

**DEFICIT REDUCTION ACT OF 2005
SECTION 5302
RURAL PACE PROVIDER GRANT PROGRAM
SOLICITATION ANNOUNCEMENT**

APRIL 21, 2006

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR BENEFICIARY CHOICES
MEDICARE ADVANTAGE GROUP

Deficit Reduction Act of 2005
Section 5302 Rural PACE Provider Grant Program
Announcement Type: new solicitation grant
Announcement Number:
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Fiscal Year 2006 -2008

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I. Funding Opportunity Description

Purpose:

The purpose of the Rural PACE Provider Grant Program is to promote the development of Programs of All-Inclusive Care for the Elderly (PACE) in rural service areas. This will be accomplished by awarding grantees start up monies and providing cost outlier protections. Technical assistance outreach and education to State agencies and provider organizations interested in serving rural areas will also be provided by CMS as part of this initiative.

Background:

On February 8, 2006 the President signed into law the Deficit Reduction Act of 2005 (DRA) (Pub. L.109-171). The DRA was designed to address the need to reduce federal spending and provide greater financial return to the American people. The increasing cost of mandatory spending, which is expected to grow from approximately half the Federal budget today to over 60 percent in 2015, leaves less and less room in the budget for discretionary spending, i.e., border and homeland security, education programs and veterans' health care to name a few. The goal of the DRA is to efficiently operate the Medicare and Medicaid programs in an effort to ensure efficiency of savings and financial gain.

Section 5302 of the DRA appropriates \$7.5 million in FY 2006 for the award of up to 15 site development grants to a qualified PACE providers that have been approved to serve a rural area. The grants, not to exceed \$750,000 per rural PACE pilot site, are to be used to establish or deliver PACE program services in rural areas. These appropriated funds would remain available for expenditure through FY 2008.

The law specifies that we establish a technical assistance program to provide outreach and education to State agencies and provider organizations interested in establishing PACE programs in rural areas, and provide the technical assistance necessary to support rural PACE pilot sites.

The law also appropriates \$10 million in FY 2006 to establish cost outlier protection funding for rural PACE pilot sites. The outlier fund provides additional monies to reimburse rural PACE pilot sites that incur more than \$50,000 in recognized costs in a 12-month period for a PACE program eligible individual residing in a rural area. These appropriated outlier protection funds are available for expenditure through FY2010.

II. Award Information

1. Type of Award:

This solicitation discusses the availability of federal dollars from the U.S. Treasury, which will be provided as a site development grant.

2. Summary of Funding:

Section 5302 of the DRA authorizes and appropriates to the Secretary of HHS \$7.5 million in Federal fiscal year 2006 for site development grants and technical assistance. Up to \$750,000 may be awarded by September 30, 2006 to not more than 15 individual rural PACE pilot sites. The funds would remain available for expenditure through FY 2008. All grant money will be used for expenses related to establishing or delivering PACE program services in a rural area.

Moreover, the law also appropriates \$10 million for FY2006 for cost outlier protection funding for rural PACE pilot sites. These appropriated funds would remain available for expenditure through FY 2010. The outlier fund will provide additional monies to rural PACE pilot sites that incur more than \$50,000 in recognized costs in a 12-month period for a PACE program eligible individual residing in a rural area. A rural PACE pilot site will only receive outlier expense payments with respect to costs incurred during its first three years of operation.

3. Cost Outlier Protection

Rural PACE Pilot Sites may apply for an outlier expense payment for recognized outlier costs equal to 80 percent of costs that exceed \$50,000 for an eligible outlier participant (a PACE eligible individual who resides in a rural area). The total amount of outlier expense payments with respect to an eligible outlier participant will not exceed \$100,000 for the 12 month period used to calculate the payment. No rural PACE pilot site may receive more than \$500,000 in total outlier payments in a 12-month period. The outlier costs must be incurred during the first 3 years of the site's operation. A rural PACE pilot site must access and exhaust any risk reserves held or arranged for the provider other than revenue or reserves maintained to satisfy the requirements of 42 CFR 460.80(c), as well as any working capital established through a site development grant awarded under this Program, prior to receiving any payment from the outlier fund.

Recognized outlier costs are defined as the least of the following incurred for the provision of inpatient and related physician and ancillary services for the eligible outlier participant in a given 12-month period:

- If the services are provided under a contract between the pilot site and the provider, the payment rate specified under the contract;
- The payment rate established under the original Medicare fee-for-services program for such service;
- The amount actually paid for the services by the pilot site.

4. Technical assistance program

CMS will establish a technical assistance program within CMS consisting of subject matter experts in the area of PACE, rural health, Medicaid and State Operations, and payments. Technical assistance will be given to any interested State agencies and prospective rural PACE providers in any areas pertaining to this grant or the federal PACE program.

Formal outreach and education will be provided in the form of ongoing open forum calls where subject matter experts will be available to answer questions. The agenda, date, time and call information will be given via the PACE list serve. In order to subscribe to the PACE list serve, you may email: beth.lloyd@cms.hhs.gov . CMS will be available for other individual technical assistance at the request of the PACE rural provider or the State agency.

III. Eligibility Information

1. Eligible Applicants:

This grant opportunity is open to any qualified PACE provider that is approved to serve a rural area as a rural PACE pilot site.

To be a qualified PACE provider, an applicant must meet the requirements specified in sections 1894(a) (3) or 1934(a) (3) of the Act. The Act generally defines a PACE provider as a public or private, non profit entity organized for charitable purposes under section 501(3) (c) of the Internal revenue code of 1986 that has entered into a PACE program agreement with respect to its operation of a PACE program. A PACE program agreement, as defined in PACE regulations at 42 C.F.R. §460.6, means an agreement between a PACE organization, CMS and the State administering agency for the operation of a PACE program. Grant funds are available for start up and development costs incurred prior to the approval of a rural PACE pilot site's PACE provider application by CMS. See below for other eligibility information.

Additionally, current PACE providers interested in applying for funds would need to receive approval to provide PACE services in the rural areas proposed. CMS' regulations at 460.32(a)(1) specify that both CMS and the State administering agency must approve any change in the designated service areas that will be identified in a three-way PACE agreement. Therefore, each provider will need to submit a Service Area Expansion (SAE) application specifying the changes (zip codes, county etc) to their designated service area. To download the PACE SAE application, please access the following website:

http://www.cms.hhs.gov/PACE/07_Expansions.asp#TopOfPage

The DRA also requires that each potential applicant, serve, in whole or in part, a geographic service area meeting the statutory definition of a rural area as specified in section 1886(d)(2)(D) of the Act. That section of the Act specifies that a rural area is an area that is outside of a Metropolitan Statistical Area (MSA) (as defined by the Office of Management and Budget). OMB's definition of a Metropolitan Statistical Area can be found at <http://www.whitehouse.gov/omb/bulletin/b03-04>.

Each PACE provider may only submit one application per rural area of interest (may be either an entire county or a rural area within a county or counties) by the due date. All additional applications submitted for this solicitation that are in excess of this requirement or that are received after the submission date will not be reviewed by CMS.

2. Cost Sharing/Matching

There is no cost sharing/matching required for this grant.

3. Other Eligibility Information

Those applicants that do not have an executed PACE program agreement, and thus are not a qualified PACE provider are encouraged to apply. However, in order to receive funds that will be awarded, applicants must become a qualified PACE provider by September 29, 2008. Applications exceeding the \$750,000 amount will not be considered.

IV. Application and Submission Information

1. Address to request Application Package

Information about the Rural PACE grant may be accessed at <http://www.coms.hhs.gov/pace>

A complete electronic application package, including all required forms for this grant is available at <http://www.grants.gov>

Standard application forms and related instructions are also available from Nicole Nicholson, Centers for Medicare & Medicaid services, Office of Operations Management, Acquisition and Grants Group, c2-21-15, central building, 7500 Security boulevard, Baltimore, MD 21244-1850, 410-786-5158 or by email at nicole.Nicholson@cms.hhs.gov.

2. Content and Form of Application Submission

Application Format Requirements

The total size of all uploaded files may not exceed the equivalent of 80 pages when printed approximately 10 MB. This 80-page limit includes the abstract, project and budget narratives, attachments, appendices and letters of commitment and support. Pages must be numbered consecutively.

Applications that exceed the specified limits will be deemed non-compliant. All non-compliant applications will be returned to the applicant without further consideration.

a. Type of Submission

CMS, in providing the grant community a single site to find and apply for grant funding opportunities, is **requiring** applicants for this funding opportunity to apply electronically through Grants.gov. By using Grants.gov you will be able to download a copy of the application package, complete it off-line, and then upload and submit the application via the Grants.gov site. You may not e-mail an electronic copy of a grant application to us.

CMS will **only** accept a hard copy if the applicant is unable to access Grants.Gov or is having serious problems in sending the application electronically. A hard copy of the application should be sent to the Centers for Medicare & Medicaid Services, Office of Acquisition and Grants Management, Attention: Nicole Nicholson, Mailstop C2-21-15, 7500 Security Boulevard, Baltimore, MD 21244-1850. If additional information is required regarding the submittal of a hard copy, please contact Nicole Nicholson on 410-786-5158 or Email her at Nicole.Nicholson@cms.hhs.gov.

b. Font

Please use an easily readable serif typeface, such as Times Roman, Courier, or CG Times. The text and table portions of the application must be submitted in not less than 12 point and 1.0 line spacing. Applications not adhering to 12 point font requirements may be returned. Do not use colored, oversized or folded materials. Please do not include organizational brochures or other promotional materials, slides, films, clips, etc. For charts, graphs, footnotes, and budget tables, applicants may use a different pitch or size font, not less than 10 pitch or size font. However, it is vital that when scanned and/or reproduced, the charts are still clear and readable.

c. Paper Size and Margins

For scanning purposes, please submit the application on 8 ½” x 11” white paper. Margins must be at least one (1) inch at the top, bottom, left and right of the paper. Please left-align text.

d. Numbering

Please number the pages of the application sequentially from page 1 (face page) to the end of the application, including charts, figures, tables, and appendices.

e. Names

Please include the name of the applicant on each page.

f. Section Headings

Please put all section headings flush left in bold type.

APPLICATION FORMAT:

Applications for funding must consist of the following documents in the following order:

i. Application Face Page

Place the following information on the face page, along with the Provider Name and location:

Deficit Reduction Act of 2005
Section 5302 Rural PACE Provider Grant Program
Announcement Type: new solicitation grant
Announcement Number:
Catalog of Federal Domestic Assistance (CFDA) No. 93.760

DUNS Number

All applicant organizations are required to have a Data Universal Numbering System (DUNS) number in order to apply for a grant from the Federal Government. The DUNS number is a nine-digit identification number that uniquely identifies business entities. Obtaining a DUNS number is easy and there is no charge. To obtain a DUNS number, access the following Website: www.dunandbradstreet.com or call 1-866-705-5711. This number should be entered in the block with the applicant’s name and address on the cover page of the application (Item 5 on the Form SF-424, Application for Federal Assistance) with the annotation “DUNS” followed by the DUNS number that identified the applicant. The name and address in the application should be exactly as given for the DUNS number.

Central Contractor Registry

Additionally, the applicant organization is required to register with the Federal Government’s Central Contractor Registry (CCR) in order to do electronic business with the Federal Government. Applicants may register for the CCR by calling the CCR Assistance Center at 1-888-227-2423 or online at <http://www.ccr.gov>. Online registration will take about 30 minutes before attempting to register with CCR. Applicants should receive their CCR registration confirmation within 5 business days after CCR registration. Note: Registering with the CCR requires the applicant to have a DUNS number from Dun & Bradstreet.

ii. Table of Contents

Provide a Table of Contents for the remainder of the application (including appendices), with page numbers.

iii. Standard Forms

Standard forms are available as detailed in Section IV. The following standard forms must be completed and enclosed as part of the proposal:

SF 424: Official Application for Federal Assistance (see note below)

SF 424A: Budget Information

SF 424B: Assurances

SFF LLL: disclosure of Lobbying Activities

Note: On SF 424:

- State the specific grant opportunity for which you are applying
- Check “No” to item 16 b, as Review by State Executive Order 12372 does not apply to this grant.

iv. Budget

Use application standard form SF 424A

v. Budget justification

Provide a narrative that explains the amounts requested for each line in the budget. The budget justification should specifically describe how each item will support the achievement of proposed objectives. The budget justification must clearly describe each cost element and explain how each cost contributes to meeting the project’s objectives/goals. Be very careful about showing how each item in the “other” category is justified. The budget justification **MUST** be concise. Do **NOT** use the justification to expand the project narrative.

In particular, list the costs for any of the following purposes:

- Feasibility analysis and planning
- Interdisciplinary Team development
- Development of a provider network
- Development or adaptation of claims processing systems
- Preparation of special education and outreach efforts required for the PACE program
- Development of expense reporting required for calculation of outlier payments or reconciliation process
- Development of any special quality of care or patient satisfaction data collection efforts
- Establishment of a working capital fund to sustain fixed administrative, facility or other fixed costs until the provider reaches sufficient enrollment size
- Startup and development costs incurred prior to the approval of the rural PACE pilot site’s PACE provider application by CMS
- Any other efforts determined by the PACE rural PACE pilot site to be critical to its successful startup. These efforts will be reviewed and approved based on meeting the intent of the PACE program and the rural initiative.

Include the following in the Budget Justification narrative:

Personnel Costs: Personnel costs should be explained by listing each staff member who will be supported from funds, name (if possible), position title, percent full time equivalency,

annual salary, and the exact amount requested for each project year which mainly covers indirect cost.

Indirect Costs: Indirect costs are those costs incurred for common or joint objectives which cannot be readily identified but are necessary to the operations of the organization, e.g., the cost of operating and maintaining facilities, depreciation, and administrative salaries. For institutions subject to OMB Circular A-21, the term “facilities and administration” is used to denote indirect costs. If an organization applying for an assistance award does not have an indirect cost rate, the applicant may wish to obtain one through HHS’s Division of Cost Allocation (DCA). Visit DCA’s website at: <http://rates.psc.gov/> to learn more about rate agreements, the process for applying for them, and the regional offices which negotiate them.

Fringe Benefits: List the components that comprise the fringe benefit rate, for example health insurance, taxes, unemployment insurance, life insurance, retirement plan, tuition reimbursement. The fringe benefits should be directly proportional to that portion of personnel costs that are allocated for the project.

Travel: List travel costs according to local and long distance travel. For local travel, the mileage rate, number of miles, reason for travel and staff member/consumers completing the travel should be outlined. The budget should also reflect the travel expenses associated with participating in meetings and other proposed trainings or workshops.

Equipment: List equipment costs and provide justification for the need of the equipment to carry out the program’s goals. Extensive justification and a detailed status of current equipment must be provided when requesting funds for the purchase of computers and furniture items.

Supplies: List the items that the project will use. In this category, separate office supplies from medical and educational purchases. Office supplies could include paper, pencils, and the like; medical supplies are syringes, blood tubes, plastic gloves, etc., and educational supplies may be pamphlets and educational videotapes. Remember, they must be listed separately.

Subcontracts: To the extent possible, all subcontract budgets and justifications should be standardized, and contract budgets should be presented by using the same object class categories contained in the Standard Form 424A. Provide a clear explanation as to the purpose of each contract, how the costs were estimated, and the specific contract deliverables.

Other: Put all costs that do not fit into any other category into this category and provide an explanation of each cost in this category. In some cases, grantee rent, utilities and insurance fall under this category if they are not included in an approved indirect cost rate.)

vi. Staffing Plan and Personnel Requirements

Applicants must present a staffing plan and provide a justification for the plan that includes education and experience qualifications and rationale for the amount of time being requested for each staff position. Position descriptions that include the roles, responsibilities, and qualifications of proposed project staff must be included in the Appendix. Copies of

biographical sketches for any key employed personnel that will be assigned to work on the proposed project must be included in the Appendix.

vii. Assurances

State that you will complete an application if you are not a PACE permanent provider with an executed three-party Program Agreement. Describe where in the process you are with your permanent provider application. Also describe if you are an existing health care provider and what services you currently provide either directly or by contract.

viii. Project Abstract

Provide a summary of the application. Because the abstract is often distributed to provide information to the public and Congress, please prepare this so that it is clear, accurate, concise, and without reference to other parts of the application. It must include a brief description of the proposed grant project including the needs to be addressed, the proposed services, and the population group(s) to be served.

Please place the following at the top of the abstract:

- *Project Title*
- *Applicant Name*
- *Address*
- *Contact Phone Numbers (Voice, Fax)*
- *E-Mail Address*
- *Web Site Address, if applicable*

The project abstract must be single-spaced and limited to one page in length.

ix. Program Narrative

This section provides a comprehensive framework and description of all aspects of the proposed program. It should be succinct, self-explanatory and well organized so that reviewers can understand the proposed project and the designated service area.

Use the following section headers for the Narrative:

- **INTRODUCTION**
This section should briefly describe the purpose of the proposed project. Include if you have been in any training seminars through HRSA.
- **NEEDS ASSESSMENT**
This section outlines the needs of your community and/or organization. The application should clearly identify the rural area being served; the target population and its unmet health needs must be described and documented in this section. Demographic data should be used and cited whenever possible to support the information provided. Please discuss any relevant barriers in the service area that the project hopes to overcome. This section should help reviewers understand the community and/or organization that will be served by the proposed project.
- **METHODOLOGY**
Propose methods that will be used to meet each of the previously-described program requirements and expectations in this grant announcement.

- **WORK PLAN**
Describe the activities or steps that will be used to achieve each of the activities proposed in the methodology section. Use a time line that includes each activity and identifies responsible staff.
- **RESOLUTION OF CHALLENGES**
Discuss challenges that are likely to be encountered in designing and implementing the activities described in the Work Plan, and approaches that will be used to resolve such challenges. Discuss if there are any road blocks at the State level (for example: no State Plan Option for PACE)
- **EVALUATION AND TECHNICAL SUPPORT CAPACITY**
Describe current experience, skills, and knowledge, including individuals on staff, materials published, and previous work of a similar nature.
- **ORGANIZATIONAL INFORMATION**
Provide information on the applicant agency's current mission and structure, scope of current activities, and an organizational chart, and describe how these all contribute to the ability of the organization to conduct the program requirements and meet program expectations.

x. Appendices

Please provide the following items to complete the content of the application. Please note that these are supplementary in nature, and are not intended to be a continuation of the project narrative. Be sure each appendix is clearly labeled.

- 1) **Appendix A: Tables, Charts, etc.**
That gives further details about the proposal.
- 2) **Appendix B: Job Descriptions for Key Personnel**
Keep each to one page in length as much as is possible. Item 6 in the Program Narrative section of the PHS 5161-1 Form provides some guidance on items to include in a job description.
- 3) **Appendix C: Biographical Sketches of Key Personnel**
Include biographical sketches for persons occupying the key positions described in Appendix B, not to exceed two pages in length. In the event that a biographical sketch is included for an identified individual who is not yet hired, please include a letter of commitment from that person with the biographical sketch.
- 4) **Appendix D: Letters of Agreement and/or Description(s) of Proposed/Existing Contracts (project specific)**
Provide any documents that describe working relationships between the applicant agency and other agencies and programs cited in the proposal. Documents that confirm actual or pending contractual agreements should clearly describe the roles of the subcontractors and any deliverables. Letters of agreements must be dated and signed.
- 5) **Appendix E: Project Organizational Chart**

Provide a one-page figure that depicts the organizational structure of the project, including subcontractors and other significant collaborators.

6) **Appendix F: Other Relevant Documents**

Include here any other documents that are relevant to the application, including letters of support. Letters of support must be dated. Include only letters of support which specifically indicate a commitment to the program (in-kind services, dollars, staff, space, equipment, etc.) *** A letter of support and commitment from the State Medicaid Agency is required.

3. Submission Dates and Times

Application Due Date:

The due date for applications under this grant announcement is July 21, 2006 up until 11:59 PM EST.

Applications will be considered as meeting the deadline if they are received in CMS on or before the due date.

Late applications

Applications which do not meet the criteria above are considered late applications. CMS shall notify each late applicant that its application will not be considered in the current competition.

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).

All applicants other than federally recognized Native American Tribal Groups should contact their State Point of Contact as early as possible to alert them to the prospective applications and receive any necessary instructions on the State process used under this Executive Order.

4. Funding Restrictions

Applicants responding to this announcement may request funding at no more than \$750,000. There will be an obligation of funds to the grantee only upon approval of the PACE application and execution of the three way program agreement (between CMS, the State and the PACE provider). The funds may be used for the following expenses only to the extent such expenses are incurred in relation to establishing or delivering PACE program services in a rural area:

- Feasibility analysis and planning
- Interdisciplinary Team development
- Development of a provider network, including contract development
- Development or adaptation of claims processing systems
- Preparation of special education and outreach efforts required for the PACE program
- Development of expense reporting required for calculation of outlier payments or reconciliation process
- Development of any special quality of care or patient satisfaction data collection efforts
- Establishment of a working capital fund to sustain fixed administrative, facility or other fixed costs until the provider reaches sufficient enrollment size

- Startup and development costs incurred prior to the approval of the rural PACE pilot site's PACE provider application by CMS
- Any other efforts determined by the PACE rural PACE pilot site to be critical to its successful startup. These efforts will be reviewed and approved based on meeting the intent of the PACE program and the rural initiative.

OUTLIER EXPENSE PAYMENT:

In order to receive an outlier expense payment with respect to an eligible outlier participant, a rural PACE pilot site awarded a site development grant under this Program needs to submit an application containing documentation of the costs incurred with respect to the participant and a certification that the site has complied with the requirements for this payment. Those requirements are generally discussed on page 5 of this solicitation located under the Cost Outlier Protection section. Any additional requirements will be incorporated in the Terms and Conditions of the site contract.

The pilot sites would need to submit those costs after the 12 month period in a line item billing format with the following information:

- The patient HIC number and address;
- The provider name and address;
- The date(s) of the service;
- The service provided.

These funds can be requested from the time the pilot site becomes a qualified rural PACE pilot site until September 30, 2008.

The submission needs to be in hard copy and 2 copies sent to:
Center for Medicare & Medicaid Services
CMS

Attn: Your designated plan manager for your PACE application
Program Announcement No.

Mail Stop:

7500 Security Blvd.

Baltimore, MD 21244

5. OTHER SUBMISSION REQUIREMENTS

Except in rare cases (please refer back to IV.2.a for specifics), CMS will no longer accept applications for grant opportunities in paper form. Applicants submitting for this funding opportunity are **required** to submit **electronically** through Grants.gov. To submit an application electronically, please use the <http://www.Grants.gov> apply site. When using Grants.gov you will be able to download a copy of the application package, complete it off-line, and then upload and submit the application via the Grants.gov site.

It is incumbent that your organization **immediately registers** in Grants.gov and become familiar with the Grants.gov site application process. If you do not complete the registration process you will be unable to submit an application. The registration process can take up to one month, so applicants who have not yet registered need to begin immediately.

To be able to successfully register in Grants.gov, it is necessary that you complete all of the following required actions:

- Obtain an organizational Data Universal Number System (DUNS) number
- Register the organization with Central Contractor Registry (CCR)
- Identify the organization's E-Business POC (Point of Contact)
- Confirm the organization's CCR "Marketing Partner ID Number (M-PIN)" password
- Register an Authorized Organization Representative (AOR)
- Obtain a username and password from the Grants.gov Credential Provider

Instructions on how to register, tutorials and FAQs are available on the Grants.gov web site at www.grants.gov. Assistance is also available from the Grants.gov help desk at support@grants.gov or by phone at 1-800-518-4726.

Please understand that we will not consider additional information and/or materials submitted after your initial application. You must therefore ensure that all materials are submitted together.

Online applications are still required to submit ONE form in signed hard copy: the SF-424/5161 Face Sheet, since all other elements of the application have been captured and transmitted electronically.

Formal submission of the electronic application: Applications completed online are considered formally submitted when the Authorizing Official electronically submits the application to CMS. However, to complete the submission requirements, a hard-copy of the SF-424/5161 Face Sheet must be printed, signed, and submitted to the CMS Grants Application Center. The SF-424/5161 can be printed from the online application.

For an online application, the signed SF-424/5161 must be sent to the CMS GRANTS APPLICATION CENTER at the following address and received by CMS by no later than five days after the application due date:

Nicole Nicholson
Office of Operations Management, Acquisitions and Grants Group
Centers for Medicare & Medicaid Services
7500 Security Blvd. Mail Stop C2-21-15
Baltimore, MD 21244
Telephone: 410-786-5158

Applications will be considered as having met the deadline if: (1) the application has been successfully transmitted electronically by your organization's Authorizing Official through Grants.gov on or before the deadline date and time, and (2) the signed SF-424/5161 Face Sheet is received by CMS no later than five days after the deadline date.

V. Application Review Information

1. Review Criteria

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. Critical indicators have been developed for each review criterion to assist the applicant in presenting pertinent information related to that criterion and to provide the reviewer with a standard for evaluation. Review criteria are outlined below with specific detail and scoring points.

Review Criteria are used to review and rank applications. The Rural PACE Provider Grant has 6 review criteria:

Criterion 1: Background and Prior Experience: Maximum Possible Score = 15

Prior Involvement/Experience

- The application demonstrates the applicant's significant practical experience in working as a resource for the public related to health care in an interdisciplinary team environment for the frail elderly.
- Prior experience inspires confidence in the ability of the applicant to immediately provide health care services to the target audiences of this grant solicitation.

Assessment of Strengths and Challenges in Current System

The extent to which the application evidences:

- A cogent analysis of the strengths and weaknesses of the current long-term services and support systems for community living including the current system to enable families to access needed assistance in a timely and effective manner and
- An understanding of the issues and barriers to providing clear and useful communication, in a culturally competent manner, to the frail elderly and their family.

**Criterion 2: Project Description, Methodology, and Work Plan:
Maximum Possible Score = 30**

Goals/Objectives

The extent to which the application evidences goals and objectives that:

- Address overcoming the weaknesses, issues, and barriers described above and are both significant and reasonable and will be effective in accomplishing the purpose of the grant (i.e., to provide services in a rural geographic area as a PACE provider).

Methods of Providing Assistance to the target population and families

The extent to which the application:

- Clearly describes methods that would be used to develop and manage a cohesive interdisciplinary team in order to meet the objective of the PACE program (keeping the nursing home certifiable elderly population in the community safely).
- Evidences methods that inspire confidence that the goals of the proposal will be met through a description of planned activities, timeframes, and projected results.

Work Plan

- There is a work plan that documents (a) goals and objectives (b) reasonable benchmarks, (c) milestones, (d) timeframes, (e) measurable outcomes, and (f) products.
- Parties responsible for the accomplishment of project goals are identified.

Organization, Management, and Qualifications

The extent to which the application:

- Addresses any significant circumstance(s) that would affect the ability of the applicant to recruit and hire staff for the project and/or subcontract with other entities as deemed necessary.
- Evidences that key staff, stakeholders and partners (direct and in-direct subcontractors) are qualified and possess the experience and skills to design, implement and evaluate the proposed project within the available time frames.
- Evidences that key project staff have professional experiences with the frail elderly population.
- Addresses the ability of the applicant to utilize and interact with various forms of information technology.

Criterion 3: Significance and Sustainability: Maximum Possible Score = 25

- Goals and objectives specified in the application will assist Grantee organizations in the goal of maximizing health care for the nursing home eligible population in the community setting.
- Application describes a project that will provide considerable assistance to the target population through the scope and breadth of proposed activities as measured by the extent or range of project activities, numbers served and the adherence of the proposed PACE program to regulatory requirements.
- Application describes what enrollment level must be maintained in order to sustain the program after the grant period.
- The extent to which the application evidences opportunities and activities that will provide methods to sustain the PACE program at the end of the grant period.

Criterion 4: Collaboration, Agreements, and Capacity: Maximum Possible Score = 15

- Evidences meaningful involvement of key constituencies in the design, implementation, and evaluation of the PACE program.
- Promotes partnerships with a wide range of organizations to meet the goals of the program including but not limited to the State Administering Agency, CMS and the National PACE Association.

Criterion 5: Budget Narrative/Justification and Resources: Maximum Possible Score = 10

The proposed budget is reasonable in relation to the proposed objectives, design, and significance of achievements.

Criterion 6: Application Organization Detail: Maximum Possible Score = 5

The application presentation follows all of the instructions as detailed in the “Content and Form of Application Submission” section of this solicitation.

2. Review and Selection Process

Applications competing for federal funds receive an objective and independent review performed by a committee of experts qualified by training and experience in particular fields or disciplines related to the program being reviewed. In selecting review committee members, other factors in addition to training and experience may be considered to improve the balance of the committee, e.g., geographic distribution. Each reviewer is screened to avoid conflicts of interest and is responsible for providing an objective, unbiased evaluation based on the review criteria noted above. The committee provides expert advice on the merits of each application to program officials responsible for final selections for award.

Applications that pass the initial eligibility screening will be reviewed and rated by a panel based on the program elements and review criteria presented in relevant sections of this program announcement. The review criteria are designed to enable the review panel to assess the quality of a proposed project and determine the likelihood of its success. The criteria are closely related to each other and are considered as a whole in judging the overall quality of an application.

VI. Award Administration Information

1. Award Notices

Each applicant will receive written notification whether the application was selected for funding. Applicants who are selected for funding may be required to respond in a satisfactory manner to Conditions placed on their application before funding can proceed. Letters of notification do not provide authorization to begin performance.

The Notice of Grant Award sets forth the amount of funds granted, the terms and conditions of the grant, the effective date of the grant, the budget period for which initial support will be given, and the total project period for which support is contemplated. Signed by the Grants Management Officer, it is sent to the applicant agency's Authorized Representative, and reflects the only authorizing document. It will be sent prior to the start date of September 30, 2006.

2. Administrative and National Policy Requirements

Successful applicants must comply with the administrative requirements outlined in 45 CFR Part 74 (non-governmental) or 45 CFR Part 92 (governmental), as appropriate.

All grantees receiving awards under this grant program must meet the requirements of:

- 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 and other budgeted resources and expenses must be used exclusively for the projects identified in the grantee's original grant application or agreed upon subsequently with CMS, and may not be used for any prohibited uses.

Healthy People 2010 is a national initiative led by HHS that sets priorities for all CMS programs. The initiative has two major goals: (1) To increase the quality and years of a healthy life; and (2) Eliminate our country's health disparities. The program consists of 28 focus areas and 467 objectives. CMS has actively participated in the work groups of all the focus areas, and is committed to the achievement of the Healthy People 2010 goals.

Applicants must summarize the relationship of their projects and identify which of their programs objectives and/or sub-objectives relate to the goals of the Healthy People 2010 initiative.

Copies of the Healthy People 2010 may be obtained from the Superintendent of Documents or downloaded at the Healthy People 2010 website:

<http://www.health.gov/healthypeople/document/>.

3. Terms and Conditions

A funding opportunity award with CMS will include standard terms and conditions and may also include additional specific grant specific "special" terms and conditions. Potential applicants should be aware that special requirements will apply to grant awards. Grantees will not have access to awarded funds until the grantee has an executed PACE program agreement.

4. Reporting

The successful applicant under this guidance must:

- a. Comply with 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 www.whitehouse.gov/omb/circulars;
- b. Submit a Financial Status Report. A financial status report is required within 90 days of the end of each grant year. A SF 269a "Financial Status Report" form must be submitted for this purpose. The report is an accounting of expenditures under the project that year
- c. Submit a Progress Report(s). In addition to the financial status report, an annual progress report that describes the programs progress and any barriers to this progress along with measurable outcomes must be submitted. One original and two copies must be sent to:

CMS
Attn: Office of Grants and Acquisitions Group, Nicole Nicholson
Program Announcement No.
Mail Stop: C2-21-15
7500 Security Blvd.
Baltimore, MD 21244

** Include the grant number on all of the reports.

5. Performance Review

Grantees should expect to participate in a performance review at some point during their project period. The purpose of performance review is to improve the performance of CMS funded

programs. CMS works collaboratively with grantees to measure program performance, analyze the factors impacting performance, and identify effective strategies and partnerships to improve program performance, with a particular focus on outcomes. Upon completion of the performance review, grantees are expected to prepare an Action Plan that identifies key actions to improve program performance as well as addresses any identified program requirement issues.

VII. Agency Contacts

Applicants may obtain additional information regarding business, administrative, or fiscal issues related to this grant announcement by contacting:

Nicole Nicholson
Office of Operations Management, Acquisitions and Grants Group
Centers for Medicare & Medicaid Services
7500 Security Blvd. Mail Stop C2-21-15
Baltimore, MD 21244
Telephone: 410-786-5158
Fax: 410-786-9088
Email: Nicole.Nicholson@cms.hhs.gov

Additional information related to the overall program issues may be obtained by contacting:

Courtney Turner
Center for Beneficiary Choices, Medicare Advantage Group
Centers for Medicare & Medicaid Services
7500 Security Blvd. Mail Stop
Baltimore, MD 21244
Telephone: 410-786-4593
Fax: 410-786- 4593
Email: Courtney.Turner@cms.hhs.gov

Michael Fiore
Center for Beneficiary Choices, Medicare Advantage Group
Center for Medicare & Medicaid Services
7500 Security Blvd. Mail Stop C4-23-07
Baltimore, MD 21244
Telephone : 410-786-0623
Fax : 410-786-8933
Email : michael.fiore@cms.hhs.gov