U.S. Department of Health and Human Services
Office of Consumer Information and Insurance Oversight

Limited Competition for State Planning and Establishment Grants for the Affordable Care Act's Exchanges

New Announcement

Funding Opportunity Number: IE-HBE-10-001
CFDA: 93.525

Date: January 18, 2011

Applicable Dates

Electronic Grant Application Due Date: February 18, 2011 by 11:59 pm EDT
Anticipated Notice of Grant Award Date: March 1, 2011
Grant Period of Performance/Budget Period: 12 months

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OVERVIEW INFORMATION

Agency Name: Department of Health and Human Services
Office of Consumer Information and Insurance Oversight

Funding Opportunity Title: Limited Competition for State Planning and Establishment Grants for the Affordable Care Act's Exchanges

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Pre-Application Conference Call: TBD

I. FUNDING OPPORTUNITY DESCRIPTION

A. Purpose

On March 23, 2010, the President signed into law the Patient Protection and Affordable Care Act. On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. The two laws are collectively referred to as the Affordable Care Act. The Affordable Care Act includes a wide variety of provisions designed to expand coverage, to provide more health care choices, to enhance the quality of health care for all Americans, to hold insurance companies more accountable, and to lower health care costs. Among its provisions, the law provides grant funding to assist States in implementing parts of the Affordable Care Act, such as grants for insurance rate review and consumer assistance.

Section 1311 of the Affordable Care Act provides funding assistance to the States for the planning and establishment of American Health Benefit Exchanges ("Exchanges"). The Affordable Care Act provides that each State may elect to establish an Exchange that would: 1) facilitate the purchase of qualified health plans; 2) provide for the establishment of a Small Business Health Options Program ("SHOP Exchange") designed to assist qualified employers in facilitating the enrollment of their employees in QHPs offered in the SHOP exchange; and 3) meet other requirements specified in the Act.

The first installment of these planning and establishment grants must be awarded no later than March 23, 2011; the authority to award additional grants extends through January 1, 2015. The U.S. Department of Health and Human Services (HHS) has the flexibility to determine the size and scope of specific awards to States and the District of Columbia (hereinafter collectively referred to as "States" unless context would indicate otherwise).

The funding awarded pursuant to this Funding Opportunity Announcement is intended to assist States with initial planning activities related to the potential implementation of the Exchanges. Grants will be awarded in amounts up to a maximum of $1 million per State, depending on the number and scope of activities for which funding is sought.

Federal regulations to establish standards for Exchanges are currently under development, as required by Section 1321 of the Affordable Care Act. HHS intends to request broad stakeholder input on the design and implementation of Exchanges through a Request for Comment (RFC) that will be published in the Federal Register.

Federal guidance/notice will be provided in 2011 regarding additional grant funding available for FY 2011 and beyond.

Additional information on the Affordable Care Act can be found at www.HealthCare.gov.

B. **Authority**

This planning grant is being issued by the Office of Consumer Information and Insurance Oversight (OCIIO), within the HHS Office of the Secretary. OCIIO's Office of Health Insurance Exchanges administers the grant. The funding for this opportunity is authorized by the Affordable Care Act.

C. **Background**

Beginning in 2014, tens of millions of Americans will have access to health coverage through newly established Exchanges in each State. Individuals and small businesses can use the Exchanges to purchase affordable health insurance from a choice of products offered by qualified health plans. Exchanges will ensure that participating health plans meet certain standards and facilitate competition and choices by rating health plans' quality. Individuals and families purchasing health insurance through Exchanges may qualify for premium tax credits and reduced cost-sharing if their household income is between 133 percent and 400 percent of the Federal poverty level. The Exchanges will coordinate eligibility and enrollment with State Medicaid and Children's Health Insurance Programs to ensure all Americans have affordable health coverage.

II. **AWARD INFORMATION**

A. **Total Funding**

The total funding available to States in this Funding Opportunity Announcement is a maximum of $2 million.

B. **Award Amount**
Each State is eligible for only one grant award from this funding opportunity. Applicants may apply for a grant of up to $1 million to complete the first phase of planning and implementation activities (including direct and indirect costs).

C. **Anticipated Award Date**
March 1, 2011

D. **The Period of Performance**
The project period will be 1 year in length.

E. **Number of Awards**
Up to two (2) awards will be made available..

III. ELIGIBILITY INFORMATION

1. Eligible Applicants
This grant opportunity is only open to States that did not receive an award under the announcement entitled "State Planning and Establishment Grants for the Affordable Care Act's Exchanges" (including announcement number); including the states of Alaska and Minnesota.

Applicants may apply for a grant of up to $1 million to complete activities.

Applicants should adhere to the deadline requirements referenced in Section IV

Central Contracting Registration (CCR) Requirement: All prime grantees must provide a DUNS number in order to be able to register in FSRS as a prime grantee user. If your organization does not have a DUNS number, you will need to obtain one from Dun & Bradstreet. Call D&B at 866-705-5711 if you do not have a DUNS number. Once you have obtained a DUNS Number from D&B, you must then register with the Central Contracting Registration (CCR) at www.ccr.gov. Prime grantees must maintain current registration with Central Contracting Registration (CCR) database. Prime grantees may make subawards only to entities that have DUNS numbers. Organization must report executive compensation as part of the registration profile at www.ccr.gov by the end of the month following the month in which this award is made, and annually thereafter. After you have completed your CCR registration, you will now be able to register in FSRS as a prime grantee user.

The Grants Management Specialist assigned to monitor the subaward reports and Executive Compensation is Iris Grady (grantsmanagement@hhs.gov).

2. Cost-Sharing / Matching
Cost-sharing or matching funds are not required for this funding opportunity. However, applicants are not prohibited from using other sources to supplement this funding. Applicants may also use these funds to complement activities funded under consumer assistance grants. Federal grants for States to establish Exchanges are available to be awarded through January 1, 2015. Applicants are expected to plan for decreasing dependence on Federal funds to meet the law's requirement that Exchanges, when operational, are self-sustaining by 2015. Applicants

that choose to utilize a cost-sharing/matching approach must take care in appropriately tracking and accounting for Federal dollars spent under this Funding Opportunity Announcement.

IV. APPLICATION AND SUBMISSION INFORMATION

1. Address to Request Application Package

This solicitation serves as the application package for this grant and contains all the instructions to enable a potential applicant to apply for grant funding. The application should be written primarily as a narrative with the addition of standard forms required by the Federal government for all grants.

Application materials will be available for download at http://www.grants.gov. Please note that OCIIO is requiring applications for all announcements to be submitted electronically through http://www.grants.gov. For assistance with http://www.grants.gov, contact support@grants.gov or 1-800-518-4726. At http://www.grants.gov, applicants will be able to download a copy of the application packet, complete it off-line, and then upload and submit the application via the Grants.gov website. The solicitation can also be viewed on HHS's website at http://www.hhs.gov/ociio.

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

- You can access the electronic application for this project on http://www.grants.gov. You must search the downloadable application page by the CFDA number **93.525**.
- At the http://www.grants.gov website, you will find information about submitting an application electronically through the site, including the hours of operation. The Office of Consumer Information and Insurance Oversight strongly recommends that you do not wait until the application due date to begin the application process through http://www.grants.gov because of the time delay.
- 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. 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 8c on the Form SF 424, Application for Federal Assistance). The name and address in the application should be exactly as given for the DUNS number.
- The applicant must also register in the Central Contractor Registration (CCR) database in order to be able to submit the application. Applicants are encouraged to register early. You should allow a minimum of five days to complete the CCR registration. Information about CCR is available at http://www.ccr.gov. The central contractor registration process is a separate process from submitting an application. In some cases, the registration process can take approximately two weeks to be completed. Therefore, registration should be completed

in sufficient time to ensure that it does not impair your ability to meet required submission deadlines.

- Authorized Organization Representative: The Authorized Organization 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 one business day after registration in CCR before entering their profiles in Grants.gov.
- When an AOR registers with Grants.gov, the E-Biz POC will receive an email notification. The E-Biz POC must login to Grants.gov (using your organization's DUNS number for a username and the "M-PIN" password obtained in Step 2) and approve the AOR, thereby giving him or her permission to submit applications.
- When an AOR registers with Grants.gov to submit applications on behalf of an organization, that organization's E-Biz POC will receive an email notification. The email address provided in the profile will be the email used to send the notification from Grants.gov to the E-Biz POC with the AOR copied on the correspondence.
- The E-Biz POC must then login to Grants.gov (using the organization's DUNS number for the username and the special password called "M-PIN") and approve the AOR, thereby providing permission to submit applications.
- You must submit all documents electronically in PDF format, including all information included on the SF 424 and all necessary assurances and certifications, and all other attachments.
- 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 acknowledgement from http://www.grants.gov that contains a Grants.gov tracking number. OCIIO will retrieve your application form from Grants.gov.
- After OCIIO retrieves your application form from Grants.gov, a return receipt will be emailed to the applicant contact. This will be in addition to the validation number provided by Grants.gov.
- Each year organizations and entities registered to apply for Federal grants through http://www.grants.gov will need to renew their registration with the Central Contractor Registry (CCR). You can register with the CCR online; registration will take about 30 minutes to complete (http://www.ccr.gov).

Applications cannot be accepted through any email address. Full applications can only be accepted through http://www.grants.gov. Full applications cannot be received via paper mail, courier, or delivery service, unless a waiver is granted per the instructions below.

All grant applications must be submitted electronically and be received through http://www.grants.gov by 11:59 pm Eastern Daylight Time on March 1, 2011. All applications will receive an automatic time stamp upon submission and applicants will receive an automatic e-mail reply acknowledging the application's receipt.

The applicant must seek a waiver at least ten days prior to the application deadline if they wish to submit a paper application. Applicants that receive a waiver to submit paper application documents must follow the rules and timelines that are noted below.

Applicants that do not adhere to the timelines for Central Contractor Registry (CCR) and/or Grants.gov registration and/or request timely assistance with technical issues will not be considered for a waiver to submit a paper application.

Please be aware of the following:

- Search for the application package in Grants.gov by entering the CFDA number. This number is located on the first page of this announcement.
- Paper applications are not the preferred method for submitting applications. However, if you experience technical challenges while submitting your application electronically, please contact Grants.gov Support directly at: www.grants.gov/customersupport or (800) 518-4726. Customer Support is available to address questions 24 hours a day, 7 days a week (except on Federal holidays).
- Upon contacting Grants.gov, obtain a tracking number as proof of contact. The tracking number is helpful if there are technical issues that cannot be resolved and waiver from the agency must be obtained.
- If it is determined that a waiver is needed, you must submit a request in writing (emails are acceptable) to Michelle.Feagins@hhs.gov with a copy to Donna.Laverdiere@hhs.gov including a clear justification for the need to deviate from our standard electronic submission process.
- If the waiver is approved, the application should be sent directly to the Grants Management Division by the deadline date of March, 1 2011.

To be considered timely, applications must be sent on or before 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 when justified by circumstances such as acts of God (e.g., floods or hurricanes), or disruptions of electronic (e.g., application receipt services) or other services, such as a prolonged blackout, that affect the public at large may be authorized.

2. Format, Standard Form (SF), and Content Requirements

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

- Double-space all narrative pages. The project abstract may be single-spaced.

- All applications must meet the requirements outlined in Section III, *Eligibility Information*, Section IV, *Application and Submission Information*, and Section V, *Application Review Information*.

- The application's project narrative cannot exceed 15 pages in length, and the budget narrative cannot exceed 3 pages (a total of 18 pages in length). The additional documentation listed below is excluded from the page limitation.

The following documents are required for a complete application:

1. **Cover Sheet (please refer to Attachment C)**

2. **Standard Forms**
   The following forms must be completed with an original signature and enclosed as part of the application:

   - SF 424: Official Application for Federal Assistance (see note below)
   - SF 424A: Budget Information Non-Construction
   - SF 424B: Assurances-Non-Construction Programs
   - SF LLL: Disclosure of Lobbying Activities
   - Project Site Location Form(s)
   - Additional Assurance Certifications (forms will be available for download as part of the application package in Grants.gov)

   Note: On SF 424 "Application for Federal Assistance:"

   - Item 15 "Descriptive Title of Applicant's Project." Please indicate in this section the name of this grant: **State Planning and Establishment Grants for the Affordable Care Act's Exchanges**.
   - Check box "C" to item 19, as Review by State Executive Order 12372 does not apply to these grants.
   - Assure that the total Federal grant funding requested is for the period of the grant.

3. **Required Letter of Support**
   Each applicant must submit a letter from the Governor (or the Mayor, if from the District of Columbia) officially endorsing the grant application and the proposed planning activities. The letter must express a sincere commitment to conduct activities in order to assess whether the State will establish an Exchange.

4. **Applicant's Application Cover Letter**
   A letter from the applicant must identify the:

   - Project Title
   - Applicant Name
   - Principal Investigator/Project Director Name (with email and phone number)

5. **Project Abstract**
   A one page abstract should provide a succinct description of the proposed project and must include the goals of the project, the total budget, and a brief description of how the grant will be used to plan for an Exchange in the State.

6. **Project Narrative**
   The project narrative may be no more than 15 pages in length. The project narrative must address the State's planning activities for the development and implementation of an Exchange. The following topics must be included:

   - **Background Research** – May include research to determine the number of uninsured in the State including, but not limited to, those potentially eligible for the Exchange, and those eligible for Medicaid or their employer's coverage and currently not enrolled.

   - **Stakeholder Involvement** – May include a list of the stakeholders within the State who will be involved in the State's decision about whether to operate the Exchange and planning/implementation of the Exchange, including the role proposed for each stakeholder as well as agreements with those stakeholders that may be in place at this time. Developing stakeholder involvement may include a plan to gain public awareness and commitment of key stakeholders through task forces and activities in various venues to obtain stakeholders' input.

   - **Program Integration** – May include a description of how an Exchange will build on existing State and Federal programs such as Medicaid and CHIP. This may also include current State activities similar to an Exchange.

   - **Resources and Capabilities** – May include an assessment of current and future staff levels, contracting capabilities and needs, and information technology.

   - **Governance** – May include planning for a State-run Exchange or an Exchange run by an independent entity. If an Exchange is expected to be State-run, planning could include determinations of where the Exchange would reside, what the governing structure would be, and to what departments or officials it would be accountable. If an Exchange is expected to be established through an independent entity, planning could include the development of the governance structure, appointment process, conflict of interest rules, and mechanisms of accountability. If the State is planning to coordinate with other States for a regional Exchange, activities relating to coordination with other States to establish an Exchange, determine markets, and ensure licensure and consumer protections could be developed.

   - **Finance** – May include pathways to developing accounting and auditing standards, mechanisms of transparency to the public, and procedures to facilitate reporting to the Secretary.

- **Technical Infrastructure** – May include the planning for a web portal and/or a call center to meet the increased need for consumer education, the coordination of Medicaid and Exchange-related activities, and the integration of Health Information Exchange standards for program interoperability.

- **Business Operations** – May include plans for eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium credits and cost-sharing assistance, and risk adjustment.

- **Regulatory or Policy Actions** – May include a determination of the scope and detail of enabling legislation and implementing State regulations.

7. Work Plan and Timeline

A timeline is required with the project goals and objectives consistent with those outlined in the project narrative. The work plan submitted with the application should document reasonable milestones with associated timeframes, and identify by name and title of the individual responsible for accomplishing the goals of the project.

8. Budget Narrative

The applicant is required to provide a detailed budget for the grant period. The budget narrative must not exceed 3 pages.

Applicant must submit a budget with appropriate line items and a narrative that identifies the funding needed to accomplish the grant's goals. For the budget recorded on form SF 424 A, the applicant must provide a breakdown of the aggregate numbers detailing their allocation to each major set of activities. The budget narrative must separately distinguish and support all technical assistance activities. The proposed budget for the project should distinguish the proportion of grant funding designated for each grant activity.

The budget narrative must include the following:

- An estimated budget total;
- Total estimated funding requirements for each of the following line items, and a break down for each line item:
    - Personnel
    - Fringe benefits
    - Contractual costs, including subcontracted contracts
    - Equipment
    - Supplies
    - Travel
    - Indirect charges, in compliance with the appropriate OMB Circulars. If requesting indirect costs in the budget, a copy of the indirect cost rate agreement is required (http://rates.psc.gov/fms/dca/orgmenu1.html).
    - Other costs

    - Completion of the Budget Form 424A remains a requirement for consideration of your application. This Estimated Budget Presentation is an important part of your application and will be reviewed carefully by HHS staff. Remember all quarters of the budget must be included on this form.
    - Provide budget notes for major expenditures and notes on personnel costs and major contractual costs; and
- For existing Exchanges (or similar programs), details of the Exchange's current budget and preceding fiscal years' budgets. See Guidelines for Budget Preparation in Attachment D as a guide.

9. Required Supporting Documentation

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. **Application Attestation.** Please refer to Attachment B.

2. **Organizational Chart & Job Descriptions for Key Personnel**
   To the extent possible, a State must provide an organizational chart and job descriptions of staff who will be dedicated to the project indicating the time that staff will spend on grant activities.

3. **Letters of Agreement and/or Description(s) of Proposed/Existing Project**
   Provide any documents that describe working relationships between the applicant and agencies and programs cited in the application. Documents that confirm actual or pending contractual agreements should clearly describe the roles of the subcontractors and any deliverable. Letters of agreements must be dated.

3. **Submission Date and Times**

Application Due Date February 18, 2011 by 11:59 pm EDT

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" to item 19 of the SF 424 (Application for Federal Assistance) as Review by State Executive Order 12372, does not apply to these grants.

5. Funding Restrictions

1. **Reimbursement of Pre-Award Costs**
   No grant funds awarded under this solicitation may be used to reimburse pre-award costs. (e.g. consultant fees associated with preparing the State Planning and Establishment Grant application).

2. **Prohibited Uses of Grant Funds**
No grant funds awarded under this solicitation may be used for any item listed in the Prohibited Uses of Grant Funds as detailed in Section VII, *Attachments.*

V. APPLICATION REVIEW INFORMATION

1. Review Criteria

In order to receive a grant award for planning activities related to the implementation of an Exchange, States must submit an application, in the required format, no later than the deadline date. This grant project is intended to assist States to begin or continue planning for such Exchanges.

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 grant.

As indicated in Section IV, *Application and Submission Information*, all applicants **must** submit the following:

1. Cover Sheet
2. Standard Forms
3. Required Letter of Support
4. Applicant's Cover Letter
5. Project Abstract
6. Project Narrative
7. Work Plan and Timeline
8. Budget Narrative
9. Required Supported Documentation (Appendices)

As indicated in Section IV, *Application and Submission Information*, each applicant **must** address how the State will plan for the Exchange as it pertains to each of the following:

- Background Research,
- Stakeholder Involvement,
- Program Integration,
- Resources and Capabilities,
- Governance,
- Finance,
- Technical Infrastructure,
- Business Operations, and
- Regulatory or Policy Actions

Applicants will be reviewed as approved or disapproved by the objective review panel; this is consistent with the objective review process of the "State Planning and Establishment Grants for the Affordable Care Act's Exchanges".

2. **Review and Selection Process**

A team consisting of qualified experts will review all applications. The review process will include the following:

1. Applications will be screened to determine eligibility for further review using the criteria detailed in the Section III, *Eligibility Information* of this solicitation. Applications that are received late or fail to meet the eligibility requirements as detailed in this solicitation or do not include the required forms will not be reviewed.

2. The results of the objective review of applications by qualified experts will be used to advise the approving HHS official.

3. Successful applicants will receive one grant award based on this solicitation.

4. Anticipated Award Date

The anticipated date of award for the State Planning and Establishment Grants for the Affordable Care Act's Exchanges is March 1, 2011.

VI. **AWARD ADMINISTRATION INFORMATION**

1. **Award Notices**

Successful applicants will receive a Notice of Grant Award signed and dated by the HHS Grants Management Officer. The Notice of Grant Award is the document authorizing the grant award and will be sent through the U.S. Postal Service to the State as listed on the SF 424. Any communication between HHS and applicants prior to issuance of the Notice of Grant Award is not an authorization to begin performance of a project. Unsuccessful applicants will be notified by letter, sent through the U.S. Postal Service to the applicant organization as listed on the SF 424, after March 1, 2011.

Federal Funding Accountability and Transparency (FFATA) subaward Reporting Requirement: As required by the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282), as amended by section 6202 of Public Law 110–252, recipients must report information for each subaward of $25,000 or more in Federal funds and executive total compensation for each of your five most highly compensated executives for the preceding completed fiscal year as outlined in Appendix A to 2 CFR Part 170. Information about the Federal Funding and Transparency Act Subaward Reporting System (FSRS) is available at www.fsrs.gov.

2. **Administrative and National Policy Requirements**

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

1. Specific administrative requirements, as outlined in 2 CFR Part 215 and 45 CFR Part 92, apply to this grants awarded under this announcement.

2. All States receiving awards under this grant project must comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to:

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

3. All equipment, staff, other budgeted resources, and expenses must be used exclusively for the project identified in the applicant's original grant application or agreed upon subsequently with HHS, and may not be used for any prohibited uses.

4. Consumers and other stakeholders must have meaningful input into the planning, implementation, and evaluation of the project. All grant budgets must include some funding to facilitate participation on the part of individuals who have a disability or long-term illness and their families. Appropriate budget justification to support the request for these funds must be included.

3. Terms and Conditions

Grants issued under this Funding Opportunity Announcement are subject to the *Health and Human Services Grants Policy Statement (HHS GPS)* at http://www.hhs.gov/grantsnet/adminis/gpd/. Standard terms and special terms of award will accompany the Notice of Grant Award. Potential applicants should be aware that special requirements could apply to grant 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 Grant Award).

4. Reporting

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

1. **Quarterly Project Report**
   Grantees must provide the Project Officer information such as, but not limited to, project status, implementation activities initiated, accomplishments, barriers, and lessons learned in order to ensure that funds are used for authorized purposes and instances of fraud, waste, error, and abuse are mitigated. More details and a template of the report will be outlined in the Notice of Grant Award.

2. **Final Project Report**
   Grantees are expected, at the end of the one year project period, to have developed a report on how the funding was used. If the State has decided it will run an Exchange, the report could include an initial plan for the development and implementation of an Exchange that would include, but not be limited to:

- A draft implementation plan that includes goals, objectives, responsible parties, costs, timeframes, and milestones;

- A needs assessment that includes baselines of staff, funding, and information technology needs;

- A list of resources and capabilities, an organizational chart that includes key personnel, and biographical sketches of such personnel; and

- An evaluation plan to include a detailed description of data collection activities and analyses, from which the State will base its design for covering its uninsured.

The project's final report and any products developed through the grant are to be provided to the Division of Grants Management Operations (DGMO) within 90 days of the end of the project period. The DGMO will forward these materials to the Project Officer. More details and a template of the report will be outlined in the Notice of Grant Award.

3. Public Report

Grantees will be required to prominently post specific information about planning grants on their respective Internet websites to ensure that the public has information on the use of funds. More details will be outlined in the Notice of Grant Award.

4. Performance Review

OCIIO is interested in enhancing the performance of its funded programs within communities and States. As part of this agency-wide effort, grantees will be required to participate, where appropriate, in an on-site performance review of their OCIIO-funded project(s) by a review team. The timing of the performance review is at the discretion of OCIIO.

5. Federal Financial Report (FFR) (SF 425: Expenditure Report)

Grantees are required to submit a final FFR within 90 days of the end of the project/budget period. The report is an accounting of expenditures made by the recipient under the current reporting period. More details will be outlined in the Notice of Grant Award.

6. Transparency Act Reporting Requirements-New awards issued under this funding opportunity announcement are subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282), as amended by section 6202 of Public Law 110–252 and implemented by 2 CFR Part 170. Grant and cooperative agreement recipients must report information for each first-tier subaward of $25,000 or more in Federal funds and executive total compensation for the recipient's and subrecipient's five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170 (available online at www.fsrs.gov). Competing Continuation awardees may be subject to this requirement and will be so notified in the Notice of Award.

7. **Audit Requirements**
Grantees must 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.

8. **Payment Management Requirements**
Grantees must submit a quarterly electronic SF 425 via the Payment Management System. The report identifies cash expenditures against the authorized funds for the grant. Failure to submit the report may result in the inability to access grant funds. The SF 425 Certification page should be faxed to the PMS contact at the fax number listed on the SF 425, or it may be submitted to the:

Division of Payment Management
HHS/ASAM/PSC/FMS/DPM
PO Box 6021
Rockville, MD 20852
Telephone: (877) 614-5533

VII. AGENCY CONTACTS

For questions and concerns regarding this grant announcement, please contact:

Grants Management Official/Business Administration
Michelle Feagins
Office of Consumer Information and Insurance Oversight
Department of Health and Human Services
(301) 492-4312
Michelle.Feagins@hhs.gov

Program Official/Programmatic Management
Terence Kane
Office of Consumer Information and Insurance Oversight
Department of Health and Human Services
(301) 492-4145
Terence.mailto:Kane@hhs.gov

VIII. **ATTACHMENTS**

A. **Attachment A: Prohibited Uses of Grant Funds**

The Department of Health and Human Services State Planning and Establishment Grants for the Affordable Care Act's Exchanges may not be used for any of the following:

1. To cover the costs to provide direct services to individuals;

2. To meet matching requirements of any other Federal program;

3. To cover excessive executive compensation;

4. To promote Federal or State legislative and regulatory modifications;

5. To improve systems or processes solely related to Medicaid/CHIP eligibility;

6. Activities unrelated to Exchange planning and establishment such as:
    a. Staff retreats;
    b. Promotional giveaways; and

7. 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.

B. **Attachment B: Application Attestation**

Check as many items that apply, as appropriate. States are not required to accomplish all activities nor should this list be considered exhaustive.

1. With the Planning and Establishment Grant, the State intends to:
   ___ Determine needed and available staff and hire key staff
   ___ Determine resource needs
   ___ Develop a work plan and timeline for first year activities
   ___ Determine needed statutory, regulatory, and other administrative changes (including statutory changes that may be necessary to set up the governance structure, facilitate health plan contracting, consumer outreach, etc.)
   ___ Conduct an initial assessment of IT systems and modifications/new systems needed to facilitate eligibility and enrollment and other Exchange functions
   ___ Plan the coordination of eligibility and enrollment across Medicaid, CHIP, and the Exchanges
   ___ Provide public notice and other stakeholder engagement activities
   ___ Develop a budget justification and implementation plan
   ___ Develop performance metrics and planned milestones
   ___ Plan for customer services processes, including a call center

2. The State attests that it has submitted a budget narrative and justification that fully supports the activities the State intends to pursue with Planning and Establishment Grant funds:
   YES________ NO_________

3. The State has adhered to the required Format, Standard Form (SF), and Content Requirements contained in Section IV.
   YES________ NO_________

4. The State commits to submitting a draft detailed implementation plan with the final report within 90 days of the end of the project period.
   YES________ NO_________

C. **Attachment C: Application Cover Sheet**

INDENTIFYING INFORMATION

Grant Opportunity: **State Planning and Establishment Grants for the Affordable Care Act's Exchanges**

DUNS #: ____ Grant Award: _________________

Applicant: ____

Primary Contact Person, Name: ____

Telephone Number: _____________________________Fax number: _____________________

Email address: ________________________________

D. Appendix D: GUIDELINES FOR BUDGET PREPARATION

Field Co

INTRODUCTION

Guidance is offered for the preparation of a budget request. Following this guidance will facilitate the review and approval of a requested budget by insuring that the required or needed information is provided. This is to be for done for each 12 month period of the grant project period.

A. Salaries and Wages

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

Sample budget

Personnel

Total $______

OCIIO Grant $______

Non OCIIO Grant $_________

Funding Source(s) of Non-OCIIO Grant___________

Position Title and Name	*Annual*	*Time*	*Months*	*Amount Requested*
Project Coordinator Susan Taylor	*$45,000*	*100%*	*12 months*	*$45,000*
Finance Administrator John Johnson	*$28,500*	*50%*	*12 months*	*$14,250*
Outreach Supervisor (Vacant)*	*$27,000*	*100%*	*12 months*	*$27,000*

Sample Justification

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

<u>*Job Description*</u>*: Project Coordinator - (Name)*

This position directs the overall operation of the project; responsible for overseeing the implementation of project activities, coordination with other agencies, development of materials, provisions of in service and training, conducting meetings; designs and directs the gathering, tabulating and interpreting of required data, responsible for overall program evaluation and for staff performance evaluation; and is the responsible authority for ensuring necessary reports/documentation are submitted to OCIIO. This position relates to all program objectives.

B. Fringe Benefits

Fringe benefits are usually applicable to direct salaries and wages. Provide information on the rate of fringe benefits used and the basis for their calculation. If a fringe benefit rate is not used, itemize how the fringe benefit amount is computed.

Sample Budget
Fringe Benefits *Total $_________*

OCIIO Grant $_________
Non OCIIO Grant $_________
Funding Source(s) of Non-OCIIO Grant___________

25% of Total salaries = Fringe Benefits

If fringe benefits are not computed by using a percentage of salaries, itemize how the amount is determined.

Example: Project Coordinator — Salary $45,000

Retirement 5% of $45,000	=	*$2,250*
FICA 7.65% of $45,000	=	*3,443*
Insurance	=	*2,000*
Workers' Compensation	=	______
Total:		

C. Consultant Costs
This category is appropriate when hiring an individual to give professional advice or services (e.g., training, expert consultant, etc.) for a fee but not as an employee of the grantee organization. Hiring a consultant requires submission of the following information to OCIIO **(see Required Reporting Information for Consultant Hiring later in this Appendix)**:

1. Name of Consultant;
2. Organizational Affiliation (if applicable);
3. Nature of Services to Be Rendered;
4. Relevance of Service to the Project;
5. The Number of Days of Consultation (basis for fee); and
6. The Expected Rate of Compensation (travel, per diem, other related expenses)—list a subtotal for each consultant in this category.

If the above information is unknown for any consultant at the time the application is submitted, the information may be submitted at a later date as a revision to the budget. In the body of the budget request, a summary should be provided of the proposed consultants and amounts for each.

D. Equipment
Provide justification for the use of each item and relate it to specific program objectives. Maintenance or rental fees for equipment should be shown in the "Other" category.

Sample Budget

Equipment *Total $_________*

OCIIO Grant $______

Non OCIIO Grant $_________

Funding Source(s) of Non-OCIIO Grant___________

Item Requested	*How Many*	*Unit Cost*	*Amount*
Computer Workstation	*2 ea.*	*$2,500*	*$5,000*
Fax Machine	*1 ea.*	*600*	*600*
		Total	*$5,600*

Sample Justification

Provide complete justification for all requested equipment, including a description of how it will be used in the program.

E. Supplies

Individually list each item requested. Show the unit cost of each item, number needed, and total amount. Provide justification for each item and relate it to specific program objectives. If appropriate, General Office Supplies may be shown by an estimated amount per month times the number of months in the budget category.

Sample Budget

Supplies *Total $________*

OCIIO Grant $______

Non OCIIO Grant $_________

Funding Source(s) of Non-OCIIO Grant___________

General office supplies (pens, pencils, paper, etc.)

12 months x $240/year x 10 staff = *$2,400*

Educational Pamphlets (3,000 copies @) $1 each = *$3,000*

Educational Videos (10 copies @ $150 each) = *$1,500*

Word Processing Software (@ $400—specify type) = *$ 400*

Sample Justification

General office supplies will be used by staff members to carry out daily activities of the program. The education pamphlets and videos will be purchased from XXX and used to illustrate and promote safe and healthy activities. Word Processing Software will be used to document program activities, process progress reports, etc.

F. Travel

Dollars requested in the travel category should be for **staff travel only**. Travel for consultants should be shown in the consultant category. Travel for other participants, advisory committees, review panel, etc. should be itemized in the same way specified below and placed in the **"Other"** category.

In-State Travel—Provide a narrative justification describing the travel staff members will perform. List where travel will be undertaken, number of trips planned, who will be making the trip, and approximate dates. If mileage is to be paid, provide the number of miles and the cost per mile. If travel is by air, provide the estimated cost of airfare. If per diem/lodging is to be paid, indicate the number of days and amount of daily per diem as well as the number of nights and estimated cost of lodging. Include the cost of ground transportation when applicable.

Out-of-State Travel—Provide a narrative justification describing the same information requested above. Include OCIIO meetings, conferences, and workshops, if required by OCIIO. Itemize out-of-state travel in the format described above.

Sample Budget

Travel (in-State and out-of-State)   Total $________

OCIIO Grant $______

Non OCIIO Grant $_________

Funding Source(s) of Non-OCIIO Grant___________

In-State Travel:

1 trip x 2 people x 500 miles r/t x .27/mile	=	*$ 270*
2 days per diem x $37/day x 2 people	=	*148*
1 nights lodging x $67/night x 2 people	=	*134*
25 trips x 1 person x 300 miles avg. x .27/mile	=	*2,025*

Total $ 2,577

Sample Justification

The Project Coordinator and the Outreach Supervisor will travel to (location) to attend an eligibility conference. The Project Coordinator will make an estimated 25 trips to local outreach sites to monitor program implementation.

Sample Budget

Out-of-State Travel:

1 trip x 1 person x $500 r/t airfare	=	*$500*
3 days per diem x $45/day x 1 person	=	*135*
1 night's lodging x $88/night x 1 person	=	*88*
Ground transportation 1 person	=	*50*
	Total	*$773*

Sample Justification

The Project Coordinator will travel to OCIIO, in Atlanta, GA, to attend the OCIIO Conference.

G. Other

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

Sample Budget

Other Total $________

OCIIO Grant $______

Non OCIIO Grant $_________

Funding Source(s) of Non-OCIIO Grant___________

Telephone

($ ___ per month x ___ months x #staff) = *$ Subtotal*

Postage

($ ___ per month x ___ months x #staff) = *$ Subtotal*

Printing

($ ___ per x ___ documents) = *$ Subtotal*

Equipment Rental (describe)

($ ___ per month x ___ months) = *$ Subtotal*

Internet Provider Service

($___ per month x ___ months) = *$ Subtotal*

Sample Justification

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

H.Contractual Costs

Cooperative Agreement recipients must submit to OCIIO the required information establishing a third-party contract to perform program activities **(see Required Information for Contract Approval later in this Appendix)**.

1. Name of Contractor;
2. Method of Selection;
3. Period of Performance;
4. Scope of Work;
5. Method of Accountability; and
6. Itemized Budget and Justification.

If the above information is unknown for any contractor at the time the application is submitted, the information may be submitted at a later date as a revision to the budget. Copies of the actual contracts should not be sent to OCIIO, unless specifically requested. In the body of the budget request, a summary should be provided of the proposed contracts and amounts for each.

I.Total Direct Costs $________
Show total direct costs by listing totals of each category.

J. Indirect Costs $________

To claim indirect costs, the applicant organization must have a current approved indirect cost rate agreement established with the cognizant Federal agency. A copy of the most recent indirect cost rate agreement must be provided with the application.

Sample Budget
The rate is ___% and is computed on the following direct cost base of $__________.

Personnel		*$*
Fringe		*$*
Travel		*$*
Supplies		*$*
Other $____________		
Total	*$*	*x ___% = Total Indirect Costs*

If the applicant organization does not have an approved indirect cost rate agreement, costs normally identified as indirect costs (overhead costs) can be budgeted and identified as direct costs.

Required Reporting Information for Consultant Hiring
This category is appropriate when hiring an individual who gives professional advice or provides services for a fee and who is not an employee of the grantee organization. Submit the following required information for consultants:

1. Name of Consultant: Identify the name of the consultant and describe his or her qualifications.
2. Organizational Affiliation: Identify the organization affiliation of the consultant, if applicable.
3. Nature of Services To Be Rendered: Describe in outcome terms the consultation to be provided including the specific tasks to be completed and specific deliverables. A copy of the actual consultant agreement should not be sent to OCIIO.
4. Relevance of Service to the Project: Describe how the consultant services relate to the accomplishment of specific program objectives.
5. Number of Days of Consultation: Specify the total number of days of consultation.
6. Expected Rate of Compensation: Specify the rate of compensation for the consultant (e.g., rate per hour, rate per day). Include a budget showing other costs such as travel, per diem, and supplies.

7. Method of Accountability: Describe how the progress and performance of the consultant will be monitored. Identify who is responsible for supervising the consultant agreement.

Required Information for Contract Approval

All contracts require reporting the following information to OCIIO.

1. Name of Contractor: <u>Who is the contractor?</u> Identify the name of the proposed contractor and indicate whether the contract is with an institution or organization.
2. Method of Selection: <u>How was the contractor selected?</u> State whether the contract is sole source or competitive bid. If an organization is the sole source for the contract, include an explanation as to why this institution is the only one able to perform contract services.
3. Period of Performance: <u>How long is the contract period?</u> Specify the beginning and ending dates of the contract.
4. Scope of Work: <u>What will the contractor do?</u> Describe in outcome terms, the specific services/tasks to be performed by the contractor as related to the accomplishment of program objectives. Deliverables should be clearly defined.
5. Method of Accountability: <u>How will the contractor be monitored?</u> Describe how the progress and performance of the contractor will be monitored during and on close of the contract period. Identify who will be responsible for supervising the contract.
6. Itemized Budget and Justification: Provide an itemized budget with appropriate justification. If applicable, include any indirect cost paid under the contract and the indirect cost rate used.

E. **Attachment E: Application Check-Off List**

REQUIRED CONTENTS
A complete application consists of the following materials organized in the sequence below. Please ensure that the project narrative is page-numbered. The sequence is:

- ☐ Cover Sheet
- ☐ Forms/Mandatory Documents (Grants.gov) (with an original signature)
  - ☐ SF 424: Application for Federal Assistance
  - ☐ SF-424A: Budget Information
  - ☐ SF-424B: Assurances-Non-Construction Programs
  - ☐ SF-LLL: Disclosure of Lobbying Activities
  - ☐ Project Site Location Form(s)
  - ☐ Additional Assurance Certifications
- ☐ Required Letter of Support
- ☐ Applicant's Application Cover Letter
- ☐ Project Abstract
- ☐ Project Narrative
- ☐ Work plan and Timeline
- ☐ Budget Narrative
- ☐ Required Appendices
  - ☐ Application Attestation
  - ☐ Organizational Chart & Job Descriptions for Key Personnel
  - ☐ Letters of Agreement and/or Description(s) of Proposed/Existing Project