DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)

Program Announcement No. AoA-02-03

Fiscal Year 2002 Program Announcement and Application Kit
Administration on Aging (AoA)
Deadline: May 3, 2002

ACTION: Announcement that grant awards will be made to train retired persons to serve in their communities as volunteer expert resources and educators in combating health care error, fraud, and abuse. The accompanying set of materials comprises the **application kit** for preparing and submitting cooperative agreement proposals to compete for those project awards.

SUMMARY: The Administration on Aging (AoA) announced in the *Federal Register* of **March 2002** that it will hold a competition for grant awards for model projects that demonstrate effective ways of utilizing retired persons as volunteer expert resources and educators in community efforts to combat health care error, fraud and abuse.

This program announcement consists of two parts. *Part I* provides background information and describes the program priority, "Senior Medicare Patrol Projects," under which the AoA is inviting applications to be considered for funding. *Part II* describes, in detail, the process governing consideration of project applications for funding and provides guidance on how to prepare and submit an application. All forms, assurances, and certifications necessary to complete the application are included following *Part II*. Grant awards will be made under this announcement subject to the availability of funds for the support of the priority area project activities described herein.

ELIGIBILITY FOR GRANT AWARDS AND OTHER REQUIREMENTS:
Eligibility for grant awards is limited to ***public state and local agencies or nonprofit agencies, organizations and institutions in the following states and jurisdictions: Alaska, Alabama, Arkansas, Arizona, Colorado, Connecticut, District of Columbia, Delaware, Florida, Georgia, Idaho, Indiana, Kansas, Massachusetts, Maine, Michigan, Montana, New Mexico, Nevada, North Dakota, Ohio, Oklahoma, Oregon, Puerto Rico, Texas, Utah, Vermont, Virginia, and Washington -*** to carry out cooperative agreement awards to train retired persons to serve in their communities as volunteer expert resources and educators in combating health care error, fraud, and abuse. Faith-based organizations are eligible to apply from the states and jurisdictions listed above.

Grantees are required to provide a 25 percent non-federal match.

DATE: The deadline date for the submission of applications is 45 days after notification in the Federal Register.

ADDRESS: Application receipt point: U.S. Department of Health and Human Services, Administration on Aging, Office of Administration and Management, 330 Independence Avenue, S.W., Room 4257, Washington, D.C. 20201, Attn: AoA-02-03.
Electronic submission address: http://www.aoa.gov/egrants/

FOR FURTHER INFORMATION CONTACT: U.S. Department of Health and Human Services, Administration on Aging, Office for Consumer Choice and Protection, 330 Independence Avenue, S.W., Washington, D.C. 20201, telephone: (202) 619-3775 or (202) 619-1351.

Part I. Background Information and Priority Area Description

A. Statutory Authority

The statutory authority for cooperative agreement awards to "Senior Medicare Patrol Projects" is contained in Title IV of the Older Americans Act, (42 U.S.C. 3001 et seq.), as amended by the Older Americans Act Amendments of 2000 (P.L. 106-501).

B. Eligible Applicants

Public state and local agencies or nonprofit agencies, organizations, and institutions in the following states and jurisdictions: ***Alabama, Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Indiana, Kansas, Maine, Massachusetts, Michigan, Montana, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Puerto Rico, Texas, Utah, Vermont, Virginia, and Washington.*** **Faith-based organizations are eligible to apply from eligible states and jurisdictions listed above.**

As a general rule of the Department of Health and Human Services (DHHS), any public or nonprofit agency, organization, or institution is eligible to apply. Preference will be given in the making of grant awards to projects that will be carried out by local community-based public or non-profit agencies or organizations.

Any applicant that is not now a DHHS grantee should include, with its application, Internal Revenue Service or other legally recognized documentation of its nonprofit status. A nonprofit applicant cannot be funded without proof of its status.

C. Priority Area Description

1) Background

The DHHS Office of Inspector General estimates that Medicare loses more than $12 billion each year due to errors, fraud, and abuse. These losses are due, to a considerable extent, to the many ways in which the funds are dispersed as well as to the sheer magnitude of health care expenditures. Both factors increase the probability of errors

while opening wider opportunities for fraud and abuse. While the vast majority of health care providers are honest, those operating unscrupulously in this arena, intent on obtaining vital health care dollars illegally, have done so based on the perception that the risks of detection have lessened over the years.

In 1995, the AoA became a partner in a government-led effort to fight fraud, error, and abuse in the Medicare and Medicaid programs through the implementation of a health care anti-fraud and abuse program designed to coordinate federal, state, local, and private resources to target those areas most plagued by abuse. This partnership includes three agencies within the U.S. Department of Health and Human Services: the Office of Inspector General (OIG); the Centers for Medicare & Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA); and the AoA, as well as the U.S. Department of Justice, state and area agencies on aging, long-term care ombudsmen, state Medicaid fraud control units, attorney general offices, Medicaid agencies, insurance counseling programs, health departments, and a number of other local entities.

Beginning in 1997, the AoA established twelve local demonstration projects designed to recruit and train retired professionals, such as doctors, nurses, teachers, lawyers, accountants, and others to identify and report error, fraud and abuse. Implemented through the Omnibus Consolidated Appropriation Act of 1997 (Public Law. 104-208), Senate Report 104-368 noted that "senior citizens are our best front line defense against these losses, but they often don't have the information and experience needed" to recognize and accurately report cases of error, fraud, and abuse. The Report further noted that "thousands of retired accountants, health professionals, investigators, teachers, and others ... with appropriate training could serve as volunteer expert resources and educators for seniors in their communities." Accordingly, these projects have worked to test different models designed to train retirees in local communities to serve as both volunteer resources and educators for other Medicare beneficiaries, and to build and strengthen community coalitions of older Americans and service providers.

2) Building on the 12 Original Senior Medicare Patrol Projects

The FY 2002 Appropriations Bill (Public Law 107-116) provides $10 million to the AoA for the purpose of building on successful models developed by the twelve original "Senior Medicare Patrol Projects," seeking to expand these projects nationwide, with an emphasis on setting up state and local coalitions of partners. The model activities to be funded by these projects seek to substantially increase the involvement of older persons and aging network agencies in support of efforts by the AoA, OIG, and HCFA to curb losses due to error, fraud, and abuse.

3) Project Objectives and Activities

Applications are sought from consortia of state or local agencies and organizations and with a demonstrated capacity to test new models for the recruitment, training, support, and retention of retired persons, e.g., accountants, health professionals, investigators, teachers, and others who, with appropriate training, could serve as expert resources and

educators for older persons in their communities. Applicants must demonstrate that they have enlisted the assistance of appropriate community-based organizations in the preparation of the application and in the implementation of the plan. Projects should utilize best practice models and test innovative approaches to recruiting retirees fully capable of teaching and educating Medicare beneficiaries to better monitor what is paid on their behalf and what to do about identified discrepancies. In every case, applicants should propose activities that will effectively employ the unique skills, varied experiences, good will, and availability of retired professionals in assisting older persons to become more educated about their health care expenditures under Medicare and Medicaid. As beneficiaries, citizens, and taxpayers, older persons can and should have the knowledge necessary to assess their health care bills, statements, and other documents accurately, and to identify and report suspected instances of error, fraud, and abuse. Examples of practices deserving their careful scrutiny include: billing for services not rendered; overcharging for services performed; waiving patient coinsurance; accepting or paying kickbacks for patient referrals; and providing inappropriate or unnecessary services.

The applicant must provide a detailed plan for the management and operation of the "Senior Medicare Patrol Project." This includes:

- involving local, community-based entities in any collaboration among a variety of local, state and federal agencies and organizations;
- developing a systematic plan for project start-up;
- identifying procedures used to determine the service areas;
- identifying a specific strategy for recruiting, training, and maintaining a pool of "Senior Medicare Patrol" volunteers in diverse communities;
- developing collaborative efforts to improve services and follow-up assistance with beneficiaries in the provision of services;
- developing outreach strategies specifically designed to identify vulnerable beneficiaries and disseminating those outreach strategies determined to be effective to the national audience concerned with health care error, fraud, and abuse;
- expanding current program activities to enlist volunteers to support and provide assistance to beneficiaries with low functional literacy; and
- collecting and reporting information on beneficiaries participating in the proposed training.

The application should also include a plan for training that includes such components as: 1) project and training goals and objectives; 2) background information regarding benefits, care, and services available under the Medicare and Medicaid programs, e.g., an understanding of the Explanation of Medical Benefits Statement and Medicare Summary Notice; 3) an understanding of the magnitude of error, fraud, and abuse in the Medicare and Medicaid programs; 3) an understanding of current federal and state anti-fraud, error, and abuse provisions; 4) an overview of the state's system for investigating errors, fraud, and abuse; and 5) what is needed to detect, document and report possible errors, fraud, and abuse leading to appropriate investigations and further action.

Finally, the application must clearly identify the measurable outcome(s) that will result from the project. (NOTE: AoA will not fund any project that does not include measurable outcomes - see the section below for a definition of a measurable outcome.). This section should also describe how the project's findings might benefit the field at large, e.g., how the findings could help other organizations throughout the nation to address the same or similar problems.

DEFINITION OF A MEASURABLE OUTCOME

A "measurable outcome" is an observable end-result. Examples include: an "impact" on a problem (e.g., a change in a client's financial, health and/or functional status, mental well-being, knowledge, skill, attitude, awareness or behavior.) Other examples include a change in the degree to which consumers exercise choice over the types of services they receive, or the degree to which consumers are satisfied with the way a service is delivered. Additional examples include: a change in the cost-efficiency and/or cost-effectiveness of a service delivery system; a new model of support or care that can be replicated in the aging network; or, new knowledge that can contribute to the field of aging.

A measurable **outcome** IS NOT a measurable **output**, such as: the number of clients served; the number of training sessions conducted; the number of service units provided; or tangible products and/or reports.

NOTE: Your application will be scored on the clarity and nature of your proposed outcome(s), NOT on the number of outcomes you cite. It is totally appropriate for a project to have only ONE outcome that it is trying to achieve through the intervention reflected in the project's design.

Applicants are advised to pay particular consideration in designing their projects to:

- the involvement of local, community-based entities in any collaboration among a variety of local, state and federal agencies and organizations;

- the firmness of the collaborative agreements between participating organizations which spell out the clear commitments and responsibilities of all key parties;

- the provision of adequate support and backup for the volunteers (e.g., continuing education, technical assistance, supervision, follow-up, etc.);
- the ability to expand and generalize their activities to a statewide effort;
- the cost-effectiveness of their approach to the problems; and
- the solid prospects for the project continuing at the end of the grant period.

4) **Project Funding, Duration, and Related Matters**

AoA plans to fund up to thirty-three (33) projects, targeting one in the following states and jurisdictions - ***Alabama, Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Indiana, Kansas, Maine, Massachusetts, Michigan, Montana, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Puerto Rico, Texas, Utah, Vermont, Virginia, and Washington.*** Faith-based organizations are eligible to apply from eligible states and jurisdictions listed above. The projects will be funded at a federal share of approximately **$160,000** per year for a project period of three years. As stated in the section on eligible applicants above, priority will be given to projects that will be carried out by a consortia of anti-fraud and abuse partners headed by state or local public or non-profit agencies or organizations, (e.g., state units on aging, area agencies on aging, senior centers, senior health insurance counseling projects, local senior advocacy groups), or single state planning and service areas, that have demonstrated partnerships with critical state agencies to assure promotion of collaboration, information exchange, and ready access to technical assistance. It is expected that several different agencies, sites, and centers within the community or communities selected will be utilized. Also, applications should include funds for the project leadership to participate in regional training and a national planning conference.

Part II. Information and Guidelines for the Application Process and Review

Part II of this application kit contains general information for potential applicants and basic guidelines for submitting applications to compete for "Senior Medicare Patrol Projects." Application forms are provided along with detailed instructions for developing and assembling the application package for submission to the AoA.

A. General Information

1. Review Process and Consideration for Funding

Within the limits of available federal funds, AoA makes financial assistance awards consistent with the purposes of the statutory authority governing this grant program, as cited above. The following steps are involved in the review process.

a. Notification: All applicants will automatically be notified of the receipt of their application and informed of the identification number assigned to it.

b. Screening: To ensure that minimum standards of equity and fairness have been met, applications which do not meet the screening criteria outlined in Section D below, will not be reviewed and will receive no further consideration for funding.

c. Expert Review: Applications that conform to the requirements of this program announcement will be reviewed and scored competitively against the evaluation criteria specified in Section F, below. An independent review of applications is performed by panels of qualified persons from outside the federal government and knowledgeable non-AoA federal government officials. The scores and judgments of these expert reviewers are a major factor in making award decisions.

d. Other Comments: AoA may solicit views and comments on pending applications from other federal departments and agencies, interested foundations, national organizations, experts, and others, for the consideration of the Assistant Secretary for Aging in making funding decisions.

e. Other Funding Sources: AoA reserves the option of discussing applications with, or referring them to, other federal or non-federal funding sources when this is determined to be in the best interest of the federal government or the applicant.

f. Decision-Making Process: After the review panel session, applicants may be contacted by AoA staff to furnish additional information. Applicants who are contacted should not assume that funding is guaranteed. An award is official only upon receipt of the Financial Assistance Award.

g. Time frame: Applicants should be aware that the time interval between the deadline for submission of applications and the cooperative agreement award may be several weeks in duration. This length of time is required to review and process project applications.

2. Notification Under Executive Order 12372

This is not a covered program under Executive Order 12372.

B. **Deadline for Submission of Applications**

The closing date for submission of applications is 45 days after notification in the Federal Register [May 3, 2002]. Applications must be: 1) sent or hand-delivered to the address specified in Section D, below; or

2) transmitted electronically to: http://www.aoa.gov/egrants/. Hand-delivered

applications are accepted during the normal working hours of 9:00 a.m. to 5:30 p.m., Eastern Time, Monday through Friday. An application will meet the deadline if it is either:

1. Received at the mailing address on or before the applicable deadline date; or

2. Sent before midnight of the applicable deadline date as evidenced by either 1) a U.S. Postal Service receipt or postmark, 2) a receipt from a commercial carrier, or 3) confirmation of electronic transmission. The application must also be received in time to be considered under the competitive independent review mandated by Chapter 1-62 of the DHHS Grants Administration Manual. Applicants are strongly advised to obtain proof that the application was sent by the applicable deadline date. If there is a question as to when the application was sent, applicants will be asked to provide proof that they have met the applicable deadline date. Private metered postmarks are not proof of a timely submission.

Applicants are encouraged to send a fax or email to inform AoA the application has been mailed. Applications which do not meet the above deadlines are considered late applications. The Office of Administration and Management will notify each applicant that its application will not be considered as part of this review and competition.

AoA may extend the deadline for applications because of acts of God, such as floods, hurricanes or earthquakes, when there is widespread disruption of the mail, or when AoA determines an extension to be in the best interest of the government. Depending upon the precipitating factor(s), the extension will apply to all potential applicants in the area affected by the natural disaster, or to all potential applicants across the nation. Should there be an extension of the application, a notice to that effect will be published in the Federal Register.

C. **Grantee Share of the Project**

Under this and similar programs, AoA does not make grant awards for the entire project cost. Successful applicants must, at a minimum, contribute one (1) dollar, secured from non-federal sources, for every three (3) dollars received in federal funding. The non-federal share must equal at least 25% of the total project cost: for example, if the applicant requests federal support for $180,000, its match is at least $60,000. Applicants should note that, among applications of comparable technical merit as determined by the reviewers, the greater the non-federal share the more favorably the application is likely to be considered for funding by the AoA.

The non-federal share of total project costs for each budget period may be in the form of grantee-incurred direct or indirect costs, third party in-kind contributions, and/or project-related income. Indirect costs may not exceed those allowed under federal rules established, as appropriate, by OMB Circulars A-21, A-87, and A-122. If the required non-federal share is not met by a funded project, AoA will disallow any unmatched

federal dollars. Please be sure to double check your math because a common error is to match 25% of the federal share rather than 25% of the entire project cost.

D. **Application Screening Requirements**

All applications will be screened to assure a level playing field for all applicants. Applications that fail to meet either of the two screening criteria below will **not** be reviewed and will receive **no** further consideration.

In order for an application to be reviewed, it must meet the following screening requirements:

1. Applications must be a) transmitted electronically to **http://www.aoa.gov/egrants/** b) postmarked by midnight, (45 days after notification in the Federal Register) hand-delivered by 5:30 p.m. Eastern Time to:

   Department of Health and Human Services
   Administration on Aging
   Office of Administration and Management
   330 Independence Avenue, SW., Room 4257
   Washington, D.C. 20201
   Attn: AoA-02-03

2. An application must be relevant and responsive to this priority area for "Senior Medicare Patrol Projects."

Only those applications meeting these two screening requirements will be assigned to reviewers.

The applicant is also strongly advised to adhere to the following guidelines in preparing the application:

- The application should **not** exceed *thirty (30) pages, double-spaced,* exclusive of certain required forms and assurances that are listed below. An applicant does itself no favor by submitting an application whose typescript is single-spaced, or whose base font provokes the use of a magnifying glass.

- The following documents are excluded from the 30 page limitation: 1) Standard Form (SF) 424, SF 424A (including up to a four page budget justification) and SF 424B; 2) the certification forms regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace requirements; 3) proof of non-profit status, and; 4) indirect cost agreements.

- The following portions of the application are subject, in the aggregate, to the thirty (30) page limitation:

- Summary description (suggested length: one page);
- Narrative (suggested length: twenty pages);
- Applicant's capability statement, including an organization chart, and vitae for key project personnel (suggested length 4+ pages) and;
- Essential letters of commitment and cooperation (suggested length: 4+ pages).

All applications will be checked against the aggregate thirty (30) page limitation. Any material, of whatever content, in excess of the thirty (30) page limit will be withheld from the reviewers.

E. **Indirect Costs**

Indirect costs generally may be requested only if the applicant has a negotiated indirect cost rate with the Department's Division of Cost Allocation or with another federal agency. Applicants without a negotiated indirect cost rate may apply for one in accordance with DHHS procedures and relevant OMB Circulars.

F. **Evaluation Criteria**

Applicants that pass the screening will be evaluated by an independent review panel of at least three individuals. These reviewers, experts in the field, are drawn from academic institutions, non-profit organizations, state and local government, and federal government agencies other than AoA. Based on the specific programmatic considerations set forth above in the priority area, the reviewers will comment on and score the applications, focusing their comments and scoring decisions on the criteria below. The outcome measures of applicants who have previously served as Senior Medicare Patrol Project grantees will be carefully considered by reviewers in scoring the applications.

Applications are scored by assigning a maximum of 100 points across four criteria:

1. Purpose and Need for Assistance — Weight: 20 points

   a. Does the proposed project clearly and adequately respond to the program and policy issues discussed in the priority area for the "Senior Medicare Patrol Projects"?

   b. Does the application adequately and appropriately describe and document the key problem(s)/condition(s) relevant to its purpose? Is the proposed project justified in terms of the most recent, relevant, and available information and knowledge?

   c. Does the applicant adequately and appropriately describe the needs of providing outreach to special population groups - low income, minority,

women, disabled, rural, frail — in addressing problem(s)/condition(s) relevant to its proposal?

2. Approach/Method - Workplan and Activities Weight: 30 points

a. Does the proposed project utilize a coordinated partnership headed by local, community-based entities with a collaboration of aging network agencies (state and area agencies on aging), health insurance counseling programs, senior centers, and other appropriate entities to effectively combat health care error, fraud, and abuse? Does the proposed project utilize substantive state partnerships?

b. Does the proposal clearly express and organize a workplan that systematically includes specific objectives, tasks, and activities which are responsive to the statement of needs and purpose?

c. Does the workplan include a detailed timeline for the accomplishment of tasks and objectives? Is the sequence and timing of events logical and realistic?

d. Does the proposal include clearly identifiable outcomes that are measurable, consistent with the definition of measurable outcomes included in the application kit? If previously funded, did the applicant produce significant outcomes resulting from the training of the senior volunteers?

e. Are the roles and contributions of staff, consultants, and collaborative organizations clearly defined and linked to specific objects and tasks? Does the workplan specify who will be responsible for managing the project; for the preparation and dissemination of project results, products, and reports; and for communications with the Administration on Aging?

f. Does the proposal include a plan for dissemination that is likely to increase the awareness of project activities and events during project performance? Is this plan adequate for communicating project outcomes and products to all appropriate audiences?

3. Operational Strategies Weight: 30 points

a. Does the applicant have an established track record of collaboration among a variety of local, state, and federal agencies and organizations? Does the proposal describe a systematic plan for organizational start-up and networking? Does the proposal demonstrate the ability to expand and generalize activities to a statewide effort;

b. Does the proposal express an adequate and appropriate strategy for recruiting and training volunteers with diverse backgrounds, including non-English speaking volunteers? Does the proposed project present a clear strategy for maintaining a dedicated and ongoing pool of volunteers?

c. Does the proposal include a plan of information dissemination that is likely to increase awareness among Medicare beneficiaries about strategies to combat health care error, fraud, and abuse?

4. Level of Effort Weight: 20 points

a. Do the proposed project director(s), key staff, and consultants have the background, experience, and other qualifications required to carry out their designated roles?

b. Is the time commitment of the proposed project director sufficient to assure proper direction, management and completion of the project? Is the time commitment of other key staff sufficient to assure completion of the project as proposed? Are the writers of the proposal identified and will they be involved in its oversight and implementation? If not, is there a logical explanation for their non-participation?

c. Is the budget justified with respect to the adequacy and reasonableness of resources requested? Are budget line items consistent with workplan objectives?

d. Are letters from participating organizations included and do they express the clear commitment and areas of responsibility of those organizations, consistent with the workplan description of their intended roles and contributions? Were community-based organizations involved in the development of the workplan?

G. The Components of an Application

To expedite the processing of applications, we request that you arrange the components of your application, the original and two copies, in the following order:

- SF 424, Application for Federal Assistance; SF 424A, Budget, accompanied by your budget justification; SF 424B (Assurances); and the certification forms regarding lobbying; debarment, suspension, and other responsibility matters; and drug-free workplace requirements. Note: The original copy of the application must have an original signature in item 18d on the SF 424.

- Proof of nonprofit status, as necessary:

- A copy of the applicant's indirect cost agreement, as necessary;
- Project summary description;
- Program narrative;
- Organizational capability statement and vitae;
- Letters of commitment from participating organizations and agencies;
- A copy of the Check List of Application Requirements (See Section K, below) with all the completed items checked.

Beginning with the page for the project summary description, pages should be numbered sequentially. Please do not use covers or tabs. Do not include extraneous materials such as agency promotion brochures, slides, tapes, film clips, etc. It is not feasible to include such items in the review process. They will be discarded if submitted as part of the application.

H. Communications with the AoA

As appropriate, applicants will be notified (using the information provided by the SF 424, item 5) of the receipt of their application. Please contact the Office for Consumer Choice and Protection by telephone at (202) 619-3775 if you are uncertain as to whether your application has qualified for the review process. Applicants are advised that, prior to reaching a decision, the AoA will not release information to an applicant other than that its application has been received and that it is being reviewed. Once a decision is reached, the applicant will be notified as soon as possible of the status of its application.

I. Background Information on Senior Medicare Error Patrol Projects

In the Program Narrative of the application (see Section J-6 below), applicants are expected to demonstrate a familiarity with the history, current status, and policy considerations bearing on the future development of Senior Medicare Patrol Projects. Information regarding these matters is available by contacting Ms. Doris Summey at (202) 619-3775.

J. Completing the Application

In completing the application, please recognize that the set of standardized forms and instructions is prescribed by the Office of Management and Budget and is not perfectly adaptable to the particulars of this program announcement. First-time applicants, in particular, concentrate too much energy on making sure they have crossed the final "t" and dotted the last "i" of their application. Any applicant should, of course, take reasonable care to avoid technical errors in completing the application, but the

substantive merits of the project proposal are the determining factors in funding decisions.

Please use the following guidance in preparing your application:

1. SF 424 - Cover Page

Complete only the items specified in the following instructions:

Item 1. Preprinted on the form.

Item 2. Fill in the date you submitted the application. Leave the applicant identifier box blank.

Item 3. Not applicable.

Item 4. Leave blank.

Item 5. Provide the legal name of the applicant; the name of the primary organizational unit that will undertake the assistance activity; the applicant address; and the name and telephone number of the person to contact on matters related to this application.

Item 6. Enter the employer identification number (EIN) of the applicant organization as assigned by the Internal Revenue Service. Please include the suffix to the EIN, if known.

Item 7. Enter the appropriate letter in the box provided.

Item 8. Preprinted on form.

Item 9. Preprinted on form.

Item 10. Preprinted on form.

Item 11. The title should describe concisely the nature of the project proposal. Avoid repeating the title of the program announcement or the name of the applicant. Try not to exceed 10 to 12 words and 120 characters including spaces and Punctuation.

Item 12. Preprinted on form.

Item 13. Enter the desired start date for the project, beginning on or after July 1, 2002 and the end date for the project, three years later.

Item 14. List the applicant's Congressional District and the District(s), if any, directly affected by the proposed project.

Item 15. All budget information entered under item #15 should cover only the first 12 months of the project. The applicant should show the federal support requested under sub-item 15a. Sub-items 15b-15e are considered cost-sharing or "matching funds". Applicants should review cost sharing or matching principles contained in Subpart G of 45 CFR Part 74 before completing not just Item 15, but the Budget Information Sections A, B and C that follow. It is important that the dollar amounts entered in sub-items 15b-15f total at least 25 percent of the total project cost (total project cost is equal to the requested federal funds plus funds from non-federal sources).

In general, costs borne by the applicant and cash contributions of any and all third parties involved in the project, including sub-grantees, contractors and consultants, are considered cash matching funds. Most contributions from third parties will be non-cash (i.e. in-kind). Examples include volunteered time and use of facilities to hold meetings or conduct project activities. A third form of non-federal match, is projected program income derived from activities of the project such as participant fees and sale of publications. Only program income that is to be used as part of the qualifying match should be shown here.

Item 16. Preprinted on form.

Item 17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.

Item 18. To be signed by an authorized representative of the applicant organization. A document attesting to that sign-off authority must be on file in the applicant's office.

2. SF 424A - Budget Information

This form (SF424A) is designed to apply for funding under more than one grant program; thus, for purposes of this AoA program, most of the budget item columns/blocks are superfluous and should be regarded as not applicable. The applicant should consider and respond to only the budget items for which guidance is provided below.

Section A - Budget Summary and Section B - Budget Categories should include both Federal and non-Federal funding for the proposed project covering the first 12 months of the 36 month project period.

Section A - Budget Summary

On line 5, enter total federal Costs in column (e) and total non-federal Costs (including third party in-kind contributions and any program income to be used as part of the grantee match) in column (f). Enter the total of columns (e) and (f) in column (g).

Section B - Budget Categories

Use only the last column under Section B, namely the column headed Total (5), to enter the total requirements for funds (combining both the federal and non-federal shares) by object class category.

A fuller explanation of the proposed budget should be provided in a "budget justification" section. In that budget justification, consider including an overall budget breakdown which shows in three columns all of the budget cost items by federal, non-federal, and total funds. The rest of this separate budget presentation should fully explain and justify each of the major budget items: personnel, travel, other, etc., as outlined below. The column for non-federal funds shown for any of the budget line items in the budget justification sheet reflects only cash match contributions (see instructions above for item 15 on the face sheet of the 424 Form). Third party in-kind contributions and program income designated as non-federal match contributions should be identified and justified separately from the justification for the budget line items. The full budget justification (allow up to four pages) should be included in the application immediately follow the SF 424 forms.

Line 6a - Personnel: Enter total costs of salaries and wages of applicant/grantee staff. Do not include the costs of consultants, which should be included under 6h - Other. Justification: Identify the project director, if known. Specify the key staff, their titles, and time commitments in the budget justification.

Line 6b - Fringe Benefits: Enter the total costs of fringe benefits unless treated as part of an approved indirect cost rate.

Justification: Provide a break-down of amounts and percentages that comprise fringe benefit costs, such as health insurance, FICA, retirement insurance, etc.

Line 6c - Travel: Enter total costs of out-of-town travel (travel requiring per diem) for staff of the project. Do not enter costs for consultant's travel or local transportation. Justification: Include the total number of trips, destinations, length of stay, transportation costs and subsistence allowances.

Line 6d - Equipment: Enter the total costs of all equipment to be acquired by the project. "Equipment" is non-expendable tangible personal property having a useful life of more than two years and an acquisition cost of $5,000 or more per unit.

Justification: Equipment to be purchased with federal funds must be justified as necessary for the conduct of the project. The equipment, or a reasonable facsimile, must not be otherwise available to the applicant or its sub-grantees. The justification also must contain plans for the use or disposal of the equipment after the project ends.

Line 6e - Supplies: Enter the total costs of all tangible expendable personal property (supplies) other than those included on line 6d.

Line 6f - Contractual: Enter the total costs of all contracts, including (1) procurement contracts (except those which belong on other lines such as equipment, supplies, etc.) and, (2) contracts with secondary recipient organizations including delegate agencies. Also include any contracts with organizations for the provision of technical assistance. Do not include payments to individuals on this line.

Justification: Attach a list of contractors indicating the name of the organization, the purpose of the contract, and the estimated dollar amount. If the name of the contractor, scope of work, and estimated costs are not available or have not been negotiated, indicate when this information will be available. Whenever the applicant/grantee intends to delegate a substantial part (one-third, or more) of the project work to another agency, the applicant/grantee must provide a completed copy of Section B, Budget Categories for each contractor, along with supporting information.

Line 6g - Construction: Leave blank since new construction is not allowable and federal funds are rarely used for either renovation or repair.

Line 6h - Other: Enter the total of all other costs. Such costs, where applicable, may include, but are not limited to: insurance, medical and dental costs; noncontractual fees and travel paid directly to individual consultants; local transportation (all travel which does not require per diem is considered local travel); space and equipment rentals; printing and publication; computer use; training and staff development costs. If a cost does not clearly fit under another category, and it qualifies as an allowable cost, then rest assured this is where it belongs.

Line 6i - Total Direct Charges: Show the totals of Lines 6a through 6h.

Line 6j - Indirect Charges: Enter the total amount of indirect charges (costs), if any. If no indirect costs are requested, enter "none." Indirect charges may be requested if: (1) the applicant has a current indirect cost rate agreement approved by the Department of Health and Human Services or another federal agency; or (2) the applicant is a state or local government agency. Applicants other than state and local governments are requested to enclose a copy of this agreement. Local and state governments should enter the amount of indirect costs determined in accordance with DHHS requirements. When an indirect cost rate is requested, these costs are included in the indirect cost pool and should not be also charged as direct costs to the project.

Line 6k - Total: Enter the total amounts of Lines 6i and 6j.

Line 7 - Program Income/Third Party In-kind: Include on line 7 any third party in-kind contributions being proposed as part of the grantee match. Also, as appropriate, estimate the amount of income, if any, expected to be generated from this project which you wish to designate as match (equal to the amount shown for Item 15(f) on Form 424). **Note:** Any program income indicated at the bottom of Section B and for item 15(f) on the face sheet of Form 424 will be included as part of non-Federal match and will be subject to the rules for documenting completion of this pledge. If program income is expected, but is not needed to achieve matching funds, do **not** include that portion here or on Item 15(f) of the Form 424 face sheet. Any anticipated program income that will not be applied as grantee match should be described in the Level of Effort section of the Program Narrative.

Section C - Non-Federal Resources

Line 12 - Totals: Enter amounts of non-Federal resources that will be used in carrying out the proposed project. Do not include program income unless it is used to meet match requirements.

Section D - Forecasted Cash Needs: Not applicable.

Section E - Budget Estimate of Federal Funds Needed for Balance of the Project. Complete this section since the total project period encompasses three funding periods.

Line 20 - Totals: Enter the estimated required federal funds (exclude estimates of the amount of cost sharing) for the period covering months 13 through 24 under column "(b) First," and for the period covering months 25 through 36 under column "(c) Second."

Section F - Other Budget Information

Line 21 - Direct Charges: Not applicable

Line 22 - Indirect Charges: Enter the type of indirect rate (provisional, predetermined, final or fixed) to be in effect during the funding period, the base to which the rate is applied, and the total indirect costs.

Line 23 - Remarks: Provide any other comments deemed necessary.

3. SF 424B - Assurances

SF 424B, Assurances--Non-Construction Programs, contains assurances required of applicants under the Title IV Program of the Administration on Aging. Please note that a duly authorized representative of the applicant organization must certify that the applicant is in compliance with these assurances.

4. Certification Forms

Certifications are required of the applicant regarding (a) lobbying; (b) debarment, suspension, and other responsibility matters; and (3) drug-free workplace requirements. Please note that a duly authorized representative of the applicant organization must attest to the applicant's compliance with these certifications.

5. Project Summary Description

The project summary description (page one) begins the substantive part of the application. It should be headed by two identifiers: (1) the name of the applicant organization as shown in SF 424, item 5; and (2) "Senior Medicare Error Patrol" Projects. Please limit the summary description to one page.

Outline the objectives of the proposed project, the approaches to be used and the outcomes expected. At the end of the summary, list major products that will result from the proposed project (such as manuals, data collection instruments, training packages, audio-visuals, software packages). The project summary description, together with the information on the SF 424, becomes the project "abstract" which is entered into the AoA computer data base. The project description provides the reviewer with an introduction to the substantive parts of the application. Therefore, care should be taken to produce a summary that accurately and concisely reflects the proposal.

6. Program Narrative

The Program Narrative is the critical part of the application. It should be clear, concise, and, of course, responsive to this program announcement. In describing your proposed project, make certain that you respond fully to the evaluation criteria set forth in Section F above. The organization of the narrative might well, in fact, parallel the criteria, beginning with an integrated discussion of (A) the project's purpose(s), relevance, significance, and responsiveness to the program announcement, which answers the questions of why the proposed project should be undertaken and what it intends to accomplish. The next section of the narrative provides a detailed explanation of (B) the approach(es) the project will follow to achieve its purpose(s), leading to a discussion of (C) the operational strategies and outcomes/results/benefits of the proposed project and how these will be disseminated and utilized. The narrative concludes with (D) the level of effort needed to carry out the project, in terms of the Project Director and other key staff, funding, and other resources.

Please have the narrative typed, double-spaced, on one side of 8 1/2" x 11" plain white paper with 1" margins on both sides. All pages of the narrative (including charts, tables, etc.) should be sequentially numbered, beginning with "Objectives and Need for Assistance" as page number two (2). At the close of the project narrative, please identify the author(s) of the proposal, their relationship with the applicant, and the role they will play, if any, should the project be funded.

7. Organizational Capability Statement and Vitae for Key Project Personnel

The organizational capability statement should describe how the applicant agency (or the particular division of a larger agency which will have responsibility for this project) is organized, the nature and scope of its work and/or the capabilities it possesses. This description should cover capabilities of the applicant not included in the program narrative, such as any current or previous relevant experience and/or the record of the project team in preparing cogent and useful reports, publications, and other products. If appropriate, include an organization chart showing the relationship of the project to the current organization. Include short vitae for key project staff only.

8. Letters of Commitment From Participating Organizations and Agencies

Include confirmation of the commitments to the project (should it be funded) made by collaborating organizations and agencies in this part of the application.

K. Checklist for a Complete Application

The checklist below should be typed on 8 1/2" x 11" plain white paper, completed and included in your application package. It should help in making sure you have not overlooked anything of importance.

CHECKLIST

I have checked my application package to ensure that it includes or is in accord with the following:

__ One original application plus two copies, with the SF 424 as the first page of each copy of the application;
__ SF 424; SF 424A - Budget Information (and accompanying Budget Justification); SF 424B - Assurances; and Certifications;
__ SF 424 has been completed according to the instructions, signed and dated by an authorized official (item 18);
__ As necessary, a copy of the current indirect cost rate agreement approved by the Department of Health and Human Services or another federal agency;
__ Proof of nonprofit status, as necessary;
__ Summary description;
__ Program narrative;
__ Organizational capability statement and vitae for key personnel;
__ Letters of commitment and cooperation, as appropriate.

L. Points to Remember

1. A thirty (30) page double-spaced limitation is strongly recommended for the substantive parts of the application. Before submitting your application, check that you have adhered to this recommendation as spelled out in Section D.

2. You are required to send an original and two copies of an application.

3. The summary description (1,200 characters or less) should accurately reflect the nature and scope of the proposed project.

4. To meet the cost sharing requirement (see Section C above), you must, at a minimum, match $1 for every $3 requested in federal funding to reach 25% of the total project cost. For example, if your request for federal funds is $180,000, then the required minimum match or cost sharing is $60,000. The total project cost is $240,000, of which your $60,000 share is 25%.

5. Be sure you are satisfied that your program narrative responds fully and cogently to the four (4) evaluative criteria that will be used by reviewers to evaluate and score all applications.

6. Do not include letters that endorse the project in general and perfunctory terms. In contrast, letters that describe and verify tangible commitments to the project, e.g., funds, staff, space, should be included.

7. Before submitting the application, have someone other than the author(s):

1) Apply the screening requirements to make sure you are in compliance; and 2) carry out a trial run review based upon the evaluative criteria. Take the opportunity to consider the results of the trial run and then make whatever changes you deem appropriate.

The application must be:

a) transmitted electronically to http://www.aoa.gov/egrants/;
b) postmarked by midnight, 45 days after notification in the Federal Register, or
c) hand-delivered by 5:30 p.m. Eastern Time on May 3, 2002 to:

Department of Health and Human Services
Administration on Aging
Office of Administration and Management
330 Independence Avenue, SW., Room 4257
Washington, D.C. 20201
Attn: AoA-02-03