



Reinvestment of Civil Money Penalties to Benefit Nursing Home Residents

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

Initial Announcement

Funding Opportunity Number: CMS-1K1-14-001

Competition ID: CMS-1K1-14-001-049381

CFDA: 93.636

Applicable Dates:

Funding Opportunity Announcement Released: **May 9, 2014**

Required Notice of Intent to Apply Due: **June 9, 2014**

(Email Notice of Intent to apply to: Fed_CMPGrant@cms.hhs.gov)

Electronic Grant Application Due Date: **June 26, 2014**

Anticipated Notice of Grant Award: **September 4, 2014**

Anticipated Grant Period of Performance: **September 4, 2014-August 31, 2017**

Overview Information

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EXECUTIVE SUMMARY

The Centers for Medicare and Medicaid Services (CMS) is inviting proposals for consideration to use Civil Money Penalty (CMP) Funds in a federal national grant to support and further expand the National Partnership to Improve Dementia Care in Nursing Homes.

Federal law provides for the collection and use of CMP funds imposed by CMS when nursing homes do not meet the Medicare Requirements for Participation. The Patient Protection and Affordable Care Act established that 90 percent of the federal portion of CMP funds could be used to support activities that benefit nursing home residents, including projects that assure quality care within nursing homes.

In March 2012, CMS launched the National Partnership to Improve Dementia Care in Nursing Homes to minimize the use of antipsychotic medications in individuals with dementia in the nursing home setting. This national partnership is aimed at improving the quality of care provided to nursing home individuals by delivering services that are person-centered, comprehensive and interdisciplinary. Proposed projects should directly benefit nursing home residents, build on the existing work of the National Partnership, and provide innovative and unique strategies for the safe reduction of antipsychotic medications for individuals with dementia.

This solicitation identifies the goals/objectives of these CMP projects, the eligibility criteria, and instructions for the application process. Applicants must address all the requirements described within this solicitation. Under this solicitation CMS anticipates total funding of each project to be at a minimum of \$60,000. The anticipated active period of performance for these grants will be no more than three years, and we anticipate there will be up to three awards given under this solicitation.

This notice contains all the necessary information to apply for grant funding under CMS. All applicants are responsible for checking <http://www.grants.gov/> regularly to ensure they have all of the latest information regarding any updates to this solicitation.

I. FUNDING OPPORTUNITY DESCRIPTION

1. Purpose

The purpose of this funding opportunity is to solicit applications to participate in a Federal grant program using Civil Money Penalty (CMP) funds to support and further expand the CMS National Partnership to Improve Dementia Care in Nursing Homes.

Funding for this grant will be provided through Federal Civil Money Penalty funds. These funds must be used for projects approved by CMS to improve dementia care for individuals living in nursing homes.

An organization, association, or university (e.g., Quality Improvement Organization, health care organizations, providers, associations, and advocacy groups) may apply for funding under this grant opportunity. A maximum of one application may be submitted per organization/association/university. Competitive applications must have a national (i.e. available to all states) or regional (i.e. relevant or available to three or more states) scope. Projects specific to only an individual state will not be considered.

2. Statutory Authority – CMP Funds

Sections 1819(h)(2)(B)(ii)(IV)(ff) and 1919(h)(3)(C)(ii)(IV)(ff) of the Social Security Act (the Act) incorporate specific provisions of the *Patient Protection and Affordable Care Act*, (the *Affordable Care Act*, ACA) (Pub. L. 111-148) pertaining to the collection and uses of CMPs imposed by CMS when nursing homes do not meet requirements for Long Term Care Facilities. The Act provides that collected CMP funds must be used to support activities that benefit residents, including assistance to support and protect residents of a facility that closes or is decertified, projects that support resident and family councils and other consumer involvement in assuring quality care in facilities, and other nursing facility improvement initiatives such as joint training of facility staff and surveyors, technical assistance for facilities implementing quality assurance programs, or the appointment of temporary management firms.

Within this broad federal authority, CMS is targeting this solicitation to those projects that would improve dementia care in nursing homes and involve the utilization of non-pharmacological approaches and the reduction of antipsychotic medications when there is no valid clinical indication. Competitive applications will consist of original ideas or ideas that support the National Partnership described below without duplicating current efforts. The awardee may not use CMP funds to pay entities to perform functions which are already paid by other state or federal sources.

3. Background

To improve the quality of care provided to individuals with dementia living in nursing homes, CMS launched the National Partnership to Improve Dementia Care in Nursing Homes to deliver health care that is person-centered, comprehensive and interdisciplinary. This partnership was also implemented with the mission of protecting residents from being prescribed antipsychotic medications unless there is a valid, clinical indication and a systematic process to evaluate each individual. The current Partnership goal is to decrease the use of antipsychotics by 15%. As part of the effort, Nursing Home Compare (<http://www.medicare.gov/nursinghomecompare/search.html>) began rating two new quality measures related to antipsychotic medications in July 2012.

The July 2012 Department of Health and Human Services, Office of Inspector General Report titled *Nursing Facility Assessments and Care Plans for Residents receiving Atypical Antipsychotic Drugs*, studied claims for Medicare patients residing within a nursing facility and the administration of atypical antipsychotic drugs within a seven month period of time. This study highlighted:

- 99.5% of record reviews “for elderly nursing facility residents receiving atypical antipsychotic drugs” did not contain evidence that all Federal requirements for nursing facility resident assessment and care plans were met.
- For one-third of records, nursing facility staff did not complete resident assessments in accordance with Federal requirements.
- For 4% of records, nursing facility staff did not document consideration of the Resident Assessment Protocol for psychotropic drug use as required.
- For 18% of records, records contained no evidence that interventions (e.g. environmental modifications) for antipsychotic drug use listed in the care plans actually occurred.
- Of the records reviewed, 48% did not meet two or more federal requirements for nursing facility assessments and care plans

National data between the fourth quarter for 2011 and the third quarter for 2013 show a 13.1% reduction in long-stay residents receiving an antipsychotic medication. Success has varied by state and CMS region, with some states and regions having seen a reduction of greater than 15%. This data highlights the opportunities available for additional strategies to reduce the use of antipsychotic medications in long-term care.

4. Program Requirements

Through this grant, CMS seeks to fund original activities and/or programs, including non-pharmacological approaches to improve the quality of life and care of individuals with dementia and reduce the use of antipsychotic medications for these individuals.

4.1 General Program Requirements

In March 2012, CMS launched the National Partnership to Improve Dementia Care in Nursing Homes to minimize the use of antipsychotic medications in individuals with dementia in the nursing home setting. This national partnership is aimed at improving the quality of care provided to nursing home individuals by delivering services that are person-centered, comprehensive and interdisciplinary. Proposed projects should directly benefit nursing home residents, build on the existing work of the National Partnership, and provide innovative and unique strategies for the safe reduction of antipsychotic medications for individuals with dementia.

4.2. Project Management and Oversight

Within 10 calendar days of the grant award date, each awardee shall conduct a kick-off teleconference with CMS. The kick-off teleconference is the first meeting with project team members to discuss the project work that will be completed. The awardee must identify the key staff to serve as the main point of contact for the project.

Within 25 calendar days of the grant award date, awardees will submit an updated implementation plan for the approved activities funded through the grant. The plan will describe how the awardee would organize and manage the project, in what time frames, and what management control and coordination tools would be used to assure the timely and successful implementation.

4.3 Implementation Activities

Projects considered for this funding opportunity must directly benefit Nursing Home residents. Implementation tasks will vary, but could include for example:

- Active resident, family and provider engagement, including training, education and outreach
- Quality Assurance/Performance Improvement initiatives
- Active Ombudsman, consumer and resident representative engagement
- Testing and evaluating resident specific approaches involving person-centered dementia care, including, for example, consistent staff assignments

Applicants must consider current CMP state activities and other Partnership activities being implemented and clearly articulate how this activity will enhance and build on, not supplant current activities and be implemented with a regional and/or national scope.

When CMP funds are requested for educational purposes, the organization involved must also include the following: anticipated number of attendees; target audience; timeline for implementation and plan and sustainability. Representatives from any group requesting funding, or representatives who are in situations where a conflict of interest exists, must disqualify themselves from making recommendations.

4.4 Reporting

The awardee shall be responsible for providing ongoing, status updates at the request of CMS as well as formal quarterly progress reports and teleconferences with CMS to summarize progress against the milestones identified in the implementation plan. The quarterly progress report shall provide an analysis of challenges, discuss best practices or key lessons, and provide mitigation strategies for addressing barriers during implementation. The report shall also detail how funds were used for each three-month period. This information shall be provided to CMS using the SF-424A form. CMS will use this information to monitor operations. This report shall be submitted within 30 calendar days of the end of each three-month period.

Within 90 calendar days of the end of the three-year grant, the awardee shall submit a final report to CMS. The report will summarize federal and state expenditures for implementation activities, review lessons learned, and inform CMS about implementation needs to replicate successful demonstrations in other states or make potential future Medicare and Medicaid policy changes.

Upon conclusion of the project, the awardee will share the outcomes of the work product and lessons learned with other states to promote replication and avoid unnecessary duplication of efforts.

II. AWARD INFORMATION

1. **Total Funding** - Total funding available for this initiative is \$500,000. CMS may award up to 3 awards. Additional awards may be made if funds are available. The estimated minimum amount of funding for each individual award is \$60,000 and the maximum amount of funding is \$500,000 (if only one award is made). Applicants should develop their budget requests based on the scope of activities planned, with these limits in mind. Actual award amounts will be determined by the total number of awardees and the amount of funds available.
2. **Anticipated Award Date** – Approximately September 4, 2014.

3. **Period of Performance** – Up to three years. Funding will be awarded in 12-month budget periods. Continuation awards following the 12-month base period are contingent on the progress in meeting the goals of the previous award. CMS is under no obligation to make additional awards under this program. To receive continued funding in the second or third year, grants will be awarded through a non-competitive process contingent upon the progress of the grantee towards meeting the goals of the implementation plan and compliance with the Terms and Conditions of award.
4. **Number of Awards** – up to 3 (additional awards may be made if funds are available)
5. **Type of Award**- Grant
6. **Termination of Award**- Continued funding to an awardee is dependent on satisfactory performance against goals and performance expectations delineated in the grant’s terms and conditions. CMS reserves the right to terminate the grant if it is determined to be in the Government’s best interests. Projects will be funded subject to meeting terms and conditions specified and may be suspended or terminated if these are not met [see 1115A [42 USC 1315 a](b)(3)(B)].

III. ELIGIBILITY INFORMATION

1. Eligible Applicants

Funding under this opportunity is available to organizations/associations that are authorized to administer grants in support of national and regional programs. **Any project in which the scope of the intervention or activities is limited to a State, local area and/or a single facility will not be considered.** A maximum of one application may be submitted per organization/association.

2. Cost Sharing or Matching

No cost-sharing or matching payments are required.

3. Foreign and International Organizations

Foreign and international organizations are ineligible to apply.

4. Faith-Based Organizations

Faith-based organizations are eligible to apply.

Application Eligibility Threshold Criteria

Applications not meeting threshold criteria will not be reviewed. Threshold criteria include:

- Application deadline: Applications must be received by 3:00 p.m. Eastern Time (Baltimore MD) in Grants.gov by the application deadline (**June 26, 2014**).

- Submission of Email Notification of Intent by Specified Due Date – Applicants must submit a Notification of intent for the proposal to be considered. Notification must be received by **June 9, 2014** at Fed_CMPGrant@cms.hhs.gov. The Notification of intent should include the following items:
 - Name, location and brief description of the application organization.
 - A one to two sentence description of the proposed project and scope.
- Eligible Applicants- Any project in which the scope of the intervention or activities are limited to a State, local area and/or a single facility will not be considered.

IV. APPLICATION AND SUBMISSION INFORMATION

1. Application Materials

This FOA contains all of the instructions for a potential applicant to apply.

Application materials will be available for download at <http://www.grants.gov/>. Please note that U.S. Department of Health and Human Services (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 call 1-800-518-4726. Below are specific instructions for applications submitted via <http://www.grants.gov/>.

- You can access the electronic application for this FOA at <http://www.grants.gov/>. Search for the funding opportunity by using the CFDA Number or the Funding Opportunity Number shown on the cover page of this announcement.
- 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/>.
- All applicants under this announcement must have an Employer Identification Number (EIN), otherwise known as a Taxpayer Identification Number (TIN), to apply. Please note, the time needed to complete the EIN/TIN registration process is substantial, and applicants should therefore begin the process of obtaining an EIN/TIN immediately to ensure this information is received in advance of application deadlines.
- All applicants must have a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number. The DUNS number is a nine-digit identification number that uniquely identifies business entities. 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 immediately to ensure all registration steps are completed in time.

- The applicant must also register in the System for Award Management (SAM) database in order to be able to submit the application. Information about SAM is available at <https://www.sam.gov/portal/public/SAM/>. Registering an account with SAM is a separate process from submitting an application. Applicants are encouraged to register early. Therefore, registration should be completed in sufficient time to ensure that it does not impair your ability to meet required submission deadlines. Applicants must have their DUNS and EIN/TIN numbers in order to do so. Information about SAM is available at <https://www.sam.gov/portal/public/SAM/>.
- 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 http://grants.gov/applicants/get_registered.jsp. AORs must wait at least one business day after 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.**
 - When an AOR registers with Grants.gov to submit applications on behalf of an organization, that organization's E-Biz point-of-contact 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 point of contact (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.
 - The AOR and the DUNS must match. If your organization has more than one DUNS number, be sure you have the correct AOR for your application.
- **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 format as part of their application, CMS restricts this practice and only accepts PDF file format. **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 resulting in multiple pages on a single sheet to avoid exceeding the page limitation.** All documents that do not conform to the above will be excluded from the application during the review process.

- Applicants are limited to using the following UTF-8 characters in all attachment file names: A-Z, a-z, 0-9, underscore (_), hyphen (-), space, period. If applicants use any other characters when naming their attachment files their applications will be rejected.
 - Prior to application submission, Microsoft Vista and Office 2007 users should review the Grants.gov compatibility information and submission instructions provided at <http://www.grants.gov/>. Click on “Vista and Microsoft Office 2007 Compatibility Information.”
- After you electronically submit your application, you will receive an automatic email notification from Grants.gov that contains a Grants.gov tracking number. **Please be aware that this notice does not guarantee that the application will be accepted by Grants.gov. It is only an acknowledgement of receipt.** All applications that are successfully submitted must be validated by Grants.gov before they will be accepted. Please note applicants may incur a time delay before they receive acknowledgement that the application has been validated and accepted by the Grants.gov system. In some cases, the validation process could take up to 48 hours. If for some reason your application is not accepted, then you will receive a subsequent notice from Grants.gov citing that the application submission has been rejected. **Applicants should not wait until the application deadline (date and time) to apply because notification by Grants.gov that the application fails validation and is rejected may not be received until close to or after the application deadline, eliminating the opportunity to correct errors and resubmit the application. Applications that fail validation and are rejected by Grants.gov after the deadline will not be accepted and/or granted a waiver.** For this reason CMS recommends submission of applications prior to the due date and time.
- The most common reasons why an application fails the validation process and is rejected by Grants.gov are:
 - SAM registration cannot be located and validated
 - SAM registration has expired
 - The AOR is not authorized by the E-Biz POC to submit an application on behalf of the organization
 - File attachments do not comply with the Grants.gov file attachment requirements
- **HHS retrieves applications from Grants.gov only after Grants.gov validates and accepts the applications. Applications that fail validations and are rejected by**

Grants.gov are not retrieved by HHS, and HHS will not have access to rejected applications.

- After HHS retrieves your application from Grants.gov, you will receive an email notification from Grants.gov stating that the agency has received your application and once receipt is processed, you will receive another email notification from Grants.gov citing the Agency Tracking Number that has been assigned to your application. It is important for the applicant to keep these notifications and know the Grants.gov Tracking Number and Agency Tracking Number associated with their application submission.
- Each year organizations and entities registered to apply for Federal grants and cooperative agreements through Grants.gov will need to renew their registration with the System for Award Management (SAM). You can register with the SAM online at; <https://www.sam.gov/portal/public/SAM>. **Failure to renew SAM registration prior to application submission will prevent an applicant from successfully applying.**

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

All applications must be submitted electronically and be received through Grants.gov by 3:00 p.m. Eastern Daylight Savings Time (Baltimore, MD) on **June 26, 2014**. All applications will receive an automatic time stamp upon submission and applicants will receive an automatic e-mail reply acknowledging the application's receipt.

- If you experience technical challenges while submitting your application electronically, please contact Grants.gov Support directly at: support@grants.gov or (800) 518-4726. Customer Support is available to address questions 24 hours a day, 7 days a week (except on federal holidays). CMS encourages applicants not to wait until close to the due date to submit the application.
- Upon contacting Grants.gov, obtain a helpdesk 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 applicants or only those applicants 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.

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.

2. Content and Form of Application Submission

2.1 Form of Application Submission –Project Narrative and Appendices

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

- Use 8.5” x 11” letter-size pages 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 narrative must be paginated in a single sequence.
- Font size must be no smaller than 12-point with an average character density no greater than 14 characters per inch.
- All narrative portions of the application (project and budget) must be DOUBLE-SPACED with the exception of charts and tables, and the project abstract which may be single-spaced (but must still meet the font requirements above).
- The project abstract is restricted to a one-page summary which may be single-spaced.
- The application with the appendices shall not exceed 40 pages in length.
- The Project Narrative shall include (not exceeding 20 pages in length):
 - Purpose and Summary: Project title, purpose and project summary;
 - Project Work plan: project goal statement, outlined activities, timeframes, anticipated outputs (description of the intended outcomes, deliverables and sustainability), reporting on progress, evaluation plan;
 - Results Measurement: A description of the methods by which the project results will be assessed (including specific measures);
 - Benefits to Nursing Home Residents: A brief description of the manner in which the project will benefit nursing home residents;
 - Non-Supplanting Statement: A description of the manner in which the project will not supplant existing responsibilities of the nursing home to meet existing Medicare/Medicaid requirements or other statutory and regulatory requirements;
 - Consumer and other Stakeholder Involvement: A brief description of how the nursing home community (including resident and/or family councils and direct care staff) will be involved in the development and implementation of the project;
 - Budget Narrative: The Budget Narrative must include a yearly breakdown of costs for the three-year project period of performance. Specifically, the Budget Narrative should provide a detailed cost breakdown for each line item outlined in

the SF-424A Section B (i.e. personnel, travel, supplies, etc...). This information should be included for each year of funds requested. The budget narrative must separate out funding that is administered directly by the awardee from any funding that will be subcontracted. The narrative should clearly reflect how the budgetary figures were determined, and efforts to attain maximum efficiency in achieving the goals of the project. A description of estimates of any non-CMP funds that the applicant expects to be contributed to the project can also be included. NOTE regarding Personnel costs: Consistent with section 203 of the Consolidated Appropriations Act, 2012 (P.L. 112-74) none of the funds appropriated in this law shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II (\$181,500).

- Involved Organizations: List all organizations that will receive funds through this project (to the extent known), and organizations that the applicant expects to carry out and be responsible for the project;
 - Contacts: Name of the contact person responsible for the project and contact information.
- The Appendices shall include (not exceeding 20 pages in length):
 1. Draft implementation plan
 2. Brief resumes from designated entity staff (if applicable).

Other required materials NOT included in page limits are:

- Project Abstract - The abstract is often distributed to provide information to the public and Congress, so please write the abstract so that it is clear, accurate, concise, and without reference to other parts of the application. Information specific to an individual should be excluded from the abstract.
- Standard forms (see Section 2.2 below)
- Indirect Cost Rate Agreements (with a cognizant federal agency).

Any application that does not follow the strict formatting requirements, i.e. – page limits, fonts, or spacing requirements, will not be reviewed or funded.

2.2 Form of Application Submission- Standard Forms

The following standard forms must be completed and enclosed as part of the application:

- a. SF-424: Official Application for Federal Assistance (see note below)
- b. SF-424A: Budget Information Non-Construction
- c. SF-424B: Assurances-Non-Construction Programs
- d. SF-LLL: Disclosure of Lobbying Activities
- e. Project/Performance Site Location(s) form

Note: On Completion of SF-424 “Application for Federal Assistance”:

- a) On Item 15 “Descriptive Title of Applicant’s Project,” state the specific grant opportunity for which you are applying: *Reinvestment of Civil Money Penalties to Benefit Nursing Home Residents*.
- b) Check “C” to item 19, as Review by State Executive Order 12372 does not apply to these grants.
- c) Item 18 “Estimated Funding,” shall contain the amount of federal funding requested for the FIRST FUNDING PERIOD (12 months) of the project only.

Note: On completion of the SF-424A “Budget Information Non-Construction”:

The program is funded in up to three, 12-month budget periods. On the SF424A Section A– Budget Summary, please use Row 1 for year 1, Row 2 for year 2, and Row 3 for year 3. On the SF424A Section B Budget Categories, please use Column 1 for the first 12-month budget period, Column 2 for the second 12-month budget period, and Column 3 for the third budget period. In Section C Non-Federal Resources, please use one row for each year of the project. Section D should be completed by dividing the year 1 total into the amounts needed in each quarter. Section E should reflect the total federal funds requested for future funding periods. Column B (First) should reflect year 2 and Column C (Second) should reflect year 3.

2.3 Funding Restrictions

2.3a Indirect Costs: If requesting indirect costs, a Federally Negotiated Indirect Cost Rate Agreement will be required. Applicants are required to use the rate agreed to in the Indirect Cost Rate Agreement. However, if there is not an agreed upon rate, the award (if the applicant is selected) may not include an amount for indirect costs unless the organization has never established an indirect cost rate (usually a new recipient) and intends to establish one. In such cases, the award shall include a provisional amount equaling one-half of the amount of indirect costs requested by the applicant, up to a maximum of 10 percent of direct salaries and wages (exclusive of fringe benefits). If the recipient fails to provide a timely proposal, indirect costs paid in anticipation of establishment of a rate will be disallowed. See the Health and Human Services Grants Policy Statement at <http://www.hhs.gov/asfr/ogapa/aboutog/hhsgps107.pdf> for more information.

2.3b Direct Services: Grant funds may not be used to provide individuals with services that are already funded through Medicare, Medicaid and/or CHIP. These services do not include expenses budgeted for provider and/or consumer task force member participation in conferences, provision of technical assistance, or attendance at technical assistance conferences sponsored by CMS or its national technical assistance providers for the benefit of awardees.

2.3c Reimbursement of Pre-Award Costs: No grant funds awarded under this solicitation may be used to reimburse pre-award costs.

2.3d General Prohibited Uses of Grant Funds:

- To match any other federal funds.
- Use to substitute for existing state-only or Medicaid funded programs or services.
- To provide services, equipment, or supports that are the legal responsibility of another party under federal or state 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 supplant existing state, local, or private funding of infrastructure or services, such as staff salaries, etc.
- To be used by local entities to satisfy state matching requirements.
- To provide infrastructure for which federal Medicaid matching funds are available at the 90 / 10 matching rate, such as certain information systems projects.
- To pay for the use of specific components, devices, equipment, or personnel that are not integrated into the application.
- Construction or alteration and renovation of real property (A&R).
- Any equipment (including information technology equipment) over \$5,000 must be approved by CMS.

2.3e Program Specific Prohibited Uses of Grant Funds

(Proposers should familiarize themselves with the instructions for state-specific projects outlined in this memo. As a Federal CMP project some of these same conditions will apply. (http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/SCLetter12_13.pdf)

- Conflict of Interest Prohibitions: CMS will not approve projects for which a conflict of interest exists or the appearance of a conflict of interest exists. Similarly, we will generally not approve uses of CMP funding for very long term projects (greater than 3 years).
- Duplication: CMP funds may not be used to pay entities to perform functions which they are already paid by State or federal sources. CMP funds, for example may not be used to enlarge an existing appropriation or statutory purpose that is substantially the same as the CMP project. Also, CMP funds may not be used to fund State legislative directives for which no or inadequate state funds have been appropriated.
- Capital Improvement: CMP funds may not be used to pay for capital improvements to a nursing home, or to build a nursing home, as the value of such capital improvement accrues to a private party (the owner). Federal and State payments already acknowledge the expense of capital costs, so the use of CMP funds for such a purpose would duplicate an existing responsibility of the nursing home. Examples of prohibited uses:
 - o Building or Capital Redesign: CMP funds may not be used to build or redesign a nursing home, including conversion to a Green House.
 - o Capital Expense: Replacing an aging boiler.

- **Nursing Home Services or Supplies:** CMP funds may not be used to pay for nursing home services or supplies that are already the responsibility of the nursing home, such as laundry, linen, food, heat, staffing costs, etc. This prohibition, however, does not prevent the payment of salary for an individual who will work in the nursing home as part of an evaluated demonstration of a new service, skill set, or other innovation that the nursing home has not previously had in place and which the nursing home may sustain after the demonstration if resources permit. Examples might include new use of a wound specialist and adoption of new skin care techniques, new uses of advance practice nurses, new methods of retention and training for certified nurse assistance, etc.
- **Temporary Manager Salaries:** CMP funds may not be used to pay the salaries of temporary managers who are actively managing a nursing home, as this is the responsibility of the involved nursing home in accordance with 42 CFR 488.415(c).
- **Supplementary Funding of Federally Required Services:** For example, CMP funds may not be used to recruit or provide Long-Term Care Ombudsman certification training for staff or volunteers or investigate and work to resolve complaints as these are among the responsibilities of Long-Term Care Ombudsman programs under the federal Old Americans Act (OAA), regardless of whether funding is adequate to the purpose. On the other hand, there is no prohibition to an Ombudsman program receiving CMP funds to conduct or participate in approved projects, or to carry out other quality improvement projects that are not within the Ombudsman program's existing set of responsibilities under the OAA. Nor is there any prohibition to Ombudsman program staff or volunteers to participate in training that is paid by CMP funds but open to a broad audience, such as nursing home staff, surveyors, consumers, or others.

2.3f Promoting Efficient Spending for Conferences and Meetings

It is the Department of Health and Human Services' (HHS) policy that conferences and meetings funded through grants and cooperative agreements: must be consistent with legal requirements and HHS' missions, objectives, and policies; must represent an efficient and effective use of taxpayer funds; and must be able to withstand public scrutiny. CMS must conduct business, including conferences and meetings, consistent with these tenets. As a result, CMS has adopted grant and cooperative agreement practices that promote efficient spending for conferences and meetings.

While grant recipients are always encouraged to provide performance-based solutions to the Government's requirements, the Centers for Medicare and Medicaid (CMS) encourages alternative solutions (i.e. teleconference) as opposed to traditional face-to-face meetings. A "conference" is defined as "[a] meeting, retreat, seminar, symposium or event that involves awardee, subcontractor, or consultant travel."

Any conferences, with or without travel, that you believe are necessary to accomplish the purposes of this grant must have prior CMS approval. These requests must be priced separately in the budget and include the following information:

- (1) a description of its purpose;
- (2) the number of participants attending;
- (3) a detailed statement of the costs to the grant, including—
 - (A) the cost of any food or beverages;
 - (B) the cost of any audio-visual services for a conference;
 - (C) the cost of employee or contractor travel to and from a conference; and
 - (D) a discussion of the methodology used to determine which costs relate to a conference.

In addition, funds under this grant may not be used for the purpose of defraying the costs of a conference that is not directly and programmatically related to the purpose for which the grant is awarded (such as a conference held in connection with planning, training, assessment, review, or other routine purposes related to a project funded by the grant).

2.4 Intergovernmental Review-

Applications for these grants 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.

2.5 Submission Dates and Time

The deadline for the submission of applications under this FOA is **June 26, 2014**. Applications received through <http://www.grants.gov> by 3:00 p.m. Eastern Daylight Savings Time (Baltimore, MD) on the due date will be considered “on time.” All applications will receive an automatic time stamp upon submission and applicants will receive an automatic e-mail reply acknowledging the application’s receipt. This serves as the official date/time that an application is received.

Applications not received by the due date and time will not be reviewed.

V. APPLICATION REVIEW INFORMATION

In order to receive an award under this funding opportunity announcement, applicants must submit an application, in the required format, no later than the deadline date and time. If an applicant does not submit all of the required documents and does not address each of the topics described below, the applicant risks not being awarded a project grant.

1. Criteria

This section fully describes the evaluation criteria for this program. In preparing applications, applicants are strongly encouraged to review the programmatic requirements detailed in Section I. Funding Opportunity Description. The application must be organized, as detailed in Section

IV. Application and Submission Information, and be submitted by an eligible applicant as defined in Section III - Eligibility Information.

Applications received by the due date and time from eligible applicants will be reviewed in the technical review process. If not, the applicant's submission will not receive further consideration and will not be eligible for award. Applications will be scored with a total of 100 points available.

The following criteria will be used to evaluate applications received in response to this funding opportunity announcement.

1.1. Proposed Approach and Impact to Nursing Home Residents (Overall 40 Points) _____

The proposal is innovative and is in alignment with the priorities and objectives of the National Partnership to Improve Dementia Care in Nursing Homes, located in the previous background section. The goals, objectives and primary tasks proposed are clearly written and are feasible. The proposal clearly outlines plans to publicize the project's accomplishments to other stakeholders upon completion.

1.2. Organizational Capacity and Management Plan (Overall 25 Points) _____

The applicant has proper training and identified appropriate staff to work on the proposed plan, including the names, qualifications and duties of personnel involved in the project in a substantive manner. Proposed work plan tied to a schedule/timetable with sufficient time for project goals.

1.3. Evaluation and Reporting (Overall 10 Points) _____

The proposal provides a process to continually monitor and evaluate the project throughout the project life. Plan includes submission of quarterly reports highlighting accomplishments and financial status. The proposal will provide a project overview of the impact with nursing homes.

1.4. Budget and Budget Narrative (Overall 25 Points) _____

The proposal includes a well-defined budget, including tasks and resources. Indications are provided for costs to be paid for with grant funds. The proposal will explain how budget figures were arrived at. The project proposal will reflect efforts to attain maximum efficiency in achieving the project's goals.

2. Review and Selection Process

The review process will include the following:

- Applications will be screened to determine eligibility for further review using the criteria detailed in this solicitation. Applications received late or from organizations that are not eligible will not be reviewed and will not be eligible for award.

- A team consisting of staff from HHS and potentially other outside experts will review all applications. The review panel will assess each application to determine the merits of the application and the extent to which the proposed program furthers the purposes of the program. CMS reserves the option to request that applicants revise or otherwise modify their applications and budget based on the recommendations of the panel.
- The results of the objective review of the applications by qualified experts will be used to advise the approving HHS official. Final award decisions will be made by an HHS approving official. In making these decisions, the HHS approving official will take into consideration: recommendations of the review panel; the extent to which the requested resources directly support implementation efforts; any overlap with existing resources that support implementation; the extent to which the state is committing state resources to implementation efforts; the reasonableness of the estimated cost to the government and anticipated results; likelihood that the proposed project will result in the benefits expected; and availability of funding.

Successful applicants will receive one grant award per application issued under this announcement. See Section II. Award Information, Number of Awards for more information. CMS reserves the right to approve or deny any or all applications for funding. Section 1115A(d)(2) of the Social Security Act states that there is no administrative or judicial review of the selection of organizations, sites, or participants to test models under section 1115A.

Unsuccessful applicants will be advised by letter or electronically (to the individual signing the application on behalf of the organization) that its application will not be held for further consideration or be funded. The decision not to award a grant, or to award a grant at a particular funding level, is discretionary and is not subject to appeal to any OPDIV or HHS official or board.

3. Anticipated Announcement and Award Dates

It is anticipated that the awards under this Funding Opportunity will be made and announced approximately September 4, 2014.

VI. AWARD ADMINISTRATION INFORMATION

1. Award Notices

Successful applicants will receive a Notice of Award (NoA) signed and dated by the CMS Grants Management Officer that will set forth the amount of the award and other pertinent

information approximately six weeks after the application due date. Grantees may receive funding up to a 36 month project/budget period. The award will also include standard Terms and Conditions, and may also include additional program specific terms and conditions.

The NoA is the legal document issued to notify the awardee that an award has been made and that funds may be requested from the HHS Payment Management System. The NoA will be available on the CMS grant award management system (GrantSolutions) and accessible to the awardee.

Any communication between CMS and awardees prior to issuance of the NoA is not an authorization to begin implementation of a project. Any costs incurred prior to the issuance of the NoA will not be reimbursed.

Unsuccessful applicants will be notified by email within 30 days of final funding decisions.

2. Administrative and National Policy Requirements

The following standard requirements apply to applications and awards under this FOA:

- Specific administrative requirements, as outlined in 2 CFR Part 225, 45 CFR Part 92, and OMB Circulars A-133 apply to grants awarded under this announcement.
- All awardees under this project must comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to:
 - Title VI of the Civil Rights Act of 1964,
 - Section 504 of the Rehabilitation Act of 1973,
 - The Age Discrimination Act of 1975,
 - Hill-Burton Community Service nondiscrimination provisions, and
 - Title II Subtitle A of the Americans with Disabilities Act of 1990,
- All equipment, staff, other budgeted resources, and expenses must be used exclusively for the project identified in the awardee's original grant application or agreed upon subsequently with HHS, and may not be used for any prohibited uses.

3. Terms and Conditions

Grants issued under this FOA are subject to the *Health and Human Services Grants Policy Statement (HHS GPS)* at <http://www.hhs.gov/asfr/ogapa/aboutog/hhsgps107.pdf>. General Terms, Special Terms, and Program Specific Terms and Conditions will accompany the Notice of Award. Potential awardees should be aware that special requirements could apply to 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 General Terms and Conditions that are outlined in Section II of the HHS GPS will apply as indicated unless there are statutory, regulatory, or award-specific requirements to the contrary (as specified in the Notice of Award).

4. Reporting (Frequency and Means of Submission)

4.1 Progress Reports

Awardees must agree to cooperate with any Federal evaluation of the program and provide required quarterly and final reports in a form prescribed by CMS. See Activity 3.d and Activity 3.e (I. Funding Opportunity Description) for more information about these reports. Quarterly reports shall be submitted electronically (via GrantSolutions).

Awardees must also agree to respond to requests that are necessary for the evaluation of the national efforts and provide data on key elements of their own cooperative agreement activities.

4.2 Federal Financial Report

Awardees are required to report their cash transactions on a quarterly basis directly through the Payment Management System using the SF-425 (top portion of the form). The report identifies cash expenditures against the authorized funds for the grant. Failure to submit the report may result in the inability to access funds. Awardees are also required to submit overall financial status reports semi-annually, also using the SF-425. Instructions for completing the SF-425 can be found at: http://www.whitehouse.gov/sites/default/files/omb/grants/standard_forms/SF-425_instructions.pdf.

More information regarding submission of the Federal Financial Report (SF-425) will be provided on the Notice of Award.

4.3 Transparency Act Reporting Requirements

Federal Funding Accountability and Transparency (FFATA) Sub award Reporting Requirement: New awards issued under this FOA 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 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 sub-recipient's five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170 (available online at www.fsrs.gov).

NOTE: If the State determines a designated entity during Phase I planning, this requirement may be met, with CMS review and approval, prior to the initiation of Phase II activities.

4.4 Audit Requirements

Awardees must comply with the audit requirements of Office of Management and Budget (OMB) Circular A-133. Information on the scope, frequency, and other aspects of the audits can be found on the Internet at http://www.whitehouse.gov/omb/circulars_default.

4.5 Payment Management Requirements

Grant funds will be distributed to awardees via the Payment Management System. For information regarding setting up an account and disbursement of grant funds, click on the “Training” link found of the Department of Payment Management’s website: <http://www.dpm.psc.gov/Default.aspx>.

Awardees are required to report their cash transactions on a quarterly basis directly through the Payment Management System using the SF-425 (top portion of the form). The report identifies cash expenditures against the authorized funds for the cooperative agreement. Failure to submit the report may result in the inability to access funds. Awardees are also required to submit overall financial status reports semi-annually using the SF-425. Instructions for completing the SF-425 can be found at: http://www.whitehouse.gov/sites/default/files/omb/grants/standard_forms/SF-425_instructions.pdf.

More information regarding receipt of grant funds and submission of the Federal Financial Report (SF-425) will be provided on the Notice of Award.

VIII. AGENCY CONTACTS

Programmatic Contact Information:

All programmatic questions about the *Reinvestment of Civil Money Penalties to Benefit Nursing Home Residents* funding opportunity announcement may be directed to the program email address: Fed_CMPGrant@cms.hhs.gov.

Interested parties may also contact:

Sandra Phelps

Centers for Medicare & Medicaid Services

Center for Clinical Standards and Quality

Survey and Certification Group

Phone: 410-786-1968 or email: Sandra.Phelps@cms.hhs.gov

Administrative Questions:

Grants Management questions about the *Reinvestment of Civil Money Penalties to Benefit Nursing Home Residents* funding opportunity announcement may be directed to:

Penny Williams

Grants Management Officer

Centers for Medicare & Medicaid Services

Office of Acquisitions and Grants Management

Phone: 410-786-2237 or email: Penny.Williams@cms.hhs.gov