

**Fiscal Year 2016 Patient-Centered Medical Home
Supplemental Funding Opportunity
HRSA-16-183
CFDA# 93.527**

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Purpose

Fiscal Year (FY) 2016 Patient-Centered Medical Home (PCMH) supplemental funding will support Health Center Program award recipients (hereafter referred to as health centers)^{1,2} that received initial Health Center Program operational grant funding after FY 2011 to improve quality of care and patients' and providers' experience of care through the PCMH health care delivery model. This one-time funding opportunity, authorized by Section 330 of the Public Health Service Act (42 U.S.C. 254b, as amended), will provide assistance to health centers to make the practice changes necessary to achieve, expand, and/or optimize PCMH recognition.³

Background

The PCMH model has been demonstrated to increase patient care quality through improved access, integrated care teams, and care coordination. In November 2010, Health Resources and Services Administration (HRSA) established the [HRSA Accreditation and PCMH Recognition Initiative](#) to support some of the expenses associated with seeking PCMH recognition (e.g., application fees, survey costs). As a result of this ongoing investment, the number of health centers adopting the PCMH model and achieving PCMH recognition continues to increase. In 2015, 65 percent of all health centers had one or more sites recognized as PCMH from at least one of the following entities:

- Accreditation Association for Ambulatory Health Care (AAAHC)
- National Committee on Quality Assurance (NCQA)
- The Joint Commission (TJC)
- Minnesota Health Care Home
- Oregon Patient-Centered Primary Care Home Program.

This HRSA Initiative included supplemental funding opportunities in FY 2011 and FY 2012 to support PCMH transformation projects at existing health center sites. The funding allowed health centers to assess their operations through the lens of the PCMH model of care and take the steps necessary to achieve or increase PCMH recognition. HRSA's ongoing commitment to and support of the PCMH model has helped health centers make major advances in adopting evidence-based practices, improving patient safety, improving performance on Uniform Data System clinical quality measures, and meeting or exceeding national quality standards.

Through this one-time supplemental funding opportunity, HRSA will award approximately \$10 million to support health centers awarded initial Health Center Program operational grant funding after FY 2011 to achieve, expand, and/or optimize PCMH recognition.

¹ See [Eligible Applicants](#) section for additional details.

² For the purposes of this funding opportunity announcement, the term "health center" means organizations funded under Section 330(e), (g), (h), and/or (i) of the Public Health Service Act, as amended (Health Center Program award recipients).

³ For the purposes of the FY 2016 PCMH supplemental funding, "recognition" refers to national or state PCMH recognition or accreditation programs.

Eligible Applicants

In FY 2012, HRSA provided all currently funded health centers, with the exception of health centers newly funded in FY 2012, the opportunity to receive PCMH supplemental funding. FY 2016 PCMH supplemental funding will provide targeted support to health centers that were funded since FY 2011. Therefore, only health centers that received initial Health Center Program operational grant funding after FY 2011 (i.e., FY 2012, 2013, 2014, 2015, or 2016, if funded by April 1, 2016) are eligible to apply for this supplemental funding. HRSA will notify each eligible health center about the availability of the FY 2016 PCMH supplemental funding application via a HRSA Electronic Handbooks (EHB) email.

Summary of Funding

Eligible health centers may request up to \$35,000 in one-time supplemental funds. Depending on the number of approvable applications, HRSA may adjust award amounts consistent with funds available for this funding opportunity. Cost sharing or matching is not required. FY 2016 PCMH supplemental funding must be requested by and will be provided to each award recipient in the same special population⁴ funding proportion(s) as the existing Health Center Program operational grant funding.

FY 2016 PCMH supplemental funding must be expended within 12 months of award. Award recipients may request to carry over a portion of these funds to use in the upcoming budget period as needed.

Requirements

All applications must indicate the following on the Project Overview Form in the FY 2016 PCMH supplemental funding application in EHB:

1. FY 2016 PCMH supplemental funds will be used to:
 - Achieve PCMH recognition for one or more sites in the health center's approved Health Center Program scope of project (i.e., listed on the health center's Form 5B: Service Sites) that are not currently PCMH recognized; and/or
 - Increase the level of PCMH recognition and/or further optimize the use of the PCMH model for one or more sites in the health center's approved scope of project that are currently PCMH recognized.

2. Proposed activities will enhance one or more of the PCMH Core Functions and Attributes defined by the Agency for Healthcare Research and Quality (AHRQ)⁵ as:
 - Comprehensive Care
 - Patient-Centered
 - Coordinated Care

⁴ Section 330 of the PHS Act special populations include Migratory and Seasonal Agricultural Workers (section 330(g)), People Experiencing Homelessness (section 330(h)), and Residents of Public Housing (section 330(i)).

⁵ For additional information about the PCMH Core Functions and Attributes, visit:
<https://pcmh.ahrq.gov/page/defining-pcmh>.

- Accessible Services
- Quality and Safety

Allowable Activities

Allowable activities support achievement, expansion, and/or optimization of PCMH recognition, including practice redesign, implementation of team-based models of service delivery, necessary system upgrades, and staff/consultant time dedicated to PCMH developmental and/or optimization efforts, including expanding upon existing transformation efforts to further optimize the PCMH model.

Applicants are encouraged to utilize PCMH self-assessment tools to identify areas in need of improvement. Health centers that have already achieved PCMH recognition may use pre-survey or initial survey results to identify remaining areas to improve or enhance.

Activities supported under this announcement must be implemented at sites that are in the health center's approved Health Center Program scope of project.

Allowable Costs

Allowable uses of Health Center Program operational grant funds will generally apply to FY 2016 PCMH supplemental funding, unless specifically excluded in this funding announcement (see below). Allowable costs include personnel costs (salary and fringe for no more than 12 months); fees for expert consultants, practice coaches, or training; movable equipment and supply costs that cover necessary system enhancements (e.g., upgrades for ONC-certified electronic health records (EHR),⁶ tablets, modular work stations); and costs of activities directly related to the developmental work required to become PCMH recognized.

Ineligible Activities

The following uses of FY 2016 PCMH supplemental funds are not permitted:

- Patient care (e.g., laboratory tests, medical or office supplies);
- Construction, including minor alterations and renovation;
- Fixed/installed equipment; and/or
- Facility, land, or vehicle purchases.

Note: Health centers may not use FY 2016 PCMH supplemental funding to supplant other resources (federal, state, local, or private). Health centers also may not propose to use FY 2016 PCMH supplemental funding on costs incurred prior to award or costs that are covered by the [HRSA Accreditation and PCMH Recognition Initiative](#). In addition, health centers may not propose to add, delete, consolidate, or relocate sites as part of the FY 2016 PCMH supplemental funding opportunity.

⁶ For the purposes of this funding opportunity announcement, "certified EHR" refers to health IT products certified by the Office of the National Coordinator (ONC) for Health IT Authorized Testing and Certification Body. For further information about ONC certified health IT products, see <http://onc-chpl.force.com/ehrcert>.

Pursuant to existing law, and consistent with Executive Order 13535 (75 FR 15599), health centers are prohibited from using federal funds to provide abortion services (except in cases of rape or incest, or when the life of the woman would be endangered). This includes all funds awarded under this announcement and is consistent with past practice and long-standing requirements applicable to grant awards to health centers.

Required Outcomes

FY 2016 PCMH supplemental funding applications must demonstrate a proposal to achieve, expand, and/or optimize PCMH recognition. If funded, health centers are required to demonstrate that activities have been implemented to support accomplishment of the proposed outcomes, including the achievement or expansion of PCMH recognition. The table below outlines the documentation health centers are required to submit with the final report depending on the recognizing body selected (as applicable).

Recognizing Body	Documentation Required for Health Centers Proposing to Achieve or Expand PCMH Recognition
National Committee on Quality Assurance (NCQA)	Proof of the recognition decision or proof of final survey tool submission to NCQA (via a certificate or an email from NCQA verifying submission) by July 31, 2017.
Accreditation Association for Ambulatory Health Care (AAAHC)	Proof of the recognition decision or proof that the final site visit has been scheduled by July 31, 2017.
The Joint Commission (TJC)	Proof of the recognition decision or proof that the health center’s final site visit has been scheduled by July 31, 2017.
Minnesota Health Care Home	Proof of the recognition decision or other documentation that demonstrates implementation of steps necessary to achieve recognition through the Minnesota Health Care Home process by July 31, 2017.
Oregon Patient-Centered Primary Care Home Program	Proof of the recognition decision or other documentation that demonstrates implementation of steps necessary to achieve recognition through the Oregon Patient-Centered Primary Care Home Program process by July 31, 2017.

Post Award Reporting Requirements

Health centers that receive FY 2016 PCMH supplemental funding are required to participate in a HRSA-led technical assistance webinar approximately six months post-award (additional information will be provided to successful applicants). Health centers must also submit a final report approximately 45 days following the end of the 12 month funding period describing progress made toward achieving their proposed outcomes (see [Appendix A](#)), lessons learned, barriers or challenges experienced while implementing activities, and documentation of proof of recognition (see above Table, as applicable).

Application Deadline and Award Notice

The FY 2016 PCMH supplemental funding application is due in EHB by **5:00 PM ET on May 31, 2016**. HRSA anticipates awarding FY 2016 PCMH supplemental funding in **August 2016**.

Resources

Applicants are encouraged to access the information and tools available on the websites listed below when developing proposals for the FY 2016 PCMH supplemental funding opportunity.

Resource	Description
HRSA Accreditation and Patient-Centered Medical Home Initiative	Outlines the ongoing HRSA support available for health centers to achieve accreditation and recognition (e.g., application fees, survey costs): http://bphc.hrsa.gov/qualityimprovement/clinicalquality/accreditation-pcmh/index.html
Accreditation and PCMH Initiative Program Assistance Letter 2015-02	Describes the HRSA Accreditation and PCMH Recognition Initiative, and outlines the process and requirements for applying: http://bphc.hrsa.gov/qualityimprovement/pdf/pal201502.pdf
HRSA's Accreditation and PCMH Recognition Initiative NOI Submission Website	Website used by health centers to submit a Notice of Interest/Intent (NOI) to the HRSA Accreditation and PCMH Recognition Initiative: https://hcp.hrsa.gov/pcmhnoi/NOI.aspx
HRSA's PCMH Recognition Resources Comparison Chart	Provides a comparison between PCMH accreditation and recognition programs: http://bphc.hrsa.gov/qualityimprovement/clinicalquality/accreditation-pcmh/pcmhrecognition.pdf
Primary Care Development Corporation's PCMH 2014 Readiness Assessment Tool	Readiness assessment tool to help health centers make informed decisions about moving forward with PCMH recognition: http://www.pcdc.org/performance-improvement/special-content/2014-pcmh-self-assessment-tool.html
National Committee on Quality Assurance (NCQA)	Provides additional information about NCQA recognition: http://www.ncqa.org/Programs/Recognition/Practices/PatientCenteredMedicalHomePCMH.aspx
Accreditation Association for Ambulatory Health Care (AAHC)	Provides additional information about AAHC accreditation: http://www.aaahc.org/en/accreditation/FQCHCs/
The Joint Commission (TJC)	Provides additional information about TJC accreditation: http://www.jointcommission.org/accreditation/pchi.aspx
Minnesota Health Care Home	Provides information about the Minnesota Health Care Home recognition program (only available to health centers in Minnesota): http://www.health.state.mn.us/healthreform/homes/index.html

Resource	Description
Oregon Patient-Centered Primary Care Home Program	Provides information about the Oregon Patient-Centered Primary Care Home Program (only available to health centers in Oregon): http://www.oregon.gov/oha/pcpch/Pages/index.aspx

Application Reviews

HRSA will conduct internal reviews for completeness, eligibility, and allowable costs. HRSA reserves the right to request rebudgeting and/or revision of the Project Overview Form if an application is not fully responsive to application requirements or if ineligible activities or costs are proposed.

Prior to award, HRSA will assess the status of all Health Center Program award recipients applying for FY 2016 PCMH supplemental funding. Applicants are not eligible to receive funding if they have any of the following on their current grant award:

- 5 or more 60-day Health Center Program Requirement progressive action conditions
- 1 or more 30-day Health Center Program Requirement progressive action conditions

Awards are subject to the provisions of Executive Order 12372, as implemented by Uniform Guidance 2 CFR 200 (as codified by HHS at 45 CFR 75),⁷ as well as all applicable administrative and national policy requirements, as required by existing awardees' Health Center Program operational fund awards.

Every organization is required to maintain an active System for Award Management (SAM) (<https://www.sam.gov/portal/SAM/#1>) registration at all times.

Contacts

For assistance with completing the FY 2016 PCMH supplemental funding application, contact the appropriate resource below.

Electronic submission issues:	Technical Assistance Resources:
BPHC Helpline Monday through Friday, 8:30 a.m. to 5:30 p.m. ET (excluding federal holidays) at: 1-877-974-BPHC (2742) Send email through Web Request Form	A website has been established to provide copies of forms, FAQs, and other resources
Program related questions:	Budget or other fiscal issues:
PCMH Technical Assistance Team Bureau of Primary Health Care pcmhsupplement@hrsa.gov	Terry Hatchett Division of Grants Management Operations Office of Financial Assistance Management THatchett@hrsa.gov

⁷ For details on 45 CFR Part 75, see <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75>.

Appendix A: Application Components

SF-424 Basic Information and Budget Sections
Enter the required information on SF-424 Part 1 and Part 2. Fields that are not marked as required may be left blank. In Section A of the SF-424 Budget Information form, enter the federal and non-federal costs for the 12 month funding period (8/1/2016 – 7/31/2017) for each currently funded special population, as applicable. FY 2016 PCMH funding must be requested by and will be provided to award recipients in the same special population funding proportion(s) as the existing Health Center Program operational grant funding. HRSA will provide each eligible health center their maximum funding request value(s) by special population funding proportion(s).
Project Description/Abstract (upload as attachment)
Briefly summarize the proposed PCMH development activities, timeline, and outcomes. The Project Description/Abstract must be single-spaced and limited to one page in length.
Federal Object Class Categories Form
Enter federal and non-federal expenses for the FY 2016 PCMH application by object class category (e.g., personnel, supplies) for all proposed activities for the 12 month funding period (8/1/2016 – 7/31/2017).
Budget Justification Narrative (upload as attachment)
Complete a 12 month Budget Justification Narrative that details one-time costs for all proposed PCMH development activities. The Budget Justification Narrative must clearly detail the federal and non-federal costs (including program income, if any) of each line item within each object class category from the federal Object Class Categories form, and explain how each cost contributes to meeting the FY 2016 PCMH funding purpose. See Appendix B for additional instructions.
Equipment List Form (as applicable)
Proposals that include equipment costs must include an Equipment List form. Federal Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000.
Project Overview Form
<p><u>Expected Impact</u> Indicate the proposed use(s) of FY 2016 PCMH funding and the number of sites to be impacted.</p> <p><u>PCMH Core Functions and Attributes</u> Select the PCMH Core Functions and Attributes that will be enhanced via this funding, as defined by the Agency for Healthcare Research and Quality (AHRQ). For additional information, visit: https://pcmh.ahrq.gov/page/defining-pcmh.</p> <p><u>Project Narrative</u> Provide a detailed narrative response to each question (maximum 1,500 characters each).</p> <ol style="list-style-type: none"> 1. Describe the planned activities and how they will achieve the proposed outcome(s) noted in the Expected Impact section. 2. Describe a realistic timeline that details the implementation steps for the activities outlined in response to Question 1 above. The timeline must show that all FY 2016 PCMH supplemental funds will be expended within 12 months of award.

Appendix B: Instructions for Completing the Budget Justification Narrative

Applicants must provide a 12 month Budget Justification Narrative that explains the amounts requested for each line item in the Federal Object Class Categories Form. The Budget Justification Narrative must contain sufficient detail to enable HRSA to determine if costs are allowable⁸ and must outline federal and non-federal (if any) costs for each line item. It is important to **ensure that the Budget Justification Narrative contains detailed calculations explaining how each line-item expense is derived** (e.g., cost per unit). FY 2016 PCMH supplemental funding may not be used to support costs incurred prior to award, costs that are covered by the [HRSA Accreditation and PCMH Recognition Initiative](#) or to supplant existing funding sources.

Cost Category	Budget Presentation Description
Personnel	List each staff member who will be supported by one-time FY 2016 PCMH funds, name (if possible), position title, percent full time equivalency (FTE), and annual salary. The details shown in the table on page 10 must be included for all proposed staff to be supported with federal funding.
Fringe Benefits	List the components that comprise the fringe benefit rate (e.g., health insurance, taxes, unemployment insurance, life insurance, retirement plan, tuition reimbursement). The fringe benefits should be directly proportional to the portion of personnel costs allocated for the PCMH development activities.
Travel	The budget should reflect expenses associated with consultant travel and travel for staff or providers to attend trainings. List travel costs according to local and long distance travel. For local travel, include the mileage rate, number of miles, reason for travel, and staff traveling.
Equipment	List equipment costs and provide justification under the program’s goals. Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000.
Supplies	List the items necessary for implementing the proposed project. Equipment that does not meet the \$5,000 threshold listed above should be listed here.
Contractual	Provide a clear explanation as to the purpose of each contract, how the costs were estimated, and the specific contract deliverables. Each applicant is responsible for ensuring that its organization/institution has in place an established and adequate procurement system with fully developed written procedures for awarding and monitoring contracts.
Other	Include all costs that do not fit into any other category and provide an explanation of each cost.

⁸For allowable costs, see <http://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>

Salary Limitation Requirements

FY 2016 PCMH supplemental funding may not be used to pay the salary of an individual at a rate in excess of Executive Level II or \$185,100. This amount reflects an individual's base salary exclusive of fringe benefits and income that an individual may be permitted to earn outside of the duties to the health center organization (i.e., the rate limitation only limits the amount that may be awarded and charged to HRSA grants). This salary limitation also applies to sub-awards/subcontracts under a HRSA grant.

The information included in the table below must be provided for all staff proposed to be supported by federal funding through the FY 2016 PCMH funding opportunity. Staff supported entirely with non-federal funds do not require this level of information.

Budget Justification Sample for Proposed Staff

Name	Position Title	% of FTE	Base Salary	Adjusted Annual Salary	Federal Amount Requested
J. Smith	Physician	5%	\$225,000	\$185,100	\$9,250
R. Doe	Nurse Transformation Lead	30%	\$74,500	No adjustment needed	\$22,350
D. Jones	Data/AP Specialist	10%	\$33,000	No adjustment needed	\$3,300