

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Medicaid Program: Real Choice Systems Change Grants

2004 Solicitation Package

CFDA No 93.779

Dates:

Information regarding the time and call-in number for an open applicant's teleconference is available on the CMS Web site at www.cms.hhs.gov/newfreedom.

Voluntary Notices of Intent to Apply for a grant are due by **June 8, 2004**.

Grant applications are due by **July 17, 2004**. All grant awards will be made prior to September 30, 2004. All grants awarded under this funding opportunity will have a budget period of 36 months and a start date of no later than October 1, 2004.

This information collection requirement is subject to the Paperwork Reduction Act; however, the burden for this collection requirement is currently approved under OMB control number 0938-0836 entitled "Real Choice Systems Grants; Nursing Facility Transition/Access Housing Grants; Community Personal Assistance Service and Supports Grants, National Technical Assistance and Learning Collaborative Grants to Support Systems Change for Community Living" with a current expiration date of 1/31/2007.

Table of Contents

Executive Summary	4
I. Funding Opportunity Description	
Purpose	5
Background.....	6
Overview of Funding Priorities	7
Description of Grant Opportunities	7
Quality Assurance & Quality Improvement in Home and Community Based Services	8
Integrating Long Term Supports with Affordable Housing	11
Portals from Early Periodic Screening, Diagnosis, and Treatment to Adult Supports....	14
Comprehensive Systems Reform Effort	15
Mental Health: Systems Transformation.....	18
Rebalancing Initiative.....	20
Living with Independence, Equality and Freedom Account Feasibility and Demonstration	22
Family-to-Family Health Care Information and Education Centers	25
National State-to-State Technical Assistance Program for Community Living	27
II. Award Information	
Funding Available	31
Table of Real Choice Systems Change Grants—FY 2004	32
III. Eligibility Information	
Eligible Applicants	34
Cost Sharing or Matching.....	34
Eligibility Threshold Criteria.....	35
IV. Application and Submission Information	
Address to Request Application Package	37
Content and Form of Application Submission	37
Submission Dates and Times	41
Intergovernmental Review.....	42
Funding Restrictions	42
Other Submission Requirements	42

V. Application Review Information

Criteria45

 Quality Assurance & Quality Improvement in Home and
 Community Based Services46

 Integrating Long Term Supports with Affordable Housing49

 Portals from Early Periodic Screening, Diagnosis, and Treatment to Adult Supports....52

 Comprehensive Systems Reform Effort55

 Mental Health: Systems Transformation.....58

 Rebalancing Initiative.....59

 Living with Independence, Equality and Freedom Account Feasibility
 and Demonstration62

 Family-to-Family Health Care Information and Education Centers65

 National State-to-State Technical Assistance Program for Community Living68

Review and Selection Process71

VI. Award Administration Information

Award Notices72

Administrative and National Policy Requirements72

Reporting73

VII. Agency Contacts.....74

VIII. Other Information

Attachment 1: Notice of Intent to Apply76

Attachment 2: Work Plan77

Attachment 3: Prohibited Use of Grant Funds79

Attachment 4: Definitions.....80

Executive Summary

In fiscal year (FY) 2004, Congress appropriated approximately \$40 million in funding for a new round of Real Choice Systems Change Grants. With this solicitation, the Centers for Medicare & Medicaid Services (CMS) invites proposals for grants totaling approximately \$31 million of these funds.

States and others, in partnership with their disability and aging communities, may submit proposals aimed at building infrastructure that will result in effective and enduring improvements in community long-term support systems. These systemic changes are designed to enable children and adults of any age who have a disability or long-term illness to:

- Live in the most integrated community setting appropriate to their individual support requirements and preferences;
- Exercise meaningful choices about their living environment, the providers of services they receive, the types of supports they use, and the manner by which services are provided; and
- Obtain quality services in a manner as consistent as possible with their community living preferences and priorities.

The nine grant opportunities that comprise this round of Real Choice Systems Change Grants are the subject of this solicitation are:

1. Quality Assurance & Quality Improvement in Home and Community Based Services (HCBS)
2. Integrating Long Term Supports with Affordable Housing
3. Portals from Early Periodic Screening, Diagnosis, and Treatment (EPSDT) to Adult Supports
4. Comprehensive Systems Reform Effort
5. Mental Health: Systems Transformation
6. Rebalancing Initiative
7. Living with Independence, Freedom, and Equality (LIFE) Account Feasibility and Demonstration
8. Family-to-Family Health Care Information and Education Centers
9. National State-to-State Technical Assistance Program for Community Living

Grant applications are due on **July 17, 2004**. All grant awards will be made prior to September 30, 2004. Grantees will have up to 36 months to expend these funds. Grantees are required to make a non-financial contribution of five percent (5 percent) of the total grant award (including all direct and indirect costs). Non-financial contributions may include the value of goods and/or services contributed by the Grantee (i.e., salary and fringe benefits of staff devoting a percentage of their time to the grant not otherwise included in their budget or derived from Federal funds).

For more details and news about events relevant to these grant opportunities, please periodically consult our Web site at <http://www.cms.hhs.gov/newfreedom>.

I. Funding Opportunity Description

A. Purpose

This solicitation discusses the availability funding from the Centers for Medicare & Medicaid Services (CMS) for Real Choice Systems Change Grants for FY 2004. The Conference Report accompanying the Consolidated Appropriations Act, 2004 (Pub. L. 108-199) contained language expressing an intent to fund Real Choice Systems Change Grants \$40 million. Congress also passed an across-the-board rescission of .59 percent and a second rescission of .6864 percent which would reduce the original \$40 million to \$39,491,060. Some of these funds will be used for FY 2004 Aging and Disabilities Resource Centers grants that CMS funds in collaboration with the Administration on Aging (AoA). This solicitation discusses the availability of approximately \$31 million in funding for nine grant opportunities. These grants are authorized by the President’s Executive Order 13217 “Community-Based Alternatives for Individuals with Disabilities” and pursuant to §1110 of the Social Security Act (the Act).

This solicitation for the Real Choice Systems Change Grants is also available at <http://www.cms.hhs.gov/newfreedom/2004solicitation.pdf>. These grants are a part of the President's *New Freedom Initiative* to eliminate barriers to equality and grant a “new freedom” to children and adults of all ages who have a disability or long-term illness so that they may live and prosper in their communities.

The Real Choice Systems Change Grants are designed to assist States and others in building infrastructure that will result in effective and enduring improvements in long-term support systems. These systemic changes are designed to enabled children and adults of any age who have a disability or long-term illness to:

- Live in the most integrated community setting appropriate to their individual support requirements and preferences;
- Exercise meaningful choices about their living environment, the providers of services they receive, the types of supports they use and the manner by which services are provided; and
- Obtain quality services in a manner as consistent as possible with their community living preferences and priorities.

Nine grant opportunities comprise this round of Real Choice Systems Change Grants for FY 2004:

1. Quality Assurance & Quality Improvement in Home and Community Based Services (HCBS)
2. Integrating Long Term Supports with Affordable Housing
3. Portals from Early Periodic Screening, Diagnosis, and Treatment (EPSDT) to Adult Supports
4. Comprehensive Systems Reform Effort
5. Mental Health: Systems Transformation
6. Rebalancing Initiative

7. Living with Independence, Freedom, and Equality (LIFE) Account Feasibility and Demonstration
8. Family-to-Family Health Care Information and Education Centers
9. National State-to-State Technical Assistance Program for Community Living

For more details about events relevant to these grant opportunities, please periodically consult our Web site at <http://www.cms.hhs.gov/newfreedom>.

B. Background

In 1990, Congress enacted the Americans with Disabilities Act (ADA) (Pub. L. 101-336). The ADA recognized that “society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem” (42 U.S.C. §12101(a)(2)). The ADA gave legal expression to the desires and rights of Americans to lead lives as valued members of their own communities despite the presence of disability.

Fulfillment of the 1990 ADA has been the subject of further State and Federal leadership through the President’s *New Freedom Initiative*. In February 2001, President George W. Bush announced this broad new initiative to “tear down barriers to equality” and grant a “new freedom” to children and adults of any age who have a disability or long-term illness so that they may live and prosper in their communities. For more information on CMS activities related to the President’s *New Freedom Initiative*, visit <http://www.cms.hhs.gov/newfreedom>.

Over the past few years, a consensus for assertive new steps to improve the capacity of our long-term support systems to respond to the desires of our citizenry has been building. Federal, State and local governments have begun to take actions to renew and reaffirm a commitment to improving the systems that will support people of any age with a disability or long-term illness that wish to live in their communities.

Congress recognized that States face formidable challenges in their efforts to fulfill their legal responsibilities under the ADA. In fiscal years 2001, 2002, and 2003 the Congress appropriated funds for Real Choice Systems Change Grants, specifically to improve community-integrated services and CMS awarded grants totaling approximately \$158 million to 49 States, the District of Columbia, and two territories. With this support, States are continuing to address issues such as personal assistance services, direct service worker shortages, transitions from institutions to the community, respite service for caregivers and family members, and better transportation options. CMS has an ambitious national technical assistance strategy to support States’ efforts to improve community-based service systems and enhance employment supports. CMS is also helping States assist each other by posting a repository of “Promising Practices” on its Web site at <http://www.cms.hhs.gov/promisingpractices> and by supporting the dissemination of technical assistance materials at <http://www.hcbs.org>.

C. Overview of Funding Priorities

Real Choice Systems Change Grants are authorized under §1110 of the Act. Section 1110 (a)(1)(A) of the Act authorizes CMS to make “grants to States and public and other organizations and agencies for paying part of the cost of research or demonstration projects such as those . . . which will help improve the administration and effectiveness of programs carried on or assisted under the Social Security Act and programs related thereto. . .” CMS has structured its efforts under §1110 into eight themes. The Real Choice Systems Change Grants are part of CMS's Research and Demonstration efforts under “Theme 5: Strengthening Medicaid, State Children's Health Insurance Program, and State Programs.” This effort includes research on ways to improve access to and delivery of health care to persons served by Medicaid.

The Real Choice Systems Change Grants described in this solicitation represent a further expression of support for States' efforts to provide additional or improved services and supports for community living. These grants support the President's *New Freedom Initiative*, States' efforts to fulfill the requirements of the ADA, and the long-standing desire of people of any age who have a disability or long-term illness to live and participate in their communities with dignity and value.

There are nine different grant opportunities that comprise this year's Real Choice Systems Change Grants solicitation. Some of these grants are intended to assist States in assessing and exploring how to best address problems in specific topic areas such as integrating long-term supports with accessible, affordable housing or enhancing their quality management systems. Other grants are intended as catalysts for the development of specific home and community-based waivers or for the development of quality assurance and quality improvement systems within existing home and community-based waivers. Still other grants build on previous grant opportunities by enabling States to address comprehensive systems reform efforts.

D. Description of Grant Opportunities

This section fully describes the programmatic requirements for each of the funding opportunities under the Real Choice Systems Change Grants for FY 2004. In preparing applications, applicants are strongly encouraged to review the evaluation criteria detailed in the “Application Review Information” section of this solicitation. Complete applications must be submitted in the order detailed in the “Application and Submission Information” section of this solicitation.

1. QUALITY ASSURANCE & QUALITY IMPROVEMENT SYSTEMS IN HCBS

Purpose

The purpose of the Quality Assurance & Quality Improvement Systems in HCBS grants are to assist States to: (a) fulfill their commitment to ensure the health and welfare of individuals who participate in the State's home and community-based waivers under §1915(c) of the Act; (b) develop effective methods to meet statutory requirements and CMS expectations by the use of ongoing quality management strategies; and (c) develop methods to involve program participants and community members in active roles in the State quality management activities.

Background

People of all ages who have a disability or long-term illness generally express the desire to live in their home and community. To do so successfully, they must have ready access to community based services and supports. Federal and State initiatives have increased the availability of community services to individuals with a disability or long-term illness and have created a valued alternative to institutional care. This expansion of service alternatives has been accompanied by the introduction of consumer control and self-direction in the service system that provides individuals receiving services with increased personal control over the services they receive.

The continued expansion of services that reach more consumers while expanding consumer control presents States with a significant challenge: ensuring the quality of services while respecting personal autonomy, privacy, and choice of individuals. An inspection-based model of quality assurance is not an optimal model for community-based service systems. Therefore, States must develop new approaches to ensuring quality in HCBS services that are appropriate for services provided to individuals in their home or other community settings.

As part of its application to operate a HCBS waiver program, each State must make a commitment to CMS to ensure the health and welfare of persons enrolled in the program. This is fundamentally different from State obligations in other programs. Ensuring the health and welfare of the person is a higher standard than the obligation to ensure the quality of each service. For example, agencies providing State Plan services may terminate services to an individual if they do not have the staff with the necessary skills to assure quality, leaving individuals inadequately served. In the HCBS waiver program, the State must ensure that the person receives the services arranged for. This commitment is consistent with the concept of person-centered services that underlie the HCBS waiver program.

Therefore, States must develop a system of supports and services that begins with building quality into the design of program operations, includes a quality management strategy that involves multiple real-time methods of feedback and information gathering, involves participants and community members in active roles, and makes effective use of quality management processes to guide systems improvement.

Who May Apply

States that received a Quality Assurance and Quality Improvement in Home and Community-Based Services grant in FY 2003 (i.e., California, Colorado, Connecticut, Delaware, Georgia, Indiana, Maine, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and Wisconsin) are not eligible for a Quality Assurance & Quality Improvement in HCBS award in FY 2004. This grant opportunity is open to any other State.

Key Issues or Principles of the Grant Opportunity

CMS invites proposals from States to develop, improve, or expand a comprehensive strategy for Quality Management (QM) in HCBS services. The full development and implementation of a strategy for QM is incremental and therefore requires time. An overall design for the QM Strategy Document, while it may evolve over time, provides a road map for States and their stakeholders to guide their work and measure progress.

The QM Strategy Document should evidence consideration of the roles and responsibilities of various individuals and entities including the Medicaid agency, sub-State managing entities, participants and families, advocacy groups, providers, and external independent entities. The description should describe existing and/or proposed information technology systems used to support program and quality management activities, mechanisms for immediate intervention in cases of immediate jeopardy, methods of determining improvement projects, and the scope of the QM Strategy.

All projects funded under this grant opportunity must utilize the CMS *HCBS Quality Framework*. The *HCBS Quality Framework* consists of seven focus areas that merit attention in HCBS programs and four functions (design, discovery, remediation, and systems improvement) that are important in any quality assurance system. Applications must evidence direct consumer involvement in proposed discovery processes. Additional information about the *HCBS Quality Framework* and CMS efforts with States to improve quality in HCBS services is available on our Web site at <http://cms.hhs.gov/medicaid/waivers/82902ltr.pdf>.

Each proposal must also include a description of the specific components or mechanisms that will be developed and implemented in order to enable the State to conduct discovery, remediation, and improvement activities. Examples include incident management tracking systems, participant interview strategies, service plan and delivery tracking and analysis, risk management programs, medication utilization tracking and analysis, and special focus studies.

Those States that have a comprehensive strategy for QM that incorporates the *HCBS Quality Framework* may propose a project to improve their QM program or to expand the scope of their QM system to multiple HCBS programs. Proposals to develop a QM Strategy Document must indicate clear timelines for the implementation of its components. For example, the QM Strategy Document would indicate when specific mechanisms for discovery, remediation, and improvement would be implemented.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design, implementation, and evaluation activities. A maximum of ten percent (10%) of grant funds may be used for direct services that support the involvement of participants and family members in grant activities (e.g., transportation, translation, personal care assistance, and respite to allow family caregivers to participate in the QM activities).

Required Activities

All applicants must: (a) utilize the *HCBS Quality Framework* in the design of its QM Strategy Document; (b) describe of specific methods for involving consumers and families in the project activities and include direct consumer involvement in proposed discovery processes; (c) describe a proposed process and timeline for the development or refinement of specific mechanisms or components to conduct discovery, remediation and improvement activities; (d) provide specific plans for the collection, analysis and use of information to improve the quality of the HCBS program; and (e) establish an ongoing Quality Management committee.

States are encouraged to consider utilizing a CMS-developed Consumer Experience Survey that is available on our Web site at <http://www.cms.hhs.gov/medicaid/waivers/consexpsurvey.asp>.

Required Outcomes or Products

A required product of this grant opportunity is a QM Strategy Document for HCBS services that addresses quality issues in each of the seven focus areas of the *HCBS Quality Framework*. The applicant must also provide a description of the measurable outcomes and any other products of the project.

In addition, applicants may identify other products which might include, but are not limited to, reports on findings and planned improvement activities; designs of information technology systems to support program and quality management activities; a program for public reporting of quality information to guide consumer decision-making; or strategies to increase QM skills among the individuals administering the strategy for QM in the operating agency, the Single State Medicaid agency, or sub-State entities.

2. INTEGRATING LONG TERM SUPPORTS WITH AFFORDABLE HOUSING

Purpose

The purpose of the Integrating Long Term Supports with Affordable Housing grant is to remove barriers that prevent Medicaid-eligible individuals with disabilities of all ages from residing in the community or in the housing arrangement of their choice. A major barrier to community living for these individuals is limited access to affordable, accessible, and quality housing that incorporates long-term supports. This grant will assist States to create the infrastructure to increase the access to and the capacity of affordable and accessible housing, and to coordinate with supports funded through State Plan services, waiver services, or other service agencies. It is not the intent of this grant opportunity to fund a nursing home transition initiative, nor is it intended as a vehicle for Medicaid to pay for housing costs, except for expenses associated with the transition of individuals from institutions, as detailed in the “Key Issues or Principles of the Grant Opportunity” section of this grant opportunity.

Background

The CMS Integrating Long Term Supports with Affordable Housing grant reflects the values of individual choice, independence, and community living inherent in the President’s *New Freedom Initiative*. Critical to providing choice and having individuals with disabilities live a full, healthy life in the community is the availability of long-term supports and affordable and accessible housing. For these individuals, lack of access to either supports or affordable and accessible housing precipitates an at-risk living situation for unnecessary admissions to institutions, decline in physical and mental health, and an overall decrease in the quality of one’s life. This initiative is aimed at breaking down the common barriers to accessing affordable and accessible housing with long-term supports, and building instead an infrastructure that promotes community living and wellness.

Who May Apply

This solicitation is open to any State agency that provides supportive services to individuals with disabilities, including seniors who require supports, which include the State Medicaid, aging, mental health, and mental retardation/developmental disabilities agencies. Partnerships among the State Medicaid agency, State service organizations, and housing agencies is a required component of this grant (and coordination with the State Medicaid agency is essential). Housing organizations include the State housing agencies, public housing authorities, and/or other Federal, state or local housing entities.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals from States to improve access to affordable and accessible housing that is coordinated with long-term supports. The housing may be integrated or “single-purpose” (e.g., housing that targets a particular population) and may be a rental unit or a privately owned home. Improving access to affordable housing with long-term supports must be achieved by working to bring together both the long-term support and housing sectors simultaneously. Applicants must list all housing types (i.e., public housing, scattered-site rental units, etc.) in which the project will be implemented. Improving access to affordable housing with long-term supports can be achieved either within a State’s existing housing capacity or in conjunction with expanding housing capacity through (a) increased set-aside vouchers for individuals with disabilities of any

age; and (b) new or retrofitted construction of affordable and accessible housing. Examples of exemplary models of partnerships between public housing and support services can be found at: <http://www.hud.gov/offices/pih/pihcc/innovationmodels.cfm>.

Applicants must already have in place, or plan to develop, dedicated position(s) to coordinate access and/or create capacity to affordable and accessible housing and long-term supports (e.g., public and private resource development and relationship building among housing agencies and long-term support providers.) The dedicated position(s) may be titled “Housing Support Coordinators” or other titles as determined by the State. The “Housing Support Coordinators” for individuals with disabilities could work in a single-point-of-entry system, housing agency, Single State Medicaid agency, or other State organization to create a seamless system.

In addition to improving capacity and access to housing that is coordinated with long-term supports, applicants are strongly encouraged to incorporate one of the following three components:

- Develop a model for public housing with services that permits elderly residents to age-in-place and avoid or delay institutionalization. Applicants that incorporate this component into their proposal should clearly indicate how long-term support services will be accessed and coordinated for seniors and must identify if the public housing facilities in which the project will be operated are:
 1. Public housing as defined in 24 CFR 5, Subpart A, Subsection 5.100;
 2. Housing that is elderly-designated or non-designated elderly; and/or
 3. In buildings that have retrofitted, or are using existing HUD funding for retrofitting (i.e., modernization) or reconfiguration, of common area spaces and/or common facilities (e.g., communal kitchen, primary care clinic, congregate meal space, day program, etc.).
- Encourage the development of a new or amended §1915(c) waiver or §1115 demonstration program that provides the long-term supports necessary to enable persons to live in the community, including accessing services that assist in the homeownership process (e.g., home assessment and modifications, budget preparation, accessing lenders and realtors, and coordination with services offered by other organizations, such as housing counseling entities.)
- Develop the State’s infrastructure to transition individuals from institutional settings to affordable housing in the community. Applicants are encouraged to review the May 9, 2002, and July 14, 2003, State Medicaid Directors letters that address transition issues, available at <http://www.cms.hhs.gov/States/letters>.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design, implementation, and evaluation. The “Housing Support Coordinators” or other similarly titled positions are considered an administrative expense. A maximum of ten percent (10 percent) of the grant funds may be used for direct services.

Required Activities

Required grant activities include (a) meaningfully involving consumers, stakeholders, and public-private partnerships in planning, implementation, and evaluation activities; (b) negotiating letters of agreement or memorandums of understanding that substantiate the partnership between the long-term support and housing sectors; (c) outlining in detail how the coordinated efforts will be maximized between the Single State Medicaid Agency, housing entities, other service agencies, and the Medicaid-eligible consumer in need of housing with long-term care supports; (d) utilizing dedicated administrative positions to improve access to, coordination of, and capacity of affordable and accessible housing with services; (d) setting efficiency and effectiveness goals and indicators (e.g., diversion of people to more appropriate, less costly forms of support); and (e) working with the CMS designated technical assistance entity in carrying out the activities of the proposal.

Required Outcomes or Products

The applicant must provide a description of the measurable outcomes and products of the project, which should include: (a) qualitative and quantitative measures of improved access to accessible and affordable housing and long-term care supports and/or increased capacity of affordable and accessible housing coordinated with long-term supports; (b) evidence of infrastructure changes at the State and/or local levels that improve access to and coordination of housing and long-term support; (c) efficiency and effectiveness goals and indicators (e.g., diversion of people to more appropriate, less costly forms of support; and (d) methods for sustainability (e.g., new positions that with fiscal justification can be supported over the long-term, co-location of housing staff within single-point-of-entry sites, attainment of enduring knowledge).

Other outcomes and products *may* include: (a) the creation of affordable and accessible housing registries to track available rental units for persons with disabilities; (b) co-location of housing and long-term care support staff as part of the single-point-of-entry systems; and (c) training and other educational activities that empower people with disabilities, housing officials, State Medicaid staff, other service professional, and developers to produce new or expanded options for accessible affordable housing that is coordinated with long-term supports.

3. PORTALS FROM EPSDT TO ADULT SUPPORTS

Purpose

The purpose of the Portals from EPSDT to Adult Supports grant opportunity is to assist States in addressing the needs of children with disabilities who receive community health services through EPDST and who are re-determined to be eligible for SSI/Medicaid at age 21 (or younger at the discretion of the State). CMS will assist States in (a) developing and implementing a State Plan amendment, (b) developing a waiver or demonstration application to provide new supports to this population and implement enrollment into the waiver or demonstration, or (c) developing a waiver amendment application to expand either services or slots in the State's existing targeted disability waiver(s). These projects must include evidence of coordination with pertinent transition resources that are provided through the Social Security Administration (SSA), Department of Labor (DOL), or the Office of Special Education and Rehabilitation Services (OSERS).

Who May Apply

This grant opportunity is open to any State.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals from States to improve access to State Plan or waiver services for children who receive Medicaid supports through EPSDT and who are determined eligible for SSI/Medicaid at age 21 (or younger at the discretion of the State). Proposals must include evidence of coordination with pertinent transition resources that are provided through SSA, DOL, or OSERS.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design and implementation activities. No grant funds may be used for direct services under this grant program. Grant funds may not be used to finance current activities.

Required Activities

Projects funded under this grant opportunity must (a) meaningfully involve consumers and stakeholders, (b) include evidence of coordination with pertinent transition resources funded through SSA, DOL, OSERS, (c) clearly identify the needs of the target population and supports to be provided, (d) develop an implementation plan that addresses outreach activities, and (e) coordinate efforts with the Single State Medicaid Agency.

Required Outcomes or Products

The applicant must provide a general description of the major measurable outcomes and products of the project. Grantees are also required to produce an implementation plan and one of the following other products: a waiver amendment, waiver application, or State Plan Amendment.

4. COMPREHENSIVE SYSTEMS REFORM EFFORT

Purpose

The purpose of this initiative is to assist States to decrease their reliance on institutional services and increase the level of supports that are controlled by the individuals that receive them by supporting a comprehensive planning, designing, and implementation effort to reform their long-term care systems. This grant opportunity is distinguished from the Rebalancing Initiative grant opportunity (also available under this solicitation) in that it is intended to assist States in developing a comprehensive reform plan rather than a targeted rebalancing plan.

Who May Apply

This grant opportunity is open to any State.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals from States to develop and implement a comprehensive reform plan that includes all of the following components:

1. A coordinated planning and systems management effort that involves key stakeholders including State agencies responsible for program oversight, individuals with disabilities and their advocates, and providers of services;
2. Improvements in how individuals access long-term supports, including interventions that (a) target pathways to institutional supports to ensure that those pathways may also lead to community-based supports, (b) speed up the eligibility determination process, and (c) facilitate the ability to make informed choices;
3. Efforts to remove barriers within State budgets that prevent funds from moving from allocations earmarked for institutional supports to home and community based supports;
4. Efforts to alter how institutional and home and community based services are financed to remove barriers to individuals with disabilities or long-term illnesses remaining in the community and increase the level of control held by them and their families;
5. Efforts to ensure that services are available that match the needs and preferences of the individuals that receive them, including efforts to improve supply (e.g., workforce development) or practices (e.g., training); and
6. Building quality management systems that reflect the desire of individuals to direct their own services.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design and implementation activities. No grant funds may be used for direct services under this grant program. Grant funds may not be used to finance current activities.

Required Activities

Projects funded under this grant opportunity must (a) meaningfully involve consumers and stakeholders in the planning process, (b) work closely with the identified CMS technical assistance provider to achieve the success of the proposed project, (c) undertake a comprehensive, system-wide reform planning process, and (d) achieve established milestones in its comprehensive, system-wide reform planning process.

Required Outcomes or Products

Grantees are required to produce a comprehensive reform plan and an implementation plan by the end of the grant period. Applicants must specify milestones for addressing every bulleted component of the planning process described below:

- **Coordinated Planning and Systems Management**
Description of mechanism(s) for ensuring key stakeholder involvement
Steps to ensure the development of a comprehensive system-wide reform plan
Steps to ensure the development of a system-wide implementation/management plan
- **Access**
Identification of intervention(s) that target pathways to institutions
Medicaid long-term care level of care determination process
Identification of mechanism(s) to speed up eligibility process
Identification of mechanism(s) to facilitate informed-decision making
- **Finance: State Budgeting**
Identification of mechanism(s) to allow funds to flow from intuitional to HCBS budgets
- **Finance: Services and supports for individuals**
Identification of effort(s) to restructure payment methodologies for HCBS to better reflect the needs and preferences of individuals with disabilities
Steps to ensure that institutional reimbursement methodologies do not include barriers to development of HCBS
- **Type and Supply of Services**
Steps to add new or modify existing services and supports that reflect the needs and preferences of individuals with disabilities
Steps to ensure adequate supply of direct care workers
Steps to ensure that training and qualifications of workers reflect needs and preferences of individuals receiving services
- **Quality Management**
Identification of mechanism(s) for assessing the quality of the services and supports provided (e.g., surveys, compilation of assessment and tracking information from case managers, etc.)
Identification of mechanism(s) for incorporating monitoring findings into program improvements
- **Evaluation Plan**—applicants must submit an evaluation plan that includes the following:
Process evaluation—assessment of how well the applicant is meeting each of its milestones
Impact evaluation—the applicant must identify at least three outcome measures of the success of the program. Examples of acceptable outcome measures include the ratio of HCBS/Institutional recipients and/or expenditures, portion or individuals directing

their own services, growth rate of overall expenditures on long-term supports, and satisfaction/feelings of control among individuals receiving supports.

5. MENTAL HEALTH: SYSTEMS TRANSFORMATION

Purpose

The purpose of the Mental Health: Systems Transformation grant opportunity is to provide funding to improve the ability of States to offer evidence-based and recovery-oriented services to consumers with mental illnesses with support of the Medicaid system. In July 2003, the President's New Freedom Commission on Mental Health finished its work and published its final report: *Achieving the Promise: Transforming Mental Health Care in America*. This grant opportunity will assist States to address recommendations made in this report to further align their mental health system with recovery orientation of mental health practice.

Who May Apply

This grant opportunity is open to any State. The Single State Medicaid Agency and the State Mental Health Authority must both endorse a State's grant application. Either the Medicaid Agency or the Mental Health Authority may serve as the project lead.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals that increase States' capacity to deliver evidence-based and recovery-oriented services to Medicaid consumers with mental health needs. Grant funds may not be used to pay for direct services. Rather, this funding opportunity is offered to assist States better align their Medicaid and mental health systems to collaborate with each other and with other stakeholders. CMS has acknowledged support for six evidence-based practices including:

- Medication management,
- Assertive Community Treatment (ACT),
- Supported employment,
- Family psycho-education,
- Illness management and recovery, and
- Integrated mental health and substance abuse treatment.

Other recovery orientations supported by Medicaid include peer supports, self-direction, and other consumer-owned and operated services and supports. States may use grant funding to develop relationships, training, research, and infrastructure necessary to offer evidence-based and recovery-oriented services. This includes, but is not limited to, the development of interagency agreements bringing together mental health, vocational rehabilitation, public health and/or Medicaid in a more supportive way, the development of a new policy or waiver, or the design and implementation of a change to the service delivery system.

As examples, a State could use grant funding to develop a training and credentialing program for peer providers or to develop an §1115 demonstration to replace day treatment services offered through the rehabilitation option with a self-directed employment support programs. States could use funds to develop the infrastructure necessary for consumers to own and operate service and support organizations. Additionally, States can use grant funding to create the infrastructure necessary to incorporate one or more of the evidence based-practices listed above into Medicaid State Plan and waiver services. States wanting more guidance on the evidence-based practices and Medicaid reimbursement should consult recent State Medicaid Directors' letters available on

the Web site at <http://cms.hhs.gov/States/letters>. Applicants are reminded that not all components of evidence-based or recovery-oriented services are reimbursable through Medicaid.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used to develop infrastructure necessary to deliver recovery-oriented and evidence-based mental health services. Grant funds may also be used to design §1115 demonstrations or State Plan services that incorporate the provision of recovery-oriented or evidence-based services. Grant funds may not be used to pay the State share of any direct service costs.

Required Activities

States receiving grant funds must actively involve consumers in the design, implementation, and evaluation of these projects. This should be far more substantial than the inclusion of letters of support from consumer groups. Many of the evidence-based and recovery-oriented services involve consumer participation. Proposals will be evaluated based on the extent to which they convincingly demonstrate likelihood of extensive and sustained consumer participation.

Grantees must maintain collaboration between the Medicaid and Mental Health Authority throughout the life of the grant.

Grantees must identify partners appropriate to its project and evidence existing relationships or present a plan for forming the relationships necessary for success. For example, if a grantee proposes to implement the evidence-based practice of supported employment, then the work plan should include the establishment of appropriate partners who would typically provide employment services at the State level.

Required Outcomes or Products

Grantees may propose any infrastructure development, research, training, demonstration development, waiver development or systems change that achieves greater incorporation of evidence-based and recovery-oriented services in the mental health system. Grantees will be evaluated on the work plan that is presented and the significance of the project in achieving overall systems transformation. The outcomes of the project should be very clearly identified and described. The impact of the project on Medicaid and mental health services delivery must be evident.

6. REBALANCING INITIATIVE

Purpose

The purpose of this initiative is to enable States to develop and implement strategies to reform the financing and service designs of State long-term support systems in order to decrease reliance on institutional forms of care and increase the utilization of community-based long-term supports. These rebalancing strategies are likely to include systems for increasing access to HCBS and transitioning individuals out of institutions. This grant opportunity is distinguished from the Comprehensive Systems Reform Effort grant opportunity (also available under this solicitation) in that it is intended to assist States in developing a targeted rebalancing plan rather than a comprehensive reform plan.

Who May Apply

This grant opportunity is open to any State. States that received a Money Follows the Person Rebalancing Initiative grant in FY 2003 (i.e., California, Idaho, Maine, Michigan, Nevada, Pennsylvania, Texas, Washington, and Wisconsin) who apply for a Rebalancing Initiative grant must clearly explain how their proposed activities do not duplicate currently funded CMS activities.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals from States to develop and implement strategies to decrease reliance on institutional service and increase the availability and diversity of community-based supports. A State should select a targeted issue to address with a rebalancing plan (for example, waiting lists for community-based services, services for a particular population to reduce reliance on institutional care, mechanisms to enable money to follow the person to the optimal setting, etc.), but proposals must address all of the following components:

- Access to community-based long-term supports
- Financing of programs and services
- Services that are self-directed and include supports for transition from an institutional to community-based locus of support
- Quality management mechanisms

Applicants are strongly encouraged to consider utilizing, as part of the implementation plan, the Medicaid Statistical Information System (MSIS) to capture enrollment data and to track service utilization. In addition, applicants may select any or all beneficiary groups for this project. It is not the intent of this grant opportunity to fund a nursing home transition initiative.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design and implementation activities. No grant funds may be used for direct services under this grant program. Grant funds may not be used to finance current activities.

Required Activities

Projects funded under this grant opportunity must meaningfully involve consumers, stakeholders and public-private partnerships in planning activities. Grant projects must address all of the following components: (a) increasing access to and availability of community-based long-term

supports, (b) implementing State-level fiscal mechanisms and processes in order to enable individuals to utilize services and supports across settings, (c) developing supports that are self-directed and may be utilized to support transitions to the community from institutional settings, and (d) ensuring quality management practices are incorporated in all rebalancing activities.

Required Outcomes or Products

The applicant must provide a general description of the measurable outcomes and products of the project. The required products for this grant opportunity are a targeted rebalancing plan and an implementation plan.

7. LIFE ACCOUNT FEASIBILITY AND DEMONSTRATION

Purpose

The purpose of the LIFE Account Feasibility and Demonstration grant opportunity is to enable States to conduct studies assessing the feasibility of developing LIFE Account savings programs, CMS is offering this grant opportunity with the understanding that design elements discussed in this grant opportunity are under consideration only at this time. States may examine the feasibility of establishing and maintaining a program of individual savings accounts within which eligible Medicaid participants can build savings without affecting their eligibility or benefit levels for the State's Medicaid, Supplemental Security Income (SSI), Social Security Disability Income (SSDI), or any other Federal assistance program. The LIFE Account savings program is intended to enable people with a disability or chronic condition to become more independent by allowing eligible participants the opportunity to save for needed supports without losing their health coverage.

Background

CMS has been taking steps to enable States to allow beneficiaries greater direction over their community-based supports and increased opportunities for community living. Medicaid currently permits individuals to direct their own long-term supports through the *Independence Plus* initiative. In *Independence Plus* initiatives, State representatives work with individuals who have a disability to assess needs, develop plans of supports, and calculate the cost of such supports. Participating individuals have the opportunity to direct and control their own supports within (a) the bounds of the individualized budget established in agreement with the relevant State agency and (b) an overarching quality assurance system to ensure that essential needs are met.

Within such self-directed programs, individuals who self-direct their own supports might not benefit from the prudent purchasing or service management decisions that they make. Individuals may make cost-effective choices in arranging for services, yet any unspent funds in the individualized budget may be lost to the individual at the end of the year. For example, individuals may spend less for a service by hiring and supervising their own personal assistance workers rather than have such workers provided through a traditional agency, but then fail to make other purchases with that savings by the end of the budget period—losing a valuable benefit of their prudent budget management.

One major barrier to optimal community living that Medicaid beneficiaries face is the inability to build meaningful savings for major purchases that would enhance their quality of life. Adults who self-direct Medicaid, community-based, long-term supports budgets, as well as families who direct such budgets for their Medicaid-eligible children, have expressed the desire to save for major purchases that would enhance the beneficiary's quality of life. Because such savings are a resource that could result in a loss of eligibility for Medicaid health coverage, SSI, SSDI, or other Federal assistance programs, Medicaid beneficiaries are generally not able to build any meaningful savings.

The President has proposed a LIFE Account savings program in his FY 2005 budget. The LIFE Account program is intended to reflect promising practices in self-direction and to remove

barriers to saving for equipment and supports while allowing participants to maintain their health coverage and standard of living. The President's proposal would make changes to programs at the Federal level that would then enable States to design and implement LIFE Account savings programs.

Applicants are cautioned that the information presented here (a) represents LIFE Account design elements that are under consideration only, (b) is offered only to assist States prepare their proposals for this grant opportunity, and (c) may differ from any future, Congressionally-authorized, LIFE Account savings program. Some design elements that are under consideration for the LIFE Account savings program are:

1. The intent of the LIFE Account savings program is to enable participants to maintain their health coverage and standard of living while allowing them to build savings for purchases that will increase their independence and productivity.
2. Only individuals who are Medicaid-eligible, meet the Social Security definition of disability, reside in the community, and self-direct (for children, have a family member direct) all of their Medicaid, community-based, long-term supports will be eligible to establish a LIFE Account.
3. "Medicaid, community-based, long-term supports" means all Medicaid-reimbursable services under any home and community-based services waiver, personal care, and any other remedial care recognized under state law as community-based long-term support. It should be noted that Medicaid-reimbursable institutional, acute, and primary health care are excluded from this definition.
4. LIFE Account holders will be able to (a) retain a portion of savings from their self-directed Medicaid, community-based, long-term supports budget at year-end, (b) save earnings from employment, and (c) accept limited contributions from others.
5. Neither resources in or income from the LIFE Accounts will be counted in determining eligibility for SSI, SSDI, or any Federal assistance program, nor will such resources in or income from the LIFE Accounts be considered in establishing benefit levels under those programs for either the Account holder or for any members of the Account holder's immediate family.
6. LIFE Accounts, once established, will belong to the individual. However, limitations on the eligible sources of deposit established by the program remain in effect for as long as the individual's LIFE Account is open. Should an individual need to re-enroll in Medicaid, SSI, SSDI, or any Federal assistance program, funds in a LIFE Account will not be counted in determining eligibility or benefit levels.

Who May Apply

This grant opportunity is open to any State.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals from States to conduct studies assessing the feasibility of developing LIFE Account savings programs. A primary step in conducting the feasibility study under this grant opportunity is the collection of certain data. Applicants must provide CMS with the following information by the 12th month of the project: a description of the number and demographics of the State's population that would be currently eligible to participate in a LIFE Account savings program and a description of the number and demographics of the State's population that would be interested in participating in a LIFE Account savings program.

An analysis of barriers to increasing the number of individuals who self-direct their all of their Medicaid, community-based, long-term supports, strategies to address these barriers, and a projected timeline for implementing those strategies must be provided to CMS by the 24th month of the project.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds are to be used to complete feasibility studies and development activities that may be useful for future provision of a LIFE Account savings program. As part of these efforts, grant funds may be used to hire staff and/or contractors to assist in research, planning activities, and the creation of documents. No grant funds may be used for direct services under this grant program.

Required Activities

Projects funded under this grant opportunity must (a) meaningfully involve consumers and stakeholders in planning activities, (b) design and complete a feasibility study, and (c) develop an implementation plan.

Required Outcomes or Products

The applicant must provide a general description of the major measurable outcomes and products of the project. Two of the products must be a feasibility study and an implementation plan. The feasibility study must include the following:

1. A description of the number and demographics of the State's population that would be currently eligible to participate in a LIFE Account savings program as anticipated. This information must be provided to CMS by the 12th month of the project.
2. A description of the number and demographics of the State's population that would be interested in participating in a LIFE Account savings program as anticipated. This information must be provided to CMS by the 12th month of the project.
3. An analysis of barriers to increasing the number of individuals who self-direct their all of their Medicaid, community-based, long-term supports, strategies to address these barriers, and a projected timeline for implementing those strategies. This product must be provided to CMS by the 24th month of the project.
4. An analysis of barriers to implement a LIFE Account savings program as anticipated in the State, strategies to address these barriers, and a projected timeline for implementing those strategies. This product must be provided to CMS by the 36th month of the project.

The application must also identify elements (i.e., infrastructure, outreach, partnerships, etc.) that the State is likely to consider in developing an implementation plan.

8. FAMILY-TO-FAMILY HEALTH CARE INFORMATION AND EDUCATION CENTERS

Purpose

The purpose of these grants is to support the development of Family-to-Family Health Care Information and Education Centers. Non-profit organizations will use grant funds to establish Statewide family-run centers that will (a) provide education and training opportunities for families with children with special health care needs; (b) develop and disseminate needed health care and HCBS information to families and providers; (c) collaborate with existing Family-to-Family Health Care Information and Education Centers to benefit children with special health care needs; and (d) promote the philosophy of individual and family-directed supports.

Who May Apply

No CMS Family-to-Family Health Care Information and Education grant awards in FY 2004 will be made to any non-profit organization within a State that already has an entity that:

1. Was awarded a Family-to-Family Health Care Information and Education grant in FY 2003 (i.e., Alaska, Colorado, Indiana, Maryland, Montana, Nevada, New Jersey, South Dakota, Wisconsin) or
2. Currently operates a Family-to-Family Health Care Information and Education Center funded through the Health Resources and Services Administration (HRSA) (i.e., California, Florida, Maine, Minnesota, Tennessee, and Vermont).

This grant opportunity is open to any non-profit organization within States that are not listed above.

Key Issues or Principles of the Grant Opportunity

Applicants must demonstrate that the project (a) establishes new capacity, (b) does not duplicate existing work or supplant existing funding, and (c) devotes all funding under the new proposal to endeavors that advance the goal and vision of the Family-to-Family Health Care Information and Education Centers grant program. Family-to-Family Health Care Information and Education Centers will:

- Provide information and education on health care to families with children with special health care needs, parent groups, providers, and other stakeholders;
- Provide training and education on HCBS services and support for children with special health care needs, parent groups, providers, and other stakeholders;
- Provide information and referral to other programs and benefits that can help children remain in the community (i.e., respite, home health, transportation services, income support, and health promotion programs);
- Collaborate with existing Family-to-Family Health Care Information and Education Centers to benefit children with special health care needs;
- Provide a forum for peer group discussion and interaction;
- Help families assess their potential eligibility for public long-term care programs and benefits; and
- Promote the philosophy of individual and family-directed supports.

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds may be used for design, implementation, and evaluation activities. No grant funds may be used for direct services under this grant opportunity.

Required Activities

Projects funded under this grant opportunity must provide training, direct technical assistance, information collection and dissemination, resource development, and provide input and feedback to CMS and States on the ongoing operations of technical assistance and training activities that may inform future policy decisions.

Required Outcomes or Products

The applicant must provide a general description of the major measurable outcomes and products of the project. Major measurable outcomes and products are required for each of the five required activities above.

9. NATIONAL STATE-TO-STATE TECHNICAL ASSISTANCE PROGRAM FOR COMMUNITY LIVING

Purpose

This national technical assistance grant will support all of the FY 2004 Real Choice Systems Change Grantees' efforts for the entire 36-month project period. In addition, this grant will provide limited technical support during the 36-month project period to other grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative*, i.e., Aging and Disability Resource Center Grants, the Demonstration to Improve the Direct Service Community Workforce, Ticket to Work/Medicaid Infrastructure Grants, and the Demonstration to Maintain Independence and Employment. For more information on grants made by CMS in support of the President's *New Freedom Initiative*, visit <http://www.cms.hhs.gov/newfreedom>.

CMS expects that the technical assistance Grantee will engage in activities that include:

1. Providing technical assistance to FY 2004 Real Choice Systems Change Grantees;
2. Providing on-site State-to-State technical assistance to FY 2004 Real Choice Systems Change Grantees;
3. Developing, gathering, analyzing, and disseminating practical information relevant to FY 2004 Real Choice Systems Change Grantees;
4. Coordinating with the technical assistance Grantee for the Aging and Disability Resource Center grants to prevent duplication of effort.
5. Collecting and disseminating information relevant to grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative* as described above;
6. Providing training on developing technical assistance materials to Grantees of grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative*;
7. Providing training on measurable goals and objectives to Grantees of grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative* and their CMS Project Officers; and
8. Working with individual States, national associations of State agencies, consumer organizations, the National Governors Association, the National Conference of State Legislatures, and relevant others to collect, refine, and disseminate information that aids in the effective administration of programs for community living.

Who May Apply

Any entity may apply. An applicant's proposal must demonstrate expertise in the design and management of community-integrated services that support children and adults of any age to live and participate in the community. This includes knowledge of community services and community living preferences for people with a disability or long-term illness. The required knowledge and expertise must be sufficient to design and implement an effective technical assistance program as described in this grant opportunity. CMS does not expect any one organization to possess all required expertise for all target groups. CMS does expect that a successful applicant will demonstrate the commitment of a significant number of highly

knowledgeable individuals and organizations that will round out the host organization's expertise.

Key Issues or Principles of the Grant Opportunity

CMS seeks proposals to assist its Grantees and others to develop and implement effective programs for community living. The intention of this grant opportunity is to assure that there are resources and mechanisms in place so that States, communities, providers, consumer groups, Grantees and others can learn from each other, share effective practices, gain timely access to needed expertise, and disseminate the lessons learned so that all States and stakeholders may benefit.

Topic Areas	Anticipated Percent of Effort
Quality Assurance & Quality Improvement Systems in HCBS	10%
Integrating Long Term Supports with Affordable Housing	13%
Portals from EPSDT to Adult Supports	13%
Comprehensive Systems Reform Effort	5%
Mental Health: Systems Transformation	13%
Rebalancing Initiative	13%
LIFE Account Feasibility and Demonstration	7%
Family to Family Health Care Information and Education Centers	5%
Aging and Disability Resource Centers	5%
Collecting and disseminating information relevant to grants made by CMS in support of the President's <i>New Freedom Initiative</i>	10%
Trainings on measurable goals and objectives and developing technical assistance materials	6%
TOTAL TECHNICAL ASSISTANCE EFFORT	100%

Allowable Uses of Funds and the Percentage of Funds Allowable for Direct Services

Grant funds will be used to provide technical assistance. Prohibitions against the use of grant funds for direct services do not include expenses budgeted for consumer task force member participation in conferences, the provision of technical assistance, or attendance at technical assistance conferences sponsored by CMS or its national technical assistance providers for the benefit of CMS Grantees.

Required Activities

Required technical assistance grant activities specific to FY 2004 Real Choice Systems Change Grantees:

- Fostering on-site State-to-State technical assistance;
- Conducting workshops or seminars on key issues;
- Providing States with a roster of experts or knowledgeable resource people who can provide assistance, without charge to the State;
- Contributing products to a technical assistance clearinghouse website;

- Conducting teleconferences that sponsor national or regional dialogues on important issues; and
- Facilitating direct peer-to-peer site visits, regional teleconferences, and interactive Question & Answer sessions.

Required technical assistance grant activities for grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative*, including the Real Choice Systems Change Grants:

- Conducting conferences and seminars—Beginning in 2006, conduct a national conference for 700 participants of whom approximately 100 will be individuals with a disability or long-term illness. The Grantee must have the expertise to coordinate the logistics or have the ability to contract for all services for such an event;
- Developing training curricula and providing training;
- Collecting and disseminating information relevant to grants; and
- Maintaining a technical assistance clearinghouse Web site (up to and including the full costs of maintenance).

Grant information collection and dissemination activities include (a) developing and maintaining a resource database of individuals and organizations that can offer specified expertise in key areas; (b) providing a Web site to serve as a clearinghouse for information relevant to all grants made by CMS in support of the President's *New Freedom Initiative*; and (c) gathering, maintaining, and disseminating information on grant projects. Information to be disseminated includes contact information, program progress, program barriers, promising practices, links to State and Federal project Web sites, and information related to the nature and extent of systems improvements.

Required Outcomes or Products

The technical assistance Grantee shall provide technical assistance to the FY 2004 Real Choice Systems Change Grantees for the nine grant opportunities listed in this solicitation. In addition, the technical assistance Grantee shall provide limited technical assistance to other grant/demonstration awards made by CMS in support of the President's *New Freedom Initiative*, i.e., Aging and Disability Resource Center Grants, the Demonstration to Improve the Direct Service Community Workforce, Ticket to Work/Medicaid Infrastructure Grants, and the Demonstration to Maintain Independence and Employment. For more information on grants made by CMS in support of the President's *New Freedom Initiative*, visit <http://www.cms.hhs.gov/newfreedom>.

Each type of FY 2004 Real Choice Systems Change grant will require specific technical assistance from the technical assistance Grantee and will be viewed as separate and distinct tasks. The technical assistance Grantee shall provide the necessary personnel, materials, equipment, support, and supplies to accomplish the tasks shown below. The technical assistance Grantee shall also complete analyses and submit written reports of the findings to CMS. All technical assistance activities shall be performed under the general guidance of the CMS project officer or his/her representative, and are subject to the project officer's approval.

The applicant must provide a general description of the major measurable outcomes and products of the proposed project including the following:

1. **Training:** The organization must be able to coordinate, facilitate, and provide training and other opportunities for information-sharing by Grantees on relevant issues related to the President's *New Freedom Initiative*.
2. **Direct Technical Assistance:** The organization must provide, to FY 2004 Real Choice Systems Change Grantees, direct technical assistance and facilitation of peer-to-peer technical assistance of varying intensity and duration including information and referral, short-term assistance and on-site or longer-term assistance.
3. **Information Collection and Dissemination:** The applicant's proposal must include the collection, storage and dissemination of information on key activities undertaken by States and other organizations to improve the infrastructure to develop opportunities for community-living for people of any age with a disability or long-term illness. Information collection must include feedback surveys completed at least annually by Grantees and sent confidentially and directly to the CMS project officer or designee. The design and medium of the feedback surveys must be approved by CMS.
4. **Resource Development:** The technical assistance Grantee must develop and disseminate original materials to assist States in assessing, developing, implementing, and analyzing their Real Choice Systems Change efforts. Alerts, case studies, written technical assistance materials, and an electronic newsletter must be created. Issue briefs, fact sheets, and other reports and evaluations may be created as well.
5. **Progress, Issues, and Barriers:** The technical assistance Grantee must provide input and feedback to CMS, States and Real Choice Systems Change Grantees on the ongoing operations of technical assistance activities that may inform future policy decisions with regard to experiences in program development and implementation of systems change efforts. In order to fulfill this requirement, the technical assistance Grantee must provide legal, regulatory, and policy input; identify barriers to Grantees; and furnish CMS with quarterly and annual reports.

II. Award Information

A. Funding Available

This solicitation discusses the availability of Real Choice Systems Change funding of approximately \$31 million in for FY 2004. We anticipate making approximately 46-76 grants to States and others in nine categories. The anticipated award amounts are listed in the following table, “Table of Real Choice Systems Change Grants—FY 2004.” In this table, the amounts listed in the “maximum award” and “anticipated average award” columns refer to an amount that spans the entire project period (i.e., up to 36 months) and not an annual award amount renewable every 12 months.

Grant applications are due on **July 17, 2004**. All grant awards will be made prior to September 30, 2004. All grants awarded under this funding opportunity will have a budget period of 36 months and a start date of no later than October 1, 2004. No more than one grant award per type of grant will be made to any State. Additional information on eligibility for grant awards is detailed in the “Eligibility Information” section of this solicitation.

States that received a Quality Assurance and Quality Improvement in Home and Community-Based Services grant in FY 2003 (i.e., California, Colorado, Connecticut, Delaware, Georgia, Indiana, Maine, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and Wisconsin) are not eligible for a Quality Assurance & Quality Improvement in HCBS grant award from CMS in FY 2004.

No CMS Family-to-Family Health Care Information and Education grant awards in FY 2004 will be made to any organization within a State that already has an entity that:

1. Was awarded a Family-to-Family Health Care Information and Education grant in FY 2003 (i.e., Alaska, Colorado, Indiana, Maryland, Montana, Nevada, New Jersey, South Dakota, and Wisconsin) or
2. Currently operates a Family-to-Family Health Care Information and Education Center funded through the Health Resources and Services Administration (HRSA) (i.e., California, Florida, Maine, Minnesota, Tennessee, and Vermont).

States that received a Money Follows the Person Rebalancing Initiative grant in FY 2003 (i.e., California, Idaho, Maine, Michigan, Nevada, Pennsylvania, Texas, Washington, and Wisconsin) that plan to apply for a Rebalancing Initiative grant are strongly cautioned that CMS will not fund applications that propose activities that are currently funded under a State’s existing CMS grants, regardless of the applicant’s ranking, as detailed in the “Eligibility Information” section of this solicitation.

For more details and news about events relevant to these grant opportunities, please periodically consult <http://www.cms.hhs.gov/newfreedom>.

Table of Real Choice Systems Change Grants—FY 2004

CFDA 93.779 Grant Opportunity	Application Deadline	Who May Apply? ¹	Max. No. of Grant Awards per State per Type of Grant	Maximum Award	Anticipated Average Award	Maximum Project Period	Percent Allowable for Direct Services ²	Estimated Number of Awards
1. Quality Assurance & Quality Improvement Systems in Home and Community Based Services (HCBS)	July 17, 2004	Any State Agency or Instrumentality ³	1	\$500,000	\$400,000	36 mos.	10%	7-10
2. Integrating Long Term Supports with Affordable Housing	July 17, 2004	Any State Agency or Instrumentality	1	\$1,000,000	\$750,000	36 mos.	10%	4-7
3. Portals from Early Periodic Screening, Diagnosis, and Treatment (EPSDT) to Adult Supports	July 17, 2004	Any State Agency or Instrumentality	1	\$500,000	\$400,000	36 mos.	0	6-10
4. Comprehensive Systems Reform Effort	July 17, 2004	Any State Agency or Instrumentality	1	\$7,000,000	\$5,000,000	36 mos.	0	2-3
5. Mental Health: Systems Transformation	July 17, 2004	Any State Agency or Instrumentality ⁴	1	\$300,000	\$250,000	36 mos.	0	10-15
6. Rebalancing Initiative	July 17, 2004	Any State Agency or Instrumentality ⁵	1	\$300,000	\$250,000	36 mos.	0	10-20
7. Living with Independence, Freedom, and Equality (LIFE) Account Feasibility and Demonstration	July 17, 2004	Any State Agency or Instrumentality	1	\$100,000	\$75,000	36 mos.	0	7-10
8. Family-to-Family Health Care Information and Education Centers	July 17, 2004	Any Nonprofit Organization ^{6,7}	1	\$150,000	\$145,000	36 mos.	0	6-10
9. National State-to-State Technical Assistance Program for Community Living	July 17, 2004	Any Entity	N/A	\$4,400,000	\$4,400,000	36 mos.	0	1

¹The Single State Medicaid Agency or any other agency or instrumentality of a State (as determined under State law) may apply for any grant opportunity except the Family-to-Family Health Care Information and Education Center grants. By “State” we refer to the definition provided under 45 CFR 74.2 as “any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments.” “Territory or possession” is defined as Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands. If an application is from an applicant that is not the Single State Medicaid Agency, a letter of endorsement from the Governor, State Medicaid Director, or Agency administering

a relevant section of the §1915(c) home and community-based waiver must accompany the application; this requirement does not apply to applicants for the National State-to-State Technical Assistance Program for Community Living.

²Direct Services do not include expenses budgeted for consumer task force member participation in Real Choice Systems Change Conferences, the provision of technical assistance, or attendance at technical assistance conferences sponsored by CMS or its national technical assistance providers for the benefit of Real Choice Systems Change Grantees.

³States that received a Quality Assurance and Quality Improvement Systems in Home and Community Based Services in FY 2003 (i.e., California, Colorado, Connecticut, Delaware, Georgia, Indiana, Maine, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and Wisconsin) are not eligible for a Quality Assurance and Quality Improvement in HCBS award in FY 2004.

⁴The Single State Medicaid Agency and the State Mental Health Authority must both endorse the grant application. Either the Medicaid Agency or the Mental Health Authority may serve as the project lead.

⁵States that received a Money Follows the Person Rebalancing Initiative grant in FY 2003 (i.e., California, Idaho, Maine, Michigan, Nevada, Pennsylvania, Texas, Washington, and Wisconsin) that plan to apply for a Rebalancing Initiative grant are strongly cautioned that CMS will not fund applications that propose activities that are currently funded under a State's existing CMS grants, regardless of the applicant's ranking, as detailed in the "Eligibility Information" section of this solicitation.

⁶Applicants for this type of grant must also have a letter of endorsement from the State Medicaid Director or the Governor.

⁷ No CMS Family-to-Family Health Care Information and Education grant awards in FY 2004 will be made to any organization within a State that already has an entity that:

1. Was awarded a Family-to-Family Health Care Information and Education grant in FY 2003 (i.e., Alaska, Colorado, Indiana, Maryland, Montana, Nevada, New Jersey, South Dakota, and Wisconsin) or
2. Currently operates a Family-to-Family Health Care Information and Education Center funded through the Health Resources and Services Administration (HRSA) (i.e., California, Florida, Maine, Minnesota, Tennessee, and Vermont).

Note: The amounts listed in the "maximum award" and "anticipated average award" columns refer to an amount that spans the entire project period (i.e., up to 36 months) and **not** an annual award amount renewable every 12 months.

III. Eligibility Information

1. Eligible Applicants

A. States. By “State” we refer to the definition provided under 45 CFR 74.2 as “any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments.” By “territory or possession” we mean Guam, the U. S. Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

States may and are encouraged to apply for more than one grant opportunity. For example, a State may apply for a Mental Health: Systems Transformation and a Rebalancing Initiative grant. Additionally, different State agencies may apply for different grant opportunities. For example, the single State Medicaid agency might apply for the Quality Assurance & Quality Improvement Systems in HCBS grant and the agency administering a relevant §1915(c) waiver might apply for the Portals from EPSDT to Adult Supports grant. However, no State may be awarded more than one grant per type of grant opportunity. For example, a State may not receive two Mental Health Systems Transformation grants, two Rebalancing Initiative grants, or two Integrating Long Term Supports with Affordable Housing grants. States may apply for any grant except the Family-to-Family Health Care Information and Education Center grants.

B. State agencies or instrumentalities may apply for funding under any grant except the Family-to-Family Health Care Information and Education Centers grants. If an application is from an applicant that is not the Single State Medicaid Agency, a letter of endorsement from the Governor, State Medicaid Director, or Agency administering a relevant §1915(c) home and community-based waiver must accompany the application; this requirement does not apply to applicants for the National State-to-State Technical Assistance Program for Community Living grant. To apply for a Mental Health: Systems Transformation grant, the Single State Medicaid Agency must have the support of the Mental Health Authority as demonstrated by a letter of endorsement from the State Mental Health Director.

C. Any entity may apply for the National State-to-State Technical Assistance Program for Community Living grant.

D. Any nonprofit organization, as defined as a corporation or association whose profits may not lawfully accrue to the benefit of any private shareholder or individual, may apply for the Family-to-Family Health Care Information and Education Center grant. Nonprofits whose mission includes services to families with children with special health care needs and whose Board of Directors have a majority of parents of children with special health care needs are especially encouraged to apply.

2. Cost Sharing or Matching

Grantees are required to make a non-financial contribution of five percent (5 percent) of the total grant award (including all direct and indirect costs). Non-financial contributions may include the value of goods and/or services contributed by the Grantee (e.g., salary and fringe benefits of staff

devoting a percentage of their time to the grant not otherwise included in the budget or derived from Federal funds). The non-financial contribution requirement may also be satisfied if a third party participating in the grant makes an “in-kind contribution,” provided that the Grantee’s contribution and/or the third-party in-kind contribution equals five percent (5 percent) of the total grant award (including all direct and indirect costs). Third-party in-kind contributions may include the value of the time spent by consumer task force members (using appropriate cost allocation methods to the extent that non-Federal funds are involved) who specifically contribute to the design, development and implementation of the grant. Non-financial contributions must be included in the applicant’s budget in Item 15 (Estimated Funding) on Standard Form 424A and described in the budget narrative/justification section of the application.

3. Eligibility Threshold Criteria

Applications that are not received by the application deadline will not be reviewed.

Even though an application may be reviewed and scored, it will not be funded if the application fails to meet any requirements as outlined in the “Format and Content of Applications” or “Eligibility Information” sections of this solicitation.

Applications from an eligible applicant will not be considered for funding if they submit the same or substantially similar scope of work (a) under more than one of this year’s grant opportunities or (b) from the applicant’s Real Choice Systems Change Grant that was funded in FY 2001, 2002, or 2003.

For all grant opportunities except the Family-to-Family Health Care Information and Education Centers, only one application per grant category will be considered per State. Should a State submit multiple applications for a single grant category, only the highest-ranked application received from that State would be considered for funding.

Although more than one non-profit organization within a State may submit an application for a Family-to-Family Health Care Information and Education Centers grant, a letter of endorsement from the Governor, State Medicaid Director, or Agency administering a relevant §1915(c) home and community-based waiver (if applicable) is required for each applicant under this grant opportunity and no more than one application per State will be awarded in this grant opportunity.

To apply for the Mental Health: Systems Transformation grant, both the Single State Medicaid agency and the State Mental Health Authority must endorse the applicant’s proposal. Either the Single State Medicaid agency or the State Mental Health Authority may serve as the project’s lead. A letter of endorsement is required from the State agency that will not serve as the lead for the project (for example, if the State Mental Health Authority is the lead applicant, then a letter of support from the Single State Medicaid agency must be provided).

States that received a Assurance and Quality Improvement in Home and Community-Based Services grant in FY 2003 (i.e., California, Colorado, Connecticut, Delaware, Georgia, Indiana, Maine, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Pennsylvania, South

Carolina, Tennessee, Texas, West Virginia, Wisconsin) are not eligible for a Quality Assurance & Quality Improvement in HCBS grant award from CMS in FY 2004.

No CMS Family-to-Family Health Care Information and Education grant awards in FY 2004 will be made to any non-profit organization within a State that already has an entity that:

1. Was awarded a Family-to-Family Health Care Information and Education grant in FY 2003 (i.e., Alaska, Colorado, Indiana, Maryland, Montana, Nevada, New Jersey, South Dakota, and Wisconsin) or
2. Currently operates a Family-to-Family Health Care Information and Education Center funded through the Health Resources and Services Administration (HRSA) (i.e., California, Florida, Maine, Minnesota, Tennessee, and Vermont).

States that received a Money Follows the Person Rebalancing Initiative grant in FY 2003 (i.e., California, Idaho, Maine, Michigan, Nevada, Pennsylvania, Texas, Washington, and Wisconsin) that plan to apply for a Rebalancing Initiative grant are strongly cautioned that CMS will not fund applications that propose activities that are currently funded under a State's existing CMS grants.

IV. Application and Submission Information

1. Address to Request Application Package

Up-to-date information about the Real Choice Systems Change grants may be accessed at <http://www.cms.hhs.gov/newfreedom>.

A complete electronic application package, including all required forms, for the Real Choice Systems Change Grants is available at <http://www.grants.gov>. Applicants are strongly encouraged to submit their applications electronically through <http://www.grants.gov>.

Standard application forms and related instructions are available online at <http://forms.psc.gov/forms/ACFFSF/acffsf.html>, or <http://www.cms.hhs.gov/researchers/priorities/grants.asp>.

Standard application forms and related instructions are also available from Nicole Nicholson, Centers for Medicare & Medicaid Services, Office of Operations Management, Acquisition and Grants Group, C2-21-15 Central Building, 7500 Security Boulevard, Baltimore, MD 21244-1850, (410) 786-5158, or by e-mail at NNicholson@cms.hhs.gov.

2. Content and Form of Application Submission

A. Notices of Intent to Apply

Applicants are encouraged to submit a non-binding Notice of Intent to Apply. Notices of Intent to Apply are not required and their submission or failure to submit a notice has no bearing on the scoring of proposals received. The receipt of notices enables CMS to better plan the application review process. They may be submitted in any format, however a sample is included in Attachment 1 of the “Other Information” section of this solicitation.

B. Format of Application

1. Paper applications should be submitted on white paper only.
2. Paper applications may not be bound, stapled, or include tabs.
3. Paper applications may use colored ink on the cover of the application, however black ink is required for all other pages of the application.
4. The only acceptable paper size or formatting for paper size is 8.5” x 11” letter-size pages with 1” margins (top, bottom, and sides).
5. Paper applications must to be single-sided.
6. All pages of the narrative must be paginated.
7. Font size not smaller than 12-point with an average character density not greater than 14 characters per inch.

8. The narrative portions of the application must be double-spaced with no more than 3 lines per vertical inch.
9. The Project Abstract may be single-spaced, but span no more than one page.
10. The Work Plan may be single-spaced.
11. The Project Narrative portion of the application is limited to the following number of pages:

<u>Grant Opportunity</u>	<u>Page Limit</u>
Quality Assurance and Quality Improvement in HCBS	30
Integrating Long Term Supports with Affordable Housing.....	30
Portals from EPSDT to Adult Supports	30
Comprehensive Systems Reform Effort.....	40
Mental Health: Systems Transformation	30
Rebalancing Initiative	30
Family-to-Family Health Care Information and Education Centers.....	30
National State-to-State Technical Assistance Program for Community Living	40

C. Required Contents

A complete application consists of the following materials organized in the following sequence:

1. Applicant’s Title Page/Cover Letter

A letter from the applicant identifying the Agency serving as the lead organization, indicating the title of the project, the principal contact person, amount of funding requested, type of Real Choice Systems Change Grant proposal, and the names of the major partners actively collaborating in the project. The letter should indicate that the submitting Agency has clear authority to oversee and coordinate the proposed activities and is capable of convening a suitable working group of all relevant partners.

2. Standard Forms (SF)

Standard forms are available as detailed in the “Address to Request Application Package” section of this solicitation. The following standard forms must be completed with an original signature and enclosed as part of the proposal.

SF 424: Application for Federal Assistance (see **Note** below)

SF 424A: Budget Information

SF 424B: Assurances—Non-Construction Programs

SF LLL: Disclosure of Lobbying Activities

Additional Assurances

Note: On SF 424 “Application for Federal Assistance”:

- State the specific Real Choice Systems Change Grant opportunity for which you are applying (e.g., Quality Assurance & Quality Improvement Systems in HCBS, Integrating Long Term Supports with Affordable Housing, etc.) on Item 11 “Descriptive Title of Applicant’s Project.”
- Check “No” to item 16b, as Review by State Executive Order 12372 does not apply to these grants.

3. A letter of endorsement (if applicable) from the Governor, State Medicaid Director, Agency administering a relevant §1915(c) home and community-based waiver, or the State Mental Health Director.

With the exception of applications for the National State-to-State Technical Assistance Program for Community Living grant, any application from an applicant that is not the Single State Medicaid Agency must include a letter of endorsement from the Governor, State Medicaid Director, or Agency administering a relevant section of the §1915(c) home and community-based waiver.

To apply for the Mental Health: Systems Transformation grant, both the Single State Medicaid agency and the State Mental Health Authority must endorse the applicant’s proposal. Either the Single State Medicaid agency or the State Mental Health Authority may serve as the project’s lead. A letter of endorsement is required from the State agency that will not serve as the lead for the project (for example, if the State Mental Health Authority is the lead applicant, then a letter of support from the Single State Medicaid agency must be provided).

Applicants that plan to submit their application electronically should be prepared to submit letters of endorsement electronically as well.

4. Project Abstract

The one-page abstract should serve as a succinct description of the proposed project and should include the overall goals of the project, the total budget, a description of how the grant will be used to develop or improve community-integrated services, and the ultimate measurable outcomes and products of the endeavor.

5. Project Narrative

The narrative of the application must not exceed the page limits for the grant opportunity as detailed in the “Format of Application” section of this solicitation. The project narrative should provide a concise and complete description of the proposed project. Applications for all grant opportunities except the Family to Family Health Care Information and Education Centers and National State-to-State Technical Assistance Program for Community Living grant opportunities must (a) list and describe all CMS Real Choice Systems Change Grants currently funded within the applicant’s State and (b) clearly explain how the proposed activities will not duplicate activities currently funded by such CMS grants. The project narrative should contain the information necessary for the review panelists to fully understand the proposed project, be responsive to the criteria of the grant opportunity, include key details, address the applicant’s current infrastructure related to the proposed

project, describe the planned use of grant funds, propose work products and timeline, and discuss project staffing.

Applicants should tailor the information provided in the Project Narrative to the programmatic requirements of the category as detailed in the “Description of Grant Opportunities” of this solicitation and organize the Project Narrative using the following headings:

- I. Identification of Problems or System Issues**
- II. Project Description and Methodology**
- III. Significance and Sustainability**
- IV. Partnerships**
- V. Budget Justification and Resources**

Applicants are also strongly encouraged to utilize the review criteria information, provided for the grant opportunity in the “Application Review Information” section of this solicitation, to ensure that they adequately address the criteria that will be used in evaluating the proposals.

6. Budget Narrative/Justification

First, provide a clear and detailed project budget for each year of the grant period (up to 3 years) that includes the applicant’s five percent (5%) non-financial contribution and details allocations for each major set of activities. All Grantees will be required to attend one meeting per year in the Washington, DC or Baltimore, MD area sponsored by CMS for the benefit of Real Choice Systems Change Grantees. Therefore, applicants’ budgets must include funds for at least one person to attend a CMS-sponsored meeting in the Washington, DC or Baltimore, MD area for each year of the grant.

Second, provide a clear narrative description of the budget. Describe how the applicant will meet the non-financial contribution requirement and specifically identify the amount and source of funding to be used to meet the five percent (5%) non-financial contribution requirement that is identified in Item 15 (Estimated Funding) on SF 424. Assure that the designated lead agency is solely responsible for the fiscal management of the project and clearly identify what funds will be administered directly by the lead Agency and what will be subcontracted to other partners. Finally, distinguish the proportion of grant funding designated for each grant activity.

7. Required Attachments

- **Work Plan**—All applications must include a project work plan. All of the project’s goals must be included in the work plan. The completed work plan will not be counted toward the project narrative page limitation. Applicants are strongly encouraged to create and complete a facsimile of the work plan provided in Attachment 2 in the “Supplemental Information” section of this solicitation.
- **Brief biographical sketch or resume of key project staff** describing their qualifications. Applicants are strongly encouraged to utilize the “Brief Biographical

Sketch” form that is available with other standard forms as described in the “Application and Submission Information” section of this solicitation.

- Letters of agreement and support from partner agencies or organizations—Applicants are strongly encouraged to include additional letters of support from consumers and other key stakeholders, as such letters that give substantive support to the applicant’s Project Narrative and describes the extent of partnering in the community and the involvement of consumers. Applicants should include all such letters as part of their application package as CMS cannot guarantee that any letters submitted separately will be matched with the correct application. Applicants that plan to submit their application electronically should be prepared to submit letters of agreement and support electronically as well.

8. Other Appendices

Applicants may append other material to the application, however such material will not be used in the review and rating process.

3. Submission Dates and Times

A. Applicant’s Teleconference

Information regarding the time and call-in number for an open applicant’s teleconference is available on the CMS website at www.cms.hhs.gov/newfreedom.

B. Notices of Intent to Apply

Voluntary Notices of Intent to Apply for a grant are due by **June 8, 2004** to enable CMS to plan its grant review processes. It is not mandatory for an applicant to submit a Notice of Intent to Apply; however, such submissions help CMS plan its review panels. Submission of a Notice of Intent to Apply does not bind the applicant to apply nor will it cause a proposal to be reviewed more favorably.

C. Grant Applications

All grant applications are due by **July 17, 2004**. Applications submitted through <http://www.grants.gov> until 11:59 p.m. Eastern time on **July 17, 2004** will be considered “on time.” All applications will receive an automatic time stamp upon submission and applicants will receive an automatic reply e-mail acknowledging the application’s receipt.

Applications mailed through the U.S. Postal Services or a commercial delivery service will be considered “on time” if received by close of business on **July 17, 2004** or postmarked (first class mail) by **July 17, 2004** and received within five (5) business days. If express, certified, or registered mail is used, proof of timely mailing is a legible, dated mailing receipt from the U.S. Postal Service. Private metered postmarks are not acceptable as proof of timely mailings. Applicants who submit applications through the U.S. Postal Service or a commercial delivery service will not receive official notification that their application has been received on time from

CMS. Applications that do not meet the above criteria will be considered late. Late applications will not be reviewed.

D. Grant Awards

All grant awards will be made prior to September 30, 2004. All grants awarded under this funding opportunity will have a budget period of 36 months and a start date of prior to October 1, 2004.

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).

5. Funding Restrictions

A. Indirect Costs

The provisions of the OMB Circular A-87 govern reimbursement of indirect costs under this solicitation. A copy of OMB Circular A-87 is available online at: <http://www.whitehouse.gov/omb/circulars/a087/a087.html>. Additional information regarding the Department's internal policies for indirect rates is available online at <http://www.hhs.gov/grantsnet/adminis/gpd/gpd301.htm>.

B. Direct Services

Grant funds under this solicitation may be used for direct services to beneficiaries in the Quality Assurance & Quality Improvement in HCBS and Integrating Long Term Supports with Affordable Housing grant opportunities only. Direct Services do not include expenses budgeted for consumer task force member participation in Real Choice Systems Change Conferences, the provision of technical assistance, or attendance at technical assistance conferences sponsored by CMS or its national technical assistance providers for the benefit of Real Choice Systems Change Grantees.

C. Reimbursement of Pre-Award Costs

No grant awards made under this solicitation may be used to reimburse pre-award costs.

6. Other Submission Requirements

Applicants may submit either an electronic application or a paper copy application. Applicants may not submit the same application in more than one format, and the choice of one application format over another will not cause an application to be reviewed more favorably. All standard application forms may be obtained as detailed in the "Address to Request Application Package" section of this solicitation.

Beginning October 1, 2003, applicants are required to have a Dun and Bradstreet (DUNS) number to apply for a grant or cooperative agreement from the Federal Government. The DUNS number is a nine-digit identification number that uniquely identifies business entities. Obtaining a DUNS number is easy and there is no charge. To obtain a DUNS number, access the following Website: www.dunandbradstreet.com or call 1-866-705-5711. This number should be entered in the block with the applicant's name and address on the cover page of the application (Item 5 on the Form SF-424, Application for Federal Assistance), with the annotation "DUNS" followed by the DUNS number that identified the applicant. The name and address in the application should be exactly as given for the DUNS number.

A. Electronic Applications

Applicants are strongly encouraged to submit their applications electronically. Electronic applications may be submitted through <http://www.grants.gov>. For complete explanation of the electronic application process, applicants should review the "getting started" information provided at <http://www.grants.gov/GetStarted>. In order to submit their applications electronically, applicants will need to:

- Download and install PureEdge Viewer from the <http://www.grants.gov> site. This small, free program will allow applicants to access, complete, and submit applications electronically and securely.
- Download the complete electronic grant application package from <http://www.grants.gov>.
- Register with Central Contractor Registry (CCR)—Applicants may register for the CCR by calling the CCR Assistance Center at 1-888-227-2423 or may register online at <http://www.ccr.gov>. Online registration will take about 30 minutes. Applicants must have a DUNS number from Dun & Bradstreet before attempting to register with CCR. Applicants should receive their CCR registration confirmation within 5 business days.
- Register with the Credential Provider—Applicants must register with the Credential Provider to receive a username and password to securely submit their grant application.
- Register with Grants.gov—Registering with Grants.gov is required to submit grant applications electronically on behalf of your organization. After completing the registration process, applicants will receive e-mail notification confirming their ability to submit applications through Grants.gov.

Technical support for Grants.Gov is available Monday-Friday from 7:00 a.m. to 9:00 p.m. Eastern time.

Upon submission of the grant application to <http://www.grants.gov>, applicants will receive an e-mail confirming that the application was received.

Paper Copy Application

Applicants that chose to submit a paper application are required to submit one original application and two copies to:

Application and Submission Information

Real Choice Systems Change Grants
Attn: Marian Webb
Centers for Medicare & Medicaid Services
OICS, AGG, Grants Management Staff
Mail Stop C2-21-15
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Applicants who submit applications through the U.S. Postal Services or a commercial delivery service will not receive official notification that their application has been received on time from CMS.

V. Application Review Information

1. Criteria

This section fully describes the evaluation criteria for each of the funding opportunities under the Real Choice Systems Change Grants for FY 2004. Although the specific criteria and point values differ by funding opportunity, all proposals will be evaluated on the strength of their (a) identification of problems or systems issues, (b) project description and methodology, (c) significance and sustainability, (d) partnerships, and (e) budget justification and resources (adherence to the cost sharing requirements of this solicitation are considered here).

In preparing applications, applicants are strongly encouraged to review the programmatic requirements detailed in the “Description of Grant Opportunities” section of this solicitation. The Project Narrative must be organized as detailed In the “Content and Form of Application Submission” section of this solicitation.

1. QUALITY ASSURANCE & QUALITY IMPROVEMENT SYSTEMS IN HCBS

I. Identification of Problems or System Issues: Maximum Possible Score = 10

A. Background and Identification of Problems

- The application demonstrates a thorough understanding of the State's community-based long-term care system and existing methods and structures for quality management.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the barriers (and a plan to address those barriers) to developing a QM Strategy and utilizing the *HCBS Quality Framework*.

C. Problem Analysis

The application evidences an identification, understanding, and analysis of the scope and nature of the specific problems or gaps that the proposal is addressing (i.e., presents an analysis of the programs in the current QM system and identifies ways to address those gaps with grant funds).

II. Project Description and Methodology: Maximum Possible Score = 45

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

- There are clear descriptions of the methods that would be used to address problems, address barriers, and reach the goals of the program. Those methods are reasonable and the activities described inspire confidence that the goals of the proposal will be met.
- Applicants must utilize the *HCBS Quality Framework* in the design of their projects.
- Projects must (a) describe specific methods for involving consumers and families in the project activities, (b) describe a proposed process and timeline for the development of specific mechanisms or components to conduct discovery, remediation and improvement activities, (c) provide specific plans for the collection, analysis and use of information to improve the quality of the HCBS program, and (d) establish an ongoing Quality Management committee.

C. Coordination and Linkages

The proposed initiative complements other components of the systems in which it will operate, evidences coordination with other funding sources supporting similar efforts, and reflects a commitment from partners (and includes a description of their involvement and specific undertakings).

D. Work Plan

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

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the State to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles), as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available time frames.
- Key project staff have direct professional experiences with individuals of any age who have a disability or long-term illness.
- The application documents the inclusion of people with a disability or long-term illness in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 20

A. Enduring Change

- The State ensures continuity of service provision.
- Through the proposed program, the State seeks to implement an enduring and effective QM Strategy that will strengthen the involvement of program participants in quality management activities and assure the health and welfare of program participants, improve services, and the likelihood that positive outcomes will be achieved.

B. Assistance with Key Goals and Objectives

The program goals and objectives will assist the State to create an enduring system for improving and assuring the quality of services.

C. Sustainability

The application evidences that the State will take steps to ensure that the changes in its quality management system will endure after the grant period.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve individuals with a disability or long-term illness and their representatives in all stages of the problem analysis, planning, implementation, monitoring, and evaluation activities. Applicants must include direct consumer involvement in proposed discovery processes.

B. Public/Private Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve representatives of State and local agencies, integrated community service providers, and other private entities in all stages of problem analysis, planning, implementation, monitoring, and evaluation activities.

V. Budget Justification and Resources: Maximum Possible Score = 10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity. Up to 10 percent of project funds may be spent for direct services.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).
- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

2. INTEGRATING LONG TERM SUPPORTS WITH AFFORDABLE HOUSING

I. Identification of Problems or System Issues: Maximum Possible Score = 15

A. Background Information

- The application demonstrates a thorough understanding of the State's target population, the existing long-term support services, housing agencies, and housing with service options. Qualitative and quantitative descriptive information is provided.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the existing infrastructure for long-term supports and how it is coordinated with affordable and accessible housing. The strengths and barriers, specific to the State, to providing affordable and accessible housing coordinated with long-term supports is listed, clearly described, and analyzed.

C. Problem Analysis

Based on the above analysis of strengths and challenges, the application narrows down and identifies the specific problems or barriers that the proposal will address and explains why. A more detailed analysis of the nature, scope, and challenges to addressing the problems or barriers is provided.

II. Project Description and Methodology: Maximum Possible Score = 40

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

- There are clear descriptions of the methods that would be used to address the problems and attain the goals of the program. Those methods are reasonable and the activities described inspire confidence that the goals of the proposal will be met.
- The proposal must meaningfully, throughout the grant term, involve consumers, stakeholders, and partnerships in planning, implementation, and evaluation activities.
- The proposal must provide sound methods to plan, implement, and evaluate the grant.

C. Coordination and Linkages

The proposed initiative complements other components of the systems in which it will operate, evidences coordination with other funding sources supporting similar efforts, and reflects a commitment from partners (and includes a description of their involvement and specific undertakings). Specifically, the coordination with the long-term support and housing sectors must be reasonable and feasible.

D. Work Plan

There is a work plan that documents (a) goals and objectives, (b) milestones, (c) timeframes, and (d) measurable outcomes and products for the overall grant and by each grant year. Parties responsible for the accomplishment of project goals are identified.

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the State to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles), as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available periods.
- Key project staff have direct professional experiences with individuals of any age who have a disability or long-term illness.
- The time allocated to the grant for key project staff is reasonable and includes significant time on the part of staff in the long-term service and housing sectors.
- The application documents the inclusion of the targeted adult population in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 20

A. Enduring Change

- The applicant incorporates valid mechanisms to ensure the continuity of the long-term supports and affordable and accessible housing.
- The application demonstrates a reasonable plan to implement enduring and effective service delivery systems and develop relationships with housing partners that will support the targeted population to exercise meaningful choice and control over where they reside and access to affordable housing and long-term supports that are delivered in a manner consistent with the individual's preferences.

B. Assistance with Key Goals and Objectives

The program goals and objectives will assist the applicant to create enduring systems change in these areas:

- Access to quality long-term supports.
- Access to affordable, accessible, and quality housing.
- Access to affordable housing linked to long-term supports.

C. Sustainability

The application evidences that the applicant will take steps to ensure that the changes in the long-term supports linked with affordable and accessible housing will endure after the grant period.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve the targeted population and their representatives in all stages of the problem analysis, planning, implementation, monitoring, and evaluation activities.

B. Public/Private Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve representatives of State and local agencies (service and housing), long-term support providers, housing providers, and other private entities in all stages of problem analysis, planning, implementation, monitoring, and evaluation activities. The proposal must provide letters of agreement that substantiate the partnership in the grant activities among the long-term support and housing sectors.

V. Budget Justification and Resources: Maximum Possible Score = 10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity. Up to 10 percent of project funds may be spent for direct services.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).
- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

3. PORTALS FROM EPSDT TO ADULT SUPPORTS

I. Identification of Problems or System Issues: Maximum Possible Score = 10

A. Background and Identification of Problems

- The application demonstrates a thorough understanding of the State's community-based long-term care system, existing waiver services, EPSDT services, and transition resources that are provided through SSA, DOL, or OSERS.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the barriers (and a plan to address those barriers) facing the target population as it attempts to successfully transition from EPSDT to adult supports.

C. Problem Analysis

The application evidences an identification, understanding, and analysis of the scope and nature of the specific problems or gaps that the proposal is addressing.

II. Project Description and Methodology: Maximum Possible Score = 45

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

- There are clear descriptions of the methods that would be used to address problems, address barriers, and reach the goals of the program. Those methods are reasonable and the activities described inspire confidence that the goals of the proposal will be met.
- Applicants include evidence of coordination with pertinent transition resources that are provided through SSA, DOL, or OSERS.
- Projects must include at least one of the following program components: (a) amend an existing waiver or develop a new waiver to meet the support needs of the target population, (b) restructure waiting list systems for existing waiver slots to ensure continuity of supports for the target population, or (c) develop targeted case management as an optional State Plan service.

C. Coordination and Linkages

The proposed initiative complements other components of the systems in which it will operate, evidences coordination with other funding sources supporting similar efforts, and reflects a commitment from partners (and includes a description of their involvement and specific undertakings).

D. Work Plan

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

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the State to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles) as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available time frames.
- Key project staff has direct professional experiences with individuals of any age who have a disability or long-term illness.
- The application documents the inclusion of people with a disability or long-term illness in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 20

A. Enduring Change

- The applicant ensures continuity of service provision.
- Through the proposed program, the applicant seeks to implement enduring and effective systems of service delivery and relationships among stakeholders that will support people with a disability or long-term illness to exercise meaningful choice and control over the supports they receive and have access to community living and support services that are delivered in a manner consistent with the individual's preferences.

B. Assistance with Key Goals and Objectives

The program goals and objectives will assist the State to create enduring systems change in at least one of the following areas:

- Access to services
- Availability and adequacy of services

C. Sustainability

The application evidences that the State will take steps to ensure that the changes in the QA/QI system will endure after the grant period.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve individuals with a disability or long-term illness and their representatives in all stages of the problem analysis, planning, implementation, monitoring, and evaluation activities.

B. Public/Private Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve representatives of State and local agencies, integrated community service providers, and other

private entities in all stages of problem analysis, planning, implementation, monitoring, and evaluation activities.

V. Budget Justification and Resources: Maximum Possible Score =10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).
- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

4. COMPREHENSIVE SYSTEMS REFORM EFFORT

I. Identification of Problems or System Issues: Maximum Possible Score = 10

A. Background and Identification of Problems

- The application demonstrates a thorough understanding of the State's long-term care service system's reliance on institutional services, opportunities for increasing HCBS supports, and increasing opportunities for self-direction.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the barriers (and a plan to address those barriers) facing the State as it attempts to develop and implement a comprehensive reform plan.

C. Problem Analysis

The application evidences an identification, understanding, and analysis of the scope and nature of the specific problems or gaps that the proposal is addressing.

II. Project Description and Methodology: Maximum Possible Score = 45

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

The proposed strategy to develop and implement a comprehensive reform plan must address all of the following components:

- A coordinated planning and systems management effort that involves key stakeholders including State agencies responsible for program oversight, individuals with disabilities and their advocates, and providers of services.
- Improvements in how individuals access long-term supports, including interventions that (a) target pathways to institutional supports, (b) speed up the eligibility determination process, and (c) facilitate the ability to make informed choices.
- Efforts to remove barriers within State budgets that prevent funds from moving from allocations earmarked for institutional supports to home and community based supports.
- Efforts to alter how institutional and home and community based services are financed to remove barriers to individuals with disabilities or long-term illnesses remaining in the community and increase the level of control held by them and their families.
- Efforts to ensure that services are available that match the needs and preferences of the individuals that receive them, including efforts to improve supply (e.g., workforce development) or practices (e.g., training).
- Building quality management systems that reflect the desire of individuals to direct their own services.

C. Coordination and Linkages

The proposed initiative evidences coordination with other State programs supporting similar efforts, reflects a commitment from partners, and includes a description of their involvement and specific undertakings.

D. Work Plan

Parties responsible for the accomplishment of project goals are identified.

There is a work plan that provides milestones for all of the following components:

- Coordinated Planning and Systems Management
- Access
- Finance: State Budgeting
- Finance: Individuals services and supports
- Type and Supply of Services
- Quality Management
- Evaluation Plan that include plans for both process and impact evaluations

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the State to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles) as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available time frames.
- Key project staff has direct professional experiences with individuals of any age who have a disability or long-term illness.
- The application documents the inclusion of people with a disability or long-term illness in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 20

A. Enduring Change

Through the proposed initiative, the applicant seeks to implement enduring and effective systems of service delivery and relationships among stakeholders that will support people with a disability or long-term illness to exercise meaningful choice and control over the supports they receive and have access to community living and support services that are delivered in a manner consistent with the individual's preferences.

B. Assistance with Key Goals and Objectives

The applicant has a reasonable plan to (a) undertake a comprehensive, system-wide reform planning process and (b) achieve established milestones in its comprehensive, system-wide reform planning process.

C. Sustainability

The application evidences that the State will anchor changes system that will endure after the grant period.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve individuals with a disability or long-term illness and their representatives in all stages of the problem analysis, planning, implementation, monitoring, and evaluation activities.

B. Public/Private Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve representatives of State and local agencies, integrated community service providers, and other private entities in all stages of problem analysis, planning, implementation, monitoring, and evaluation activities.

C. Use of CMS Technical Assistance

The applicant provides assurances that it will work with the identified CMS technical assistance provider to achieve the success of the proposed project.

V. Budget Justification and Resources: Maximum Possible Score = 10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).
- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

5. MENTAL HEALTH: SYSTEMS TRANSFORMATION

I. Identification of Problems or Systems Issues: Maximum Possible Score = 10

Does the applicant evidence a clear understanding of the limitations of the systems involved in the proposal? Is the applicant realistic about systemic barriers and does the proposal adequately address the barriers?

The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

II. Project Description and Methodology: Maximum Possible Score = 20

Does the work plan evidence progress towards a clear and attainable objective? Is the methodology sound? Are the work plans and timelines reasonable given the staffing and budget? Are appropriate linkages identified and is coordination attainable? Is the management appropriate?

III. Significance: Maximum Possible Score = 20

If implemented as proposed, will the grant activities culminate in significant systems transformation? Will the State be creating a mental health delivery system that has a stronger recovery orientation?

IV. Partnerships and Stakeholder Involvement: Maximum Possible Score = 40

Do both the Single State Medicaid Agency and Mental Health Authority endorse the grant proposal? Does the grant include evidence of consumer involvement in its design? Is there a mechanism for true on-going consumer involvement in the implementation of the systems change that is proposed? Are the partners appropriate for the project identified and involved?

V. Budget Justification and Resources: Maximum Possible Score = 10

Is the budget appropriate for the work presented? Has adequate funding been allotted to personnel, contractual obligations, and other items? Does the budget detail the 5 percent in-kind contribution required by the grantee?

6. REBALANCING INITIATIVE

I. Identification of Problems or System Issues: Maximum Possible Score = 10

A. Background and Identification of Problems

- The application demonstrates a thorough understanding of the State's existing long-term services, including State Plan, HCBS waiver(s), institutional care, and those services and supports that support the transition from institutional to community-based services.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the barriers (and a plan to address those barriers) to developing a rebalancing plan, an implementation plan, and utilizing MSIS to capture enrollment data and track service utilization.

C. Problem Analysis

The application evidences an identification, understanding, and analysis of the scope and nature of the specific problems or gaps that the proposal is addressing.

II. Project Description and Methodology: Maximum Possible Score = 45

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

- There are clear descriptions of the methods that would be used to address problems, address barriers, and reach the goals of the program. Those methods are reasonable and the activities described inspire confidence that the goals of the proposal will be met.
- The proposal must describe plans to achieve the required products for this grant opportunity (i.e., a comprehensive rebalancing plan and an implementation plan).

C. Coordination and Linkages

The proposed initiative evidences coordination with other State programs supporting similar efforts, reflects a commitment from partners, and includes a description of their involvement and specific undertakings.

D. Work Plan

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

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the State to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles), as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available time frames.
- Key project staff has direct professional experiences with individuals of any age who have a disability or long-term illness.
- The application documents the inclusion of people with a disability or long-term illness in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 20

A. Enduring Change

- The State assures continuity of services.
- Through the proposed initiative, the applicant seeks to implement enduring and effective systems of service delivery and relationships among stakeholders that will support people with a disability or long-term illness to exercise meaningful choice and control over the supports they receive and have access to community living and support services that are delivered in a manner consistent with the individual's preferences.

B. Assistance with Key Goals and Objectives

The program goals and objectives will assist the State to create enduring systems change in all of the following areas:

- Access to community-based long-term supports
- Financing of programs and services
- Services that are self-directed and include supports for transition from an institutional to community-based locus of support
- Quality management mechanisms

C. Sustainability

The application evidences that the State will take steps to ensure that the changes in the long-term supports system will endure after the grant period.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve individuals with a disability or long-term illness and their representatives in all stages of the problem analysis, planning, implementation, monitoring, and evaluation activities.

B. Public/Private Partnerships

There is a plan or design that details the methods the State will use to meaningfully involve representatives of State and local agencies, integrated community service providers, and other private entities in all stages of problem analysis, planning, implementation, monitoring, and evaluation activities.

V. Budget Justification and Resources: Maximum Possible Score = 10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).
- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

7. LIFE ACCOUNT FEASIBILITY AND DEMONSTRATION

I. Identification of Problems or System Issues: Maximum Possible Score = 10

A. Background and Identification of Problems

- The application demonstrates a thorough understanding of the ability of individuals to direct their own long-term supports within the State's current Medicaid program.
- The application lists and describes all CMS Real Choice Systems Change Grants currently funded within the applicant's State and clearly explains how the proposed activities will not duplicate activities currently funded by such CMS grants.

B. Analysis of Strengths and Challenges

The application describes the barriers (and a plan to address those barriers) to completing a feasibility study and developing an implementation plan.

C. Problem Analysis

The application evidences an identification, understanding, and analysis of the scope and nature of (a) the specific problems that the proposal is addressing and (b) the capacity of the State to undertake the proposed feasibility study.

II. Project Description and Methodology: Maximum Possible Score = 55

A. Goals/Objectives

There are clear goals and objectives that relate in a meaningful way to the problem identified above and those goals and objectives are reasonable and are likely to be effective in accomplishing the purpose of the grant.

B. Methods of Effectively Addressing the Problems

- There are clear descriptions of the methods that would be used to address problems, address barriers, and reach the goals of the program. Those methods are reasonable and the activities described inspire confidence that the goals of the proposal will be met.
- The proposal must describe plans to achieve the required products for this grant opportunity (i.e., feasibility study and implementation plan).

C. Coordination and Linkages

The proposed initiative evidences coordination with other State programs supporting similar efforts, reflects a commitment from partners, and includes a description of their involvement and specific undertakings.

D. Work Plan

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

E. Organization, Management, and Qualifications

- Specific circumstances that would affect the ability of the state to recruit and hire project staff are identified (e.g., current hiring freezes or other obstacles), as are the methods by which such obstacles will be overcome.
- Key project staff, stakeholders, and partners are qualified and possess the experience and skills to design, implement, and evaluate the program within the available time frames.
- Key project staff has direct professional experiences with individuals of any age who have a disability or long-term illness.
- The application documents the inclusion of people with a disability or long-term illness in significant roles.

III. Significance and Sustainability: Maximum Possible Score = 10

A. Enduring Change

Through the proposed study, the applicant seeks to gather information that could be used to initiate enduring change in long-term care and relationships among stakeholders. The application indicates how the proposed data to be collected may be used to benefit the State's population, if for any reason the State does not implement the proposed LIFE Account savings program, as preliminarily described in this solicitation.

B. Sustainability

The application identifies elements (i.e., infrastructure, outreach, partnerships, etc.) that are reasonable to consider in anticipation of developing an implementation plan.

IV. Partnerships: Maximum Possible Score = 15

A. Consumer Partnerships

There is a plan or design that details the methods the state will use to meaningfully involve individuals with a disability or long-term illness and their representatives in the feasibility study and design of the implementation plan.

B. Public/Private Partnerships

There is a plan or design that details the methods the state will use to meaningfully involve representatives of state and local agencies, integrated community service providers, and other private entities the feasibility study and design of the implementation plan.

V. Budget Justification and Resources: Maximum Possible Score = 10

- A. There is a detailed budget in which budgeted costs are reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget follows the requirements stated in the description of grant opportunity.
- C. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).

- D. The application assures that the grant funding will not be used to replace or supplant existing State or Federal funds.

8. FAMILY-TO-FAMILY HEALTH CARE INFORMATION AND EDUCATION CENTERS

I. Background and Prior Experience: Maximum Possible Score = 15

A. Prior Involvement/Experience

- The application demonstrates the applicant's significant practical experience in working as a resource for the public regarding information related to health care for children with special needs.
- The application evidences an understanding of the methods and strategies for providing information and training to various national, State and local organizations.
- Prior experience inspires confidence in the ability of the applicant to provide immediately useful, practical assistance to the target audiences of this grant solicitation.

B. Assessment of Strengths and Challenges in Current System

The extent to which the application evidences:

- A cogent analysis of the strengths and weaknesses of the current long-term services and support systems for community living including the strengths and weaknesses of the current system for accessing needed expertise in a timely and effective manner and
- An understanding of the issues and barriers to providing clear and useful communication, in a culturally competent manner, to parents of children with special health needs.

II. Project Description, Methodology, and Work Plan: Maximum Possible Score = 30

A. Goals/Objectives

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

- Address the weaknesses, issues, and barriers described above and
- Are both significant and reasonable and will be effective in accomplishing the purpose of the grant (i.e., to maximize community based options for health care and provide information to the parents of children with special health care needs).

B. Methods of Providing Assistance to States and Grantee Organizations

The extent to which the application:

- Evidences provision of practical training, technical assistance, information collection and dissemination, resource development and policy feedback in all of the technical areas of this grant solicitation.
- Clearly describes logically coherent methods that would be used to provide technical assistance and training to parents of children with special health care needs, States, and others.
- Evidences methods that inspire confidence that the goals of the proposal will be met through a description of planned activities, timeframes, and projected results.

C. Coordination and Linkages

The extent to which the application evidences:

- Coordination with other funding sources and consumer and professional associations engaging in similar efforts and sufficient linkages with subcontractors or partners whom possess the knowledge, skills and expertise to assist in the project.
- Talent and expertise of parents of children with special health care needs will be used effectively in the provision of technical assistance activities (e.g., mentoring, etc.).

D. Work Plan

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

E. Organization, Management, and Qualifications

The extent to which the application:

- Addresses any significant circumstance(s) that would affect the ability of the applicant to recruit and hire staff for the project and/or subcontract with other entities as deemed necessary.
- Evidences that key staff, stakeholders and partners (direct and in-direct subcontractors) are qualified and possess the experience and skills to design, implement and evaluate the proposed project within the available time frames.
- Evidences that key project staff have professional experiences with people of any age with a disability or long-term illness.
- Evidences that project staff have experience in providing technical assistance, training, and information collection, analysis, and dissemination.
- Addresses the ability of the applicant to utilize and interact with various forms of information technology.

III. Significance: Maximum Possible Score = 20

- A. Goals and objectives specified in the application will assist Grantee organizations in the goal of maximizing opportunities for families of children with special health care needs improve access to community living and consumer satisfaction.
- B. Application describes a project that will provide considerable assistance to Grantee organizations and others, through the scope and breadth of proposed activities as measured by the extent or range of project activities, numbers served, types of services available, and the comprehensiveness of the proposed project.

IV. Formative Learning: Maximum Possible Score = 10

- A. Has methods of information gathering, analysis, and evaluation that are feasible and relevant to the goals, objectives, and measurable outcomes of the proposed project and the extent to which the applicant is likely to gain timely insight into systems change strategies that work and the types of activities that have the most impact.

B. Incorporates feedback from the project into ongoing operations.

V. Collaboration, Agreements, and Capacity: Maximum Possible Score = 15

A. Promotes valued social and economic roles for parents of children with special health care needs by including their talents and expertise in the project.

B. Evidences meaningful involvement of Grantee organizations' staff in all stages of the analysis, planning, implementation, and evaluation activities.

C. Evidences meaningful involvement of key constituencies in the design, implementation, and evaluation of project activities.

D. Promotes partnerships with organizations representing families with children with special health care needs.

VI. Budget Narrative/Justification and Resources: Maximum Possible Score = 10

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

B. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).

9. NATIONAL STATE-TO-STATE TECHNICAL ASSISTANCE PROGRAM FOR COMMUNITY LIVING

I. Background and Prior Experience: Maximum Possible Score = 15

A. Prior Involvement/Experience

- The application demonstrates the applicant's significant practical experience in working with States and public and private organizations in developing or improving systems for community living for people of any age with a disability or long-term illness.
- The application evidences an understanding of the methods and strategies for providing technical assistance and training to various national, State, and local organizations.
- Prior experience inspires confidence in the ability of the applicant to provide immediately useful, practical assistance to the target audiences of this grant solicitation.

B. Assessment of Strengths and Challenges in Current System

The extent to which the application evidences:

- A cogent analysis of the strengths and weaknesses of the current long-term services and support systems for community living including the strengths and weaknesses of the current system for accessing needed expertise in a timely and effective manner and
- An understanding of the issues and barriers to community living.

II. Project Description, Methodology, and Work Plan: Maximum Possible Score = 30

A. Goals/Objectives

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

- Address the weaknesses, issues, and barriers described above and
- Are both significant and reasonable and will be effective in accomplishing the purpose of the grant (i.e., to maximize community living opportunities and full participation for people of any age with disability or long-term illness).

B. Methods of Providing Assistance to States and Grantee Organizations

The extent to which the application:

- Evidences provision of practical training, technical assistance, information collection and dissemination, resource development and policy feedback in all of the technical areas of this grant solicitation.
- Clearly describes logically coherent methods that would be used to provide technical assistance and training to States, Grantee organizations, and others.
- Evidences methods that inspire confidence that the goals of the proposal will be met through a description of planned activities, timeframes, and projected results.
- Demonstrates a method of applying appropriate staff or contract expertise to ensure that effective technical assistance will be made available for each of the Real Choice Systems Change for Community Living Grantees.
- Demonstrates a method of applying appropriate staff or contract expertise to ensure that effective, limited technical assistance will be made available for other grants made by CMS in support of the President's *New Freedom Initiative*, including Aging and

Disability Resource Centers, Demonstration to Improve the Direct Service Community Workforce, and Ticket to Work/Medicaid Infrastructure Grants.

C. Coordination and Linkages

The extent to which the application evidences:

- Coordination with other funding sources and consumer and professional associations engaging in similar efforts and sufficient linkages with subcontractors or partners whom possess the knowledge, skills and expertise to assist in the project.
- Talent and expertise of individuals with a disability or long-term illness will be used effectively in the provision of technical assistance activities (e.g., mentoring, etc.).

D. Work Plan

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

E. Organization, Management, and Qualifications

The extent to which the application:

- Addresses any significant circumstance(s) that would affect the ability of the applicant to recruit and hire staff for the project and/or subcontract with other entities as deemed necessary.
- Evidences that key staff, stakeholders and partners (direct and in-direct subcontractors) are qualified and possess the experience and skills to design, implement and evaluate the proposed project within the available time frames.
- Evidences that key project staff have professional experiences with people of any age with a disability or long-term illness.
- Evidences that project staff have experience in providing technical assistance, training, and information collection, analysis, and dissemination.
- Addresses the ability of the applicant to utilize and interact with various forms of information technology.

III. Significance: Maximum Possible Score = 20

- A. Goals and objectives specified in the application are likely to assist States, Grantee organizations, and Federal partners in the goal of maximizing opportunities for community living for people of any age with a disability or long-term illness.
- B. Application describes a project that will provide considerable assistance to States, Grantee organizations, and others through the scope and breadth of proposed activities as measured by the extent or range of project activities, numbers served, types of services available, and the comprehensiveness of the proposed project.

IV. Formative Learning: Maximum Possible Score = 10

- A. Has methods of information gathering, analysis, and evaluation that are feasible and relevant to the goals, objectives, and measurable outcomes of the proposed project. The extent to

which the applicant is likely to gain timely insight into systems change strategies that work and the types of technical assistance that has the most impact.

- B. Incorporates feedback from the project into ongoing operations.

V. Collaboration, Agreements, and Capacity: Maximum Possible Score = 15

- A. Evidences meaningful involvement of States and Grantee organizations' staff in all stages of the analysis, planning, implementation, and evaluation activities.
- B. Evidences meaningful involvement of key constituencies in the design, implementation, and evaluation of project activities.
- C. Promotes valued social and economic roles for people of any age with a disability or long-term illness by including their talents and expertise in the project.
- D. Promotes partnerships with organizations representing people of any age with a disability or long-term illness or their families.
- E. Describes partnerships with public and private organizations that possess expertise in working with people with a disability or long-term illness and developing community-living opportunities.

VI. Budget Narrative/Justification and Resources: Maximum Possible Score = 10

- A. The proposed budget is reasonable in relation to the proposed objectives, design, and significance of achievements.
- B. The budget includes a contribution (in any combination of cash and non-cash contributions) that totals at least 5 percent of the grant award (including all direct and indirect costs).

2. Review and Selection Process

A. How the Merit of Applications Will Be Determined

CMS will employ a multiphase review process to determine the applications that will be reviewed and the merit of the applications that are reviewed. The multiphase review process includes the following:

1. Applications will be screened by Federal staff to determine eligibility for further review using the criteria detailed in the “Applicant Eligibility” section of this solicitation. Applications that are received late or fail to meet the eligibility requirements as detailed in the “Applicant Eligibility” section of this solicitation will not be reviewed.
2. Applications will be objectively reviewed by a panel of experts, the exact number and composition of which will be determined by CMS at its discretion, but may include private sector subject matter experts, beneficiaries of Medicaid supports, and Federal and State policy staff. The review panels will utilize the objective criteria described in the “Criteria” section of this solicitation to establish an overall numeric score for each application.
3. The results of the objective review of applications will be used to advise the approving CMS official. Additionally, CMS staff will make final recommendations to the approving official after ranking applications using the scores and comments from the review panel and weighing other factors as described in the “Factors Other than Merit that May be Used in Selecting Applications for Award” section of this solicitation.

B. Factors Other than Merit that May be Used in Selecting Applications for Award

CMS may assure reasonable balance among the grants to be awarded in a particular category in terms of key factors such as geographic distribution and broad target group representation.

CMS may redistribute grant funds (as detailed in the “Award Information” section of this solicitation) based upon the number and quality of applications received for each grant opportunity (e.g., to adjust the minimum or maximum awards permitted or adjust the aggregate amount of Federal funds allotted to a particular category of grants).

CMS will not fund activities that are duplicative of efforts funded through its grant programs or other Federal resources.

For applicants that have been awarded previous Real Choice Systems Change Grants, past programmatic performance will be considered in selecting applications for award. To assess the applicant’s past programmatic performance, CMS will use the semi-annual, annual, and financial reports submitted by the applicant under the Terms and Conditions of their previously awarded Real Choice Systems Change Grant. For applicants that have never received a Real Choice Systems Change Grant, past programmatic performance will not be a consideration in selecting applications for award.

VI. Award Administration Information

1. Award Notices

Successful applicants will receive a Notice of Grant Award (NGA) signed and dated by the CMS Grants Management Officer. The NGA is the document authorizing the grant award and it will be sent through the U.S. Postal Service to the applicant organization as listed on its SF424. Any communication between CMS and applicants prior to the issuance of the NGA 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 its SF424, after October 1, 2004.

2. Administrative and National Policy Requirements

A. Usual Requirements

1. Specific administrative and policy requirements of Grantees as outlined in 45 CFR 74 and 45 CFR 92 apply to this grant opportunity.
2. All Grantees receiving awards under these grant programs must meet the requirements of:
 - Title VI of the Civil Rights Act of 1964,
 - Section 504 of the Rehabilitation Act of 1973,
 - The Age Discrimination Act of 1975,
 - Hill-Burton Community Service nondiscrimination provisions, and
 - Title II Subtitle A of the Americans with Disabilities Act of 1990.
3. All equipment, staff, and other budgeted resources and expenses must be used exclusively for the projects identified in the Grantee's original grant application or agreed upon subsequently with CMS, and may not be used for any prohibited uses as described in Attachment 3 in the "Other Information" section of this solicitation.
4. Grantees must meaningfully include consumers and other stakeholders in the planning, implementation, and evaluation of the project. CMS expects all grant budgets to include some funding to facilitate participation on the part of individuals who have a disability or long-term illness.
5. State Grantees must coordinate their project activities with other State agencies that serve the population targeted by their application (e.g., Administration for Children and Families, Administration for Developmental Disabilities, Administration on Aging, Department of Education, etc.). CMS also encourages collaboration with a broad range of public and private organizations whose primary purpose is advocating for consumers or older adults, volunteer groups, employers, faith-based service providers, private philanthropic organizations, and other community-based organizations.

6. All Grantees will be required to attend one meeting per year in the Washington, DC or Baltimore, MD area sponsored by CMS for the benefit of Real Choice Systems Change Grantees.

B. Terms and Conditions

This funding opportunity will lead to awards with CMS' standard terms and conditions and may lead to awards with additional "special" terms and conditions. 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 (e.g., failure to supply or an acceptable Work Plan or detailed 36-month budget) identified in the application by the review panel or CMS.

3. Reporting

Grantees must agree to cooperate with any Federal evaluation of the program and provide semi-annual (every 6 months) and final (at the end of the grant period) reports in a form prescribed by CMS (including the SF-269a "Financial Status Report" forms). Reports may be submitted electronically. These reports will outline how grant funds were used, describe program progress, and describe any barriers and measurable outcomes. CMS will provide a format for reporting and technical assistance necessary to complete required report forms. Grantees must also agree to respond to requests that are necessary for the evaluation of the national Real Choice Systems Change Grants efforts and provide data on key elements of their Real Choice Systems Change Grant activities.

VII. Agency Contacts

A. Programmatic Content Questions

Programmatic questions about the Real Choice Systems Change Grants may be directed to:

An e-mail address that multiple people access so that someone will respond even if others are unexpectedly absent during critical periods: RealChoiceFY2004@cms.hhs.gov, or

Mary Guy, Centers for Medicare & Medicaid Services, Center for Medicaid and State Operations, DEHPG/DCSI, Mail Stop S2-14-26, 7500 Security Boulevard, Baltimore, MD 21244-1850, 410-786-2772 (voice), or 410-786-9004 (fax).

B. Administration Questions

Administrative questions about the Real Choice Systems Change Grants may be directed to Nicole Nicholson, Centers for Medicare & Medicaid Services, Office of Operations Management, Acquisition and Grants Group, C2-21-15 Central Building, 7500 Security Boulevard, Baltimore, MD 21244-1850, (410) 786-5158 (voice), 410-786-9088 (fax), or by e-mail at NNicholson@cms.hhs.gov.

VIII. Other Information

The following attachments are included in this section:

- Attachment 1: Notice of Intent to Apply
- Attachment 2: Work Plan
- Attachment 3: Prohibited Use of Grant Funds
- Attachment 4: Definitions

ATTACHMENT 1

Notice of Intent to Apply

Submission By Facsimile Preferred

Please complete and return, by **June 8, 2004**, to:

Sona Stepp
Centers for Medicare & Medicaid Services
CMSO/DEHPG/DCSI, Mail Stop S2-14-26
7500 Security Boulevard, Baltimore, MD 21244-1850
Phone: 410-786-6815 Fax: 410-786-9004

- 1. Name of State: _____
- 2. Applicant Agency/Organization: _____
- 3. Contact Name and Title: _____
- 4. Address: _____
- 5. Phone: _____ Fax: _____
- 6. E-mail address: _____

7. Type of Real Choice Systems Change Grant for Which you Plan to Apply.
A separate Notice of Intent to Apply should be submitted for each grant for which you plan to apply.*

- Quality Assurance & Quality Improvement in HCBS
- Integrating Long Term Supports with Affordable Housing
- Portals from EPSDT to Adult Supports
- Comprehensive Systems Reform Effort
- Mental Health: Systems Transformation
- Rebalancing Initiative
- LIFE Account Feasibility and Demonstration
- Family-to-Family Health Care Information and Education Centers
- National State-to-State Technical Assistance Program for Community Living

8. Anticipated amount of proposal: \$ _____

Please submit any questions regarding the Real Choice Systems Change Grants to RealChoiceFY2004@cms.hhs.gov.

*It is not mandatory for an applicant to submit a Notice of Intent to Apply; such submissions help us plan our review panels. Submission of a Notice of Intent to Apply does not bind the applicant to apply nor will it cause a proposal to be reviewed more favorably.

ATTACHMENT 2

Work Plan

The grant application must include a project work plan. All of the project's goals must be included in the work plan. The completed work plan will not be counted toward the narrative's page limitation (as described in the "Application and Submission Information" section of this solicitation). The column labels are explained below to guide you in completing the work plan.

Column Label **Column Label Meaning**

Goal(s):	What systems changes are you trying to achieve (e.g., create a self-directed option in current waiver program)?
Activity:	What you will do to achieve the stated goal(s)? There may be multiple activities that contribute to the achievement of more than one goal.
Specific Tasks:	What are the specific tasks that need to be accomplished for each activity?
Lead Person:	Who is responsible for making sure that the activity is completed (e.g., project director or subcontractor)? Identify the primary person by name, if possible, with responsibility for the specific activity.
Timeline:	What are the dates for starting and completing the activity? Please specify by quarters (e.g., 1 st Quarter, 2 nd - 5 th Quarter) the beginning and the anticipated completion dates of the activity.
Measurable Outcome(s):	What are the specific measurable outcomes (e.g., what changes or differences are anticipated and measurable)?
Products:	What tangible products will you produce (e.g., a handbook or web site on long-term supports)?

WORK PLAN

Type of Grant:
State:
Organization:

Goal(s):															
Measurable Outcome(s):															
Major Activities	Specific Tasks	Lead Person	Time Line (Start and End Date by Quarter)												Products
			1	2	3	4	5	6	7	8	9	10	11	12	
1.															
2.															
3.															
4.															

ATTACHMENT 3

Prohibited Uses of Grant Funds

Real Choice Systems Change Grants for FY 2004 funds may not be used for any of the following:

1. To provide direct services to individuals except as explicitly permitted under each grant solicitation. Direct services do not include expenses budgeted for consumer task force member participation in Real Choice Systems Change for Community Living Conferences or for project staff to attend Technical Assistance Conferences sponsored by CMS or its national technical assistance provider.
2. To match any other Federal funds.
3. 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.
4. To provide infrastructure for which Federal Medicaid matching funds are available at the 90/10 matching rate, such as certain information systems projects.
5. To supplant existing State, local, or private funding of infrastructure or services such as staff salaries, etc.
6. To be used for expenses that will not primarily benefit individuals of any age who have a disability or long-term illness.
7. To be used for ongoing administrative expenses related to Medicaid services unless such administration is part of a well-defined test of alternate and improved methods focused specifically on personal assistance services that maximize consumer control.
8. To be used for data processing software or hardware in excess of the personal computers required for staff devoted to the grant.

ATTACHMENT 4

Definitions

Definitions as used in this solicitation are:

Access to Services means the extent to which long-term support systems are made simple, understandable, comprehensive, flexible and fair; the extent to which we can ensure that people who need help have the right information at the right time to make key life decisions, to manage their services, and to manage their conditions or disability for the most positive measurable outcomes possible; the extent to which we can ensure that people have timely access to needed services that are appropriate, effective, and user-responsive; and the extent to which we ensure that the formal service system promotes community participation and supports each individuals access to community resources and activities (such as access to libraries, employer worksites, houses of worship, community public transportation systems).

Age-in-place is the concept of enabling individuals to remain in their living environment by providing supports that respond to their needs as those needs change over time.

Availability and Adequacy of Services means the extent to which services are assured to be adequate in terms of the amount available, the type and scope of services, and the time period or frequency of services.

Caregivers are family members or other unpaid individuals who provide care.

Children with special health care needs are children who have or are at increased risk for a chronic physical, developmental, behavioral, or emotional condition and who also require health and related services of a type or amount beyond that required by children generally.

Community integration means that personal assistance services must be oriented to supporting each individual's efforts to live and participate fully in the community. Personal assistance services that do not fit this intent include services that are available primarily in congregate settings, not available outside the home, or do not facilitate an individual's efforts to get to a job site.

Consumer direction is a concept that rests on the premise that individuals with a disability should: (a) be able to make decisions about the care they receive; (b) have control over the nature of the services; and (c) determine who, when, and how those services are delivered. It also assumes that such care is predominantly non-medical, but consists of services and supports that allow individuals with disabilities to function as independently as possible. Consumer direction is not one strategy, but reflects a continuum of approaches based on the level of decision-making, control, and autonomy allowed in a particular situation. Consumer direction in this context is more broadly defined than self-direction, which might require person centered planning, individualized budgets, participant protections, fiscal/employer agent service, brokerage services, and a quality assurance and improvement plan.

Direct services are services that are furnished to an individual with a disability or long-term illness including personal care services.

Feasibility study means a study that is directed at the objectives set out in the project definition stage. A feasibility study typically includes an analysis of: (a) project requirements and resources; (b) technology and equipment options and cost estimates; (c) economic and financial considerations, (d) cultural and social issues that might impact the project; (e) site location studies; (f) environmental considerations; (g) training requirements; and (h) preliminary schedules of work. In short, the feasibility study provides the information to support a request for project implementation funding.

Home and Community-Based Services Waiver means any Medicaid waiver under sections 1915(c), 1915(d) or 1929 of the Social Security Act, and any demonstration under §1115 of the Act or portion thereof that, in the judgment of the Secretary and the State, substitutes for a §1915(c) waiver.

Housing entities include the State housing agencies, public housing authorities, and/or other Federal, State, or local housing entities.

Maximum consumer control means the opportunity to exercise choice over key aspects of personal assistance services commensurate with the consumer's preferences, willingness, and ability to exercise control and responsibility.

Medicaid, community-based, long-term supports means all Medicaid-reimbursable services under any home and community-based services waiver, personal care, and any other remedial care recognized under State law as community-based long-term support.

Quality is the degree to which services and supports for individuals and populations increase the likelihood for desired health and quality of life measurable outcomes and are consistent with current professional knowledge. The goal of quality services and supports is to maximize the quality of life, functional independence, health and well being of the population.

Quality Assurance is an operative quality assessment system for HCBS services and supports that includes the following functions: system design, discovery, remediation, and systems improvement. A quality assessment system utilizes appropriate data sources to evaluate the quality of provided services.

Quality Framework for Home and Community-Based Services delineates the functions of quality (design, discovery, remedy, and improvement) and includes seven broad domains that encompass quality for HCBS waivers. The *HCBS Quality Framework* defines quality through the delineation of desired measurable outcomes for waiver participants across seven broad domains and 35 sub-domains. For more information, please see the August 29, 2002, State Medicaid Director's Letter; this letter is available at <http://cms.hhs.gov/medicaid/waivers/82902ltr.pdf>.

Quality Improvement in a State's quality improvement system includes both compliance activities (activities designed to ensure that Federal, State, and local requirements are met) and quality-enhancing activities (activities that improve quality of life and/or functional independence).

Quality of Services means the extent to which services are assured to achieve the measurable outcomes desired and are provided in a manner that meets the consumers' expectations and preferences. Quality of Services includes the extent to which we can ensure that there exists an effective Quality Assurance and Quality Improvement System in place that:

- Obtains real world data in real time regarding consumer experiences with the service system;
- Identifies problems in service delivery or service design in a timely manner;
- Effectively ensures that data are used to make prompt corrections or improvements;
- Transmits the relevant data to workers and those managers who will act on the information; and
- Rewards continuous improvement in service quality and value at all levels.

Value means to what extent we can ensure that investments in services yield the highest value possible. Value is examined in terms of three dimensions:

- Service Value: To what extent will our purchases yield the most outcome from the service for each dollar spent? This is often called “value-based purchasing” or “cost-effectiveness.”
- Individual Value: To what extent will our public purchases promote the health and well being of individuals, and promote dignity, independence, individual responsibility and choice, and self-direction?
- Community Value: To what extent will our public purchases support larger community capacity to enable people of any age and disability to live and participate in the community? To what extent will the formal or professional service system support informal caregiving by family, friends, and neighbors?