CMS denoted at : https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Accrediting-Organization-Contacts-for-Prospective-Clients-.pdf.. This does not include entities only receiving funding and/or support from CMS for their measures where CMS is not the measure steward. However, all of these entities may be subrecipients on one or more applications.

A. PROGRAM DESCRIPTION

A1. Purpose

The purpose of this Funding Opportunity is to provide funding assistance in the form of cooperative agreements to entities to develop, improve, update, or expand quality measures for use in the Quality Payment Program.

Recognizing the benefits of measure development by external stakeholders with specific knowledge of clinician and patient perspectives and needs, the funding assistance of these cooperative agreements is specifically designated for entities external both to CMS and to other federal agencies. Such entities may include, but are not limited to, clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development. These external entities provide the needed medical specialty and patient perspectives to lead or support the measure development priorities of the CMS Quality Measure Development Plan and, accordingly, to advance the Quality Payment Program measure portfolio. Specifically, collaboration with and support for these entities in measure development will assist CMS in addressing such essential topics as: clinician engagement, consumer-informed decisions, critical measure gaps, quality measure alignment, and efficient data collection that minimizes health care provider burden.

The specific purpose of the individual cooperative agreements is for CMS to assist (financially and technically) each designated entity in developing, improving, updating, or expanding appropriate quality measure(s) for use in the Quality Payment Program.

A2. Authority

This Funding Opportunity is authorized under section 1848(s)(2) and funding is made available under section 1848(s)(6) of the Act. Section 1848(s)(2)(A) of the Act requires the Secretary to enter into contracts or other arrangements with entities to develop, improve, update, or expand quality measures for application under MIPS and/or Advanced APMs, which are collectively referred to as the Quality Payment Program, in accordance with the CMS Quality Measure Development Plan, which is developed and updated as appropriate by the Secretary in accordance with section 1848(s)(1) of the Act. Such entities must include organizations with quality measure development expertise. Such entities may include, but are not limited to: clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development. Section 1848(s)(2)(B)(i) of the Act requires the Secretary, in entering into such contracts or other arrangements, to give priority to the development of the types of measures described in section 1848(s)(1)(D) of the Act (specifically, outcome measures, including patient-reported outcome measures and functional status measures; patient experience measures; care coordination measures; and measures of appropriate use of services, including measures of over use). Section 1848(s)(2)(B)(ii) of the Act requires the Secretary, in selecting measures for development, to consider (i) whether such measures would be electronically specified; and (ii) clinical practice guidelines to the extent that such guidelines exist. Section 1848(s)(6) of the Act makes available \$15 million for each of fiscal years (FYs) 2015 through 2019, available through the end of FY 2022,

to carry out section 1848(s) of the Act. Of the funding authorized by Section 1848(s)(6) of the Act, up to \$30,000,000 over 3 years has been set aside for the cooperative agreement awards under this Funding Opportunity. Cooperative agreement awards under this Funding Opportunity are considered an “other arrangement” for purposes of section 1848(s)(2)(A) of the Act.

A3. Background

MACRA was enacted on April 16, 2015. Section 101(c) of MACRA requires the establishment of MIPS, which is a new incentive payment system consolidating features of three existing clinician-based programs: the Physician Quality Reporting System (PQRS), the Physician Value-Based Payment Modifier (VM), and the Medicare Electronic Health Record (EHR) Incentive Program for eligible professionals. MIPS will assess the performance of MIPS eligible clinicians in four categories: quality, cost, advancing care information, and improvement activities. Section 101(e)(2) of MACRA also creates payment incentives for physicians and other eligible clinicians to participate in Advanced APMs.

In accordance with section 101(c) and (e)(2) of MACRA, CMS created the Quality Payment Program to improve Medicare by incentivizing clinicians to focus on quality and value of care while improving patient health. CMS strives to put patients first, ensuring that they can make decisions about their own healthcare along with their clinicians. CMS wants to ensure innovative approaches to improve quality, accessibility, and affordability while paying particular attention to improving clinicians’ and beneficiaries’ experiences when interacting with CMS programs. The Quality Payment Program generally aims to: (1) support care improvement by focusing on better outcomes for patients, decreased clinician burden, and preservation of independent clinical practice; (2) promote adoption of APMs that align incentives for high-quality, low-cost care across healthcare stakeholders; and (3) advance existing delivery system reform efforts, including ensuring a smooth transition to a healthcare system that promotes high-value, efficient care by supporting innovative approaches to improve quality, accessibility, and affordability.

The quality measures used in MIPS and Advanced APMs serve as the mechanism for measuring quality, care delivery, and services for clinicians in the Quality Payment Program. An enhanced measure portfolio helps to ensure that clinicians can use quality measurement that is meaningful and relevant to their patients and their practice, which drives improvement toward better patient outcomes and minimizes the burden of data collection so that clinicians can spend more time with their patients.

Cooperative agreement awards under this Funding Opportunity, in accordance with section 1848(s)(2) of the Act, will be used for developing, improving, updating, or expanding quality measures for use in the Quality Payment Program in accordance with the CMS Quality Measure Development Plan. Therefore, in accordance with section 1848(s)(1)(D) of the Act, priority for measure development will be given to the types of measures described in section 1848(s)(1)(D) of the Act, specifically:

1. Outcome measures, including patient-reported outcome and functional status measures;
2. Patient experience measures;
3. Care coordination measures; and
4. Measures of appropriate use of services, including measures of over use.

Additional considerations under the statute and specific requirements for this Funding Opportunity and the measures are explained in section A4. Program Requirements.

Within the broader context of quality measure use and development, CMS continues to engage in extensive ongoing measure development, quality reporting, and other measure-related activities. In particular, CMS contracts with measure developers to produce measures for use in CMS quality reporting and value-based payment programs. However, CMS recognizes the benefits of measure development by external stakeholders with quality measure development expertise, such as clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development, and is therefore providing this Funding Opportunity.

CMS measures work is guided by the Meaningful Measurement framework³. CMS has also been engaged with commercial payers, clinician specialty societies, consumers, health care providers, and others in efforts to align quality measures across payers in order to further enhance improvement in outcomes for patients and to minimize burden for clinicians. Through the Core Quality Measures Collaborative (CQMC), CMS and America's Health Insurance Plans (AHIP) have collaborated with other entities to develop consensus around core sets of measures with the following three aims:

- Recognize high-value, high-impact, evidence-based measures that promote better patient health outcomes, and provide useful information for quality improvement, decision-making, and payment.
- Minimize the burden of measurement and volume of measures by eliminating low-value metrics, redundancies, and inconsistencies in measure specifications and quality measure reporting requirements across payers.
- Refine, align and harmonize measures across payers to achieve congruence in the measures being used for payment and other accountability purposes.

CMS will continue to collaborate with commercial payers, consumers, health care providers, and others to achieve these aims through its ongoing measure-development work.

Finally, CMS utilizes scientific measure development principles throughout the entire measure-development lifecycle, which consists of the following phases: conceptualization; specification; testing; implementation; and use, evaluation, and maintenance. CMS measure development also follows a core set of business processes and decision criteria which are outlined in the CMS Measures Management System Blueprint (the Blueprint)⁴.

For certain measures, CMS uses the Measures Under Consideration (MUC) List and the Measure Applications Partnership (MAP) processes. The MUC List is a publicly available list of quality and efficiency measures that CMS is considering adopting for use in Medicare programs. The MAP,

³ Meaningful Measures website: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityInitiativesGenInfo/CMS-Quality-Strategy.html>

⁴ Blueprint available at: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/MMS/MMS-Blueprint.html>.

consisting of multiple stakeholder groups, provides recommendations to CMS regarding the selection of the measures on the MUC list for use in various CMS quality reporting and value-based payment programs.

A4. Program Requirements

This Funding Opportunity requires active quality measure development work based on measure concepts or measures (that is, developing, improving, updating, or expanding quality measures) for inclusion in MIPS and/or Advanced APMs in accordance with section 1848(s)(2) of the Act. As an output of this Funding Opportunity, recipients (i.e., applicants who are awarded a cooperative agreement) will produce one or more fully developed, specified, and tested quality measures for potential use in the Quality Payment Program. Technical expertise in the full measure development lifecycle from measure conceptualization through implementation is required. Entities without quality measure development technical expertise for the entire measure development lifecycle are required to partner with one or more organizations, referred to as subrecipients, with such expertise, to meet the requirements of this Funding Opportunity. If the primary applicant has quality measure development technical expertise for the entire measure development lifecycle, the entity is not required to partner with a subrecipient. If the primary applicant is using a subrecipient, the primary applicant must submit a Memorandum of Understanding (MOU) in accordance with section C11. and follow the requirements outlined in section D2. Content and Form of Application Submission, j. Memorandum of Understanding, section E1.6. Criteria, Memorandum of Understanding, and section F3. Terms and Conditions.

The entire measure-development lifecycle is fully described in the Blueprint. Additionally, a recipient will obtain significant clinician and patient input. CMS will provide targeted technical assistance in the form of guidance and direction to aid recipients in their work as a part of the cooperative agreement. See Section F.4, Cooperative Agreement Terms and Conditions of Award (Substantial Involvement) for more information.

For this Funding Opportunity there must be, at a minimum, an existing measure concept based on evidence of a demonstrated quality gap, variation in performance across clinicians, and opportunity for improvement. However, with regard to the starting point for the individual entity work, there is flexibility. For example, assistance may be available to those entities who are currently working at later stages of measure development such as testing. This Funding Opportunity also allows for associated or concordant flexibility in the amount and/or duration of assistance. For example, an entity working at later stages of measure development may apply to receive assistance for one budget period, rather than three budget periods. For more information regarding the flexibility in amount and/or duration of assistance, please refer to Section B. Federal Award Information.

For this Funding Opportunity, measure development work should align with the priorities identified in the CMS Quality Measure Development Plan. Specifically, as stated above, the measure development work must give priority to the development of the following types of measures:

1. Outcome measures including patient reported outcome and functional status measures;
2. Patient experience measures;
3. Care coordination measures; and

4. Measures of appropriate use of services, including measures of overuse.

In certain circumstances, when the measure fulfills an important need or gap area, CMS may, in accordance with the CMS Quality Measure Development Plan, consider assistance for other measure types (e.g., clinical process) if the scientific evidence-base strongly links the process to a desired outcome and if there is demonstrable variation in performance (i.e., a quality gap). CMS must also consider whether measures would be electronically specified and consider the pertinent clinical practice guidelines, to the extent that such guidelines exist.

The CMS Quality Measure Development Plan identifies initial priority areas for measure development and gap areas. These priority areas (domains) are: Clinical Care, Safety, Care Coordination, Patient and Caregiver Experience, Population Health and Prevention, and Affordable Care. The gap areas include, but are not limited to: Orthopedic Surgery, Pathology, Radiology, Mental Health and substance use conditions, Oncology, Palliative Care, and Emergency Medicine. However, for this Funding Opportunity, CMS will accept applications for development of other quality measures (such as specialty/subspecialty) that fill an existing gap or need and are high impact. For example, an application may include measures for medical conditions or procedures that span an entire episode of care. For further information on initial priority areas for measure development and gap areas, see the CMS Quality Measure Development Plan: Environmental Scan and Gap Analysis Report⁵. Regardless of the specialty/subspecialty, the proposed measure(s) for this Funding Opportunity should both advance and align with existing measures associated with that specialty/sub-specialty. Further, CMS is seeking measures that meet the following criteria:

- Fill a performance gap where there is known variation in performance, not just a measure gap, and align with the domains prioritized by MACRA and the CMS Quality Measure Development Plan;
- Focus primarily on clinical outcomes, including but not limited to patient reported outcomes and functional status measures;
- Are applicable across settings and health care providers (i.e., cross-cutting);
- Are patient-centered and important to patients, caregivers, and health care providers;
- Are developed with the engagement of external stakeholders, including front-line practicing clinicians and patients to increase use, usability, and value while also minimizing burden;
- Prioritize electronic data sources (e.g., EHRs, registries);
- Minimize burden by application across delivery systems, and payers;
- Maintain a focus on iterative testing using both synthetic and real data; and
- Define outcomes, risk factors, cohorts, and inclusion/exclusion criteria based on clinical and empirical evidence.

This Funding Opportunity requires technical measure development infrastructure and expertise, or partnering with a subrecipient with quality measure development technical expertise, for the entire measure development lifecycle to complete measure development and produce a measure(s) ready for application under the Quality Payment Program. For example, access to complete, timely, and

⁵ The CMS Quality Measure Development Plan: Environmental Scan and Gap Analysis Report can be found here: <https://www.cms.gov/Medicare/Quality-Payment-Program/Measure-Development/Measure-development.html>

accurate data and the ability to test a measure, analyze, interpret, and present testing results is required. This Funding Opportunity requires that measures be developed under generally accepted measure development and scientific principles in order for the measures to meet the following technical requirements:

- Impact, Opportunity, Evidence, Importance to Measure and Report
- Reliability and Validity
- Feasibility
- Usability and Use
- Harmonization
- Stakeholder Engagement

The measure's readiness for application under the Quality Payment Program should be interpreted, at a minimum, as having completed the requirements for a fully developed and tested measure and for consensus-based entity endorsement through the National Quality Forum (NQF). While NQF endorsement of the measure(s) is not mandatory, it is a key step in the measure development process, and the measure(s) should meet all of the requirements for endorsement. The measure's readiness for application under the Quality Payment Program should also be interpreted as meeting the requirements for submission to the MUC List, participation in the MAP, submission to a peer-review journal, and measure stewardship, as these are also key steps in the measure development process.

Additionally, for this Funding Opportunity, measures should also meet the following basic measure-development principles:

- Measures should address a performance gap where there is known variation in performance, not just a measure gap, and there has been quantitative evidence of opportunities for improvement.
- Rigorous development of the business case for an evidence-based measure concept is a critical first step in the development cycle.
- Patient/caregiver input is equally important to clinician input in the development of measures.
- Measures should be developed in a rapid-cycle fashion, employing single-piece flow where appropriate.
- Measure developers are encouraged to collaborate with other developers, and share best practices/new learnings.
- Meaningful quality measures increasingly need to transition away from setting-specific, narrow snapshots.
- Reorient and align measures around patient-centered outcomes that span across settings – this may require different “versions” of the same measure (i.e., different cohorts, but same definition of the numerator).
- Develop measures meaningful to patients/caregivers and health care providers, focusing on outcomes.
- Enable monitoring and tracking of disparities and unintended consequences.

A5. Technical Assistance and Information for Prospective Applicants

CMS will conduct pre-application conference calls that will be open to all prospective eligible applicants. During these calls, CMS will provide an overview of the cooperative agreement application process, discuss the Funding Opportunity, and answer questions from prospective eligible applicants. Additional information, including Frequently Asked Questions, will be made available on the program's website⁶.

B. FEDERAL AWARD INFORMATION

This Funding Opportunity is focused on engaging stakeholders in measure development. CMS will award up to \$30,000,000 for three years in funding for cooperative agreements under this Funding Opportunity. The goal of these awards is to engage with experts in the development of measures (such as specialty-specific outcome measures) for use in the Quality Payment Program. This Funding Opportunity requires applicants without measure development expertise to partner with other entities with demonstrated measure development expertise to qualify for this Funding Opportunity. The awards will range from \$0- \$2,000,000 a year. The awards will last 1 to 3 years and the purpose of the cooperative agreements will be to develop one or more quality measures suitable for application under the Quality Payment Program. Applicants may apply for 1 to 3 years of funding depending on measure development status and the number of measures in their application. See Section C: Eligibility Information for additional details.

This Funding Opportunity allows for a range in the amount and duration of assistance to provide applicants with adequate flexibility to allow for maximum diversity in measures and provide a Funding Opportunity that is accessible to the greatest number of eligible entities possible. CMS anticipates that applications will vary greatly in the number of measures proposed, the complexity of the measure(s) developed, and phase(s) of measure development that the proposed measure(s) has completed. The Blueprint details the measure development lifecycle and a sample timeframe for the measure development phases to use as guidance. CMS recognizes, and anticipates, that the level and length of assistance will vary based on the number of measures proposed, the complexity of the measure(s) developed, and phase(s) of measure development that the proposed measure(s) has completed. Here is a list of some of the factors that will contribute to variation in the amount and duration of each award:

- Starting point: While it is a Funding Opportunity program requirement that the applicant have an evidence-based measure concept, some applicants may be further along in specification or testing than others. An applicant proposing measure concepts that need to be fully specified may request more resources over a longer period of time under this Funding Opportunity than a measure that is ready or in the middle of the measure-testing phase. Alternatively, if the applicant is proposing to update an existing quality measure, the applicant may request less time and funding.

⁶ Medicare Access and CHIP Reauthorization Act of 2015 (MACRA): Measure Development for the Quality Payment Program website: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html>

- Number of measures: An applicant proposing to develop multiple measures or a coordinated measure set may request more resources over a longer duration than an applicant proposing to develop a single measure.
- Complexity of the measure(s): The complexity of the measure(s) proposed in an application will contribute to variations in amount and duration of award. The length and complexity of the measure testing phase is likely to reflect the complexity of the measure to ensure the measure's reliability, feasibility, validity, and usability. The type, scope, and data source of the measure impact the measure's complexity.
 - Type (e.g., outcome, process, patient reported outcome)
 - Scope (e.g., single setting, cross-setting, across specialties)
 - Data source (e.g., electronic health records, registries, claims)
- Endorsement: Endorsement by a consensus-based entity, currently the National Quality Forum (NQF), provides critical stakeholder feedback and is a valuable step in the measure development process (see Blueprint for more information). The attainment of NQF endorsement is strongly encouraged and applicants are able to use this Funding Opportunity to support the process of obtaining NQF endorsement; it is not a requirement of this Funding Opportunity. An applicant's choice of whether to include NQF endorsement in their proposal will have an impact on the amount and duration of award.

Each applicant should consider the factors outlined above when: (1) requesting funding under this Funding Opportunity; and (2) proposing a period of performance (1 year, 2 years, or 3 years). Please note that as part of the review and selection process, CMS will evaluate both the funding and period of performance requested. As a result of these evaluations, CMS may require that the funding or the period of performance requested by the applicant be altered by a potential awardee during the pre-award Negotiations phase of the award process, if such Negotiations are conducted. The applicant has the burden of explaining why the requested funding and period of performance are justified. If the requested funding or period of performance is determined by CMS to be excessive, then the applicant must agree to reduce either or both, as applicable. CMS will not award more funds than are requested by the applicant.

B1. Total Funding

The total amount of federal funds available for all recipients is up to \$30,000,000 for 3 years, subject to the availability of funds.

B2. Award Amount

The award amount available per recipient is up to \$2,000,000 per year for up to 3 years, for a total of up to \$6,000,000 per recipient, subject to the availability of funds.

B3. Anticipated Award Dates

The anticipated award date is 90 days after the application due date.

B4. Period of Performance

The project period for each Cooperative Agreement award will be up to 36 months from the date of award. Multi-year awards will be comprised of 12-month budget periods. See section B5. Funding for more information.

B5. Funding

Applicants may receive a multi-year award. The project period will either be 12 months, 24 months, or 36 months, funded in 12-month increments known as “budget periods.” Although initial funding awarded through this Funding Opportunity will cover only the first 12-month budget period of a 24- or 36-month project period, the applicant must still submit an estimated budget for each of the budget periods (year 1 and, as applicable year 2 and year 3). Please see Appendix I, *Guidance for Preparing a Budget Request and Narrative*, for specific instructions. The following shows an example of the project and budget periods for one-, two-, and three-year awards.

Estimated One-Year Award

<u>Project Period:</u>	September 4, 2018 to September 3, 2019	Up to \$2,000,000 (total)
<u>Budget Period One:</u>	September 4, 2018 to September 3, 2019	Up to \$2,000,000

Estimated Two-Year Award

<u>Project Period:</u>	September 4, 2018 to September 3, 2020	Up to \$4,000,000 (total)
<u>Budget Period One:</u>	September 4, 2018 to September 3, 2019	Up to \$2,000,000
<u>Budget Period Two:</u>	September 4, 2019 to September 3, 2020	Up to \$2,000,000

Estimated Three-Year Award

<u>Project Period:</u>	September 4, 2018 to September 3, 2021	Up to \$6,000,000 (total)
<u>Budget Period One:</u>	September 4, 2018 to September 3, 2019	Up to \$2,000,000
<u>Budget Period Two:</u>	September 4, 2019 to September 3, 2020	Up to \$2,000,000
<u>Budget Period Three:</u>	September 4, 2020 to September 3, 2021	Up to \$2,000,000

Future funding will be issued through non-competing continuation awards for years 2 and 3. Non-competing continuation awards are contingent upon available funds, satisfactory performance during the previous budget period(s), and the recipient’s ability to continue meeting all requirements laid out in the Funding Opportunity and the terms and conditions of award. A non-competing continuation application is a financial assistance request (in the form of an application or performance/progress report) for a subsequent budget period within a previously approved project period for which a recipient does not have to compete with other applicants. The process for applying and receiving a non-competing continuation award will be outlined in the terms and conditions of award. Satisfactory performance during the previous budget period(s) will be measured by assessing: (1) the recipient’s ability to meet the performance metrics laid out in their original application; (2) the quality and timeliness of report submissions; (3) the recipient’s compliance with the terms and conditions provided with their Notice of Award, including compliance with all applicable statutory and regulatory requirements; and (4) the recipient’s ability to communicate with and respond in a timely manner to requests from the CMS project officer throughout the project period.

B6. Number of Awards

The anticipated number of cooperative agreement awards is up to 20.

B7. Type of Award

These awards will be structured as Cooperative Agreements. The Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. § 6301, et seq., defines the cooperative agreement as an alternative assistance instrument to be used in lieu of a grant whenever substantial Federal involvement with the recipient during performance is anticipated. The difference between grants and cooperative agreements is the degree of Federal programmatic involvement rather than the type of administrative requirements imposed (see F4. Cooperative Agreement Terms and Conditions of Award (Substantial Involvement)). Therefore, statutes, regulations, policies, and the information contained in the HHS Grants Policy Statement that are applicable to grants also apply to cooperative agreements, unless the award itself provides otherwise.

B8. Type of Competition

This will be a competitive Funding Opportunity.

C. ELIGIBILITY INFORMATION

C1. Eligible Applicants

This Funding Opportunity is open to entities, which must include organizations with quality measure development expertise, such as clinical specialty societies, clinical professional organizations, patient advocacy organizations, educational institutions, independent research organizations, health systems, and other entities engaged in quality measure development.

Eligible applicants should have quality measure development technical expertise for the entire measure development lifecycle. Entities without quality measure development technical expertise for the entire measure development lifecycle are required to partner with an organization(s), referred to as a subrecipient, with that expertise to meet eligibility requirements. If the entity submitting the application has quality measure development technical expertise, the entity is not required to partner with an organization since the primary applicant meets the eligibility requirement. Each applicant must submit a Cover Letter which affirms that it is an entity with quality measure development technical expertise or, if not, that it has partnered with one or more organizations with quality measure development expertise for the entire measure development lifecycle. To signify this partnership, eligible applicants are required to submit a Memorandum of Understanding for each subrecipient to meet Funding Opportunity requirements. See D2. Content and Form of Application Submission, d. Cover Letter and j. Memorandum of Understanding for additional information.

See also the explanation included in D2.Content and Form of Application Submission, a. Application Format, regarding CMS's evaluation of ineligible, incomplete, and/or non-responsive applications.

C2. Cost Sharing or Matching

Cost sharing or matching is not a requirement of this Funding Opportunity.

C3. Letter of Intent

Submission of a letter of intent is not a requirement of this Funding Opportunity.

C4. Ineligibility Criteria

The following types of entities are not eligible to apply for this Funding Opportunity as a primary applicant: (i) entities with active grants, cooperative agreements, and/or contracts from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities where CMS is the measure steward; and (ii) entities that have Medicare deeming authority granted by CMS denoted at : <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Accrediting-Organization-Contacts-for-Prospective-Clients-.pdf>. Applicants must attest they do not meet either of these exclusion criteria in the Cover Letter. See section D2. Content and Form of Application Submission, d. Cover Letter for more information. This does not include entities only receiving funding and/or support from CMS for their measures where CMS is not the measure steward. However, all of these entities may be subrecipients on one or more applications.

C5. Single Application Requirements

An entity may submit only one application under this Funding Opportunity. However, an entity may be a subrecipient on multiple applications.

C6. Continued Eligibility

Award recipients must meet reporting and certification deadlines to be eligible throughout the initial 12-month budget period and to remain eligible for a non-competing continuation award for subsequent budget periods in multi-year projects. In addition, recipients would need to demonstrate strong performance during the previous funding cycle(s) before additional year funding is awarded; or, in the case of awards where all funding is issued in the first year, to ensure continued access to funding. At any time in the award cycle, recipients could receive decreased funding or their cooperative agreement could be terminated if recipients fail to perform the requirements of the award.

C7. EIN, DUNS, and SAM Regulations

In order to apply, all applicants are required to have a valid Employer Identification Number (EIN), otherwise known as a Taxpayer Identification Number (TIN); a Dun and Bradstreet (D & B) Data Universal Numbering System (DUNS) number; and be registered in the System for Award Management (SAM) database (copy and paste the following into a browser, (<https://www.sam.gov/portal/SAM/##11>) to be able to submit an application at <http://www.grants.gov>. See Appendix II, *Application and Submission Information*, for descriptions of EIN, DUNS, and SAM.

C8. Foreign and International Organizations

Foreign and international organizations are not eligible to apply.

C9. Faith-Based Organizations

Faith-based organizations are eligible to apply.

C10. Cover Letter

Applicant must include a Cover Letter (on organizational letterhead), which provides assurances (1) that the applicant is an organization with quality measure development technical expertise to include (in brief) supporting information; or (2) that the applicant is an organization without quality measure development technical expertise but has partnered with one or more organization(s), referred to as subrecipient(s), with that expertise to meet the eligibility requirement related to quality measure development technical expertise. As described in C.11, each such partnership must be documented via a Memorandum of Understanding. The Cover Letter must further attest that the applicant (1) is not an entity with an active grant, cooperative agreement, and/or contract from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities where CMS is the measure steward; and (2) is not an entity that has Medicare deeming authority granted by CMS denoted at : <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Accrediting-Organization-Contacts-for-Prospective-Clients-.pdf>. The Cover Letter must be signed by the Authorized Organizational Representative identified on the SF-424 (Application for Federal Assistance). See also D2. Content and Form of Application Submission d. Cover Letter.

C11. Memorandum[a] of Understanding

Entities without quality measure development technical expertise are required to partner with one or more organization(s), referred to as subrecipients, with that expertise to meet eligibility requirements of the Funding Opportunity related to quality measure development technical expertise. A Memorandum of Understanding (MOU) must be provided for each subrecipient that aids the primary applicant in meeting this eligibility requirement. See D2. Content and Form of Application Submission, j. Memorandum of Understanding for additional information. If awarded a cooperative agreement, a recipient will be required to provide to CMS copies of updated MOUs with each subrecipient, as applicable, to document any post-award changes required. The MOU must document each subrecipient's acknowledgement and commitment to complying with cooperative agreement requirements under this Funding Opportunity.

D. APPLICATION AND SUBMISSION INFORMATION

D1. Address to Request Application Package

Application materials will be available at <http://www.grants.gov>. Please note that HHS requires applications for all announcements to be submitted electronically through Grants.gov. Applicants will be able to download a copy of the application packet, complete it off-line, and then upload and submit the application via the Grants.gov website. Refer to Appendix II, *Application and Submission Information*, for specific instructions on how to apply.

D2. Content and Form of Application Submission

The sub-headers a. through j. included in this section align with the evaluation criteria outlined in Section E1. The evaluation criteria and scoring of the application will be based upon the information and documents requested in these sub-headers.

a. Application Format

Applications determined to be ineligible, incomplete, and/or nonresponsive based on the initial screening may be eliminated from further review. However, the Centers for Medicare & Medicaid Services Office of Acquisition and Grants Management Grants Management Officer (CMS/OAGM/GMO), in its sole discretion, may continue the review process for an ineligible application if it is in the best interests of the government to meet the objectives of this Funding Opportunity.

Each application must include all contents described below, in the order indicated, and conform to the following specifications:

- The following page size must be used: 8.5” x 11” letter-size pages (one side only) with 1” margins (top, bottom, and sides). Other paper sizes will not be accepted. This is particularly important because it is often not possible to reproduce copies in a size other than 8.5” x 11”.
- All pages of the project, budget narratives, and implementation plan must be paginated in a single sequence.
- Font size must be at least 12-point with an average of 14 characters per inch (CPI).
- The Project Narrative must be double-spaced. The page limit for this document is 50 pages.
- The Implementation Plan must be double-spaced. The page limit for this plan is 20 pages.
- The Budget Narrative may be single-spaced and should follow the justifications and table formats provided in Appendix I, *Guidance for Preparing a Budget Request and Narrative*. The page limit for this document is 20 pages.
- The Business Assessment of Applicant Organization may be single or double-spaced. The page limit for this document is 10 pages.
- Tables included within any portion of the application should have a font size of at least 12-point with a 14 CPI and may be single spaced. Tables are counted towards the applicable page limits.
- The project abstract is restricted to a one-page summary which may be single-spaced.
- The application may not exceed 100 pages. Although tables are counted towards the page limitation, the following required documents are excluded from the page limitations described above: Standard Forms, Project Site Location Form, Project Abstract, Cover Letter, Memoranda of Understanding, Indirect Cost Rate Agreement, and resumes of key personnel.

The application is expected to describe the measure concept(s) the applicants will develop and the plan to develop the measure concept(s) such that the measure concept(s) meet Funding Opportunity requirements and will be eligible for application under the Quality Payment Program.

Table 1. Standard Forms Requirements

Application Component	Max Pages	Points
Project Abstract	1	0
SF 424	No page limit	0
SF 424A	No page limit	0
SF 424B	No page limit	0
SF LLL	No page limit	0

Table 2. Project Narrative (Max 50 pages)

Application Component	Points
A. Background	65
1. Healthcare Quality Experience	35
2. Measure Development Expertise and Resources	30
B. Quality Measure Concept(s)	95
1. Information Gathering	5
2. Measure Type	20
3. Measure Domain	10
4. Specialty/Subspecialty Performance Gap Area	30
5. Measure Characteristics	10
6. Data Source	10
7. Burden Minimization	10
C. Measure Development	75
1. Measure Specification	20
2. Measure Testing	30
3. Measure Implementation	10
4. Stakeholder Engagement	15
TOTAL	235

Table 3. Implementation Plan (Max 20 pages)

Application Component	Points
A. Measure Specification	20
B. Measure Testing	20
C. Measure Implementation	10
D. Stakeholder Engagement	10
TOTAL	60

Table 4. Budget Narrative (Max 20 pages)

Application Component	Points
Budget Narrative	20
TOTAL	20

Table 5. Additional Information (unlimited pages)

Application Component	Points
Cover Letter	0
Memorandum of Understanding*	0
Resumes of Key Personnel	0
TOTAL	0

*if applicable

Table 6: Summary of Total Pages and Points for Application Components

Application Component	Max Pages	Points
Project Abstract	1	0

Application Component	Max Pages	Points
SF 424	No page limit	0
SF 424A	No page limit	0
SF 424B	No page limit	0
SF LLL	No page limit	0
Cover Letter	No page limit	0
Project Narrative	50	235
Implementation Plan	20	60
Budget Narrative	20	20
Memorandum of Understanding*	No page limit	0
Resumes of Key Personnel	No page limit	0
TOTAL POINTS		315

*if applicable

b. Standard Mandatory Forms

The following standard forms are found in the Grants Application Package at Grants.gov and must be completed with an electronic signature and submitted as part of the application:

- Project abstract summary
- SF-424: Official Application for Federal Assistance (see note below)
Note: On SF 424 “Application for Federal Assistance”:
 - On Item 15 “Descriptive Title of Applicant’s Project”, state the specific cooperative agreement opportunity for which you are applying: Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program
 - Check “No” to item 19c, as Review by State Executive Order 12372 does not apply to this cooperative agreement Funding Opportunity.
- SF-424A: Budget Information Non-Construction
- SF-424B: Assurances-Non-Construction Programs
- SF-LLL: Disclosure of Lobbying Activities
All applicants must submit this document. If your entity does not engage in lobbying, please insert “Non-Applicable” on the document and include the required Authorized Organizational Representative (AOR) name, contact information, and signature. Please note that the application kit available online in Grants.gov is utilized for many programs and therefore Grants.gov may designate this form as optional to allow for flexibility amongst programs. The specific Funding Opportunity announcement will provide final, binding guidance. This form is required as part of your application package and must be submitted for your application to be considered eligible for review.
- Project Site Location Form
All applicants must submit this form. Please note that the application kit available online in Grants.gov is utilized for many programs and therefore Grants.gov may designate this form as optional to allow for flexibility amongst programs. This form is required as part of your application package and must be submitted for your application to be considered eligible for review.

c. Project Abstract

(max 1 page)

A one-page abstract should serve as a succinct description of the proposed project and should include the goals of the project, the total budget, overview of the evidence of a quality gap and the proposed related measure concept(s), and a description of how the funds will be used. The abstract is often distributed to provide information to the public and Congress. Please ensure the abstract is clear, accurate, concise, and without reference to other parts of the application. Personal identifying information should be excluded from the abstract. In the Grants Application Package that can be found at www.Grants.gov, select the Project Abstract Summary and complete the form.

d. Cover Letter

Applicant must include a Cover Letter (on organizational letterhead) which provides assurances (1) that the applicant is an organization with quality measure development technical expertise to include (in brief) supporting information; or (2) that the applicant is an organization without quality measure development technical expertise but has partnered with one or more organization(s), referred to as subrecipient(s), with that expertise to meet the eligibility requirement related to quality measure development technical expertise. As described in C.11, each such partnership must be documented via a Memorandum of Understanding. The Cover Letter must further attest that the applicant (1) is not an entity with an active grant, cooperative agreement, and/or contract from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities where CMS is the measure steward; and (2) is not an entity that has Medicare deeming authority granted by CMS denoted at : <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Accrediting-Organization-Contacts-for-Pro prospective-Clients-.pdf>. The Cover Letter must be signed by the Authorized Organizational Representative identified on the SF-424 (Application for Federal Assistance).

e. Project Narrative

(max 50 pages)

The Project Narrative should address how the applicant will carry out the design and implementation work required to meet the goals of the Funding Opportunity. Applicants must develop a Project Narrative which articulates in detail all of the information included within this subsection. The main headers and sub-headers are included immediately below and further described in detail throughout this sub-section (see Project Narrative Outline).

A. Background

1. Healthcare Quality Experience
2. Measure Development Expertise and Resources

B. Quality Measure Concepts

1. Information Gathering
2. Measure Type
3. Measure Domain
4. Specialty/Subspecialty Performance Gap Area
5. Measure Characteristics

- 6. Data Source
- 7. Burden Minimization
- C. Measure Development
 - 1. Measure Specification
 - 2. Measure Testing

Refer to section D2. *Content and Form of Application Submission* for Project Narrative page limits. All sections of the Project Narrative must be clearly labeled with the title of the section or subsection, in accordance with the sub-headers outlined below. The applicant must produce a detailed and fully developed proposal describing its ability to meet the Funding Opportunity requirements on time and successfully develop the measure concept(s) proposed for application under the Quality Payment Program.

The Project Narrative Attachment Form can be found in the Grants Application Package located at www.Grants.gov. Select the Project Narrative Attachment Form and “Add Mandatory Project Narrative File.” The header of the Project Narrative should be clearly labeled as “Project Narrative.”

Project Narrative Outline

A) Background

1) Healthcare Quality Experience

The applicant shall describe its interest and need for the cooperative agreement award. The proposal shall describe the applicant’s existing relationships with clinicians in the specialty(ies) for which the applicant expects to develop quality measures and with patients. Included in that description should be any ongoing efforts to improve healthcare quality and promote innovation through measure development. The applicant should outline its experience promoting measurement through the use of data and any involvement in generating evidence-based guidelines for clinical practice. The proposal shall also describe any experience the applicant has with data submissions and/or measure reporting for CMS or other federal programs.

2) Measure Development Expertise and Resources

Applicants must clearly state their experience and expertise with quality measure development. If the proposed project includes electronic clinical quality measures (eCQMs), then the applicant is encouraged to provide information about their experience in eCQM data collection, measure testing, and submitting eCQMs for endorsement. If the applicant is partnering with a subrecipient to gain measure development experience and expertise to help them meet the eligibility requirements of the Funding Opportunity, the subrecipient’s experience and expertise with quality measure development must be outlined in the application as well. Descriptions should include a list of quality measures developed and whether they have been endorsed and/or are in use in a CMS program. Brief descriptions and/or resumes of key personnel of the applicant and subrecipient(s), if partnering with one, responsible for measure development in this Funding Opportunity should also be included as separate attachments and mentioned in this section. Separate attachments of resumes of key

personnel do not count toward the page limits. See Section D2. Content and Form of Application Submissions, i. Resumes of Program/Project Director and other key personnel for more information.

B) Quality Measure Concept(s)

1) Information Gathering

The proposal should clearly outline the previous information-gathering steps taken by the applicant to form the initial quality measure concept(s). Summaries of any results for environmental scans (e.g., literature review or clinical practice guidelines search) and empirical data analyses should be included in this section to demonstrate prioritization of topics or conditions, gap analysis, business case building, and compilation of existing and related measures. Applicants should also include evidence that the proposed measure(s) supports a quality gap, captures the variation in performance across health care providers, and the opportunity for improvement.

2) Measure Type⁷

The applicant shall identify the measure type(s) of the proposed measure concept(s). Risk adjusted outcome measures and patient reported outcomes measures will be prioritized.

If the applicant proposes another measure type (for example, a process measure), the applicant should explain the reason(s) for not using a risk adjusted outcome measures or a patient reported outcomes measures. The proposal should also include how this measure type fills a performance gap area where variation is anticipated.

3) Measure Domain

The applicant shall describe the measure concept's alignment with the measure domains prioritized by MACRA and the CMS Quality Measure Development Plan. The following domains outlined further in the CMS Quality Measure Development Plan are preferred: Clinical Care, Safety, Care Coordination, Patient and Caregiver Experience, Population Health and Prevention, and Affordable Care.

If the applicant proposes another measure domain, the applicant should explain the reasoning.

4) Specialty/Subspecialty Performance Gap Area

The applicant must describe how the measure concept(s) satisfies a known performance gap where there is known variation in performance within a specialty or subspecialty in accordance with the CMS Quality Measure Development Plan. The following specialties are preferred: Orthopedic Surgery, Pathology, Radiology, Mental Health and substance use conditions, Oncology, Palliative Care, and Emergency Medicine. Even if the measure concept(s) aligns with one of the preferred specialties, the proposal should still include information on the performance gap within that specialty and detail how the proposed measure concept(s) will contribute to existing measures associated with that specialty.

⁷ For additional information on outcomes measures, and other types of measures, see the Measures Management System Blueprint for definitions and additional information. Found here: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/MMS/MMS-Blueprint.html>

If the proposed measure concept(s) is associated with another specialty or subspecialty, the applicant should provide additional information regarding the performance gap and its importance to measure on a national scale.

5) Measure Characteristics

The proposal should include an outline of any additional measure characteristics known by the applicant not already included in the previous sections. The following measure characteristics are a priority: outcome measures, including patient reported outcome and functional status measures patient experience measures; care coordination measures; and measure of appropriate use of services, including measure of overuse. At a minimum, the applicant should discuss if the measure concept(s) is patient-centered, and if so, in what way. The applicant should also discuss whether the measure concept(s) is applicable across settings. If the measure concept(s) is not applicable across settings, the applicant should provide an explanation and focus on how the measure will minimize burden despite the measure's specificity.

6) Data Source

The applicant should describe their plan for using electronic data sources. If an electronically specified (e-specified) measure is not possible, the proposal should give an explanation of why it is not using an electronic data source and describe the data source the applicant intends the measure to use.

7) Burden Minimization

All applicants should describe how the measure will minimize burden when used across delivery systems and payers.

C) Measure Development

1) Measure Specification

The applicant must describe the process and capacity for developing precise technical specifications, defining the data source, specifying code sets, and constructing a data protocol. The key components of technical specifications are:

- Measure name/title
- Measure description
- Initial population
- Denominator
- Numerator
- Exclusion and exception
- Data sources (if multiple data sources are used, discuss what the data source is for which data element(s))
- Key terms, data elements, codes

- Unit of measurement or analysis
- Sampling (if applicable)
- Risk adjustment (if applicable)
- Data period (e.g., date of most recent inpatient discharge through date of subsequent inpatient admission at any hospital; 1/1/2016 through 12/31/2017; date and time of arrival at the emergency department through date and time of inpatient admission)
- Measure results (include descriptive, bivariate, and multivariate analysis results if available)
- Calculation/Measure algorithm

If the applicant has already specified their measure concept(s), the applicant should clearly describe their previous progress and outline the steps already taken to develop precise technical specifications, define the data source(s), specify code sets, and construct a data protocol and a summary of the outcome.

2) Measure Testing

The applicant must describe the process and capacity for measure testing to assess the quality measure's technical specifications and develop empirical evidence to determine the strengths and weaknesses of a measure with respect to the measure evaluation criteria. The proposal should describe how the applicant will achieve the following measure evaluation criteria for the proposed measure concept(s): impact on healthcare costs and/or outcomes; opportunity for improvement and/or reduction of performance gap; evidence; and importance to measure and report; reliability and validity; feasibility; usability and use; and harmonization.

3) Measure Implementation

The applicant must describe the process and capacity to support the implementation of the measure(s) through the following stages of implementation into the Quality Payment Program: support throughout the MUC pre-rulemaking process, attending the MAP in-person meetings and incorporating feedback, and consideration for the Quality Payment Program. The proposal should describe whether or not the applicant will seek measure endorsement and plan to maintain the measure(s), and the applicant's intention and understanding of their role as measure steward once the measure is in the Quality Payment Program.

4) Stakeholder Engagement

The applicant shall describe its process and capacity to incorporate feedback from key stakeholders throughout the measure development process to increase use, usability, and value while also minimizing burden on these stakeholders. Key stakeholders include, but are not limited to: front-line practicing clinicians, health care providers (e.g., hospital systems, skilled nursing facilities, home health agencies), and patients/caregivers. The applicant shall also describe how it will manage the administrative functions necessary to coordinate stakeholders and describe any past experience.

f. Implementation Plan

(max 20 pages)

Applicants must submit a detailed Implementation Plan, with the application, that describes how the applicant intends to complete the work along with:

- A detailed work plan that includes tasks, objectives, milestone, start and end dates, and task owner;
- A narrative and diagram of the proposed organizational structure and the flow of funds, data, and communications with subrecipient(s) if applicable; and
- An assessment of risks to implementation and assumptions that may impact projected timelines, and mitigation strategies for reducing the probability of the risk occurring. If there is more than one potential mitigation strategy, discuss the pros and cons of each option and the rationale for the option that is being recommended.

Applicants should submit the Implementation Plan in the Grants Application Package that can be found at www.grants.gov; select the “Other Attachment Form” and “Add Other Attachment.” The header of the implementation plan should be clearly labeled as “Implementation Plan.”

g. Budget Narrative

(max 20 pages)

Applicants must supplement form SF-424A with a Budget Narrative. The Budget Narrative must include a yearly breakdown of costs for each 12-month budget period. See Section B. Federal Award Information for more information on the performance period. Applicants must include a clear description of the proposed set of services that will be covered with cooperative agreement funds. The Budget Narrative should provide a detailed cost breakdown for each line item outlined in the SF-424A by budget period, including a breakdown of costs for each activity/cost within the line item. The proportion of the requested funding designated for each activity should be clearly defined and should justify the applicant’s readiness to receive funding. The budget must separate out funding that is administered directly by the lead agency from funding that will be subcontracted to other partners.

For more specific information and instructions on completing the SF-424A and Budget Narrative, please refer to Appendix I. Guidance for Preparing a Budget Request and Narrative.

The Budget Narrative Attachment Form can be found in the Grants Application Package located at <http://www.grants.gov>; select the Budget Narrative Attachment Form and “Add Mandatory Budget Narrative File”. The header of the document should be clearly labeled as “Budget Narrative.”

h. Business Assessment of Applicant Organization

(max 10 pages)

As required by 45 CFR § 75.205 for competitive grants and cooperative agreements, CMS will evaluate the risk posed by an applicant before they receive an award. This analysis of risk includes items such as financial stability, quality of management systems, and the ability to meet the management standards prescribed in 45 CFR Part 75.

An applicant must review and answer the business assessment questions outlined in Appendix III, *Business Assessment of Applicant Organization*. There are ten (10) topic areas with a varying number of questions within each topic area. Applicants MUST provide an answer to each question. Moreover, the applicant should refrain from solely answering “yes” or “no” to each question – i.e., a brief, substantive answer should be given for almost all questions (referring to sections of official agency policy is acceptable). If the answer to any question is non-applicable, please provide an explanation. Please note, if CMS cannot complete its review without contacting the applicant for additional clarification, the applicant may not be selected for award.

Applicants should submit the Business Assessment of Applicant Organization in the Grants Application Package that can be found at <http://www.grants.gov>; select the “Other Attachment Form” and “Add Other Attachment.” The header of the document should be clearly labeled as “Business Assessment of Applicant Organization.”

i. Resumes of Program/Project Director and other key personnel

(no page limit)

The applicant should include resumes for key personnel, especially for those with quality measure development experience and expertise, and clearly state their role. The resumes are reviewed and evaluated as a part of the review criteria for the Project Narrative under Background. There is no limit to the number of resumes that may be included with the application.

Applicants should submit the Resumes in the Grants Application Package that can be found at <http://www.grants.gov>; select the “Other Attachment Form” and “Add Other Attachment.” The header of the resume(s) should be clearly labeled as “Resume(s).”

j. Memorandum of Understanding

(no page limit)

As described in C.11, if applicable, the applicant must include a signed MOU for each subrecipient that aids the primary applicant in meeting the eligibility requirements of the Funding Opportunity related to quality measure development technical expertise. The MOU(s) should clearly state the subrecipient’s contribution to and role in measure development and the applicant’s and subrecipients’ ability to meet Funding Opportunity requirements. There is no limit to the number of MOUs included with the application and no page limit for such MOU(s).

Applicants should submit the MOU(s) in the Grants Application Package that can be found at <http://www.grants.gov>; select the “Other Attachment Form” and “Add Other Attachment.” The header of the MOU(s) should be clearly labeled “MOU(s).”

D3. Unique Entity Identifier and System for Award Management (SAM)—Required.

Each applicant (unless the applicant is an individual or Federal awarding agency that is excepted from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR 25.110(d)) is required to:

- (i) Be registered in SAM before submitting its application;

- (ii) provide a valid unique entity identifier in its application; and
- (iii) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

The Federal awarding agency may not make a Federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

D4. Submission Dates and Times

All cooperative agreement applications must be submitted electronically and be received through <http://grants.gov> by **3:00 pm Eastern Time, May 30, 2018**. Applications submitted after 3:00 pm Eastern Time, May 30, 2018 will not be reviewed or considered for cooperative agreement awards. See Appendix II. Application and Submission Information for more information on submitting an application by the deadline date to Grants.gov.

D5. Intergovernmental Review

Applications for these cooperative agreements are not subject to review by states under Executive Order 12372, “Intergovernmental Review of Federal Programs” (45 CFR 100). Please check box “C” on item 19 of the SF 424 (Application for Federal Assistance) as Review by State Executive Order 12372, does not apply to these cooperative agreements.

D6. Funding Restrictions

Direct Costs

Subrecipients under this Funding Opportunity cannot supplant federal funding received through contracts and other agreements for quality measure development, implementation, maintenance, or public reporting activities for quality measures in the Quality Payment Program.⁸

Indirect Costs

If requesting indirect costs, an Indirect Cost Rate Agreement will be required unless a rate has never been established. Please refer to section F.2B. *Administrative Requirements* for more information.

Reimbursement of Pre-Award Costs

No cooperative agreement funds awarded under this Funding Opportunity may be used to reimburse pre- award costs.

⁸ This statement does not apply to primary recipients, as entities with active grants, cooperative agreements, and/or contracts from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities will not be eligible to apply for this Funding Opportunity as a primary applicant.

Prohibited Uses of Cooperative Agreement Funds

Use of cooperative agreement funds in the following ways will result in termination of the applicant's funding:

- To provide individuals with services that are already funded through any other source, including, but not limited to, Medicare, Medicaid, and CHIP.
- To match any other Federal funds.
- To fund the provision of social services.
- To provide services, equipment, or supports that are the legal responsibility of another party under Federal, State, or Tribal law (e.g., vocational rehabilitation or education services), or under any civil rights laws. Such legal responsibilities include, but are not limited to, modifications of a workplace or other reasonable accommodations that are a specific obligation of the employer or other party.
- To provide goods or services not allocable to the approved project.
- To supplant existing State, local, Tribal, or private funding of infrastructure or services, such as staff salaries, etc.
- To be used by local entities to satisfy state matching requirements.
- To pay for construction.
- To pay for capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life as a direct cost, except with the prior written approval of the Federal awarding agency.
- To pay for the cost of independent research and development, including their proportionate share of indirect costs (unallowable in accordance with 45 CFR 75.476).
- To use as profit to any award recipient even if the award recipient is a commercial organization, (unallowable in accordance with 45 CFR 75.216(b)), except for grants awarded under the Small Business Innovative Research (SBIR) and Small Business Technology Transfer Research (STTR) programs (15 U.S.C. 638). Profit is any amount in excess of allowable direct and indirect costs.
- To expend funds related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any state government, state legislature or local legislature or legislative body.

D7. Mandatory Disclosure

Submission is required for all applicants, in writing, to the awarding agency and to the HHS Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Applications by non-

federal entities that have received a federal award must report certain civil, criminal, or administrative proceedings to SAM.

Disclosures must be sent in writing to:

U.S. Department of Health and Human Services

Centers for Medicare and Medicaid Services

Office of Acquisition and Grants Management

Attn: Director, Division of Grants Management

7500 Security Blvd, Mail Stop B3-30-03

Baltimore, MD 21244-1850

AND

U.S. Department of Health and Human Services

Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator

330 Independence Avenue, SW, Cohen Building Room 5527

Washington, DC 20201

URL: <https://oig.hhs.gov/fraud/report-fraud/index.asp> (Include “Mandatory Grant Disclosures” in subject line)

Fax: (202) 205-0604 (Include “Mandatory Grant Disclosures” in subject line) or

Email: MandatoryGranteeDisclosures@oig.hhs.gov

Materials should also be scanned and emailed to the Grants Management Specialist assigned to this Funding Opportunity. See Section G. *Agency Contacts* of this Funding Opportunity.

E. APPLICATION REVIEW INFORMATION

E1. Criteria

In order to receive a cooperative agreement award under this Funding Opportunity, the applicant must submit an application, in the required format, no later than May 30, 2018 3:00 pm Eastern time. This section fully describes the evaluation criteria for this Funding Opportunity, which aligns with the sub-headers outlined in Section D2., and the point allotment that will be used as part of each application review. In preparing applications, applicants should review the requirements detailed in Section A. Program Description. The application must be organized as detailed in Section D2. Content and Form of Application Submission.

E1.1 Project Abstract Summary (Required for all Applications)— 0 points

(1 Page, single-spaced)

A one-page abstract should serve as a succinct description of the applicant's proposed project and its goals, the type(s) and specialty(ies)/subspecialty(ies) of the measure(s), total budget, and a brief description of how the funds will be used. Proposed project abstracts are often distributed to provide information to the public and to Congress. Please ensure the abstract is clear, accurate, concise, and without reference to other parts of the application. Personal identifying information should be excluded from the abstract.

Applicants should upload the abstract in the Grants Application Package which can be found at www.grants.gov; select the "Project Abstract Summary," and complete the form.

E1.2 Cover Letter (Required for all Applications)— 0 points

(2 Page, single-spaced)

A two-page cover letter (on organizational letterhead) should provide assurances (1) that the applicant is an organization with quality measure development technical expertise to include (in brief) supporting information; or (2) that the applicant is an organization without quality measure development technical expertise but has partnered with one or more organization(s), referred to as subrecipient(s), with that expertise to meet eligibility requirements related to quality measure development technical expertise. A MOU should be included to document each partnership. The Cover Letter must further attest that the applicant (1) is not an entity with an active grant, cooperative agreement, and/or contract from CMS for quality measure development, implementation, maintenance, alignment, and/or public reporting activities where CMS is the measure steward; and (2) is not an entity that has Medicare deeming authority granted by CMS denoted at : <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Accrediting-Organization-Contacts-for-Pro prospective-Clients-.pdf>.

The Cover Letter must be signed by the Authorized Organizational Representative identified on the SF-424 (Application for Federal Assistance). See also D2. Content and Form of Application Submission d. Cover Letter.

E1.3 Project Narrative (Required for all Applications)— 235 points

(50 Pages)

All elements of the Project Narrative are required and will be used to assess an applicant's readiness and ability to develop a quality measure(s) for application under the Quality Payment Program. The narrative must describe the measure concept(s) the applicant proposes developing, establish that the quality measure(s) works to fill an existing specialty/subspecialty gap area in Quality Payment Program, and aligns with the domains prioritized by MACRA and the CMS Quality Measure Development Plan. The applicant should propose and outline a process in which to develop the quality measure(s) that meets generally accepted measure development principles, and embodies the CMS General and Technical Principles, as outlined in the Blueprint. The narrative must also demonstrate the applicant's capability and capacity to develop a quality measures to be included in the MUC list, supported through the MAP process, and suitable for inclusion in Quality Payment Program.

Objective review panelists will score each proposal based on the quality of the response. Incomplete, unclear, and confusing proposals will receive point deductions. Project Narratives with significant content deficiencies may receive a score of zero. Proposals that repeat Funding Opportunity content without demonstrating analysis and response to its content will receive point deductions. Each component of the Project Narrative will be weighted as follows:

Table 7: Project Narrative

Project Narrative Element	Selection Criteria	Points
A. Background		65
1. Healthcare Quality Experience	Demonstrate existing relationships with clinicians in the specialty(ies) for which the applicant expects to develop quality measures.	10
	Describe ongoing efforts to improve healthcare quality and promote innovation through measure development.	5
	Outline of experience promoting measurement through the use of data.	5
	Summary of involvement in generating evidence-based guidelines for clinical practice.	10
	Describe experience in data submissions and/or measure reporting for CMS or other federal programs.	5
2. Measure Development Expertise and Resources	History of applicant's and, if applicable, subrecipient's/ subrecipients' most relevant past and current quality measure development work, and experience specific to eQMs if developing an eQM. Include list of quality measures developed and whether they have been endorsed and/or are in use.	25
	Brief descriptions and/or resumes of key personnel of the applicant and subrecipient(s), if partnering with one, involved in measure development.	5
B. Quality Measure Concept(s)		95
1. Information Gathering	Description of information gathering steps previously taken by applicant to form initial quality measure concept(s). The summaries of results for environmental scans (e.g., literature review or clinical practice guidelines search) and empirical data analyses demonstrate prioritization of topics or conditions, gap analysis, business case building, and compilation of existing and related measures.	5

Project Narrative Element	Selection Criteria	Points
	Evidence that the proposed measure(s) supports a quality gap, captures the variation in performance across health care providers, and the opportunity for improvement.	
2. Measure Type	Outcome measures and patient reported outcome measures will be prioritized. Outcome measures that are, or can be, risk-adjusted are encouraged. Adequate explanation given if another measure type (e.g., process of care) is proposed by the applicant.	20
3. Measure Domain	Description of proposed measure concept's alignment with measure domains prioritized by MACRA and the CMS Quality Measure Development Plan. The following domains are preferred: Clinical Care, Safety, Care Coordination, Patient and Caregiver Experience, Population Health and Prevention, and Affordable Care. Adequate explanation given when not possible.	10
4. Specialty/Subspecialty Performance Gap Area	Description of how the measure concept(s) satisfies a known performance gap where there is known variation in performance within a specialty or subspecialty. Brief description of how the proposed measure(s) will contribute to existing measures associated with that specialty. The following specialties are preferred: Orthopedic Surgery, Pathology, Radiology, Mental Health and substance use conditions, Oncology, Palliative Care, and Emergency Medicine. Other specialties will be accepted if an adequate explanation of the gap area is provided.	30
5. Measure Characteristics	Description of how the measure(s) is both patient-centered and applicable across settings and health care providers. Description of any other measure characteristics with the following measure characteristics being a priority: patient-reported outcome measures and functional status measures; patient experience measures; care coordination measures; and measures of appropriate use of services, including measures of over use. Adequate explanation given when not possible.	10

Project Narrative Element	Selection Criteria	Points
6. Data Source	Description of plan to develop an e-specified measure using electronic data source (EHRs, registries). Adequate explanation given when not possible.	10
7. Burden Minimization	Description of how the measure will minimize burden by when used across delivery systems and payers should also be outlined.	10
C. Measure Development		75
1. Measure Specification	Description of process and capacity for development of precise technical specifications, defining the data source, specifying code sets, and constructing a data protocol. *Note— Full points given if applicant demonstrates these steps have been completed.	20
2. Measure Testing	Description of process and capacity for measure testing that ensures the applicant will achieve the following measure evaluation criteria for the proposed measure concept(s): • Impact, opportunity, evidence, and importance to measure and report • Reliability and validity • Feasibility • Usability and use • Harmonization	30
3. Measure Implementation	Description of process and capacity for proposing the measure(s) to the MUC list, incorporating MAP feedback, and consideration in Quality Payment Program. *Note— a proposal to seek NQF endorsement is not necessary, but strongly encouraged.	10
4. Stakeholder Engagement	Description of process and capacity for engaging external stakeholders throughout the measure-development process, including but not limited to front line practicing clinicians, health care providers, and patients/caregivers, to increase use, usability, and value while also minimizing burden.	15

E1.4 Implementation Plan (Required for all Applications)— 60 points
(20 pages)

The applicant shall submit a detailed Implementation Plan that describes the process through a detailed work plan that the applicant intends to use to develop the measure(s) they propose by outlining the tasks, objectives, milestones, start and end dates, and task owners. The Implementation Plan should reflect the applicant's knowledge and understanding of the quality measure development process and provide details on significant milestones in for the measure(s) proposed to be developed for this Funding Opportunity. The applicant should include a narrative and diagram of the proposed organizational structure and the flow of funds, data, and communications with subrecipient if applicable. The applicant should also provide a high level assessment of risks to implementation and assumptions that may impact its projected Implementation Plan timelines, and mitigation strategies for reducing the probability of the risk occurring.

Objective review panelists will score each proposal based on the quality, practicality, and feasibility of the approximate duration, order, and output of tasks and milestones.

The evaluation shall be based on the inclusion of and adequacy in addressing the information listed in Section D2. Content and Form of Application Submission, Subsection f. Implementation Plan. Incomplete, unclear, and confusing proposals will receive point deductions.

E1.5 Budget Narrative (Required for all Applications)— 20 points (20 pages)

Applicants must supplement form SF-424A with a Budget Narrative. The Budget Narrative must include a yearly breakdown of costs according to each 12-month budget period. See B. Federal Award Information, Subsection B4. Period of Performance for more information on the performance period. Applicants must include a clear description of the proposed set of services that will be covered with cooperative agreement funds. All activities should clearly link to the goals/objectives of this cooperative agreement program. The Budget Narrative should provide a detailed cost breakdown for each line item outlined in the SF-424A by budget period, including a breakdown of costs for each activity/cost within the line item. The proportion of the requested funding designated for each activity should be clearly defined and should justify the applicant's readiness to receive funding. The budget must separate out funding that is administered directly by the lead agency from funding that will be subcontracted to other partners.

E1.6 Memorandum of Understanding (0 points)

The applicant must submit a signed MOU for each subrecipient(s) that aids the primary applicant in meeting the eligibility requirements of the Funding Opportunity. The MOU should detail the expertise to be leveraged by the applicant and the scope of work to be completed by the subrecipient.

E2. Review and Selection Process

The review and selection process will include the following:

- Applications will be screened to determine eligibility for further review using the criteria outlined in Section C. Eligibility Information, and Section D. Application and Submission Information (with cross reference to Appendix II), of this Funding Opportunity. Applications that are received late, fail to meet the eligibility requirements as detailed in this Funding Opportunity, or do not include the required forms will not be reviewed. However, the

CMS/OAGM/GMO, in his or her sole discretion, may continue the review process for an ineligible application if it is in the best interests of the government to meet the objectives of the Funding Opportunity.

- Procedures for assessing the technical merit of grant applications have been instituted to provide for an objective review of applications and to assist the applicant in understanding the standards against which each application will be judged. An objective review panel will be convened to determine the merits of each application and the extent to which the quality measure development work proposed in the application will result in quality measures for consideration in Quality Payment Program. The objective review panel may include both federal employees and non-federal employees. In addition to the review panel, CMS will provide an assessment of the applicant's readiness to develop quality measures for application under the Quality Payment Program. CMS reserves the right to request that applicants revise or otherwise modify their proposals and budget based on CMS recommendations.
- The results of the objective review of the applications by qualified experts will be used to advise the CMS approving official. Final award decisions will be made by the CMS approving official. In making these decisions, the CMS approving official will take into consideration:
 - i. Recommendations of the objective review panel,
 - ii. Variety across specialty/sub-specialty, measure domain, and measure type amongst the award recipients,
 - iii. Scope of impact of the quality measures,
 - iv. Responsiveness to CMS's inquiries and clarifications to applicant,
 - v. Reviews for programmatic and grants management compliance,
 - vi. Reasonableness of the estimated cost to the government and anticipated results, and
 - vii. The likelihood that the proposed project will result in the benefits expected.
- **Applications will also be evaluated in accordance with the following:**
 - i. The quality of the proposal and the quality measure specialty/sub-specialty are among the final determinants for award. While multiple cooperative agreements may be awarded within one specialty/sub-specialty area, CMS reserves the right to seek variations across specialty/subspecialty areas if it is in the best interests of the government to meet the objectives of this Funding Opportunity.
 - ii. The quality of the proposal and the measure domains prioritized by MACRA and the CMS Quality Measure Development Plan are among the final determinants for award. While multiple cooperative agreements may be awarded to one of the preferred domains (Clinical Care, Safety, Care Coordination, Patient and Caregiver Experience, Population Health and Prevention, and Affordable Care), CMS reserves the right to seek variations across the domains if it is in the best interests of the government to meet the objectives of this Funding Opportunity.
 - iii. The quality of the proposal and the quality measure type are among the final determinants for award. While multiple cooperative agreements may be awarded to

one of the preferred measure types (Outcome measures, including, but not limited to, patient reported outcome and functional status measures, patient experience measures, care coordination measures, and measures of appropriate use of services including measures of overuse are preferred), CMS reserves the right to seek variations across the quality measure types if it is in the best interests of the government to meet the objectives of this Funding Opportunity.

- Successful applicants will receive one cooperative agreement award issued under this announcement. CMS intends to fund quality measure development with a wide variety of specialty/subspecialty gap areas. In determining which applications to recommend, award recipients may be funded based on quality measure gaps, priorities, and goals.
- As noted in 45 CFR Part 75, CMS will do a review of risks posed by Applicant prior to award. In evaluating risks posed by Applicant, CMS will consider the below factors as part of the risk assessment (applicant should review the factors in their entirety at 45 CFR § 75.205):
 - i. Financial stability;
 - ii. Quality of management systems and ability to meet the management standards prescribed in 45 CFR Part 75;
 - iii. History of performance (including, for prior recipients of Federal awards: timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, extent to which previously awarded amounts will be expended prior to future awards);
 - iv. Reports and findings from audits performed under Subpart F of 45 CFR Part 75 and findings of any other available audits; and
 - v. Applicant's ability to effectively implement statutory, regulatory, and other requirements imposed on non-federal entities.
- HHS reserves the right to conduct pre-award Negotiations with potential awardees.

E3. Federal Awardee Performance and Integrity Information Systems (FAPIIS)

- i. CMS, prior to making a Federal award with a total amount of Federal share greater than the simplified acquisition threshold, is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently FAPIIS) (see 41 U.S.C. 2313);
- ii. An applicant, at its option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about itself that the HHS awarding agency previously entered and is currently in the designated integrity and performance system accessible through SAM.
- iii. CMS will consider any comments by the applicant, in addition to the other

information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by Applicant as described in §75.205.

E4. Anticipated Award Date

The anticipated award date is within 90 days from the date of application submission, if the application is approved.

F. FEDERAL AWARD ADMINISTRATION INFORMATION

F1. Federal Award Notices

If successful, an official notification from the online grants management system used by CMS and awardee organizations will be sent to the Authorized Organizational Official (AOR) and the Project Director identified on the Notice of Award (NoA). The NoA signed by the HHS Grants Management Officer will be available to the AOR and the Project Director by accessing the online grants management system. Additional information will be provided at the time of award. Any communication between HHS and Applicant prior to issuance of the NoA is not an authorization to begin performance of a project.

If unsuccessful, Applicant will be notified by letter, sent electronically or through the U.S. Postal Service to the address as listed on its SF-424, within 30 days of the award date for this program.

F2. Administrative and National Policy Requirements

A. National/Public Policy Requirements

By signing the application, the authorized organizational official certifies that the organization will comply with applicable public policies. Once a grant is awarded, the Recipient is responsible for establishing and maintaining the necessary processes to monitor its compliance and that of its employees and, as appropriate, subrecipients and contractors under the cooperative agreement with these requirements. Recipient should consult the applicable Appropriations Law, Exhibit 3 of the HHS Grants Policy Statement, titled *Public Policy Requirements*, located in Section II, pages 3-6, as well as the terms and conditions of award for information on potentially applicable public policy requirements.

Non-Discrimination

All award recipients receiving awards under this cooperative agreement project must comply with all applicable Federal statutes relating to nondiscrimination, including, but not limited to:

- a. Title VI of the Civil Rights Act of 1964,
- b. Section 504 of the Rehabilitation Act of 1973,
- c. The Age Discrimination Act of 1975, and
- d. Title II, Subtitle A of the Americans with Disabilities Act of 1990.

Accessibility Provisions

Award recipients, as recipients of federal financial assistance (FFA) from Health and Human Services (HHS), must administer their programs in compliance with federal civil rights laws. This means that award recipients must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age and, in some circumstances, sex and religion. It is HHS' duty to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations.

HHS provides guidance to award recipients on meeting their legal obligation to take reasonable steps to provide meaningful access to their programs by persons with limited English proficiency. In addition, award recipients will have specific legal obligations for serving qualified individuals with disabilities by providing information in alternate formats.

Several sources of guidance provided below:

1. <http://www.hhs.gov/civil-rights/for-providers/index.html>
2. <http://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/index.html>
3. <https://minorityhealth.hhs.gov/>
<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>
4. HHSAR 352.270-1
5. <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>

Award recipients will be required to review and comply with the Accessibility Requirements outlined in **Appendix IV** to this Funding Opportunity (**504 Compliance, Accessibility Provisions**).

Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under federal civil rights laws at <https://www.hhs.gov/ocr/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697.

B. Administrative Requirements

- All equipment, staff, and other budgeted resources and expenses must be used exclusively for the projects identified in the Applicant's original grant application or agreed upon subsequently with HHS, and may not be used for any prohibited uses.
- Consumers and other stakeholders must have meaningful input into the planning, implementation, and evaluation of the project.
- This award is subject to 45 CFR Part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS awards [available at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75>], which implements 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") effective December 26, 2014. See below for more information.

Uniform Administrative Requirements, Cost Principles, and Audit Requirements

Applicant and recipients should take particular note of the following information found in 45 CFR Part 75:

Uniform Administrative Requirements

In accordance with 45 CFR §75.112, *Conflict of Interest*, all award recipients receiving federal funding from CMS must establish and comply with the conflict of interest policy requirements outlined by CMS (available for Applicant upon request).

In accordance with 45 CFR §75.113, *Mandatory Disclosures*, the non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the HHS awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Non-Federal entities that have received a Federal award including the term and condition outlined in Appendix XII to 45 CFR Part 75 are required to report certain civil, criminal, or administrative proceedings to SAM. Failure to make required disclosures can result in any of the remedies described in §75.371, including suspension or debarment. (See also 2 CFR parts 180 and 376, and 31 U.S.C. 3321).

For specific information on reporting such disclosures to CMS and HHS please see Section F3. *Terms and Conditions*, of this Funding Opportunity.

Cost Principles

CMS grant and cooperative agreement awards provide for reimbursement of actual, allowable costs incurred and are subject to the Federal cost principles. The cost principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or indirect, and set forth allowability and allocability principles for selected items of cost. Applicability of a particular set of cost principles depends on the type of organization. Award recipients must comply with the cost principles set forth in HHS regulations at 45 CFR Part 75, Subpart E with the following exceptions: (1) hospitals must follow Appendix IX to part 75 and commercial(for-profit) organizations are subject to the cost principles located at 48 CFR subpart 31.2. As provided in the cost principles in 48 CFR subpart 31.2, allowable travel costs may not exceed those established by the Federal Travel Regulation (FTR).

There is no universal rule for classifying certain costs as either direct or indirect (also known as Facilities & Administration (F&A) costs) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose is treated consistently in like circumstances either as a direct or F&A cost in order to avoid double-charging of Federal awards. Guidelines for determining direct and F&A costs charged to Federal awards are provided in 45 CFR §§75.412 to 75.419. Requirements for development and submission of indirect (F&A) cost rate proposals and cost allocation plans are contained in Appendices III-VII, and Appendix IX to 45 CFR part 75.

Indirect Costs

HHS will reimburse indirect costs to recipients under an award if: (1) allowable under the governing statute, regulations, or HHS grants policy; (2) the recipient requests indirect costs; and (3) the recipient has a federally approved indirect cost rate agreement covering the grant supported activities and period of performance or the non-federal entity has never received an indirect cost rate and elects to charge a de minimis rate of 10% of Modified Total Direct Costs (MTDC).

If the applicant entity has a current negotiated indirect cost rate agreement (NICRA) and is requesting indirect costs, a copy of the current NICRA must be submitted with the application. Any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII(D)(1)(b) to 45 CFR part 75, may elect to charge a de minimis rate of 10% of MTDC which may be used indefinitely.

Commercial (For-Profit) Organizations: Indirect Costs are allowable under awards to for-profit organizations. The for-profit recipient must have a federally-approved indirect cost rate agreement covering the grant supported activities and period of performance. Indirect cost rates for for-profit entities are negotiated by DFAS in the Office of Acquisition Management and Policy, NIH (if the preponderance of their federal awards are from HHS), available at <http://oamp.od.nih.gov/dfas/indirect-cost-branch>, or other Federal agency with cognizance for indirect cost rate negotiation. If there is no federally-approved indirect cost rate for the specific period of performance and the for-profit recipient has never received an indirect cost rate, then the non-federal entity may elect to charge a de minimis rate of 10% of MTDC.

Cost Allocation

In accordance with 45 CFR §75.416 and Appendix V to 45 CFR part 75 – State/Local Government-wide Central Service Cost Allocation Plans, each state/local government will submit a plan to the Department of Health and Human Services Cost Allocation Services for each year in which it claims central service costs under Federal awards. Guidelines and illustrations of central service cost allocation plans are provided in a brochure published by the Department of Health and Human Services entitled “A Guide for State, Local and Indian Tribal Governments: Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government.” A copy of this brochure may be obtained from the HHS Cost Allocation Services at <https://rates.psc.gov>. A current, approved cost allocation plan must be provided to CMS if central service costs are claimed.

Public Assistance Cost Allocation Plans

Appendix VI to 45 CFR part 75 – Public Assistance Cost Allocation Plans, provides that state public assistance agencies will develop, document and implement, and the Federal Government will review, negotiate, and approve, public assistance cost allocation plans in accordance with Subpart E of 45 CFR part 95. The plan will include all programs administered by the state public assistance agency. Where a letter of approval or disapproval is transmitted to a state public assistance agency in accordance with Subpart E, the letter will apply to all Federal agencies and programs. Appendix VI to 45 CFR part 75 (except for the requirement for certification) summarizes the provisions of Subpart E of 45 CFR part 95.

Audit Requirements

The audit requirements in 45 CFR Part 75, Subpart F apply to each award recipient fiscal year that begins on or after December 26, 2014. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F, Audit Requirements.

Commercial Organizations (including for-profit hospitals) have two options regarding audits, as outlined in 45 CFR §75.501 (see also 45 CFR §75.216).

F3. Terms and Conditions

This solicitation is subject to the *Department of Health and Human Services Grants Policy Statement (HHS GPS)* at <http://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>. The general terms and conditions in the HHS GPS will apply as indicated unless there are statutory, regulatory, or award-specific requirements to the contrary. Standard and program specific terms of award will accompany the NoA. Applicant should be aware that special requirements could apply to cooperative agreement awards based on the particular circumstances of the effort to be supported and/or deficiencies identified in the application by the HHS review panel. The recently released HHS regulation (45 CFR Part 75) supersedes information on administrative requirements, cost principles, and audit requirements for grants and cooperative agreements included in the current HHS Grants Policy Statement where differences are identified. Awardee must also agree to respond to requests that are necessary for the evaluation of national efforts and provide data on key elements of their own cooperative agreement activities.

HHS may terminate any CMS award for material noncompliance. Material noncompliance includes, but is not limited to, violation of the terms and conditions of the award; failure to perform award activities in a satisfactory manner; improper management or use of award funds; or fraud, waste, abuse, mismanagement, or criminal activity.

In the event a Recipient or one of its subrecipients enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Recipient agrees to provide written notice of the bankruptcy to CMS. This written notice shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing and sent to the CMS Grants Management Specialist and Project Officer. This notice shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, a copy of any and all of the legal pleadings, and a listing of Government grant and cooperative agreement numbers and grant offices for all Government grants and cooperative agreements against which final payment has not been made.

Intellectual Property

The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so. Recipients under this solicitation must comply with the provisions of 45 CFR § 75.322, Intangible property and copyrights.

Mandatory Disclosures

Consistent with 45 CFR §75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS awarding agency, with a copy to the HHS Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations of criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to CMS and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services

Centers for Medicare and Medicaid Services

Office of Acquisition and Grants Management

Attn: Director, Division of Grants Management

7500 Security Blvd, Mail Stop B3-30-03

Baltimore, MD 21244-1850

AND

U.S. Department of Health and Human Services

Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator

330 Independence Avenue, SW, Cohen Building Room 5527

Washington, DC 20201

URL: <https://oig.hhs.gov/fraud/report-fraud/index.asp> (Include “Mandatory Grant Disclosures” in subject line)

Fax: (202) 205-0604 (Include “Mandatory Grant Disclosures” in subject line) or

Email: MandatoryGranteeDisclosures@oig.hhs.gov

Materials should also be scanned and emailed to the Grants Management Specialist assigned to this Funding Opportunity. See Section G. *Agency Contacts* of this Funding Opportunity.

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

Subrecipient and Contractor Requirements

A non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with HHS awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The HHS awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section. For more information, see 45 CFR § 75.351 Subrecipient and contractor determinations.

All pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information contained in 45 CFR § 75.352 *Requirements for pass-through entities* at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward.

F4. Cooperative Agreement Terms and Conditions of Award (Substantial Involvement)

The administrative and funding instrument used for the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program will be cooperative agreements, an assistance mechanism in which substantial HHS programmatic involvement with the recipient is anticipated during the performance of the activities. Under each cooperative agreement, HHS' purpose is to support and stimulate the recipient's activities by involvement in, and otherwise working jointly with, the award recipient in a partnership role. To facilitate appropriate involvement during the period of this cooperative agreement, HHS and the recipient will be in contact at least once a month, and more frequently when appropriate.

Upon award of a cooperative agreement, the recipient can expect involvement from CMS during the development for these measures. CMS will provide measure development advisors to provide limited technical support during the measure development phase of the cooperative agreement. This support will include high level reviews of key stages of measure development process, such as measure testing, guidance on obtaining endorsement via NQF, and preparing for MAP review. More individualized support will also be available to address questions about the development process, provide insights to navigate barriers, and preview of materials to be submitted to the NQF and MAP. Finally, CMS will provide opportunities for the measure developers to learn from each other's experiences and improve upon the development process.

Cooperative Agreement Roles and Responsibilities are as follows:

U.S. Department of Health and Human Services

HHS will have substantial involvement in program awards, as outlined below:

- assuring the timely cooperation in responding to information requests by the recipient;
- participation in the planning and development during the performance period of the cooperative agreement;
- participation, when appropriate, in meetings conducted during the performance period of the cooperative agreement;
- monitoring of the cooperative agreement award to ensure compliance with programmatic and financial requirements through assignment of a Project Officer(s) and Grants Management Specialist. Progress will be monitored on a regular basis via phone, document review, meeting, and by other appropriate means, such as reviewing program progress reports and Federal Financial Reports (FFR or SF-425).

Recipients

Recipients and assigned points of contact retain the primary responsibility and dominate role for planning, directing and executing the proposed project as outlined in the terms and conditions of the cooperative agreement and with substantial HHS involvement. Recipients shall engage in the following activities:

- completion of activities proposed in response to the project requirements and scope of work, in accordance with this Funding Opportunity and the terms and conditions of the cooperative agreement award;
- collaboration with CMS on ongoing review of activities and budget items; and
- participation in monthly calls with the Project Officer and other technical assistance efforts provided by CMS.

F5. Reporting

All successful applicants under this announcement must comply with the following reporting and review activities:

a. Progress Reports

Recipients must agree to cooperate with any Federal evaluation of Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program and must provide quarterly and annual (at the end of the cooperative agreement budget period) reports, as required, in the form prescribed by HHS, as well as any additional reports as required. The annual progress report will be a substitute for the fourth quarter progress reports. Reports will be submitted electronically. The quarterly reporting periods and due dates will mirror the quarterly FFR reporting periods and due dates.

January 1 st – March 31 st	Due: April 30 th
April 1 st – May 30 th	Due: June 30 th
June 1 st – September 30 th	Due: October 30 th
October 1 st – December 31 st	Due: January 30 th

The program progress narrative report elements – are as follows:

- i. Program Name;

- ii. Program Leader Name;
 - iii. Reporting Period;
 - iv. Budget Status - include amounts for planned expenditure, actual expenditure, and deficit/surplus;
 - v. Work Plan Chart/Timeline status;
 - vi. Project description - short summary;
 - vii. Milestones - Milestones are high-level goals that often define the phases of a project. Record here milestones that have been reached at this point in the project;
 - viii. Accomplishments - Tasks that were accomplished during this reporting period;
 - ix. Projected Goals - Goals projected to be completed during the next reporting period; and
 - x. Issues - Issues that must be addressed for the project to be successful.
- The annual progress reports for recipients will be due 90 days after the end of each 12-month reporting budget period for recipients which receive a 2-year (24 months) or 3-year (36 months) award (as applicable based upon a 24-month or 36-month project period). Estimated due dates for the annual progress report are October 30, 2019 and October 30, 2020.

The final progress report for the awardees will be due 90 days after the end of the project period (as applicable based upon a 12-month, 24-month, or 36-month project period) for an estimated due date of October 30, 2019, October 30, 2020, and October 30, 2021.

Additional information on progress reporting will be included in the terms and conditions of award.

b. Federal Financial Report (FFR)

The Federal Financial Report (FFR or SF-425) has replaced the SF-269, SF-269A, SF-272, and SF-272A financial reporting forms. Recipients must utilize the FFR to report cash transaction data, expenditures, and any program income generated.

Recipients must report on a quarterly basis cash transaction data via the Payment Management System (PMS) using the FFR in lieu of completing a SF-272/SF272A. The FFR, containing cash transaction data, is due within 30 days after the end of each quarter. The quarterly reporting due dates are as follows: 4/30, 7/30, 10/30, 1/30. A Quick Reference Guide for completing the FFR in PMS is at: https://pms.psc.gov/resources_and_training/ffrtraining.html.

In addition to submitting the quarterly FFR to PMS, Grantees must also provide, on an annual basis, an FFR to CMS which includes their expenditures and any program income generated in lieu of completing a Financial Status Report (FSR) (SF-269/269A). Expenditures and any program income generated should only be included on the annually submitted FFR, as well as the final FFR. Annual hard-copy FFRs are due within 90 calendar days of the applicable year end date. The final FFR is due within 90 calendar days of the project period end date.

Additional information on financial reporting will be provided in the terms and conditions of award.

c. Federal Funding Accountability and Transparency Act Reporting Requirements

New awards issued under this funding opportunity announcement are subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282), as amended by section 6202 of Public Law 110–252 and implemented by 2 CFR Part 170. Grant and Cooperative Agreement recipients must report information for each first-tier sub-award of \$25,000 or more in Federal funds and executive total compensation for the recipient’s and subrecipient’s five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170 (available online at <https://www.fsrs.gov/>).

d. Audit Requirements

Recipients must comply with audit requirements outlined in HHS regulation 45 CFR Part 75 (implementing 2 CFR Part 200). See Subpart F – Audit Requirements. <https://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75#sp45.1.75.f>.

e. Payment Management Requirements

Once an award is made, the funds are posted in recipient accounts established in the Payment Management System (PMS). Recipients may then access their funds by using the PMS funds request process. Recipients must submit a quarterly SF-425 via PMS. The report identifies cash transactions against the authorized funds for the award. Failure to submit the report may result in the ability to access funds.

The PMS funds request process enables grantees to request funds using a Personal Computer with an Internet connection. The funds are then delivered to the recipient via Electronic Funds Transfer (EFT). If you are a new grant recipient, please go to PMS Access Procedures to find information to register in PMS. If you need further help with that process, please contact the One-DHHS Help Desk via email at pmssupport@psc.gov or call (877) 614-5533 for assistance.

G. AGENCY CONTACTS

G1. Programmatic Questions

For programmatic questions about this Funding Opportunity please email: MACRA-measure-funding@cms.hhs.gov.

G2. Administrative Questions

For administrative questions about this Funding Opportunity please contact: grants@cms.hhs.gov.

APPENDIX I: Guidance for Preparing a Budget Request and Narrative

Applicants should request funding only for activities which will be funded by this specific Notice of Funding Opportunity. All applicants must submit the Standard Form SF-424A as well as a Budget Narrative. The Budget Narrative should provide detailed cost itemizations and narrative supporting justification for the costs outlined in SF-424A. Both the Standard Form SF-424A and the Budget Narrative must include a yearly breakdown of costs for the entire project period. Please review the directions below to ensure both documents are accurately completed and consistent with application requirements.

Standard Form SF-424A

All applicants must submit an SF-424A. To fill out the budget information requested on form SF-424A, review the general instructions provided for form SF 424A and comply with the instructions outlined below.

- Note: The directions in the Funding Opportunity may differ from those provided by Grants.gov. Please follow the instructions included in this NOFO as outlined below when completing the SF-424A.
- Note: The total requested on the SF-424 (Application for Federal Assistance) should be reflective of the overall total requested on the SF-424A (Budget Information – Non-Construction) for the entire project period.

Section A – Budget Summary

- *Grant Program Function or Activity* (column a) = Enter “Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Funding Opportunity: Measure Development for the Quality Payment Program” in row 1.
- *New or Revised Budget, Federal* (column e) = Enter the Total Federal Budget Requested for the project period in rows 1 and 5.
- *New or Revised Budget, Non-Federal* (column f) = Enter Total Amount of any Non-Federal Funds Contributed (if applicable) in rows 1 and 5.
- *New or Revised Budget, Total* (column g) = Enter Total Budget Proposed in rows 1 and 5, reflecting the sum of the amount for the Federal and Non-Federal Totals.

Section B – Budget Categories

- Enter the total costs requested for each Object Class Category (Section B, number 6) for each year of the project period. Notice of Funding Opportunities with a 5-year project period will need to also utilize a second SF-424A form.
- Column (1) = Enter Year 1 costs for each line item (rows a-h), including the sum of the total direct charges (a-h) in row i. Indirect charges should be reflected in row j. The total for

direct and indirect charges for all year 1 line items should be entered in column 1, row k (sum of row i and j).

- Column (2) = (If applicable) Enter Year 2 estimated costs for each line item (rows a-h), including the sum of the total direct charges (a-h) in row i. Indirect charges should be reflected in row j. The total for direct and indirect charges for all year 2 line items should be entered in column 2, row k (sum of row i and j).
- Column (3) = (If applicable) Enter Year 3 estimated costs for each line item (rows a-h), including the sum of the total direct charges (a-h) in row i. Indirect charges should be reflected in row j. The total for direct and indirect charges for all year 3 line items should be entered in column 3, row k (sum of row i and j).
- Column (5) = Enter total costs for the project period for each line item (rows a-h), direct total costs (row i), and indirect costs (row j). The total costs for all line items should be entered in row k (sum of row i and j). The total in column 5, row k should match the total provided in Section A – Budget Summary, New or Revised Budget, column g, row 5.

Budget Narrative – Sample Narrative and Instructions

Applicants must complete a Budget Narrative and upload it to the Budget Narrative Attachment Form in the application kit. Applicants must request funding only for activities not already funded/supported by a previous award. Awards should support separate activities and new federal funding should not be supplanted by prior federal funding. In the budget request, Applicant should distinguish between activities that will be funded under this application and activities funded with other sources. Other funding sources include other HHS grant programs, and other federal funding sources as applicable.

A sample Budget Narrative is included below.

A. (Personnel) Salaries and Wages

For each requested position, provide the following information: title of position; name of staff member occupying the position, if available; annual salary; percentage of time budgeted for this program; total months of salary budgeted; and total salary requested. Also, provide a justification and describe the scope of responsibility for each position, relating it to the accomplishment of program objectives. These individuals must be employees of the applicant organization.

Sample Budget

*Personnel Total \$*_____

*Grant \$*_____

*Funding other than Grant \$*_____

*Sources of Funding*_____

Position Title	Name (if known)	Annual	Time	Months	Amount Requested
Project Coordinator	Susan Taylor	\$45,000	100%	12 months	\$45,000

Position Title	Name (if known)	Annual	Time	Months	Amount Requested
Finance Administrator	John Johnson	\$28,500	50%	12 months	\$14,250
Outreach Supervisor	Vacant	\$27,000	100%	12 months	\$27,000
Total:					\$86,250

Sample Justification

The format may vary, but the description of responsibilities should be directly related to specific program objectives.

Job Description: Project Coordinator - (Name)

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.

B. Fringe Benefits

Fringe benefits are usually applicable to direct salaries and wages. Provide information on the rate of fringe benefits used and the basis for their calculation. If a fringe benefit rate is not used, itemize how the fringe benefit amount is computed. This information must be provided for each position (unless the rates for all positions are identical).

Sample Budget

Fringe Benefits Total \$_____

Grant \$_____

Funding other than Grant \$_____

Sources of Funding_____

Fringe Benefit	Rate	Salary Requested	Amount Requested
FICA	7.65%	\$45,000	\$3443
Worker's Compensation	2.5%	\$14,250	\$356
Insurance	Flat rate - \$2,000 (100% FTE for 12 months)	\$2,000	\$2,000
Retirement	5%	\$27,000	\$1,350

Fringe Benefit	Rate	Salary Requested	Amount Requested
Total			\$7,149

C. Travel

Dollars requested in the travel category should be for **staff travel only**. Travel for consultants should be shown in the consultant category. Allowable travel for other participants, advisory committees, review panel, etc. should be itemized in the same way specified below and placed in the “Other” category. Travel incurred through a contract should be shown in the contractual category.

Provide a narrative describing the travel staff members will perform. This narrative must include a justification which explains why this travel is necessary and how it will enable the applicant to complete program requirements included in the Notice of Funding Opportunity. List where travel will be undertaken, number of trips planned, who will be making the trip, and approximate dates. If mileage is to be paid, provide the number of miles and the cost per mile. The mileage rate cannot exceed the rate set by the General Services Administration (GSA). If travel is by air, provide the estimated cost of airfare. The lowest available commercial airfares for coach or equivalent accommodations must be used. If per diem/lodging is to be paid, indicate the number of days and amount of daily per diem as well as the number of nights and estimated cost of lodging. Costs for per diem/lodging cannot exceed the rates set by GSA. Include the cost of ground transportation when applicable. Please refer to the GSA website by using the following link <http://www.gsa.gov/portal/content/104877>.

Sample Budget

Travel Total \$ _____
Grant \$ _____
Funding other than Grant \$ _____
Sources of Funding _____

Purpose of Travel	Location	Item	Rate	Cost
Site Visits	Neighboring areas of XXX	Mileage	\$0.545 x 49 miles (use mileage rate in effect at time of mileage incurrence) x 25 trips	\$668
Training (ABC)	Chicago, IL	Airfare	\$200/flight x 2 persons	\$400

Purpose of Travel	Location	Item	Rate	Cost
		Luggage Fees	\$50/flight x 2 persons	\$100
		Hotel	\$140/night x 2 persons x 3 nights	\$840
		Per Diem (meals)	\$49/day x 2 persons x 4 days	\$392
		Transportation (to and from airport)	\$50/shuttle x 2 persons x 2 shuttles	\$200
		Transportation (to and from hotel)	\$25/shuttle x 2 persons x 2 shuttles	\$100
Total				\$2,700

Sample Justification

The Project Coordinator and the Outreach Supervisor will travel to (location) to attend a conference on the following topic XXXX. This conference is only held once a year in Chicago, IL. Attending this conference is directly linked to project goals/objectives and is a necessity because XXXX. The information and tools we will gather from attending this conference will help us to accomplish project objectives by XXXX. A sample itinerary can be provided upon request. The Project Coordinator will also make an estimated 25 trips to birth center sites to monitor program implementation (# of birth centers, # of trips per site). We are still in the process of identifying all birth center sites, but have identified an average mileage total for each site. This travel is necessary to ensure birth center sites are consistently and systematically collecting birth center data and submitting by deadlines provided. On-site monitoring will enable us to immediately address concerns. This travel also furthers our efforts to accomplish specific project goals for the following reasons

D. Equipment

Equipment is tangible nonexpendable personal property, including exempt property, charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, consistent with recipient policy, lower limits may be established.

Technology items such as computers that do not meet the \$5,000 per unit threshold or an alternative lower limit set by recipient policy that may therefore be classified as supplies, must still be individually tagged and recorded in an equipment/technology database. This database should include any information necessary to properly identify and locate the item. For example: serial # and physical location of equipment (e.g. laptops, tablets, etc.).

Provide justification for the use of each item and relate it to specific program objectives.

Maintenance or rental fees for equipment should be shown in the "Other" category. All IT equipment should be uniquely identified. Show the unit cost of each item, number needed, and total amount.

Sample Budget

Equipment Total \$ _____

Grant \$ _____

Funding Other than Grant \$ _____

Sources of Funding _____

Item(s)	Rate	Cost
All-in-one Printer, Copier, and Scanner (large scale)	1 @ \$5,800	\$5,800
X-Ray Machine	1 @ \$8,000	\$8,000
Total:		\$13,800

Sample Justification

Provide complete justification for all requested equipment, including a description of how it will be used in the program. For equipment and tools which are shared amongst programs, please cost allocate as appropriate. Applicant should provide a list of hardware, software and IT equipment which will be required to complete this effort. Additionally, they should provide a list of non-IT equipment which will be required to complete this effort.

E. Supplies

Supplies includes all tangible personal property with an acquisition cost of less than \$5,000 per unit or an alternative lower limit set by recipient policy. Individually list each item requested. Show the unit cost of each item, number needed, and total amount. Provide justification for each item and relate it to specific program objectives. If appropriate, General Office Supplies may be shown by an estimated amount per month times the number of months in the budget category.

Sample Budget

Supplies Total \$ _____
 Grant \$ _____
 Funding Other than Grant \$ _____
 Sources of Funding _____

Item(s)	Rate	Cost
Laptop Computer	2 @ \$1,000	\$2,000
Printer	1 @ \$200	\$200
General office supplies	12 months x \$24/mo x 10 staff	\$2,880
Educational pamphlets	3,000 copies @ \$1 each	\$3,000
Educational videos	10 copies @ \$150 each	\$1,500
Total:		\$9,580

Sample Justification

General office supplies will be used by staff members to carry out daily activities of the program. The project coordinator will be a new position and will require a laptop computer and printer to complete required activities under this notice of funding opportunity. The price of the laptop computer and printer is consistent with those purchased for other employees of the organization and is based upon a recently acquired invoice (which can be provided upon request). The pricing of the selected computer is necessary because it includes the following tools XXXX (e.g. firewall, etc.). The education pamphlets and videos will be purchased from XXX and used to illustrate and promote safe and healthy activities. Usage of these pamphlets and videos will enable us to address components one and two of our draft proposal. Word Processing Software will be used to document program activities, process progress reports, etc.

F. Consultant/Subrecipient/Contractual Costs

All consultant/subrecipient/contractual costs should include complete descriptions and cost breakdowns – for each consultant, subrecipient or contract. The following information, outlined below, should be provided for each consultant, sub-award (subrecipient) or contract.

REQUIRED REPORTING INFORMATION FOR CONSULTANT HIRING

This category is appropriate when hiring an individual who gives professional advice or provides services (e.g. training, expert consultant, etc.) for a fee and who is not an employee of the grantee organization. Submit the following required information for consultants:

1. Name of Consultant: Identify the name of the consultant and describe his or her qualifications.

2. Organizational Affiliation: Identify the organizational affiliation of the consultant, if applicable.
3. Nature of Services to be Rendered: Describe in outcome terms the consultation to be provided including the specific tasks to be completed and specific deliverables. A copy of the actual consultant agreement should not be sent to HHS.
4. Relevance of Service to the Project: Describe how the consultant services relate to the accomplishment of specific program objectives.
5. Number of Days of Consultation: Specify the total number of days of consultation.
6. Expected Rate of Compensation: Specify the rate of compensation for the consultant (e.g., rate per hour, rate per day). Include a budget showing other costs such as travel, per diem, and supplies.
7. Justification of expected compensation rates: Provide a justification for the rate, including examples of typical market rates for this service in your area.
8. Method of Accountability: Describe how the progress and performance of the consultant will be monitored. Identify who is responsible for supervising the consultant agreement.

If the above information is unknown for any consultant at the time the application is submitted, the information may be submitted at a later date as a revision to the budget. In the Budget Narrative, a summary should be provided of the proposed consultants, the work to be completed, and amounts for each. Recipient must not incur costs for consultant activities until the aforementioned information is provided for each consultant and CMS approval obtained.

REQUIRED REPORTING INFORMATION FOR SUBRECIPIENT APPROVAL

The costs of project activities to be undertaken by a third-party subrecipient should be included in this category. Please see 45 CFR Part 75.351, *Subrecipient and contractor determinations*. Applicants must submit information on the (a) Statement of Work; (b) Period of Performance; and (c) Itemized Budget and Justification. If this information is unknown at the time the application is submitted, the information may be submitted at a later date as a revision to the budget. In the Budget Narrative, a summary should be provided of the proposed sub-awards (subrecipients), the work to be completed, and amounts for each. Recipient must not incur costs for subrecipient activities until the aforementioned information is provided for each subrecipient and CMS approval obtained.

REQUIRED REPORTING INFORMATION FOR CONTRACT APPROVAL

All recipients must submit to HHS the following required information for establishing a third-party contract to perform project activities.

1. Name of Contractor: Who is the contractor? Identify the name of the proposed contractor and indicate whether the contract is with an institution or organization.
2. Method of Selection: How was the contractor selected? State whether the contract is sole source or competitive bid. If an organization is the sole source for the contract, include an explanation as to why this institution is the only one able to perform contract services.

3. Period of Performance: How long is the contract period? Specify the beginning and ending dates of the contract.
4. Scope of Work: What will the contractor do? Describe in outcome terms, the specific services/tasks to be performed by the contractor as related to the accomplishment of program objectives. Deliverables should be clearly defined.
5. Method of Accountability: How will the contractor be monitored? Describe how the progress and performance of the contractor will be monitored during and on close of the contract period. Identify who will be responsible for supervising the contract.
6. Itemized Budget and Justification: Provide an itemized budget with appropriate justification. If applicable, include any indirect cost paid under the contract and the indirect cost rate used.

If the above information is unknown for any contractor at the time the application is submitted, the information may be submitted at a later date as a revision to the budget. Copies of the actual contracts should not be sent to HHS, unless specifically requested. In the Budget Narrative, a summary should be provided of the proposed contracts, the work to be completed, and amounts for each. Recipient must not incur costs for contractual activities until the aforementioned information is provided for each contract and CMS approval obtained.

G. Construction (not applicable)

H. Other

This category contains items not included in the previous budget categories. Individually list each item requested and provide appropriate justification related to the program objectives.

Sample Budget

*Other Total \$*_____

*Grant \$*_____

*Funding Other than Grant \$*_____

*Sources of Funding*_____

Item(s)	Rate	Cost
Telephone	\$45 per month x 3 employees x 12 months	\$1,620
Postage	\$250 per quarter x 4 quarters	\$1,000
Printing	\$0.50 x 3,000 copies	\$1,500
Equipment Rental *specify item	\$1,000 per day for 3 days	\$3,000

Item(s)	Rate	Cost
Internet Provider Service	\$20 per month x 3 employees x 12 months	\$720
Word Processing Software (specify type)	1 @ \$400	\$400
Total:		\$8,240

[Some items are self-explanatory (telephone, postage, rent) unless the unit rate or total amount requested is excessive. If the item is not self-explanatory and/or the rate is excessive, include additional justification. For printing costs, identify the types and number of copies of documents to be printed (e.g., procedure manuals, annual reports, materials for media campaign).]

Sample Justification

We are requesting costs to accommodate telephone and internet costs for the 3 new hires that will be working on this project in the new space designated. We are also requesting printing and postage costs to support producing fliers to disseminate in the community and brochures to educate participants enrolled in the program. The word processing software will be used to help us track data and compile reports. To track and compile the data, we will need to rent _____. Without this equipment, we will not be able to produce this information in an accurate and timely manner.

I. Total Direct Costs \$_____

Show total direct costs by listing totals of each category.

J. Indirect Costs \$_____

To claim indirect costs, the applicant organization must have a current approved indirect cost rate agreement established with the Cognizant Federal agency unless the organization has never established one (see 45 CFR §75.414 for more information). If a rate has been issued, a copy of the most recent indirect cost rate agreement must be provided with the application.

Sample Budget

The rate is ____% and is computed on the following direct cost base of \$_____.

Personnel \$ _____
Fringe \$ _____
Travel \$ _____
Supplies \$ _____
Other \$ _____

Total \$ _____ x ____% = Total Indirect Costs

If the applicant organization has never received an indirect cost rate, except for those non-Federal entities described in Appendix VII(D)(1)(b) to 45 CFR part 75, the applicant may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC). If the applicant has never received an indirect cost rate and wants to exceed the de minimis rate, then costs normally identified as indirect costs (overhead costs) can be budgeted and identified as direct costs. These costs should be outlined in the “other” costs category and fully described and itemized as other direct costs.

APPENDIX II: Application and Submission Information

This Funding Opportunity contains all the instructions to enable a potential applicant to apply. The application should be written primarily as a narrative with the addition of standard forms required by the Federal government for all grants and cooperative agreements.

Employer Identification Number

All applicants must have a valid Employer Identification Number (EIN), otherwise known as a Taxpayer Identification Number (TIN) assigned by the Internal Revenue Service to apply. **Please note, applicants should begin the process of obtaining an EIN/TIN as soon as possible after the announcement is posted to ensure this information is received in advance of application deadlines.**

Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS number)

All applicants must have a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number in order to apply. The DUNS number is a nine-digit identification number that uniquely identifies business entities. Obtaining a DUNS number is easy and free. To obtain a DUNS number, access the following website: <http://www.dnb.com/> or call 1-866-705-5711. This number should be entered in block 8c (on the Form SF-424, Application for Federal Assistance). The organization name and address entered in block 8a and 8e should be exactly as given for the DUNS number. **Applicants should obtain this DUNS number as soon as possible after the announcement is posted to ensure all registrations steps are completed in time.**

System for Award Management (SAM)

All applicants must register in the System for Award Management (SAM) database (<https://www.sam.gov/portal/public/SAM/>) in order to be able to submit an application. The SAM registration process is a separate process from submitting an application. Applicants are encouraged to register early, and must provide their DUNS and EIN/TIN numbers in order to do so. **Applicants should begin the SAM registration process as soon as possible after the announcement is posted to ensure that it does not impair your ability to meet required submission deadlines.**

Each year organizations and entities registered to apply for Federal grants through Grants.gov must renew their registration with SAM. **Failure to renew SAM registration prior to application submission will prevent an applicant from successfully applying via Grants.gov. Similarly, failure to maintain an active SAM registration during the application review process can prevent HHS from issuing your agency an award.**

Applicants must also successfully register with SAM prior to registering in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) as a prime awardee user. Please also refer to F5.C. (Federal Funding Accountability and Transparency Act Reporting Requirements) of this Funding Opportunity for more information. Primary awardees must maintain a current registration with the SAM database, and **may make subawards only to entities that have DUNS numbers.**

Organizations must report executive compensation as part of the registration profile at <https://www.sam.gov/portal/public/SAM/> by the end of the month following the month in which

this award is made, and annually thereafter (based on the reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Pub. L. 109-282), as amended by Section 6202 of Public Law 110-252 and implemented by 2 CFR Part 170). The Grants Management Specialist assigned to monitor the sub-award and executive compensation reporting requirements is Iris Grady, who can be reached at divisionofgrantsmanagement@cms.hhs.gov.

APPLICATION MATERIALS AND INSTRUCTIONS TO APPLY VIA GRANTS.GOV (COMPETITIVE APPLICATIONS)

Application materials will be available for download at <http://www.grants.gov>. Please note that HHS requires applications for all announcements to be submitted electronically through <http://www.grants.gov>. For assistance with <http://www.grants.gov>, contact support@grants.gov or 1-800-518-4726. At <http://www.grants.gov>, applicants will be able to download a copy of the application packet, complete it off-line, and then upload and submit the application via the Grants.gov website.

Specific instructions for applications submitted via <http://www.grants.gov>:

- You can access the electronic application for this project at <http://www.grants.gov>. You must search the downloadable application page by the CFDA number.
- At the <http://www.grants.gov> website, you will find information about submitting an application electronically through the site, including the hours of operation. HHS strongly recommends that you do not wait until the application due date to begin the application process through <http://www.grants.gov> because of the time needed to complete the required registration steps. **Applications not submitted by the due date and time are considered late and will not be reviewed.**
- Authorized Organizational Representative: The Authorized Organizational Representative (AOR) who will officially submit an application on behalf of the organization must register with Grants.gov for a username and password. AORs must complete a profile with Grants.gov using their organization's DUNS Number to obtain their username and password at http://grants.gov/applicants/get_registered.jsp. AORs must wait one business day after successful registration in SAM before entering their profiles in Grants.gov. **Applicants should complete this process as soon as possible after successful registration in SAM to ensure this step is completed in time to apply before application deadlines. Applications that are not submitted by the due date and time as a result of AOR issues will not be reviewed.**
- When an AOR registers with Grants.gov to submit applications on behalf of an organization, that organization's E-Biz POC will receive an email notification. The email address provided in the profile will be the email used to send the notification from Grants.gov to the E-Biz POC with the AOR copied on the correspondence.
- The E-Biz POC must then login to Grants.gov (using the organization's DUNS number for the username and the special password called "M-PIN") and approve the AOR, thereby providing permission to submit applications.
- **Any files uploaded or attached to the Grants.gov application must be PDF file format and must contain a valid file format extension in the filename.** Even though

Grants.gov allows applicants to attach any file formats as part of their application, CMS restricts this practice and only accepts PDF file formats. Any file submitted as part of the Grants.gov application that is not in a PDF file format, or contains password protection, will not be accepted for processing and will be excluded from the application during the review process. In addition, the use of compressed file formats such as ZIP, RAR, or Adobe Portfolio will not be accepted. The application must be submitted in a file format that can easily be copied and read by reviewers. It is recommended that scanned copies not be submitted through Grants.gov unless the applicant confirms the clarity of the documents. Pages cannot be reduced in size, resulting in multiple pages on a single sheet, to avoid exceeding the page limitation. **All documents that do not conform to the above specifications will be excluded from the application materials during the review process.** Please also refer to Section D2. Content and Form of Application Submission.

- After you electronically submit your application, you will receive an acknowledgement from <http://www.grants.gov> that contains a Grants.gov tracking number. HHS will retrieve your application package from Grants.gov. **Please note, applicants may incur a time delay before they receive acknowledgement that the application has been accepted by the Grants.gov system. Applicants should not wait until the application deadline to apply because notification by Grants.gov that the application is incomplete may not be received until close to or after the application deadline, eliminating the opportunity to correct errors and resubmit the application. Applications submitted after the deadline, as a result of errors on the part of the applicant, will not be reviewed.**
- After HHS retrieves your application package from Grants.gov, a return receipt will be emailed to the applicant contact. This will be in addition to the validation number provided by Grants.gov.

Applications cannot be accepted through any email address. Full applications can only be accepted through <http://www.grants.gov>. Full applications cannot be received via paper mail, courier, or delivery service.

All grant applications must be submitted electronically and be received through <http://www.grants.gov> by 3:00 p.m. Eastern Standard or Daylight Time (Baltimore, MD) for the applicable deadline date. Please refer to the Executive Summary for the deadline date.

All applications will receive an automatic time stamp upon submission and applicants will receive an email reply acknowledging the application's receipt.

Please be aware of the following:

- 1) Search for the application package in Grants.gov by entering the CFDA number. This number is shown on the cover page of this announcement.
- 2) If you experience technical challenges while submitting your application electronically, please contact Grants.gov Support directly at: <https://www.grants.gov/web/grants/support.html> or (800) 518-4726. Customer Support is available to address questions 24 hours a day, 7 days a week (except on Federal holidays).

- 3) Upon contacting Grants.gov, obtain a tracking number as proof of contact. The tracking number is helpful if there are technical issues that cannot be resolved.

To be considered timely, applications must be received by the published deadline date. However, a general extension of a published application deadline that affects all State applicants or only those in a defined geographical area may be authorized by circumstances that affect the public at large, such as natural disasters (e.g., floods or hurricanes) or disruptions of electronic (e.g., application receipt services) or other services, such as a prolonged blackout. This statement does not apply to an individual entity having internet service problems. In order for there to be any consideration there must be an effect on the public at large.

Grants.gov complies with section 508 of the Rehabilitation Act of 1973. If an individual uses assistive technology and is unable to access any material on the site including forms contained with an application package, they can email the Grants.gov contact center at support@grants.gov or call 1-800-518-4726.

APPENDIX III: Business Assessment of Applicant Organization (Questions)

General Information

1. Does the organization have a Board of Directors with specific functions and responsibilities (by-laws)?
2. Are minutes of the Board of Directors' meetings maintained?
3. Is there an organizational chart or similar document establishing clear lines of responsibility and authority?
4. Are duties for key employees of the organization defined?
5. Does the organization have grants or cost-reimbursement contracts with other U.S. Department of Health and Human Services components or other Federal agencies?
6. Have any aspects of the organization's activities been audited recently by a Government agency or independent public accountant?
7. Has the organization obtained fidelity bond coverage for responsible officials and employees of the organization?
8. Has the organization obtained fidelity bond insurance in amounts required by statute or organization policy?

Accounting System

1. Is there a chart of accounts?
2. Is a double-entry accounting system used?
3. Does the organization maintain the basic books of account as applicable?
 - a. General ledger
 - b. Operating ledger
 - c. Project (Job) cost ledger
 - d. Cash receipts journal
 - e. Cash disbursement journal
 - f. Payroll journal
 - g. Income (sales) journal
 - h. Purchase journal
 - i. General journal
4. Does the accounting system adequately identify receipt and disbursement for each grant (or contract)?
5. Does the accounting system provide for the recording of expenditures for each program by required budget cost categories?
6. Does the accounting system provide for recording the non-Federal share and in-kind contributions (if applicable for a grant program)?
7. Does the organization prepare financial statements at least annually? If not, how often?
8. Have the financial statements been audited within the past 2 years by an independent

- public accountant?
9. Does the organization have a bookkeeper or accountant? If no, who is in charge of the accounting section?
 10. Is there an accounting instruction manual?

Budgetary Controls

1. Does the organization use an operating budget to control project funds?
2. Are persons in the organization who approve budget amendments authorized to do so by the Board of Directors or top management?
3. Are there budgetary controls in effect to preclude incurring obligations in excess of:
 - j. Total funds available for an award?
 - k. Total funds available for a budget cost category?
4. Are cash requirements and/or drawdowns limited to immediate need?

Personnel

1. Are personnel policies established in writing or in the process of preparation which detail at a minimum:
 - l. Duties and responsibilities of each employee's position?
 - m. Qualifications for each position?
 - n. Salary ranges associated with each job?
 - o. Promotion Plan?
 - p. Equal Employment Opportunity?
 - q. Annual performance appraisals?
 - r. Types and levels of fringe benefits paid to professionals, nonprofessionals, officers, or governing board members?
2. Is employee compensation reasonable and comparable to that paid for similar work in the competitive labor market?
3. Are salary comparability surveys conducted? How often?
4. Are salaries of personnel assigned to Government projects about the same as before assignment? Identify reasons for significant increases.
5. Does the organization maintain a payroll distribution system which meets the required standards as contained in the applicable cost principles for that organization?
6. Does the organization maintain daily attendance records for hourly employees? Does this show actual time employees sign in and out?
7. Does the payroll distribution system account for the total effort (100%) for which the employee is compensated by the organization?
8. Who signs and certifies work performed in items 5, 6, and 7 above?
9. Where duties require employees to spend considerable time away from their offices, are reports prepared for their supervisors disclosing their outside activities?

Payroll

1. Does preparation of the payroll require more than one employee?
2. Are the duties of those individuals preparing the payroll related?
3. Are the names of employees hired reported in writing by the personnel office to the payroll department?
4. Are the names of employees terminated reported in writing by the personnel office to the payroll department?
5. Is the payroll verified at regular intervals against the personnel records?
6. Are all salaries and wage rates authorized and approved in writing by a designated official or supervisor?
7. Are vacation and sick leave payments similarly authorized and approved?
8. Is there verification against payments for vacation, sick leave, etc., in excess of amounts approved and/or authorized?
9. Is the payroll double-checked as to:
 - s. Hours?
 - t. Rates?
 - u. Deductions?
 - v. Extensions, etc.?
10. Are signed authorizations on file for all deductions being made from employees' salaries and wages?
11. Is the payroll signed prior to payment by the employee preparing the payroll? The employee checking the payroll?
12. Are salary payrolls approved by an authorized official prior to payment?
13. Are employees paid by check or direct deposit? If no, how are they paid?
14. If paid by check, are the checks pre-numbered?
15. Are checks drawn and signed by employees who do not:
 - w. Prepare the payroll?
 - x. Have custody of cash funds?
 - y. Maintain accounting records?
16. Are payroll checks distributed to employees by someone other than the supervisor?
17. Is there a payroll bank account? If no, will one be opened if recipient is selected for award?
18. Is the payroll bank account reconciled by someone other than payroll staff or personnel who sign and distribute the paychecks?

Consultants

1. Are there written policies or consistently followed procedures regarding the use of consultants which detail at a minimum:
 - z. Circumstances under which consultants may be used?

- aa. Consideration of in-house capabilities to accomplish services before contracting for them?
 - bb. Requirement for solicitation or bids from several contract sources to establish reasonableness of cost and quality of services to be provided?
 - cc. Consulting rates, per diem, etc.?
- 2. Are consultants required to sign consulting agreements outlining services to be rendered, duration of engagement, reporting requirements, and pay rates?

Property Management

- 1. Are records maintained which provide a description of the items purchased, the acquisition cost, and the location?
- 2. Are detailed property and equipment records periodically balanced to the general ledger?
- 3. Are detailed property and equipment records periodically checked by physical inventory?
- 4. Are there written procedures governing the disposition of property and equipment?
- 5. Are periodic reports prepared showing obsolete equipment, equipment needing repair, or equipment no longer useful to the organization?
- 6. Does the organization have adequate insurance to protect the Federal interest in equipment and real property?

Purchases

- 1. Does the organization have written purchasing procedures? If not, briefly describe how purchasing activities are handled.
- 2. Does the policy/procedure consider such matters as quality, cost, delivery, competition, source selection, etc.?
- 3. Has the responsibility for purchasing been assigned to one department, section, or individual within the organization? If not, explain.
- 4. Is the purchasing function separate from accounting and receiving?
- 5. Are competitive bids obtained for items such as rentals or service agreements over certain amounts?
- 6. Are purchase orders required for purchasing all equipment and services?
- 7. Is control maintained over items or dollar amounts requiring the contracting or grants management officer's advance approval? Describe controlling factors.
- 8. Is the accounting department notified promptly of purchased goods returned to vendors?
- 9. Is there an adequate system for the recording and checking of partial deliveries and checking deliveries against purchase orders?
- 10. When only a partial order is received, is the project account credited for the undelivered portion of the purchase order?

11. Are the vendor invoices checked for:
 - a. Prices and credit terms?
 - b. Extensions?
 - c. Errors and omissions?
 - d. Freight charges and disallowances?
12. Are vouchers, supporting documents, expenses, or other distributions reviewed and cleared by designated staff before payment is authorized?

Travel

1. Does the organization have formal travel policies or consistently followed procedures which, at a minimum, state that:
 - a. Travel charges are reimbursed based on actual costs incurred or by use of per diem and/or mileage rates?
 - b. Receipts for lodging and meals are required when reimbursement is based on actual cost incurred?
 - c. Per Diem rates include reasonable dollar limitations? Subsistence and lodging rates are comparable to current Federal per diem and mileage rates?
 - d. Commercial transportation costs are incurred at coach fares unless adequately justified? Travel requests are approved prior to actual travel?
 - e. Travel expense reports show purpose of trip?

Internal Controls

1. Is there a separation of responsibility in the receipt, payment, and recording of cash?
 - a. For example: Are the duties of the record keeper or bookkeeper separated from any cash functions such as the receipt or payment of cash?
 - b. Or, is the signing of checks limited to those designated officials whose duties exclude posting and/or recording cash received, approving vouchers for payment, and payroll preparation?
2. Are all checks approved by an authorized official before they are signed?
3. Are all accounting entries supported by appropriate documentation (e.g., purchase orders, vouchers, vendor payments)?
4. Does the organization have an internal auditor or internal audit staff?
5. Is there a petty cash fund where responsibility is vested in one individual; limited to a reasonable amount; restricted as to purchase; and counted, verified, and balanced by an independent employee at time of reimbursement?
6. Are all checks pre-numbered and accounted for when general purpose bank account is reconciled?
7. If a mechanical or facsimile signature is used for cash disbursements, is the signature plate, die, key, electronic card, etc., under strict control?
8. Are bank accounts reconciled by persons not handling cash in the organization?

9. Are all employees who handle funds required to be bonded against loss by reason of fraud or dishonesty?

APPENDIX IV: Rehabilitation Act section 504 Compliance, Accessibility Provisions

CMS and its recipient/awardee are responsible for complying with federal laws regarding accessibility as noted in the Award Administration Information/Administration and National Policy Requirements Section.

The Recipient/Awardee may receive a request from a beneficiary or member of the public for materials in accessible formats. All successful applicants under this announcement must comply with the following reporting and review activities regarding accessible format requests.

Accessibility Requirements:

1. **Public Notification:** If you have a public facing website, you shall post a message no later than **30** business days after award that notifies your customers of their right to receive an accessible format. Sample language may be found at: <https://www.medicare.gov/about-us/nondiscrimination/nondiscrimination-notice.html>. Your notice shall be crafted applicable to your program.
2. **Processing Requests Made by Individuals with Disabilities:**
 - a. **Documents:**
 - i. When receiving a request for information in an alternate format (e.g., Braille, Large print, etc.) from a beneficiary or member of the public, you must:
 1. Consider/evaluate the request according to civil rights laws.
 2. Acknowledge receipt of the request and explain your process within 2 business days.
 3. Establish a mechanism to provide the request.
 - ii. If you are unable to fulfill an accessible format request, CMS may work with you in an effort to provide the accessible format. You shall refer the request to CMS within **3** business days if unable to provide the request. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 1. The e-mail title shall read “Recipient/Awardee (Organization) Alternate Format Document Request.”
 2. The body of the e-mail shall include:
 - a. Requester’s name, phone number, e-mail, and mailing address.
 - b. The type of accessible format requested, e.g., audio recording on compact disc (CD), written document in Braille, written document in large print, document in

- a format that is read by qualified readers, etc.
 - c. Contact information for the person submitting the e-mail – Organization (Recipient/Awardee), name, phone number and e-mail.
 - d. The document that needs to be put into an accessible format shall be attached to the e-mail.
 - e. CMS may respond to the request and provide the information directly to the requester.
 - iii. The Recipient/Awardee shall maintain record of all alternate format requests received including the requestor's name, contact information, date of request, document requested, format requested, date of acknowledgment, date request provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.
- b. Services
- i. When receiving request for an accessibility service (e.g., sign language interpreter) from a beneficiary or member of the public, you must:
 - 1. Consider/evaluate the request according to civil rights laws.
 - 2. Acknowledge receipt of the request and explain your process within 2 business days.
 - 3. Establish a mechanism to provide the request.
 - ii. If you are unable to fulfill an accessible service request, CMS may work with you in an effort to provide the accessible service. You shall refer the request to CMS within **3** business days if unable to provide the service. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 - 1. The e-mail title shall read "Recipient/Awardee (Organization) Accessible Service Request."
 - 2. The body of the e-mail shall include:
 - a. Requester's name, phone number, e-mail, and mailing address.
 - b. The type of service requested (e.g., sign language interpreter and the type of sign language needed).
 - c. The date, time, address and duration of the needed service.
 - d. A description of the venue for which the service is needed (e.g., public education seminar, one-on-one interview, etc.)
 - e. Contact information for the person submitting the e-mail – Organization (Recipient/Awardee), name, phone number and e-mail.

- f. Any applicable documents shall be attached to the e-mail.
 - g. CMS will respond to the request and respond directly to the requester.
 - iii. The Recipient/Awardee shall maintain record of all accessible service requests received including the requestor's name, contact information, date of request, service requested, date of acknowledgment, date service provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.

3. Processing Requests Made by Individuals with Limited English Proficiency (LEP):

a. Documents:

- i. When receiving a request for information in a language other than English from a beneficiary or member of the public, you must:
 - 1. Consider/evaluate the request according to civil rights laws.
 - 2. Acknowledge receipt of the request and explain your process within 2 business days.
 - 3. Establish a mechanism to provide the request as applicable.
- ii. If you are unable to fulfill an alternate language format request, CMS may work with you in an effort to provide the alternate language format as funding and resources allow. You shall refer the request to CMS within **3** business days if unable to provide the request. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 - 1. The e-mail title shall read "Recipient/Awardee (Organization) Alternate Language Document Request."
 - 2. The body of the e-mail shall include:
 - a. Requester's name, phone number, e-mail, and mailing address.
 - b. The language requested.
 - c. Contact information for the person submitting the e-mail – Organization (Grantee), name, phone number and e-mail.
 - d. The document that needs to be translated shall be attached to the e-mail.
 - e. CMS may respond to the request and provide the information directly to the requester.
- iii. The Recipient/Awardee shall maintain record of all alternate language requests received including the requestor's name, contact information, date of request, document requested, language requested, date of acknowledgment, date request provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.

b. Services

- i. When receiving request for an alternate language service (e.g., oral language interpreter) from a beneficiary or member of the public, you must:
 1. Consider/evaluate the request according to civil rights laws.
 2. Acknowledge receipt of the request and explain your process within 2 business days.
 3. Establish a mechanism to provide the request as applicable.
- ii. If you are unable to fulfill an alternate language service request, CMS may work with you in an effort to provide the alternate language service as funding and resources allow. You shall refer the request to CMS within **3** business days if unable to provide the service. You shall submit the request, using encrypted e-mail (to safeguard any personally identifiable information), to the AltFormatRequest@cms.hhs.gov mailbox with the following information:
 1. The e-mail title shall read “Recipient/Awardee (Organization) Accessible Service Request.”
 2. The body of the e-mail shall include:
 - a. Requester’s name, phone number, e-mail, and mailing address.
 - b. The language requested.
 - c. The date, time, address and duration of the needed service.
 - d. A description of the venue for which the service is needed (e.g., public education seminar, one-on-one interview, etc.)
 - e. Contact information for the person submitting the e-mail – Organization (Recipient/Awardee), name, phone number and e-mail.
 - f. Any applicable documents shall be attached to the e-mail.
 - g. CMS will respond to the request and respond directly to the requester.
- iii. The Recipient/Awardee shall maintain record of all alternate language service requests received including the requestor’s name, contact information, date of request, language requested, service requested, date of acknowledgment, date service provided, and date referred to CMS if applicable. Forward quarterly records to the AltFormatRequest@cms.hhs.gov mailbox.

Please contact the CMS Office of Equal Opportunity and Civil Rights for more information about accessibility reporting obligations at AltFormatRequest@cms.hhs.gov.

APPENDIX V: Application Check-Off List Required Contents

Required Contents

A complete proposal consists of the materials organized in the sequence below. Please ensure that the project and budget narratives are page-numbered and the below forms are completed with an electronic signature and enclosed as part of the proposal. **Everything listed below must be submitted through www.grants.gov, and formatting requirements followed.**

For specific requirements and instructions on application package, forms, formatting, please see:

Section C: Eligibility Information

Section D: Application Information

Section E: Application Review Information

Appendix I: Guidance for Preparing a Budget Request and Narrative

Appendix III: Business Assessment of Applicant Organization

Standard Forms

- ☐ SF 424: Application for Federal Assistance
- ☐ SF-424A: Budget Information
- ☐ SF-424B: Assurances-Non-Construction Programs
- ☐ SF-LLL: Disclosure of Lobbying Activities
- ☐ Project Abstract Summary
- ☐ Project Site Location Form

Narrative Documents

- ☐ Cover Letter
- ☐ Project Narrative
- ☐ Budget Narrative
- ☐ Implementation Plan
- ☐ Business Assessment of Applicant Organization
- ☐ Resumes
- ☐ Memorandum of Understanding(s) – If Applicable