

## **Program Instructions**

### **AoA-PI-97-03**

TO: STATE AGENCIES ON AGING ADMINISTERING PROGRAMS FOR THE PROTECTION OF ELDER RIGHTS UNDER TITLE VII OF THE OLDER AMERICANS ACT OF 1965, AS AMENDED

SUBJECT: Cooperative Agreements with State Agencies on Aging to Support Outreach and Education, Training, Technical Assistance, and Capacity Building to Prevent and Combat Health Care Fraud, Waste, and Abuse

#### LEGAL AND RELATED

REFERENCES: Older Americans Act, as Amended (Public Law 102-375); Health Insurance Portability and Accountability Act (Public Law 104-191)

This program instruction advises you of the intent of the Administration on Aging (AoA) to invite state agencies on aging to act on behalf of the aging network in their states and join the Department of Health and Human Services (DHHS) and the AoA in a national effort, now underway, to prevent and combat health care fraud, waste, and abuse. Each state agency on aging may apply for funding of up to \$150,000 (up to \$50,000 in each year of a three-year project period) in support of training, outreach, technical assistance, and capacity building activities. Guidelines for preparing and submitting the cooperative agreement application, for funding by the AoA, are enclosed.

On August 21, 1996, President Clinton signed into law legislation coauthored by Senators Kennedy and Kassebaum, the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Public Law 104-191). The legislation, among other purposes, guarantees the portability of health insurance, allows workers to maintain insurance coverage if they lose or leave their jobs, establishes a pilot program for medical savings accounts, increases the deductibility of health insurance for the self-employed, and provides tax breaks to increase the use of long-term care insurance.

Of particular interest, the legislation also includes various health care fraud and abuse-related provisions. One anticipated result of the HIPAA will be to expand Operation Restore Trust (ORT) nationwide, by providing a stable source of funds, and creating a Health Care Fraud and Abuse Control Program to combat health care fraud and abuse in Medicare, Medicaid and other health care programs. The Program is being jointly coordinated by the Secretary of the DHHS and the Attorney General. It has a fiscal year (FY) 1997 funding of \$104 million, to be drawn from the Medicare Trust Fund, for (1) coordinating federal, state and local law enforcement programs to control fraud and abuse with respect to health care plans; (2) conducting investigations, audits, evaluations and inspections relating to the delivery of and payment for health care; (3) facilitating enforcement of civil, criminal and administrative statutes applicable to health care fraud and abuse; (4) providing industry guidance relating to fraudulent health care practices; and (5) establishing a national data bank to receive and report final adverse actions against health care providers.

The Program is authorized for seven years through FY 2003. In the DHHS implementation of the Program, the AoA has a collaborative role to play with both the Office of Inspector General (OIG) and the Health Care Financing Administration (HCFA). Beginning in FY 1997, with an allocation of \$1.1 million, and continuing during the course of the Program, the AoA, acting in concert with OIG and HCFA, will focus its activities on strengthening the roles played by older persons, their families and caregivers, and the aging network in combatting health care fraud and abuse. Specifically, the AoA will concentrate on two overall tasks, as successfully tested during the ORT demonstration in California, Florida, Illinois, New York and Texas. These are: (1) training and assisting both paid and volunteer long-term care ombudsmen, benefits counseling personnel, case managers and other direct service staff, in effectively recognizing actual and potential practices and patterns of fraud and abuse, and to advise and assist older persons and their families, as appropriate; and (2) to engage in outreach and education activities to educate and empower older persons, their families, and the communities to recognize fraudulent and abusive situations, and to prevent or minimize victimization by such behavior.

Our intent is to work in partnership with state agencies on aging, state long-term care ombudsmen, and others in the aging network, in mounting an aging network campaign against health care fraud and abuse. Sufficient funds are available in FY 1997 to begin project activities in roughly one-third of the states. Our goal, subject to funds availability, is that a comparable number of states would be provided start-up funding in FY 1998, with the third aggregate of states initiating their projects early in FY 1999. The goal is to have our joint effort well underway, across the nation, by January 1, 2000.

I strongly encourage all state agencies on aging to apply for this funding.

**INQUIRIES:** Inquiries should be addressed to Regional Administrators on Aging, DHHS Regional Offices

William F. Benson  
Acting Principal Deputy Assistant  
Secretary for Aging

## **Administration on Aging (AoA)**

*Cooperative Agreement Awards to State Agencies on Aging for the Support of Training, Technical Assistance, Outreach, Education, and Capacity Building to Prevent and Combat Health Care Fraud, Waste, and Abuse*

**SUMMARY:** These Guidelines have two parts. *Part I* describes the program priority, **Preventing and Combatting Health Care Fraud, Waste, and Abuse**, under which the AoA is inviting State Agencies on Aging to submit cooperative agreement award applications for funding. *Part II* describes the procedures for preparing and submitting the application.

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All of the forms (Standard Form 424), Assurances, and Certifications necessary to complete the application are included following Part II. Project awards to be made under this program priority beyond fiscal year (FY) 1997 are subject to the availability of funds.

The *deadline date* for the submission of applications is 45 days after the issuance of the PROGRAM INSTRUCTION to which these guidelines pertain.

Application receipt point: U.S. Department of Health and Human Services, Administration on Aging, Office of Administration and Management, 330 Independence Avenue, S.W., Room 4643, Washington, DC 20201.

A background set of technical assistance and informational materials helpful in preparing the application is available by contacting, Department of Health and Human Services, Administration on Aging, Office of Governmental Affairs and Elder rights, 330 Independence Avenue, S.W., Washington, DC 20201, telephone: (202) 619-3951 or (202) 619-3106.

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## **Part I. Background Information and Program Priority**

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### **A. Statutory Authority**

The statutory authority for awards made under this program priority is contained in the Older Americans Act, (42 U.S.C. 3001 et seq.), as amended by the Older Americans Act Amendments of 1992, Pub.L.102-375, September 30, 1992, and in the Health Insurance Portability and Accountability Act of 1997, Pub.L. 104-191.

### **B. Eligible Applicants**

Eligibility is limited to State Agencies on Aging.

### **C. Level of Funding**

State Agencies on Aging submitting acceptable applications shall each receive up to \$50,000 for the first year, up to \$50,000 for the second year, and up to \$50,000 for the third year of a three year project cooperative agreement. It is expected that approximately one-third of the State Agencies on Aging will receive funding beginning in FY 1997. Subject to the availability of funds, another third will be funded to begin project activities in FY 1998 and the last complement of SUAs will begin operations in FY 1999. Funding available for the Virgin Islands, Guam, Palau, American Samoa, and the Commonwealth of the Northern Mariana Islands is limited to \$10,000 per year.

## D. Program Priority Description

### **Preventing and Combatting Health Care Fraud, Waste, and Abuse**

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#### **1) Background**

Based on estimates of the General Accounting Office, billions of Medicare dollars are lost every year to waste, fraud and abuse. These losses are due, to a considerable extent, to the many ways in which the funds are dispersed as well as to the sheer magnitude of health care expenditures. Both factors increase the probability of waste while opening wider the opportunities for fraud and abuse. Those operating unscrupulously in this arena, intent on obtaining vital health care dollars illegally, have done so based on the perception that the risks of detection have lessened over the years. There has been decline in the ability of governmental agencies to fight waste, fraud and abuse because of shifting priorities, decreased funding for program administration, the result of downsizing, etc.

In 1995, the AoA became a partner in a government-led effort to reverse that trend and to fight against health care waste, fraud and abuse through implementation of a two-year health care anti-fraud and abuse demonstration program called "Operation Restore Trust" (ORT). ORT, announced by the President at the 1995 White House Conference on Aging, was a federal-state partnership to combat fraud and abuse in the Medicare and Medicaid programs. It targeted provider fraud in nursing homes and home health care services, including hospice care, and in the durable medical equipment industry. The demonstration program centered on five states where close to forty percent of Medicare and Medicaid dollars are expended - New York, Florida, Texas, Illinois, and California.

ORT combined the efforts of three agencies within the U.S. Department of Health and Human Services - the Office of Inspector General (OIG), the Health Care Financing Administration (HCFA) and the AoA. Another Federal partner was the Department of Justice. A feature of ORT was also the partnership between Federal agencies and such state programs and agencies as long-term care ombudsmen, State Agencies on Aging, Medicaid fraud control units, Attorney General offices, and Medicaid agencies and health departments. Teams of representatives from these programs in each target state worked to:

- increase public awareness of fraudulent practices;
- reduce and prevent the incidence of such practices;
- detect and punish wrong-doing;
- identify policy weaknesses that encourage fraud and abuse; and
- encourage self-monitoring and reporting of fraud by provider companies.

Hundreds of millions of dollars in savings were achieved through court awards in fraud cases, decreased up-front billings for fraudulent and wasteful practices, and other savings and recoupments generated through the ORT initiative.

Aging network agencies, because of their daily contact with older persons, especially those with health problems, were vital members of the core federal-state interdisciplinary team for each of the five states. Those serving the elderly through programs under the Older Americans Act educated thousands of older persons and their families about how to recognize Medicare and Medicaid fraud and what to do when it is detected. In that way, aging network staff, volunteers and older people themselves became both effective agents and partners with program integrity and law enforcement personnel in reducing and preventing Medicare and Medicaid fraud and abuse.

ORT efforts focused on education and training to prepare state and local ombudsmen, health insurance counselors, the network of aging service agencies, older persons and their families, and others who work directly with older people to recognize individual instances and patterns of Medicare and Medicaid waste, fraud and abuse when they encounter it, followed by a clear understanding of how, and to whom, to refer cases for investigation. The five states held train-the-trainer sessions for local ombudsman coordinators, Medicare benefits counselors, and other key program staff, followed by local training events. HCFA, OIG, Medicare contractors and state Medicaid agencies and Attorney General (e.g., Medicaid Fraud Control Unit) staff served as trainers. Special resource materials were provided to each trainee. To date, over 4200 persons have been trained in 90 sessions within the five states, and thousands of older persons were reached through targeted outreach efforts initiated in New York city, central Florida, metropolitan Chicago and Los Angeles.

On February 11, 1997, the AoA announced the availability of funding for a second anti-fraud and abuse initiative. This initiative, the Health Care Anti-Fraud, Waste, and Abuse Community Volunteers' Demonstration Projects, is intended both to respond to a congressional directive and to build on the ORT experience. The model activities to be funded by these projects seek to substantially increase the involvement of older persons and aging network agencies in support of the AoA's and HCFA's efforts under ORT to curb losses due to fraud and abuse. Based on congressional direction, \$2 million in Fiscal Year 1997 was transferred through an intra-agency agreement from the HCFA to the AoA to facilitate a collaboration of aging network agencies (State and Area Agencies on Aging), health insurance counseling programs, senior centers, and other appropriate entities in carrying out this demonstration program of projects to combat health care waste, fraud, and abuse. Ten to twelve projects will be funded in early June 1997.

## **2) Building on ORT: The Program to Prevent and Combat Health Care Fraud, Waste and Abuse**

The recently-enacted Health Insurance Portability and Accountability Act (HIPAA) authorizes the continuation and expansion of anti-fraud, waste, and abuse activities, including those initiated under ORT. This measure provides funding for AoA to utilize its uniquely positioned network of community-based agencies to play a principal role in demonstrating the effectiveness of education of aging

network personnel, consumers and their families as a long term deterrence of health care fraud and abuse.

AoA's funded activities will build upon the successful efforts derived from collaborating with the OIG and the HCFA in planning and conducting fraud and abuse awareness activities with the State Agencies on Aging. These activities are (1) intensive training of long term care ombudsmen and ombudsman volunteers to identify health care providers and suppliers who render unnecessary services and excessive suppliers; (2) fraud and abuse awareness training for the staff of other aging network programs and services -- case management, information and assistance, senior centers, health insurance counseling and assistance, legal assistance, etc.; and (3) outreach and education efforts to provide fraud and abuse information to older persons, their families and caregivers that will help them on how to recognize instances and patterns of suspected fraud and abuse and on how to report the same.

On March 25, 1997, President Clinton announced plans to send Congress new legislation to fight fraud and abuse in health. He proposed enactment of the "Medicare-Medicaid Anti-Waste, Fraud and Abuse Act of 1997." The legislation would establish tough new requirements for individuals and companies that wish to participate in the programs, provide new sanctions against providers who commit fraud and close loopholes that lead to fraud and abuse. This follows four years of focused efforts that has helped save more than \$20 billion in health care claims through policy changes, penalties, recoveries, claims denials, and settlements.

### **3) Project Objectives and Activities**

The Program to Prevent and Combat Health Care Fraud, Waste and Abuse Program is designed to strengthen the capability of State Agencies on Aging and other aging network agencies to plan and carry out a program of provider and consumer education regarding enforcement efforts against fraud and abuse in federal and private health care programs. Applications are sought to recast existing ORT train-the-trainers' models and test new models for 1) training and assisting both paid and volunteer long term care ombudsmen, benefits counseling personnel, case managers and other direct service staff, especially those associated with the OAA programs and services, in effectively recognizing actual and potential practices and patterns of fraud and abuse and to advise and assist older persons and their families, as appropriate; and 2) engaging in outreach and education activities to educate and empower older persons, their families, and their communities to recognize fraudulent and abusive situations and to prevent or minimize victimization by such behavior. One result of such training, education and outreach activities will be referrals to the OIG and other investigative and enforcement agencies, which, in turn, will lead to various sanctions, recoupsments, prosecutions and convictions.

In every case, the State Agency on Aging should propose activities which will effectively employ the unique talents of its ready-made network to empower those being served to have a greater understanding and expertise necessary to assess their health care bills and report suspected instances of waste, fraud and abuse. Examples of practices deserving their careful scrutiny include protecting Medicare cards, billing for services not rendered, overcharging for services performed, waiving patient

coinsurance, accepting or paying kickbacks for patient referrals, and providing inappropriate or unnecessary services.

State Agencies on Aging have considerable flexibility in pursuing various methods of establishing projects to prevent and combat health care fraud, waste and abuse. However, the application should encompass each of the following components:

- state/local planning and coordination committees among participating agencies of the state's aging network, including ombudsman programs, area agencies on aging, health insurance counseling and assistance programs, and senior advocacy groups (e.g. AARP);
- collaborative outreach and education efforts and linkages to improve public awareness and outreach services;
- statewide or regional fraud and abuse train-the-trainers' training to cover such topics as (a) an overview of the Medicare and Medicaid programs, (b) federal waste, fraud and abuse provisions, (c) an overview of the state's health care programs, (d) issues that affect provision of health care services, (e) documentation necessary for making referrals of possible waste, fraud and abuse investigations, and (f) an overview of the state's system for investigating waste, fraud and abuse;
- statewide, regional or local fraud and abuse training for aging network staff;
- the collection, assessment, and reporting of information regarding key indicators of program effectiveness; such information would focus on the older consumers reached by the state program, their demographic characteristics, and their efforts at recognizing and reporting instances of suspected waste, fraud and abuse; and
- system(s) to track waste, fraud and abuse referrals to appropriate federal and state investigative agencies; and
- plan(s) for measuring the degree to which objectives have been accomplished.

Approximately one-third of the State Agencies on Aging will be funded to begin operations in FY 1997. It is expected those states will be selected from among the five (5) ORT demonstration states (CA, FL, IL, NY and TX), the several states where the OIG-Office of Investigations will open new field offices in FY 1997 (including CT, IA, OH, OK, SC, and TN), and those states where the HCFA plans to form new fraud and abuse coordinating committees (AZ, CO, GA, LA, MA, MO, NJ, PA, VA, and WA). It is the intention of the AoA, provided sufficient funding is made available, to make project awards to a second set of states in FY 1998, and to the last aggregate of states in FY 1999, which would complete the expansion process nationally.

## **Part II. Guidelines for Preparing and Submitting the Application**

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Part II contains guidelines for State Agencies on Aging in preparing and submitting applications for projects to support training, technical assistance, and capacity building aimed at **preventing and combatting health care fraud, waste, and abuse**. Application forms are also provided along with instructions for preparing the application package for submittal to the AoA.

1. Review Process and Considerations for Funding

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

b. Review and Decision-Making Process: State Agencies on Aging are expected to indicate in their application their preferred start-up year for the three-year funding period (i.e., FY 1997, expected start date: August 1, 1997; FY 1998, expected start date: March 1, 1998; FY 1999, expected start date: January 1, 1999). Acceptable project applications will be approved for start-up funding, wherever possible, in accordance with the expressed preference. Applicants may be contacted by AoA staff to furnish additional information.

c. Timeframe: The State Agencies on Aging approved for funding beginning in FY 1997 will be notified 30-40 days after the deadline for submitting their application. State Agencies on Aging scheduled to begin project activities in FY 1998 or FY 1999 will be notified no later than two months before the anticipated start date.

2. Notification Under Executive Order 12372

This is not a covered program under Executive Order 12372.

The closing date for submission of applications is 45 days after the issuance of the PROGRAM INSTRUCTION to which these guidelines pertain.

State Agencies on Aging are not required to share in the costs of these projects.

Applications can be either sent or hand-delivered to the address specified below. Hand-delivered applications are accepted during the hours of 9:00 a.m. to 5:30 p.m., Monday through Friday.

Department of Health and Human Services  
Administration on Aging  
Office of Administration and Management  
330 Independence Avenue, S.W., Room 4643  
Washington, D.C. 20201



As a state government agency, the SUA may include indirect charges (costs) in its budget as determined in accordance with HHS requirements.

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

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

- o Project summary description;

- o Program narrative;

- o Letters of commitment from participating organizations and agencies;

#### **G. Communications with AoA**

All applicants will be notified (using the information provided by the SF 424, item 5) of the receipt of their application and informed of the identification number assigned to it. This number should be referred to in all subsequent communication with AoA concerning the application. If acknowledgment is not received within four weeks after the deadline date, please notify the Office of Governmental Affairs and Elder Rights by telephone at (202) 619-3106.

#### **H. Completing the Application**

In completing the application, please recognize that the set of standardized forms is prescribed by the Office of Management and Budget and is not perfectly adaptable to the particulars of this program. If you need technical help in completing the forms, please call Al Duncker at (202) 619-1269. Please prepare your application consistent with the following guidance:

1. SF 424, Cover Page: Complete only the items specified in the following instructions:

Item 1. Preprinted on the form.

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

Item 3. Not applicable.

Item 4. Leave blank.

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

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

Item 7. Preprinted on the form.

Item 8. Preprinted on form.

Item 9. Preprinted on form.

Item 10. Leave blank.

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

Item 12. Preprinted on form.

Item 13. Enter the desired start date for the project, either August 1, 1997, or March 1, 1998, or January 1, 1999 and the end date for the project, three years later.

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

Item 15. All budget information entered under item #15 should cover only the first 12 months of the project. The applicant should show the federal support requested under sub-item 15a. Sub-items 15b-15e are considered cost-sharing or "matching funds". Cost sharing is at the discretion of the State Agency on Aging and any organizations collaborating with the SUA on this project.

Item 16. Preprinted on form.

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

Item 18. To be signed by an authorized representative of the State Agency on Aging.

## 2. SF 424A - Budget Information

This form (SF424A) is designed to apply for funding under more than one grant program; thus, for purposes of this AoA program, most of the budget item columns/blocks are superfluous and should be

regarded as not applicable. The applicant should consider and respond to only the budget items for which guidance is provided below.

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

#### Section A - Budget Summary

On line 5, enter total Federal Costs in column (e) and, if applicable, total non-Federal Costs (including, third party in-kind contributions and program income) in column (f). Enter the total of columns (e) and (f) in column (g).

#### Section B - Budget Categories

Use only the last column under Section B, namely the column headed Total (5), to enter the total requirements for funds (combining the federal share with, if applicable, costs borne by the applicant and cash contributions of any and all third parties involved in the project, including sub-grantees, contractors and consultants) by object class category. Show the totals in row 6-k, column 5.

If applicable, under row 7, Program Income/Third Party In-Kind, column 5, include any in-kind (third party) contributions and program income shown in Item 15 (d) (e) and (f) on the face sheet of the SF 424.

A separate budget justification sheet(s) should be included which shows in three columns the breakdown of budget cost items by federal, non-federal (if applicable), and total funds. The rest of this separate budget presentation should fully explain the major budget items: personnel, travel, other, etc., as outlined below. The column for non-federal funds shown for any of the budget line items in the budget justification sheet reflects only cash match contributions (see instructions above for item 15 on the face sheet of the SF 424). Third party in-kind contributions and program income designated as non-federal match contributions should be identified and justified separately from the justification for the budget line items. The full budget justification should be included in the application immediately follow the SF 424 budget forms.

Line 6a - Personnel: Enter total costs of salaries and wages of applicant/grantee staff. Do not include the costs of consultants, which should be included under 6h - Other.

Justification: Identify the project director, if known. Specify the key staff, their titles, and time commitments in the budget justification.

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

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

Line 6c - Travel: Enter total costs of out-of-town travel (travel requiring per diem) for staff of the project. Please set aside travel funds for an annual meeting in Washington, D.C. of Project Directors (the date to be mutually agreed upon). Do not enter costs for consultant's travel or local transportation.

Justification: Include the total number of trips, destinations, length of stay, transportation costs and subsistence allowances.

Line 6d - Equipment: Enter the total costs of all equipment to be acquired by the project. Equipment is defined as non-expendable tangible personal property having a useful life of more than two years and an acquisition cost of \$5,000 or more per unit. If the item does not meet the \$5,000 threshold, include it in your budget as part of supplies.

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

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

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

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

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

Line 6h - Other: Enter the total of all other costs. Such costs, where applicable, may include, but are not limited to: insurance, medical and dental costs; noncontractual fees and travel paid directly to individual consultants; local transportation (all travel which does not require per diem is considered

local travel); space and equipment rentals; printing and publication; computer use; training and staff development costs.

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

Line 6j - Indirect Charges: Enter the total amount of indirect charges (costs), if any. If no indirect costs are requested, enter "none."

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

Line 7 - Program Income/Third Party In-Kind Contributions: Estimate the amount of income, if any, expected to be generated from this project which you wish to designate as match (equal to the amount shown in Item 15 (f) on SF 424) and combine that with third party in-kind contributions, if any.

Non-match anticipated program income should be described in the Level of Effort section of the Program Narrative.

#### Section C - Non-Federal Resources

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

Section D - Forecasted Cash Needs: Not applicable.

#### Section E - Budget Estimate of Federal Funds Needed for Balance of the Project

Complete this section since the total project period encompasses three funding periods.

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

#### Section F - Other Budget Information

Line 21 - Direct Charges: Not applicable

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

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

### 3. SF 424B - Assurances

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

### 4. Certification Forms

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

### 5. Project Summary Description

The project summary description (page one) begins the substantive part of the application. It should be headed by two identifiers: (1) the name of the applicant organization as shown in SF 424, item 5 and (2) the program priority, namely, **Preventing and Combatting Health Care Fraud, Waste, and Abuse**. Please limit the summary description to one page with a maximum of 1,200 characters, including words, spaces, and punctuation.

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

### 6. Program Narrative

The Program Narrative is the critical part of the application. It should be clear, concise, and, of course, responsive to the program priority as described above under Part I, D, pp 2-6. The narrative should cover: (A) the project's purpose(s), relevance, significance, and responsiveness to the program priority; (B) the workplan/approach(es) the project will follow to achieve its purpose(s); (C) the anticipated outcomes/results/benefits of the project and how these will be disseminated and utilized, and; (D) the level of effort needed to carry out the project, in terms of the Project Director and other key staff, funding, and other resources.

Please have the narrative typed, double-spaced, on one side of 8 1/2" x 11" plain white paper with 1" margins on both sides. All pages of the narrative (including charts, tables, etc.) should be sequentially numbered, beginning with "Objectives and Need for Assistance" as page number two (2). At the close

of the project narrative, please identify the author(s) of the proposal, their relationship with the applicant, and the role they will play, if any, should the project be funded.