

**CHILDREN'S HEALTH INSURANCE PROGRAM
REAUTHORIZATION ACT (CHIPRA)
QUALITY DEMONSTRATION GRANTS
HHS-2010-CMS-CHIPRA-0002
*Electronic Application due: 1/8/2010***

QUESTIONS AND ANSWERS

(Fourth Set – Questions 106- 113)

January 5, 2010

Section 401(d) of the Children's Health Insurance Program Reauthorization Act (CHIPRA) directs the Secretary of the Department of Health and Human Services to award and evaluate up to 10 demonstration grants to States to test promising ideas for improving the quality of children's health care provided under the Medicaid and CHIP programs.

Below is a series of questions about this grant program and CMS responses. If you have a question that does not appear on this listing, please submit it via e-mail to CMS via our dedicated resource box, CHIPRAQualityGrants@cms.hhs.gov. Rather than respond to each e-mail directly, we will use this website to periodically post answers to new questions.

APPLICATION SECTION CONTENT

BUDGET

Question 106 – If a university which has its own Indirect Cost Rate Agreement is partnering with a State agency that has its own Indirect Cost Rate Agreement, is the university allowed to use the rates of its own Indirect Cost Rate Agreement or must the university use the rates of the State agency's Indirect Cost Rate Agreement? If the State agency's Indirect Cost Rate Agreement contains an approved rate that it uses when partnering with other State agencies (the university is a State university), can that rate which is higher than 10% be used instead of 10%? Must the applied indirect cost rates of the university and the State agency be the same in the grant application?

Answer - The lead agency that will act as the grant recipient will use its indirect cost rate. If the rate in the State agency's approved indirect rate cost agreement is higher than 10%, that rate can be used.

Question 107 – If a State is applying for more than one grant category, should a combined SF 424A be submitted for year 1 or should an SF 424A be submitted for each category separately for year 1?

Answer – The applicant should submit only one SF 424A. This form represents the total funding requested for all combined categories of the requested grant. Also, please remember that the SF 424A represents the funding request for all years of the grant, not just for the first year.

GENERAL

Question 108 — Do the standard forms (SF) count towards the 100 page limit for a “complete application”?

Answer – The standard forms do not count against the 100 page limit.

Question 109 — Is there any flexibility on the due date for letters of support?

Answer – No. All required materials associated with the application are due on January 8, 2010. In recognition of the potential effect of the holidays on States’ ability to obtain and collate these letters , the due date for submission of complete applications was established for several days into the New Year.

Question 110 – The SF-424 application form offers the option of designating the application a "pre-application." Is this option available for the CHIPRA Quality Demonstration Grants?

Answer – The CHIPRA Quality Demonstration grants do not offer an option for pre-application. All complete applications must be submitted through grants.gov by the submission deadline.

Question 111 – Attachment 2 (page 78 of the solicitation) lists four Prohibited Uses of Grant Funds. Are applicants required to acknowledge these prohibitions formally?

Answer – No. This Attachment is furnished for information purposes only. A formal acknowledgement by the applicant is not required.

OTHER

Question 112 - Could you clarify whether we need to include the completed Notice of Intent to Apply in our application package, and, if so, whether it counts against the appendices page limit?

Answer – “The Notice of Intent to Apply” does not need to be included in your application package. The Notices are non-binding and are for planning purposes. Inclusion of the Notice of Intent will count towards the appendices page limit.

USE OF GRANT FUNDS

Question 113 - We plan to explore offering additional and separate incentive payments to providers for the additional tasks they are required to perform due to their participation in the Medical Home. As an example, such payments may take the form of a per member per month (PMPM) fee paid to the provider, in addition to their charges for regular and direct services. Can the grant funds be used for such PMPM fees paid to providers?

Answer – Grant funds may not be used for direct service fees, but are permissible for incentives that are administrative in nature. CMS will consider, on a case-by-case basis, applications that meet the objectives of Category C while maintaining the integrity of the grant guidelines. Applicants should provide detail specifying the amounts of such incentive payments, any care

coordination costs expected to be covered by those payments and a verifiable data source to demonstrate expected outcomes.