

# Ryan White HIV/AIDS Program (RWHAP) National Monitoring Standards for RWHAP Part A Recipients

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Division of Metropolitan HIV/AIDS Programs  
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# RWHAP National Monitoring Standards (NMS) Executive Summary

## Preface

The Health Resources Services Administration (HRSA) HIV/AIDS Bureau (HAB) established the National Monitoring Standards (NMS) as a technical assistance (TA) resource to support Ryan White HIV/AIDS Program (RWHAP) Part A and Part B recipients and subrecipients in meeting federal requirements for program and fiscal management, monitoring, reporting, and oversight of the RWHAP Part A and Part B, and to improve program efficiency and responsiveness.

Congress first authorized and funded the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act in 1990. Since that time, the authorizing statute has been amended and reauthorized four times (in 1996, 2000, and 2006), most recently in 2009, as the Ryan White HIV/AIDS Treatment Extension Act of 2009 (codified in title XXVI of the Public Health Service (PHS) Act, 42 U.S.C. §§ 300ff-11 et seq.).

The legislation provides the structure through which the RWHAP funding is distributed. Legislative provisions, called sections, address planning and decision-making, available grant types, the allowable use of funds, application eligibility and submission requirements, and TA to build capacity and help programs run more effectively.

RWHAP recipients must comply with all relevant authorities, including legislation, regulation, and program-specific policies. The relevant authorities are:

RWHAP Legislation: <https://ryanwhite.hrsa.gov/about/legislation>

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Health and Human Services (HHS) Awards, 45 CFR Part 75.: <https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=df3c54728d090168d3b2e780a6f6ca7c&ty=HTML&h=L&mc=true&n=pt45.1.75&r=PART>

Monitoring, whether HRSA monitoring of recipients, recipient monitoring of subrecipients, or the recipient and subrecipient monitoring of contractors, is a critical aspect of the implementation of the RWHAP. All RWHAP recipients are responsible for adequate oversight and monitoring of all activities supported by the federal award, including subawards and contracts. Per the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, 45 CFR § 75.342(a),

*“The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and*

*performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity.”*

HRSA HAB’s provision of the NMS does not supplant the recipient or subrecipient responsibility for reading and complying with all current and relevant authorities.

The NMS and other resources to assist RWHAP recipients with implementing federal grants, delivering HIV care and treatment, and providing essential support services that help patients stay in care, are available at <https://ryanwhite.hrsa.gov/grants/manage/recipient-resources>.

## **Purpose and Organization**

The NMS consolidate requirements set forth in relevant authorities and outline suggested standards for how recipients and subrecipients can meet those requirements. As such, the NMS do not establish or impose legislative, regulatory, or programmatic requirements; rather, they provide guidance on how recipients, lead agencies, and consortia can meet requirements and monitor those who have been issued subawards.

The RWHAP National Monitoring Standards include three sections, each comprised of multiple subsections. Each section includes the following:

- **Program Monitoring Standards for RWHAP Part A Recipients**
- **Fiscal Monitoring Standards for RWHAP Part A Recipients**
- **Universal Monitoring Standards for RWHAP Part A and B Recipients**

While there are separate NMS for RWHAP Part A and Part B, the Universal component addresses general requirements for both the RWHAP Parts. The NMS are organized by legislative, regulatory, and programmatic requirements. Suggested standards for meeting each requirement are provided, including performance measures/methods and recipient and subrecipient responsibilities. Performance measures/methods provide guidance on how to meet each requirement. Recipient and subrecipient responsibilities outline approaches for meeting or verifying compliance with the requirements.

## **Summary of Changes**

The NMS include the following key changes from the previous version (issued in 2013):

- Combine the previously separate standard documents and updates from a table format into a narrative format.
- Include links to key documents and resources.
- Incorporate requirements set forth in the Office of Management and Budget’s release of the Uniform Administrative Requirements codified by HHS in 45 CFR part 75.
- Update information to reflect HRSA HAB Policy Clarification Notices published since the last update in 2013.

# Program Monitoring Standards for RWHAP Part A Recipients

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## **Section A: Allowable Uses of RWHAP Part A Service Funds**

### **A.1. RWHAP Part A funds**

Use only to support:

- Core medical services.
- Support services that are needed by people with HIV to achieve medical outcomes related to their HIV-related clinical status.
- Clinical quality management (CQM) activities.
- Administrative expenses (including Planning Council support).

#### **A.1.i. Performance Measure/Method**

- a) Request for Proposal (RFP), Request for Application (RFA), contract, provider agreement, Memorandum of Understanding (MOU)/Letter of Agreement (LOA), and/or statement of work language that describes and defines RWHAP Part A services within the range of activities, and the uses of funds allowed under the legislation and defined in Health Resources and Services Administration (HRSA) HIV/AIDS Bureau (HAB) Policy Notices, including core medical and support services, clinical quality management (CQM) activities, and administration (including Planning Council support).

#### **A.1.ii. Recipient Responsibility**

- a) Include language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that allow the use of RWHAP Part A funds only for the provision of services and activities allowed under the legislation and defined in referenced HAB Policy Notices.

#### **A.1.iii. Subrecipient Responsibility**

- a) Provide the services described in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work.
- b) Bill only for allowable activities/services for eligible people with HIV.
- c) Maintain files and share them with the recipient and other U.S. Department of Health and Human Services (DHHS) audit and site visit teams upon request, documentation that only allowable activities are billed to the RWHAP Part A grant.

#### **A.1.iv. Source Citations**

- Public Health Service (PHS) Act § 2604(a)(2)
- PHS Act § 2604(h)
- HAB Policy Clarification Notice (PCN) 16-02 and Frequently Asked Question (FAQs)
- RWHAP Part A Manual

## **Section B: RWHAP Core Medical Services**

### **B.1. AIDS Drug Assistance Program (ADAP)**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.1.i. Performance Measure/Method**

- a) Documentation of the following:
  - A medication formulary that includes at least one pharmaceutical agent from all the classes approved in the HHS Clinical Practice Guidelines for the Use of Antiretroviral Agents in HIV-1-Infected Adults and Adolescents.
  - A medication formulary that meets the minimum requirements from all approved classes of medications according to HHS treatment guidelines.
  - An eligibility determination process requiring documentation in client medical records of low-income status and eligibility based on a specified income eligibility level, proof of an individual's HIV-positive status, and residency.
  - The process used to secure the best price available for all products, including 340B pricing or better.

### **B.1.ii. Recipient Responsibility**

- a) Review state documentation that the ADAP program receiving funds from the RWHAP Part A program meets federal requirements, including:
  - Use of an approved medication formulary based on the purchase of HIV medications included in the list of classes of core antiretrovirals for eligible clients in a cost-effective manner.
  - Use of medications that are Food and Drug Administration (FDA) approved.
  - Use of federal funds to match and expand the purchase of HIV medications and not displace state funding for the same purpose.
  - Determination and documentation of client eligibility consistent with guidance put forth in [HRSA HAB PCN 21-02](#).
  - Required reporting on client eligibility, clients served, and medications provided.

### **B.1.iii. Subrecipient Responsibility**

- a) Provide the Part A recipient, upon request, documentation that the ADAP meets HRSA HAB requirements.
- b) Maintain documentation, and make it available to the Part A recipient upon request proof of client ADAP eligibility that includes HIV status, Eligible Metropolitan Area (EMA)/Transitional Grant Area (TGA) residency, and low-income status as defined by the state based on a specified percentage of the Federal Poverty Level (FPL).
- c) Provide reports to the Part A program on the number of individuals served and the medications provided.

### **B.1.iv. Source Citations**

- PHS Act § 2604(c)(3)(B)
- PHS Act 2616
- HAB PCNs 21-02, 18-01, 16-02, 15-04, 15-03, 13-03, and FAQs
- HAB Policy Notices 07-03 and 07-02

- Guidelines for the Use of Antiretroviral Agents in HIV-1-Infected Adults and Adolescents

## **B.2. AIDS Pharmaceutical Assistance**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.2.i. Performance Measure/Method**

- a) Documentation that the Local Pharmaceutical Assistance Program's (LPAP) drug distribution system has:
  - A client enrollment and eligibility process that includes screening for ADAP and LPAP eligibility consistent with guidance put forth in [HRSA HAB PCN 21-02](#).
  - Uniform benefits for all enrolled clients throughout the EMA or TGA.
  - An LPAP advisory board.
  - Compliance with the RWHAP requirement of payor of last resort.
  - A recordkeeping system for distributed medications.
  - A drug distribution system that includes a drug formulary approved by the local advisory committee/board.
- b) Documentation that the LPAP is not dispensing medications:
  - As a result or component of a primary medical visit.
  - As a single occurrence of short duration (an emergency).
  - While awaiting ADAP eligibility determination.
  - By vouchers to clients on a single occurrence.
- c) Documentation that the LPAP is:
  - Consistent with the most current HHS Clinical Practice Guidelines for the Use of Antiretroviral Agents in HIV-1-Infected Adults and Adolescents.
  - Coordinated with the state's ADAP.
  - Implemented in accordance with requirements of the 340B Drug Pricing Program, Prime Vendor Program, and/or Alternative Methods Project.

### **B.2.ii. Recipient Responsibility**

- a) Include a statement of need in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work language.
- b) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work language all applicable federal, state, and local requirements for pharmaceutical distribution systems and the geographic area to be covered.
- c) Ensure that the program:
  - Meets federal requirements regarding client enrollment, uniform benefits, recordkeeping, and the drug distribution process is consistent with current HHS



Clinical Practice Guidelines for the Use of Antiretroviral Agents in HIV-1-Infected Adults and Adolescents and consistent with payor of last resort.

- Has consistent procedures/systems that account for the tracking and reporting of expenditures and income, drug pricing, client utilization, client eligibility, and support CQM.
  - Defines the geographic area covered by the LPAP. The geographic area must be either a TGA or EMA.
  - Does not dispense medication as the result of a primary care visit, in emergencies, while awaiting ADAP eligibility, or in the form of medication vouchers to clients on a single occurrence.
- d) Review program files to ensure that distributed medications meet federal and contract requirements.
- e) Review client records to ensure proper enrollment, eligibility determination, uniform benefits, no dispensing of medications for unallowable purposes, and no duplication of services.
- f) Ensure the program is implemented in accordance with the requirements of the 340B Drug Pricing Program, Prime Vendor Program, and/or the Alternative Methods Project to ensure the “best price” to maximize these resources.

### **B.2.iii. Subrecipient Responsibility**

- a) Provide to the Part A recipient, on request, documentation that the LPAP meets HRSA HAB requirements.
- b) Maintain documentation, and make available to the recipient upon request proof of client LPAP eligibility that includes HIV status, residency, medical necessity, and low-income status, as defined by the EMA/TGA, based on a specified percentage of the FPL.
- c) Provide reports to the recipient on the number of individuals served and the medications provided.

### **B.2.iv. Source Citations**

- PHS Act § 2604(c)(3)(C)
- HAB PCN 16-02 and FAQs
- HAB Program Letter – Local Pharmaceutical Assistance Program Clarification, August 29, 2013

## **B.3. Early Intervention Services (EIS)**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.3.i. Performance Measure/Method**

- a) Documentation that:

- Part A funds are used for HIV testing only where existing federal, state, and local funds are not adequate, and RWHAP funds will supplement and not supplant existing funds for testing.
- Individuals who test positive are referred and linked to healthcare and supportive services.
- Health education and literacy training are provided, enabling clients to navigate the HIV system.
- EIS is provided at or in coordination with documented key points of entry.
- EIS is coordinated with HIV prevention efforts and programs.

### **B.3.ii. Recipient Responsibility**

- a) Include language in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
  - Specifies that Part A funding is to be used to supplement and not supplant existing federal, state, or local funding for HIV testing.
  - Provides definitions and descriptions of EIS (funded through RWHAP) that include and are limited to counseling and HIV testing, referral to appropriate services based on HIV status, linkage to care, and education and health literacy training for clients to help them navigate the HIV care system.
  - Specifies that services shall be provided at specific points of entry.
  - Specifies required coordination with HIV prevention efforts and programs.
  - Requires coordination with providers of prevention services.
  - Requires monitoring and reporting on the number of HIV tests conducted and the number of positives found.
  - Requires monitoring of referrals into care and treatment.

### **B.3.iii. Subrecipient Responsibility**

- a) Establish MOUs with key points of entry into care to facilitate access to care for those who test positive.
- b) Document provision of all four required EIS components with Part A or other funding.
- c) Document and report on numbers of HIV tests and positives, as well as where and when Part A-funded HIV testing occurs.
- d) Document that HIV testing activities and methods meet the Centers for Disease Control and Prevention (CDC) and state requirements.
- e) Document the number of referrals for healthcare and supportive services.
- f) Document referrals from key points of entry to EIS programs.
- g) Document training and education sessions designed to help individuals navigate and understand the HIV system of care.
- h) Establish linkage agreements with testing sites where Part A is not funding testing but is funding referral and access to care, education, and system navigation services.
- i) Obtain written approval from the recipient to provide EIS in points of entry not included in the original scope of work.

### **B.3.iv. Source Citations**

- PHS Act § 2604(c)(3)(E) and (e)

- HAB PCN 16-02 and FAQs

## **B.4. Health Insurance Premium and Cost-Sharing Assistance for Low-Income Individuals**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.4.i. Performance Measure/Method**

- a) Documentation of an annual cost-effectiveness analysis illustrating the greater benefit of purchasing public or private health insurance, pharmacy benefits, copays, and/or deductibles for eligible low-income clients compared to the full cost of medications and other appropriate HIV outpatient/ambulatory health services.
- b) Documentation that the insurance plan purchased provides comprehensive primary care and a full range of HIV medications.
- c) Documentation that the insurance plan purchased provides comprehensive oral healthcare services.
- d) Documentation, including a physician's written statement that the eye condition is related to HIV infection when funds are used for copays of eyewear.
- e) Assurance that any cost associated with the creation, capitalization, or administration of a liability risk pool is not being funded by RWHAP.
- f) Assurance that RWHAP funds are not being used to cover costs associated with Social Security.
- g) Documentation of clients' low-income status as defined by the EMA/TGA.

### **B.4.ii. Recipient Responsibility**

- a) Include language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
  - Specifies that Part A funding is to be used to supplement and not supplant existing federal, state, or local funding for Health Insurance Premium and Cost-Sharing Assistance.
  - Ensures an annual cost-effectiveness analysis that demonstrates the greater benefit of using RWHAP funds for the Health Insurance/Cost-Sharing Program versus having the client on ADAP and/or Part A services.
  - Ensures an annual cost-effectiveness analysis that demonstrates the greater benefit of using RWHAP funds for the Health Insurance/Cost-Sharing Program versus paying for the full cost of HIV oral healthcare services.
  - Has policies and procedures outlining processes for informing, educating, and enrolling people in healthcare and documenting the vigorous pursuit of those efforts.
  - Monitors provider documentation of the low-income status of the client.
  - Where funds are used to cover the costs associated with insurance premiums, it ensures that comprehensive primary care services and a full range of HIV medications are available to clients.

- Ensures language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work contain clear directives on the payment of premiums, copays (including copays for prescription eyewear for conditions related to HIV infection), and deductibles.
- Develops a system to ensure that funds are only paying for in-network outpatient services, as appropriate.
- Develops and implements necessary data systems for tracking and reporting Part A payments.
- Participates in data sharing with the Centers for Medicare & Medicaid Services (CMS) coordination of benefits (COB) contractor.
- Signs a data-sharing agreement with CMS and submits electronic enrollment files with specific information for the True-Out-of-Pocket (TrOOP) facilitation contractor.
- Develops procedures to ensure that the client enrollment file includes verification information for Medicare Part D enrollees.
- Monitors expenditures and reporting to ensure that:
  - Payments made are for covered Medicare Part D drugs.
  - Costs are flagged as being from ADAP to ensure that they are counted for TrOOP.

#### **B.4.iii. Subrecipient Responsibility**

- a) Conduct an annual cost-effectiveness analysis (if not done by the recipient) that addresses the noted criteria.
- b) Provide proof that where RWHAP funds cover premiums, the insurance policy provides comprehensive primary care and a formulary with a full range of HIV medications.
- c) Provide proof that where RWHAP funds cover premiums, the dental insurance policy provides comprehensive oral healthcare services.
- d) Maintain proof of low-income status.
- e) Provide documentation demonstrating that funds were not used to cover costs associated with the creation, capitalization, or administration of liability risk pools or Social Security costs.
- f) When funds are used to cover copays for prescription eyewear, provide a physician's written statement that the eye condition is related to HIV infection.
- g) Have policies and procedures outlining processes for informing, educating, and enrolling people in healthcare and documenting the vigorous pursuit of those efforts.
- h) Develop a system to ensure funds pay only for in-network outpatient services.
- i) Coordinate with CMS, including entering into appropriate agreements, to ensure that funds are appropriately included in TrOOP or donut hole costs.

#### **B.4.iv. Source Citations**

- 42 U.S. Code (USC) 1395w-102(b)(4)(C)(iii)
- PHS Act § 2604(c)(3)(F)
- HAB PCNs 18-01, 16-02, 14-01, 13-04, and FAQs
- HAB Program Letter – Using Ryan White HIV/AIDS Program Funds to Support Standalone Dental Insurance, December 5, 2016
- HAB Program Letter – ADAP/TrOOP, November 23, 2010

## **B.5. Home and Community-Based Health Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.5.i. Performance Measure/Method**

- a) Documentation that:
  - All services are provided based on a written plan of care established by a medical care team under the direction of a licensed clinical provider.
  - The care plan specifies the types of services needed and the quantity and duration of services.
  - All planned services are allowable within the service category.
- b) Documentation of services is provided that:
  - Specifies the types, dates, and location of services.
  - Includes the signature of the professional who provided the service at each visit.
  - Indicates that all services are allowable under this service category.
- c) Provides assurance that the services are provided in accordance with allowable modalities and locations under the definition of home and community-based health services.
- d) Documentation of appropriate licensure and certifications for individuals providing the services, as required by local and state laws.

### **B.5.ii. Recipient Responsibility**

- a) Include language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that specifies what services are allowable, the requirement that they are provided in the home of a client with HIV, and the requirement for a written care plan, signed by a member of the medical care team and a skilled healthcare professional responsible for the individual's HIV care.
- b) Review program files and client records to ensure that treatment plans are prepared for all clients and that they include:
  - The need for home and community-based health services.
  - The types, quantity, and length of time services are to be provided.
- c) Review client records to determine:
  - Services provided, dates, and locations.
  - Whether services provided were allowable.
  - Whether they were consistent with the treatment plan.
  - Whether the file includes the signature of the professional who provided the service.
- d) Require assurance that the services are provided in accordance with allowable modalities and locations under the definition of Home and Community-Based Health Services.

- e) Review licensure and certifications to ensure compliance with local and state laws.

### **B.5.iii. Subrecipient Responsibility**

- a) Ensure that written care plans with appropriate content and signatures are consistently prepared, included in client records, and updated as needed.
- b) Establish and maintain a program and client record keeping system to document the types of home services provided, dates provided, the location of the service, and the signature of the professional who provided the service at each visit.
- c) Make available to the recipient program, files, and client records as required for monitoring.
- d) Provide assurance that the services are being provided only in the home of a client with HIV.
- e) Maintain, and make available to the recipient upon request, copies of appropriate licenses and certifications for the professionals providing services.

### **B.5.iv. Source Citations**

- PHS Act § 2604(c)(3)(J)
- HAB PCN 16-02 and FAQs

## **B.6. Home Healthcare**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.6.i. Performance Measure/Method**

- a) Assurance that:
  - Services are limited to medical therapies in the home and exclude personal care services.
  - Services are provided by licensed professionals, as required by state and local laws.

### **B.6.ii. Recipient Responsibility**

- a) Include in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work, clear definitions of services to be provided and staffing and licensure requirements.
- b) Review client records to determine compliance with contract conditions and RWHAP requirements.
- c) Review licenses and certificates.

### **B.6.iii. Subrecipient Responsibility**

- a) Document the number and types of services in the client records, with the licensed professional's signature included.
- b) Maintain on file and provide to the recipient, upon request, copies of the licenses of home healthcare workers.

#### **B.6.iv. Source Citations**

- PHS Act § 2604(c)(3)(G)
- HAB PCN 16-02 and FAQs

### **B.7. Hospice Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

#### **B.7.i. Performance Measure/Method**

- a) Documentation, including the following:
  - Physician certification that the patient's illness is terminal, as defined by the life expectancy established by the recipient.
  - Appropriate and valid licensure of the provider, as required by the state in which hospice care is delivered.
  - Types of services provided and assurance that they include only allowable services.
  - Locations where hospice services are provided.
  - Assurance that they are limited to a home or other residential setting or a non-acute care section of a hospital designated and staffed as a hospice setting.
- b) Assurance that services meet Medicaid or other applicable requirements, including the following:
  - Counseling services that are consistent with the definition of mental health counseling, including treatment and counseling provided by mental health professionals (psychiatrists, psychologists, or licensed clinical social workers) who are licensed or authorized within the state where the service is provided.
  - Palliative therapies are consistent with those covered under the respective state's Medicaid program.

#### **B.7.ii. Recipient Responsibility**

- a) Specify language in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work on allowable services, service standards, service locations, and licensure requirements.
- b) Review provider licensure to ensure it meets the requirements of the state in which hospice care is delivered.
- c) Review program files and client records to ensure the following:
  - Physician certification of the client's terminal status and a defined life expectancy established by the recipient.
  - Documentation that services provided are allowable and funded hospice activities.
  - Assurance that hospice services are provided in permitted settings.
  - Assurance that services, such as counseling and palliative therapies meet Medicaid or other applicable requirements.

### **B.7.iii. Subrecipient Responsibility**

- a) Obtain and have available for inspection appropriate and valid licensure to provide hospice care.
- b) Maintain and provide the recipient with access to program files and client records that include documentation of:
  - Physician certification of client's terminal status.
  - Services provided and that are allowable under RWHAP and in accordance with the provider contract and scope of work.
  - Locations where hospice services are provided; include only permitted settings.
  - Services, such as counseling and palliative therapies, meet Medicaid or other applicable requirements, as specified in the contract.

### **B.7.iv. Source Citations**

- PHS Act § 2604(c)(3)(I)
- HAB PCN 16-02 and FAQs

## **B.8. Medical Case Management, Including Treatment Adherence Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.8.i. Performance Measure/Method**

- a) Documentation that subrecipients are trained professionals, either medically credentialed persons or other healthcare staff who are part of the clinical care team.
- b) Documentation that the following activities are being carried out for clients as necessary:
  - Initial assessment of service needs.
  - Development of a comprehensive, individualized care plan.
  - Coordination of services required to implement the plan.
  - Continuous client monitoring to assess the efficacy of the plan.
  - Periodic re-evaluation and adaptation of the plan at least every six months during the enrollment of the client.
- c) Documentation in program and client records of case management services and encounters, including:
  - Types of services provided.
  - Types of encounters/communication.
  - Duration and frequency of the encounters.
- d) Documentation in client records of services provided, such as:



- Client-centered services that link clients with healthcare, psychosocial, and other services and assist them in accessing other public and private programs for which they may be eligible.
- Coordination and follow up of medical treatments.
- Ongoing assessment of the client's and other key family members' needs and personal support systems.
- Treatment adherence counseling.
- Client-specific advocacy.

### **B.8.ii. Recipient Responsibility**

- a) Develop language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
  - Clearly defines medical case management services and activities and specifies required activities and components.
  - Specifies required documentation to be included in client records.
- b) Review client records and service documentation to ensure compliance with contractual and RWHAP programmatic requirements, including the inclusion of required case management activities.
- c) Review medical credentials and/or evidence of training of healthcare staff providing medical case management services.
- d) Obtain assurances and documentation showing that the medical case management staff operates as part of the clinical care team.

### **B.8.iii. Subrecipient Responsibility**

- a) Provide written assurances and maintain documentation showing that medical case management services are provided by trained professionals who are either medically credentialed or trained healthcare staff and operate as part of the clinical care team.
- b) Maintain client records that include the required elements for compliance with contractual and RWHAP programmatic requirements, including required case management activities, such as services and activities, the type of contact, and the duration and frequency of the encounter.

### **B.8.iv. Source Citations**

- PHS Act § 2604(c)(3)(M)
- HAB PCN 16-02 and FAQs
- HAB PCN 18-02

## **B.9. Medical Nutrition Therapy**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.9.i. Performance Measure/Method**

- a) Documentation of:
  - Licensure and registration of the dietician as required by the state in which the service is provided.
  - A referral by a licensed medical provider.
  - The existence of a detailed nutritional treatment plan for each eligible client.
- b) The required content of the nutritional plan, including:
  - The diagnosed condition for which medical nutrition therapy is needed.
  - Recommended services and course of medical nutrition therapy to be provided, including types and amounts of nutritional supplements and food.
  - Date the service is to be initiated.
  - Planned number and frequency of sessions.
  - The signature of the registered dietician who developed the plan.
  - Where food is provided to a client under this service category, the client file includes a medical provider's recommendation and is noted in the nutritional plan.
- c) Services provided, including:
  - Nutritional supplements and food provided, quantity, and dates.
  - The signature of each registered dietician who rendered service and the date of service.
  - Date of reassessment.
  - Termination date of medical nutrition therapy.
  - Any recommendations for follow up.

### **B.9.ii. Recipient Responsibility**

- a) Include language in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that specifies:
  - The allowable services to be provided.
  - The requirement for the provision of services by a licensed registered dietician.
  - The requirement for a nutritional plan and medical provider's referral.
  - The required content of the nutritional plan.
- b) Review program files and client records for:
  - Documentation of the licensure and registration of the dietician providing services.
  - Documentation of services provided, including the quantity and number of recipients of nutritional supplements and food.
  - Documentation of the medical provider's referral.
  - Documentation of the medical provider's recommendations for clients provided food.
  - Documentation of a nutritional plan.
  - Content of the nutritional plan.
  - Documentation of medical nutritional therapy services provided to each client, compliance with RWHAP and contract requirements, and consistency of services with the nutritional plan.

### **B.9.iii. Subrecipient Responsibility**

- a) Maintain, and make available to the recipient, copies of the dietician's license and registration.
- b) Document services provided, number of clients served, and the quantity of nutritional supplements and food provided to clients.
- c) Document in each client file:
  - Services provided and dates.
  - Nutritional plan as required, including required information and signature.
  - Medical provider's referral.
  - Medical provider's recommendation for the provision of food.

### **B.9.iv. Source Citations**

- PHS Act § 2604(c)(3)(H)
- HAB PCN 16-02 and FAQs

## **B.10. Mental Health Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.10.i. Performance Measure/Method**

- a) Documentation of appropriate and valid licensure and certification of mental health professionals as required by the state.
- b) Documentation of the existence of a detailed treatment plan for each eligible client that includes:
  - The diagnosed mental illness or condition.
  - The treatment modality (group or individual).
  - Start date for mental health services.
  - Recommended number of sessions.
  - Date for reassessment.
  - Projected treatment end date.
  - Any recommendations for follow up.
  - The signature of the mental health professional rendering service.
- c) Documentation of service provided to ensure that:
  - Services provided are allowable under RWHAP guidelines and contract requirements.
  - Services provided are consistent with the treatment plan.

### **B.10.ii. Recipient Responsibility**

- a) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work allowable services and treatment modalities, staffing and licensure requirements, and requirements for treatment plans and service documentation.

- b) Review staffing and the licenses and certification of mental health professionals to ensure compliance with RWHAP and state requirements.
- c) Review program reports and client records to:
  - Ensure the existence of a treatment plan that includes required components and signature.
  - Document services provided, dates, and their compliance with RWHAP requirements and with the treatment plan.

### **B.10.iii. Subrecipient Responsibility**

- a) Obtain and have on file and available for recipient review, appropriate and valid licensure, and certification of mental health professionals.
- b) Maintain client records that include:
  - A detailed treatment plan for each eligible client that includes the required components and signature.
  - Documentation of services provided, dates, and consistency with RWHAP requirements and with individual client treatment plans.

### **B.10.iv. Source Citations**

- PHS Act § 2604(c)(3)(K)
- HAB PCN 16-02 and FAQs

## **B.11. Oral Healthcare Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.11.i. Performance Measure/Method**

- a) Documentation that:
  - Oral healthcare services, which meet current dental care guidelines, are provided by dental professionals, including general dental practitioners, dental specialists, dental hygienists, and licensed dental assistants.
  - Oral healthcare professionals providing services have appropriate and valid licensure and certification based on state and local laws.
  - Clinical decisions are supported by the American Dental Association Dental Practice Parameters.
  - An oral healthcare treatment plan is developed for each eligible client and signed by the oral health professional rendering the services.
  - Services fall within specified service caps, expressed by dollar amount, type of procedure, the limitations on the number of procedures, or a combination of any of the above, as determined by the Planning Council or recipient under RWHAP Part A.

### **B.11.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work for the provision of oral health that:
  - Specify allowable diagnostic, preventive, and therapeutic services.
  - Define and specify the limitations or caps on providing oral health services.
  - Ensure that services are provided by dental professionals certified and licensed according to state guidelines.
  - Ensure that clinical decisions are informed by the American Dental Association Dental Practice Parameters.
- b) Review client records and treatment plans for compliance with contract conditions and RWHAP requirements.

### **B.11.iii. Subrecipient Responsibility**

- a) Maintain a dental record for each client that is signed by the licensed provider and includes a treatment plan, services provided, and any referrals made.
- b) Maintain and provide to the recipient on request, copies of professional licensure and certification.

### **B.11.iv. Source Citations**

- PHS Act § 2604(c)(3)(D)
- HAB PCN 16-02 and FAQs

## **B.12. Outpatient/Ambulatory Health Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.12.i. Performance Measure/Method**

- a) Documentation of the following:
  - Care is provided by a healthcare provider, certified in their jurisdictions to prescribe medications, in an outpatient setting, such as clinics, medical offices, or mobile vans.
  - Only allowable services are provided to eligible people with HIV.
  - Services are provided as part of the treatment of HIV infection.
  - Specialty medical care relates to HIV infection and/or conditions arising from the use of HIV medications resulting in side effects.
  - Services are consistent with HHS Clinical Guidelines for the Treatment of HIV.
  - Services are not being provided in an emergency room, hospital, or any other type of inpatient treatment setting.
- b) Documentation that diagnostic and laboratory tests are:
  - Integral to the treatment of HIV and related complications, necessary based on established clinical practice, and ordered by a registered, certified, licensed provider.

- Consistent with medical and laboratory standards.
- Approved by the FDA and/or certified under the Clinical Laboratory Improvement Amendments (CLIA) Program.

### **B.12.ii. Recipient Responsibility**

- a) Include the definition, allowable services, and limitations of outpatient ambulatory medical services in the RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work.
- b) Require subrecipients to provide assurances that care is provided only in an outpatient setting, consistent with HHS Clinical Guidelines for the Treatment of HIV and HRSA guidance, and documented in client medical records.
- c) Review client medical records to ensure compliance with contract conditions and RWHAP requirements.
- d) Ensure the licensure of healthcare professionals providing ambulatory care.
- e) For diagnostic and laboratory tests:
  - Include the HRSA-approved service category definition, requirements, and limitations of testing in the medical services contract.
  - Develop and share with providers a listing of diagnostic and laboratory tests that meet these definitions.
  - Document the number of diagnostic and laboratory tests performed.
  - Review client records to ensure requirements are met and match the quantity of tests with reports.

### **B.12.iii. Subrecipient Responsibility**

- a) Ensure that client medical records document services provided, the dates and frequency of services provided, and that services are for the treatment of HIV.
- b) Include clinical notes signed by the licensed service provider in patient records.
- c) Maintain professional certifications and licensure documents, and make them available to the recipient upon request.
- d) For diagnostic and laboratory tests:
  - Document and include in client medical records when appropriate, and make available to the recipient upon request:
    - The number of diagnostic and laboratory tests performed.
    - The certification, licenses, or FDA approval of the laboratory from which tests were ordered.
    - The credentials of the individuals ordering the tests.

### **B.12.iv. Source Citations**

- PHS Act § 2604(c)(3)(A)
- Recommendations for the Use of Antiretroviral Drugs in Pregnant HIV-1-Infected Women for Maternal Health and Interventions to Reduce Perinatal HIV Transmission in the United States, October 26, 2016
- Guidelines for the Use of Antiretroviral Agents in HIV-1-Infected Adults and Adolescents, June 3, 2021
- HAB PCN 16-02 and FAQs

- HAB PCN 18-02
- HAB Policy Notice 07-02

## **B.13. Substance Abuse Outpatient Care**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **B.13.i. Performance Measure/Method**

- a) Documentation that services are provided by or under the supervision of a physician or by other qualified personnel with appropriate and valid licensure and certification, as required by the state in which services are provided.
- b) Documentation through program files and client records that:
  - Services provided meet the service category definition.
  - All services provided with Part A funds are allowable under RWHAP.
- c) Assurance that services are provided only in an outpatient setting.
- d) Assurance that RWHAP funds are used to expand the HIV-specific capacity of programs only if timely access would not otherwise be available to treatment and counseling.
- e) Assurance that services provided include a treatment plan that calls for only allowable activities and includes:
  - The quantity, frequency, and modality of treatment provided.
  - The date treatment begins and ends.
  - Regular monitoring and assessment of client progress.
  - The signature of the individual providing the service and/or the supervisor, as applicable.
- f) Documentation that:
  - The use of funds for acupuncture services is limited through some form of a defined cap.
  - Acupuncture is not the dominant treatment modality.
  - The acupuncture provider has the appropriate state license and certification.

### **B.13.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that clearly specify:
  - Allowable activities under this service category.
  - The requirement that services be provided on an outpatient basis.
  - The information that must be documented in each client's file.
- b) Review staff licensure and certification and staffing structure to ensure that services are provided under the supervision of a physician or other qualified/licensed personnel.
- c) Require assurance that services are provided on an outpatient basis.

- d) Review program files and client records for evidence of a treatment plan that specifies only allowable activities and includes:
  - The quantity, frequency, and modality of treatment provided.
  - The date treatment begins and ends.
  - Regular monitoring and assessment of client progress.
  - The signature of the individual providing the service and/or the supervisor as applicable.
- e) For any client receiving acupuncture services under this service category, documentation in the client file including:
  - Caps on the use of RWHAP funds are in place.
  - A written referral from their primary healthcare provider.
  - Proof that the acupuncturist has appropriate certification or licensure if the state provides such certification or licensure.

### **B.13.iii. Subrecipient Responsibility**

- a) Maintain and provide to the recipient, upon request, documentation of:
  - Provider licensure or certifications as required by the state in which the service is provided; this includes licensures and certifications for a provider of acupuncture services.
  - A staffing structure that shows supervision by a physician or other qualified personnel.
- b) Provide assurance that all services are provided on an outpatient basis.
- c) Maintain program files and client records that include treatment plans with all required elements and that document:
  - That all services provided are allowable under RWHAP.
  - The quantity, frequency, and modality of treatment services.
  - The date treatment begins and ends.
  - Regular monitoring and assessment of client progress.
  - The signature of the individual providing the service or the supervisor, as applicable.
  - In cases where acupuncture therapy services are provided, documentation should be in the client's service plan.

### **B.13.iv. Source Citations**

- PHS Act § 2604(c)(3)(L)
- HAB PCN 16-02 and FAQs
- 45 Code of Federal Regulation (CFR) Part 75.364

## **Section C: RWHAP Support Services**

### **C.1. Child Care Services**



[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.1.i. Performance Measure/Method**

- a) Documentation of:
  - The parent's eligibility, as defined by the recipient, including proof of HIV status.
  - The medical or other appointments or RWHAP-related meetings, groups, or training sessions attended by the parent that made child care services necessary.
  - Appropriate and valid licensure and registration of child care providers under applicable state and local laws in cases where the services are provided in a day care or child care setting.
- b) Assurance that:
  - Where child care is provided by a neighbor, family member, or other person, payments do not include cash payments to clients or primary caregivers for these services.
  - Liability issues for the funding source are addressed through the use of liability release forms designed to protect the client, provider, and the RWHAP.
  - Any recreational and social activities are provided only in a licensed or certified provider setting.

### **C.1.ii. Recipient Responsibility**

- a) Develop language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work, as appropriate, that clearly defines child care services and allowable settings.
- b) Provide documentation that demonstrates that the recipient has clearly addressed the limitations of informal child care arrangements, including the issues of liability raised by such informal arrangements in child care and the appropriate and legal releases from liability that cover the RWHAP and other federal, state, and local entities, as allowed by law.
- c) Require provider documentation that records the frequency, dates, length of service, and type of medical or other appointment or RWHAP-related meeting, group, or training session that made child care necessary.
- d) Review provider documentation to ensure that child care is intermittent and is provided only to permit the client to keep medical and other appointments or other permitted RWHAP-related activities.
- e) Develop a mechanism for use with informal child care arrangements to ensure that no direct cash payments are made to clients or primary caregivers.
- f) Document that any recreational and social activities are provided only within a licensed or certified provider setting.

### **C.1.iii. Subrecipient Responsibility**

- a) Maintain documentation of:
  - Date and duration of each unit of child care service provided.

- Determination of client eligibility.
  - Reason child care was needed – e.g., client medical or other appointments, or participation in an RWHAP-related meeting, group, or training session.
  - Any recreational and social activities, including documentation that they were provided only within a licensed or registered provider setting.
- b) Where the provider is a child care center or program, make available for inspection, appropriate and valid licensure or registration as required under applicable state and local laws.
- c) Where the provider manages informal child care arrangements, maintain, and have available for recipient review:
- Documentation of compliance with a recipient-required mechanism for handling payments for informal child care arrangements.
  - Appropriate liability release forms obtained that protect the client, provider, and the RWHAP.
  - Documentation that no cash payments are being made to clients or primary caregivers.
  - Documentation that payment is for actual costs of service.

#### **C.1.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.2. Emergency Financial Assistance (EFA)**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

#### **C.2.i. Performance Measure/Method**

- a) Documentation of services and payments to verify that:
- EFA to individual clients is provided with limited frequency and for limited periods of time, with frequency and duration of assistance specified by the recipient.
  - Assistance is provided only for the following essential services: utilities, housing, food (including groceries and food vouchers), transportation, and medication.
  - Payments are made either through a voucher program or short-term payments to the service entity, with no direct payments to clients.
  - Emergency funds are allocated, tracked, and reported by type of assistance.
  - RWHAP is the payor of last resort.

#### **C.2.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work language that:

- Defines the allowable uses of EFA funds and the limitations of the program, including the number/level of payments permitted to a single client.
  - Requires that RWHAP funds are used for EFA only as a last resort.
  - Describes the Ryan White HIV/AIDS Program Services Report (RSR) reporting requirements required for the use of EFA funds.
- b) Review provider services and payment documentation to ensure compliance with contractual and RWHAP programmatic requirements, including:
- Uses of funds.
  - Methods of providing EFA payments.
  - Use of RWHAP as the payor of last resort.
  - Specified limits on amounts, frequency, and duration of EFA to a single client.

### **C.2.iii. Subrecipient Responsibility**

- a) Maintain client records that document for each client:
- Client eligibility and need for EFA.
  - Types of EFA provided.
  - Date(s) EFA was provided.
  - Method of providing EFA.
- b) Maintain and make available to the recipient program documentation of assistance provided, including:
- Number of clients and amount expended for each type of EFA.
  - Summary of the number of EFA services received by the client.
  - Methods used to provide EFA (e.g., payments to agencies, vouchers).
- c) Provide assurance to the recipient that all EFA:
- Was for allowable types of assistance.
  - Was used only in cases where RWHAP was the payor of last resort.
  - Met recipient-specified limitations on amount, frequency, and duration of assistance to an individual client.
  - Was provided through allowable payment methods.

### **C.2.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.3. Food Bank/Home-Delivered Meals**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.3.i. Performance Measure/Method**

- a) Documentation that:
  - Services supported are limited to food banks, home-delivered meals, and/or food voucher programs.
  - Types of non-food items provided are allowable.
  - If water filtration/purification systems are provided, the community has water purity issues.
- b) Assurance of:
  - Compliance with federal, state, and local regulations, including any required licensure or certification for the provision of food banks and/or home-delivered meals.
  - Use of funds only for allowable essential non-food items.
  - Monitoring of providers to document actual services provided, client eligibility, number of clients served, and level of services to these clients.

### **C.3.ii. Recipient Responsibility**

- a) Develop language for RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that specifies:
  - What types of services are to be supported – food banks, home-delivered meals, and/or food voucher programs.
  - Allowable and prohibited uses of funds for non-food items.
  - Requirements for documenting services provided, client eligibility, and level and type of services provided to clients.
- b) Monitor providers to ensure:
  - Compliance with contractual requirements and with other federal, state, and local laws and regulations regarding food banks, home-delivered meals, and food voucher programs, including any required licensure and/or certifications.
  - Verification that RWHAP funds are used only for the purchase of allowable non-food items.

### **C.3.iii. Subrecipient Responsibility**

- a) Maintain and make available to the recipient documentation of:
  - Services provided by type of service, number of clients served, and levels of service.
  - The amount and use of funds for the purchase of non-food items, including the use of funds only for allowable non-food items.
  - Compliance with all federal, state, and local laws regarding the provision of food banks, home-delivered meals, and food voucher programs, including any required licensure and/or certifications.
- b) Provide assurance that RWHAP funds were used only for allowable purposes and RWHAP was the payor of last resort.

### **C.3.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.4. Health Education/Risk Reduction**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.4.i. Performance Measure/Method**

- a) Documentation that clients served under this category receive:
  - Information about available medical and psychosocial support services.
  - Education on methods of HIV transmission and how to reduce the risk of transmission.
  - Counseling on how to improve their health status and reduce the risk of transmission to others.

### **C.4.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work language that:
  - Defines risk reduction counseling and provides guidance on the types of information, education, and counseling to be provided to the client.
- b) Review provider data to:
  - Determine compliance with contract and program obligations.
  - Ensure that clients have been educated and counseled on HIV transmission and risk reduction.
  - Ensure that clients have been provided information about available medical and psychosocial support services.

### **C.4.iii. Subrecipient Responsibility**

- a) Maintain and make available to the recipient, upon request, records of services provided.
- b) Document in client records:
  - Client eligibility.
  - Information provided on available medical and psychosocial support services.
  - Education about HIV transmission.
  - Counseling on how to improve their health status and reduce the risk of HIV transmission.

### **C.4.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## C.5. Housing Services

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### C.5.i. Performance Measure/Method

- a) Documentation that funds are used only for allowable purposes:
  - The provision of short-term assistance to support emergency, temporary, or transitional housing to enable an individual or family to gain or maintain medical care.
- b) Housing-related individualized plans developed and updated at least annually.
- c) Housing-related referral services include housing assessment, search, placement, advocacy, and the fees associated with them.
- d) Housing-related referrals are provided by case managers or other professional(s) who possess a comprehensive knowledge of local, state, and federal housing programs and how to access these programs.
- e) For all housing, regardless of whether the service includes some type of medical or supportive services:
  - Each client receives assistance designed to help them obtain permanent housing through a strategy to identify, relocate, and/or ensure the individual or family is moved to or capable of maintaining a stable long-term living situation.
  - Housing services are essential for an individual or family to gain or maintain access and compliance with outpatient/ambulatory services and treatment.
  - Mechanisms are in place to allow newly identified clients access to housing services.
  - Ensure that policies and procedures provide an individualized written housing plan, are consistent with this housing policy, and are updated annually, covering each client receiving short-term, transitional, and emergency housing services.

### C.5.ii. Recipient Responsibility

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work language that clearly defines and specifies allowable housing-related services, including housing-related referrals, types of housing, and focus on short-term housing assistance.
- b) Review and monitor subrecipient programs to ensure:
  - Compliance with contract and program requirements.
  - Documentation of services provided, including the number of clients served, duration of housing services, types of housing provided, and housing referral services.
  - Housing-related referrals are provided by case managers or other professional(s) who possess a comprehensive knowledge of local, state, and federal housing programs and how to access these programs.
  - Housing referral services include a housing assessment, search, placement, advocacy, and the fees associated with them.
  - Clients receive assistance in maintaining/obtaining permanent housing.

- Mechanisms are in place to allow newly identified clients access to housing services.
- Policies and procedures are in place to provide an individualized written housing plan that is updated at least annually for each client who receives housing services.

### **C.5.iii. Subrecipient Responsibility**

- a) Document:
  - Services provided, including the number of clients served, duration of housing services, types of housing provided, and housing referral services.
  - To ensure that the staff providing housing services are case managers or other professional(s) who possess a comprehensive knowledge of local, state, and federal housing programs and how to access those programs.
  
- b) Maintain client records that document:
  - Client eligibility.
  - Housing services, including referral services provided.
    - Mechanisms are in place to allow newly identified clients access to housing services.
    - Individualized written housing plans that are updated at least annually for each client who receives housing services.
  - Assistance provided to clients to help them maintain or obtain permanent housing.
  - Provide documentation and assurance that no RWHAP funds are used to provide direct payments to clients for rent or mortgages.

### **C.5.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs
- HAB Program Letter – Using RWHAP Funds to Support Housing Services, August 18, 2016

## **C.6. Linguistic Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.6.i. Performance Measure/Method**

- a) Documentation that:
  - Linguistic services are being provided as a component of HIV service delivery between the provider and the client to facilitate communication between the client and provider and the delivery of RWHAP-eligible services in both group and individual settings.
  - Services are provided by appropriately trained and qualified individuals holding appropriate state or local certifications.

- Services provided comply with the National Standards for Culturally and Linguistically Appropriate Services (CLAS).

### **C.6.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that clearly describe:
  - The range and types of linguistic services to be provided, including oral interpretation and written translation as needed to facilitate communications and service delivery.
  - Requirements for training and qualifications based on available state and local certifications.
- b) Monitor providers to ensure that:
  - Linguistic services are provided based on documented provider needs for RWHAP clients to communicate with the provider and/or receive appropriate services.
  - Interpreters and translators have appropriate training and state or local certification.
  - Services provided comply with CLAS.

### **C.6.iii. Subrecipient Responsibility**

- a) Document the provision of linguistic services, including:
  - Number and types of providers requesting and receiving services.
  - Number of assignments.
  - Languages involved.
  - Types of services provided – oral interpretation or written translation, and whether the interpretation is for an individual client or a group.
- b) Maintain documentation showing that interpreters and translators paid with RWHAP funds have appropriate training and hold relevant state and/or local certifications.
- c) Maintain documentation showing that the services provided comply with CLAS.

### **C.6.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.7. Medical Transportation**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.7.i. Performance Measure/Method**

- a) Documentation that medical transportation services are used only to enable an eligible individual to access HIV-related health and support services.
- b) Documentation that services are provided through one of the following methods:



- A contract or some other local procurement mechanism with a provider of transportation services.
- A voucher or token system that allows for tracking the distribution of vouchers or tokens.
- A system of mileage reimbursement that does not exceed the federal per mile reimbursement rates.
- A system of volunteer drivers, where insurance and other liability issues are addressed.
- Purchase or lease of organizational vehicles for client transportation, with prior approval from HRSA HAB for the purchase.

### **C.7.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
  - Clearly define medical transportation in terms of allowable services and methods of delivery.
  - Require record keeping that tracks both services provided and the purpose of the service (e.g., transportation to/from and what type of medical or support service appointment).
  - Specify requirements related to each service delivery method.
  - Require that clients receive vouchers or tokens rather than direct payments for transportation services.
- b) Monitor providers to ensure that the use of funds meets contract and program requirements.
- c) Submit a prior approval request when the recipient or a provider proposes purchasing or leasing a vehicle(s).

### **C.7.iii. Subrecipient Responsibility**

- a) Maintain program files that document:
  - The level of services/number of trips provided.
  - The reason for each trip and its relation to accessing health and support services.
  - Trip origin and destination.
  - Client eligibility.
  - The cost per trip.
  - The method used to meet the transportation need.
- b) Maintain documentation showing that the provider is meeting stated contract requirements with regard to methods of providing transportation:
  - Reimbursement methods that do not involve cash payments to service recipients.
  - Mileage reimbursement that does not exceed the federal reimbursement rate.
  - Use of volunteer drivers that appropriately addresses insurance and other liability issues.

- c) Collection and maintenance of data documenting that funds are used only for transportation designed to help eligible individuals remain in medical care by enabling them to access medical and support services.
- d) Obtain recipient approval prior to purchasing or leasing a vehicle(s).

#### **C.7.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.8. Non-Medical Case Management Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.8.i. Performance Measure/Method**

- a) Documentation that:
  - The scope of activity includes guidance and assistance to clients in obtaining medical, social, community, legal, financial, and other needed services.
  - Where benefits/entitlement counseling and referral services are provided, they assist clients in obtaining access to both public and private programs, such as Medicaid, Medicare Part D, State Pharmacy Assistance Programs, Pharmaceutical Manufacturers' Patient Assistance Programs, and other state or local healthcare and supportive services.
  - Services cover all types of encounters and communications (e.g., face-to-face, telephone contact, etc.).
- b) Where transitional case management for justice-involved persons is provided, assurance that such services are provided either as part of discharge planning or for individuals who are in the correctional system for a brief period.

### **C.8.ii. Recipient Responsibility**

- a) Include in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work:
  - A clear statement of required and optional case management services and activities, including benefits/entitlement counseling.
  - The full range of allowable types of encounters and communications.
- b) Include in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that the client records document include at least the following:
  - Date of each encounter.
  - Type of encounter (e.g., face-to-face, telephone contact, etc.).
  - Duration of encounter.
  - Key activities.

- c) Review client records and service documentation for compliance with RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work requirements.

### **C.8.iii. Subrecipient Responsibility**

- a) Maintain client records that include the required elements, as detailed by the recipient, including:
  - Date of encounter.
  - Type of encounter.
  - Duration of encounter.
  - Key activities, including benefits/entitlement counseling and referral services.

### **C.8.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs
- [Recommendations for Case Management Collaboration and Coordination in Federally Funded HIV/AIDS Programs](#)

## **C.9. Other Professional Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.9.i. Performance Measure/Method**

- a) Documentation that funds are used only for allowable professional services, such as:
  - Legal Services.
  - Permanency Planning.
  - Income Tax Preparation.
- b) Assurance that program activities do not include any criminal defense or class action suits unrelated to access to services eligible for funding under the RWHAP.

### **C.9.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that clearly define allowable and non-allowable professional services and state the requirement that services must address needs directly necessitated by the individual's HIV status.
- b) Monitor subrecipients to ensure that:
  - Funds are being used only for allowable services.
  - No funds are being used for criminal defense or class action suits unless related to access to services eligible for funding under the RWHAP.

### **C.9.iii. Subrecipient Responsibility**

- a) Document and make available to the recipient upon request, services provided, including specific types of professional services provided.
- b) Provide assurance that:
  - Funds are being used only for professional services directly necessitated by an individual's HIV status.
  - RWHAP serves as the payor of last resort.
- c) Document in each client file:
  - Client eligibility.
  - A description of how professional services are necessitated by the individual's HIV status.
  - Types of services provided.
  - Hours spent in the provision of such services.

### **C.9.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.10. Outreach Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.10.i. Performance Measure/Method**

- a) Documentation that outreach services are designed to identify:
  - Individuals who do not know their HIV status and link them to Outpatient/Ambulatory Health Services.
  - Individuals who know their status and are not in care, help them enter or re-engage in Outpatient/Ambulatory Health Services.
  - Individuals needing additional information and education on health care coverage options.
- b) Documentation that outreach services:
  - Are planned and delivered in coordination with local HIV prevention outreach programs and avoid duplication of effort.
  - Take place at times when there is a high probability that people with HIV and/or exhibiting high-risk behavior will be reached.
  - Target populations known to be at disproportionate risk for HIV and/or exhibiting high-risk behavior.
  - Target communities whose residents have disproportionate risk or establishments frequented by individuals exhibiting high-risk behaviors.

- Are designed so that activities and results can be quantified for program reporting and evaluation of effectiveness.
- c) Documentation and assurance that outreach funds are not being used:
- For HIV testing that supplants existing funding.
  - To support broad-scope awareness that targets the general public rather than specific populations and/or communities with high rates of HIV infection.
  - To duplicate HIV prevention outreach efforts.

### **C.10.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
- Provide a detailed description of the required scope and components of an outreach program, including whether it targets individuals who know and/or who do not know their HIV status.
  - Specify parameters to ensure that the program meets all HRSA HAB requirements and guidance.
  - Require clearly defined targeting of populations and communities.
  - Require aggregate reporting of individuals reached, referred for testing, found to be positive, referred to care, and entering care to facilitate the evaluation of effectiveness.
- b) Provide program monitoring and review for compliance with contract and program requirements and to ensure that funds are not being used:
- For HIV testing that supplants existing funding.
  - To support broad-scope awareness activities that target the general public rather than specific populations and/or communities with high rates of HIV.
  - To duplicate HIV prevention outreach efforts.

### **C.10.iii. Subrecipient Responsibility**

- a) Document and be prepared to share with the recipient:
- The design, implementation, target areas, times, populations, and outcomes of outreach activities, including the number of individuals reached, referred for testing, found to be positive, referred to care, and entering care.
  - Data showing that all RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work requirements are being met for program design, targeting, activities, and use of funds.
- b) Provide financial and program data demonstrating that no outreach funds are being used:
- For HIV testing that supplants existing funding.
  - To support broad-scope awareness activities that target the general public rather than specific populations and/or communities with high rates of HIV infection.
  - To duplicate HIV prevention outreach efforts.

#### **C.10.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

### **C.11. Psychosocial Support Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

#### **C.11.i. Performance Measure/Method**

- a) Documentation that psychosocial services' funds are used only to support eligible activities, including:
  - Bereavement counseling.
  - Child abuse and neglect counseling.
  - HIV support groups.
  - Nutrition counseling is provided by a non-registered dietitian.
  - Pastoral care/counseling.
- b) Documentation that psychosocial support services meet all stated requirements:
  - Counseling is provided by a licensed or accredited provider wherever such licensure or accreditation is either required or available.
  - Pastoral counseling is available to all individuals eligible to receive RWHAP services, regardless of their religious denominational affiliation.
  - Assurance that no funds under this service category are used for the provision of nutritional supplements, social/recreational activities, or gym memberships.

#### **C.11.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that clearly specify:
  - The range and limitations of allowable services.
  - Licensure or accreditation requirements.
  - Requirement that psychosocial support services are available for all eligible clients.
  - Monitoring of providers to ensure compliance with contract and program requirements.
- b) Provide assurance that:
  - Funds are being used only for allowable services.
  - No funds are being used for the provision of nutritional supplements.
  - Any pastoral care/counseling services are available to all clients, regardless of their religious denominational affiliation.

#### **C.11.iii. Subrecipient Responsibility**

- a) Document the provision of psychosocial support services, including:

- Types and level of activities provided.
  - Client eligibility determination.
- b) Maintain documentation demonstrating that:
- Funds are used only for allowable services.
  - No funds are used for the provision of nutritional supplements.
  - Any pastoral care/counseling services are available to all clients regardless of their religious denominational affiliation.

#### **C.11.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.12. Referral for Healthcare and Support Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

Note 1: Referrals for Healthcare and Support Services provided by outpatient/ambulatory healthcare providers should be reported under the Outpatient/Ambulatory Health Services category.

Note 2: Referrals for Healthcare and Support Services provided by case managers (medical and non-medical) should be reported in the appropriate case management service category (i.e., Medical Case Management or Non-Medical Case Management).

#### **C.12.i. Performance Measure/Method**

- a) Documentation that funds are used only:
- To direct clients to needed RWHAP core medical or support services.
  - To provide benefits/entitlements counseling and referral consistent with HRSA requirements.
- b) Documentation of:
- Method of client contact/communication.
  - Method of providing referrals (within the Medical and Non-Medical Case Management system, informally, or as part of an outreach program).
  - Referrals and follow up provided.

#### **C.12.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
- Clearly specify allowable activities, referral types, and methods of communication.

- Specify that services may include benefits/entitlements counseling and referral, and provide a definition and description of these services.
  - Clearly define the circumstances under which these activities may take place in order to avoid duplication with referrals provided through other service categories, such as Medical and Non-Medical Case Management and Outpatient/Ambulatory Health Services.
  - Require documentation of referrals and follow up.
- b) Monitor providers to ensure compliance with contract and program requirements.
- c) Provide assurance that funds are not being used to duplicate referral services provided through other service categories.

### **C.12.iii. Subrecipient Responsibility**

- a) Maintain program files that document:
- Number and types of referrals provided.
  - Benefits counseling and referral activities.
  - Number of clients served.
  - Follow up provided.
- b) Maintain client records that include required elements, as detailed by the recipient, including:
- Date of service.
  - Type of communication.
  - Type of referral.
  - Follow up provided.
- c) Maintain documentation demonstrating that the services and circumstances of referral services meet contract requirements.

### **C.12.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.13. Rehabilitation Services**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.13.i. Performance Measure/Method**

- a) Documentation that services are:
- Intended to improve or maintain a client's quality of life and optimal capacity for self-care.
  - Limited to HIV-related allowable services.



- Provided by a licensed or authorized professional on an outpatient basis.
- Provided in accordance with an individualized plan of care that includes components specified by the recipient.

### **C.13.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
  - Clearly define rehabilitation services and allowable activities.
  - Specify the requirement for the provision of services by a licensed or authorized professional in accordance with an individualized plan of care.
  - Specify where these activities take place to ensure provision in outpatient settings.
- b) Monitor providers to ensure compliance with contract and program requirements.
- c) Review program and client records to ensure that:
  - The client has an individualized plan of care that includes specified components.
  - Services provided are in accordance with the plan of care.

### **C.13.iii. Subrecipient Responsibility**

- a) Maintain and share with the recipient, upon request, program and financial records that document:
  - Types of services provided.
  - Type of facility.
  - Provider licensing.
  - Use of funds only for allowable services by appropriately licensed and authorized professionals.
- b) Maintain client records that include the required elements, as detailed by the recipient, including:
  - An individualized plan of care.
  - Types of rehabilitation services provided.
  - Dates, duration, and location of services.

### **C.13.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **C.14. Respite Care**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

### **C.14.i. Performance Measure/Method**

- a) Documentation that funds are used only:

- To provide non-medical assistance for a client to relieve the primary caregiver responsible for the day-to-day care of that adult or minor.
  - In a community or home-based setting.
- b) If the recipient permits the use of informal respite care arrangements, documentation that:
- Liability issues have been addressed.
  - A mechanism for payments has been developed that does not involve direct cash payment to clients or primary caregivers.
  - Payments provide reimbursement for actual costs without overpayment, especially if using vouchers or gift cards.

#### **C.14.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that:
- Clearly define respite care, including allowable recipients, services, and settings.
  - Specify requirements for documentation of dates, frequency, and settings of services.
- b) If informal respite care arrangements are permitted, monitor providers to ensure that:
- Issues of liability have been addressed in a way that protects the client, provider, and the RWHAP.
  - A mechanism is in place to ensure that no cash payments are made to clients or primary caregivers.
  - Payment made is for reimbursement of actual costs, especially if using vouchers or gift cards.

#### **C.14.iii. Subrecipient Responsibility**

- a) Maintain and make available to the recipient upon request, program files, including:
- Number of clients served.
  - Settings/methods of providing care.
- b) Maintain in each client file documentation of:
- Client and primary caretaker eligibility.
  - Services provided, including dates and duration.
  - Setting/method of services.
- c) Provide program and financial records and assurances that if informal respite care arrangements are used:
- Liability issues have been addressed, with appropriate releases obtained that protect the client, provider, and the RWHAP.
  - No cash payments are being made to clients or primary caregivers.
  - Payment is reimbursement for actual costs.

#### **C.14.iv. Source Citations**

- PHS Act § 2604(d)

- HAB PCN 16-02 and FAQs

## **C.15. Substance Use Disorder Services (Residential)**

[See PCN 16-02 for definitions and program guidance for each of the Core Medical and Support Services named in the statute, in addition to information on individuals who are eligible to receive these HRSA RWHAP services.](#)

Note 1: Substance Use Disorder Services (residential) are only permitted when the client has received a written referral from the clinical provider as part of a substance use disorder treatment program funded under the RWHAP.

Note 2: Acupuncture therapy may be allowable under this service category only when it is included in a documented plan as part of a substance use disorder treatment program funded under the RWHAP.

Note 3: RWHAP funds may not be used for inpatient detoxification in a hospital setting unless the detoxification facility has a separate license.

### **C.15.i. Performance Measure/Method**

- a) Documentation that:
  - Services are provided by or under the supervision of a physician or by other qualified personnel with appropriate and valid licensure and certification as required by the state in which services are provided.
  - Services provided meet the service category definition.
  - Services are provided in accordance with a written treatment plan.
  - A written referral was made by a clinical provider as part of a substance use disorder treatment program funded under the RWHAP.
- b) Assurance that services are provided only in a short-term residential setting.
- c) Documentation that, if provided, acupuncture services are:
  - Limited through some form of a defined financial cap.
  - Provided only when included in a documented plan as part of a substance use disorder treatment program funded under the RWHAP.
  - Offered by a provider with appropriate state license and certification, if the state provides such certification or licensure.

### **C.15.ii. Recipient Responsibility**

- a) Develop RFPs, RFAs, provider agreements, contracts, MOUs/LOAs, and/or statements of work that clearly specify:
  - The requirement that services be provided in a short-term residential health service setting.
  - Limitations and permitted use of acupuncture.
  - Requirements for a treatment plan, including specified elements.
  - Information that must be documented in each client's file.

- Information to be reported to the recipient.
- b) Review staff licensure and certification and staffing structure to ensure that services are provided under the supervision of a physician or other qualified/licensed personnel.
  - c) Require assurance that services are provided in a short-term residential setting.
  - d) Monitor provider and review program files and client records for evidence of a treatment plan with the required components.
  - e) For any client receiving acupuncture services under this service category, documentation in the client file including:
    - Caps on use on RWHAP funds.
    - Documented plan as part of a substance use disorder treatment program funded under the RWHAP.
    - Proof that the acupuncturist has appropriate certification or licensure if the state provides such certification or licensure.

### **C.15.iii. Subrecipient Responsibility**

- a) Maintain and provide to the recipient upon request documentation of:
  - Provider licensure or certifications as required by the state in which service is provided; this includes licensures and certifications for a provider of acupuncture services.
  - Staffing structure showing supervision by a physician or other qualified personnel.
- b) Ensure that all services are provided in a short-term residential setting.
- c) Maintain program files that document:
  - That all services provided are allowable under this service category.
  - The quantity, frequency, and modality of treatment services.
- d) Maintain client records that document:
  - The date treatment begins and ends.
  - Individual treatment plan.
  - Evidence of regular monitoring and assessment of client progress.
- e) In cases where acupuncture therapy services are provided, document in the client file:
  - A documented plan as part of a substance use disorder treatment program funded under the RWHAP.
  - The quantity of acupuncture services provided.

### **C.15.iv. Source Citations**

- PHS Act § 2604(d)
- HAB PCN 16-02 and FAQs

## **Section D: Clinical Quality Management (CQM)**

Clinical Quality Management (CQM) is a systematic, structured, and continuous approach to meet or exceed established professional standards and user expectations. CQM is implemented by using tools and techniques to measure performance and improve processes.

### **D.1. Implementation of a CQM Program**

To implement a CQM program, recipients need to have the necessary infrastructure, performance measurement, and quality improvement (QI) components in place. [HAB PCN 15-02](#) clarifies the HRSA RWHAP expectations for CQM programs.

#### **D.1.i. Performance Measure/Method**

- a) Documentation that the recipient has in place a CQM program that includes, at a minimum:
  - All components of infrastructure.
  - A performance measures portfolio that is reflective of RWHAP-funded services, local HIV epidemiology, and identified needs of people with HIV, including at least one measure for all RWHAP-funded service categories; and two measures for highly utilized and highly prioritized RWHAP-funded service categories.
- b) A process to regularly collect and analyze performance measure data (more frequently than data collection for reporting).
- c) QI activities based on clinical performance data.
- d) Implement QI activities using a defined approach or methodology.
- e) CQM expectations for subrecipients and funded service categories.
- f) Review of the CQM program to ensure that both the recipient and providers are carrying out necessary CQM activities and reporting CQM performance data.
- g) Monitor subrecipient compliance with guidelines and the Part A program's approved service category definition for each funded service category.
- h) Develop and monitor service standards to ensure that services are compliant with HHS treatment guidelines and the Part A program's approved service category definition for each funded service.

#### **D.1.ii. Recipient Responsibility**

- a) Develop, implement, and monitor a CQM program.
- b) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work the subrecipient's CQM expectations in the recipient's CQM plan.
- c) Provide a written assurance signed by the Chief Elected Official (CEO) that the CQM program meets HRSA requirements.

#### **D.1.iii. Subrecipient Responsibility**

- a) Participate in CQM activities as contractually required and outlined in the recipient's CQM plan.

#### **D.1.iv. Source Citations**

- PHS Act § 2604(h)(5)
- HAB PCN 15-02 and FAQs

## **Section E: Administration**

### **E.1. Administration**

Recipients are to spend no more than 10 percent of grant funds on administration. This 10 percent limitation does not include the up to five percent (five percent or \$3,000,000, whichever is less) of funds that may be spent on CQM activities.

- a) Administrative funds are to be used for routine grant administration and monitoring activities, including:
  - Preparation of routine programmatic and financial reports.
  - Compliance with grant conditions and audit requirements.
- b) Activities associated with the recipient's contract award procedures, including:
  - The development of RFPs, RFAs, provider agreements, contracts, MOUs/LOAs, and/or statements of work.
  - Drafting, negotiation, awarding, and monitoring of contract awards.
  - Conducting comprehensive site visits to funded providers.
  - Development of the applications for Part A funds.
  - The receipt and disbursement of program funds.
  - Development and establishment of reimbursement and accounting systems.
  - Funding reallocation.
  - Planning Council/Body operations and support.

Note: Please see RWHAP Part A Fiscal Monitoring Standards for additional information on the use of funds for administration.

#### **E.1.i. Performance Measure/Method**

- a) Documentation that recipient administrative costs paid by Part A funds do not exceed 10 percent of total grant funds.
- b) Review activities to ensure the proper categorization of allowable administrative functions.

#### **E.1.ii. Recipient Responsibility**

- a) Document through job descriptions and time and effort reports that the activities defined in the legislation and guidance as administration are charged to the administration of the program and cost no more than 10 percent of the total grant amount.
- b) Document that no activities defined as administrative in nature are included in other Part A budget categories.
- c) Provide HRSA HAB with current operating budgets that include sufficient detail to review administrative expenses.

### **E.1.iii. Subrecipient Responsibility**

- a) Provide documentation of administrative costs per recipient requirements.

### **E.1. iv. Source Citations**

- PHS Act § 2604(h)
- HAB PCN 15-01 and FAQs
- RWHAP Part A Manual

## **Section F: Other Service Requirements**

### **F.1. Women, Infants, Children, and Youth (WICY)**

Use of grant funds each fiscal year for each of the populations of WICY is not less than the percentage constituted by the ratio of the population in such areas with HIV to the general population in such areas with HIV unless a waiver from this provision is obtained.

Note 1: Funds expended should apply to all four populations, no matter how small the percentage.

Note 2: A waiver is available if the recipient can document that sufficient funds to meet the needs of these population groups are being provided through other federal or state programs.

#### **F.1.i. Performance Measure/Method**

- a) Documentation that the amount of Part A funding spent on services for WICY is at least equal to the proportion each of these populations represents of the entire population of people with HIV in the EMA or TGA.
- b) If a waiver is requested, documentation should show that the service needs of one or more of these populations are already met through funding from another federal or state program.

#### **F.1.ii. Recipient Responsibility**

- a) Track and submit an annual WICY report for the amount and percentage of Part A funds expended for each priority population separately.
- b) Demonstrate that expenditures for each priority population meet or exceed the ratio of reported cases for that specific population to the total population of people with HIV in the EMA/TGA.
- c) Apply for a waiver for one or more of the designated populations if needed care is provided through other federal/state programs.

#### **F.1.iii. Subrecipient Responsibility**

- a) Track and report to the recipient the amount and percentage of Part A funds expended for services to each priority population.

#### **F.1.iv. Source Citations**

- PHS Act § 2604(f)
- HAB Program Letter – Coordination between Medicaid and RWHAPs, May 1, 2013
- HAB Program Letter – Medicaid Coordination, August 10, 2000
- RWHAP Part A Manual
- RWHAP Part A WICY Reporting Instructions

## **F.2. Referral Relationships with Key Points of Entry**

The requirement that Part A subrecipients maintain appropriate referral relationships with entities that constitute key points of entry.

Key points of entry defined in legislation:

- Emergency rooms.
- Substance use disorder and mental health treatment programs.
- Detoxification centers.
- Detention facilities.
- Clinics regarding sexually transmitted disease.
- Homeless shelters.
- HIV disease counseling and testing sites.
- Healthcare points of entry specified by eligible areas.
- Federally Qualified Health Centers (FQHCs).
- Entities, such as RWHAP Part B, Part C, Part D, and Part F recipients.

#### **F.2.i. Performance Measure/Method**

- a) Documentation that written referral relationships exist between Part A subrecipients and key points of entry.

#### **F.2.ii. Recipient Responsibility**

- a) Require in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work that subrecipients establish written referral relationships with defined key points of entry into care.
- b) Review subrecipient's written referral agreements with specified points of entry.
- c) Review documented client records to determine whether referral relationships are being used.

#### **F.2.iii. Subrecipient Responsibility**

- a) Establish written referral relationships with specified points of entry.
- b) Document referrals from these points of entry.

#### **F.2.iv. Source Citations**

- PHS Act § 2605(a)(3)



## **Section G: Prohibition on Certain Activities and Additional Requirements**

### **G.1. Drug Use and Sexual Activity**

RWHAP funds cannot be used to support HIV programs or materials designed to promote or directly encourage intravenous drug use or sexual activity, whether homosexual or heterosexual.

#### **G.1.i. Performance Measure/Method**

- a) Signed contracts, recipient and subrecipient assurances, and/or certifications that define and specifically forbid the use of RWHAP funds for unallowable activities.
- b) Recipient review of subrecipient budget and expenditures to ensure that they do not include any unallowable costs or activities.

#### **G.1.ii. Recipient Responsibility**

- a) Include definitions of unallowable activities in all subrecipient RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work, purchase orders, and requirements or assurances.
- b) Include in financial monitoring a review of subrecipient expenses to identify any unallowable costs.
- c) Require subrecipient budgets and expense reports with sufficient budget justification and expense detail to document that they do not include unallowable activities.

#### **G.1.iii. Subrecipient Responsibility**

- a) Maintain a file with the signed subrecipient agreement, assurances, and/or certifications that specify unallowable activities.
- b) Ensure that budgets and expenditures do not include unallowable activities.
- c) Ensure that expenditures do not include unallowable activities.
- d) Provide budgets and financial expense reports to the recipient with sufficient detail to document that they do not include unallowable costs or activities.

#### **G.1.iv. Source Citations**

- PHS Act § 2684

### **G.2. Purchase of Vehicles**

No use of RWHAP funds by recipients or subrecipients for the purchase of vehicles without the written approval of the HRSA Grants Management Officer (GMO).

#### **G.2.i. Performance Measure/Method**

- a) Implementation of measure/method, recipient responsibility, and provider/subrecipient responsibility actions specified in G.1 above.
- b) Where vehicles were purchased, review of files for written permission from the GMO.

### **G.2.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.
- b) If any vehicles were purchased, maintain file documentation of permission of the GMO to purchase a vehicle.

### **G.2.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.
- b) If vehicle purchase is needed, seek recipient assistance in obtaining written GMO approval, and maintain the document in a file.

### **G.2.iv. Source Citations**

- 45 CFR § 75.308
- HAB PCN 16-02 and FAQs

## **G.3. Broad Scope Awareness Activities**

No use of RWHAP funds for broad scope awareness activities about HIV services that target the general public, including outreach programs, which have HIV prevention education as their exclusive purpose.

### **G.3.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Review of program plans, budgets, budget narratives for marketing, promotions, and advertising efforts to determine whether they are appropriately targeted to geographic areas and/or disproportionately affected populations rather than targeting the general public.

### **G.3.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.
- b) Review program plans and budget narratives for any marketing or advertising activities to ensure that they do not include unallowable activities.

### **G.3.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.
- b) Prepare a detailed program plan and budget narrative that describe the planned use of any advertising or marketing activities.

### **G.3.iv. Source Citations**

- HAB PCN 16-02 and FAQs

## **G.4. Lobbying Activities**

Prohibition on the use of RWHAP funds for influencing or attempting to influence members of Congress and other federal personnel.

Note: Additional information can be found at:

<http://www.hhs.gov/grants/grants/grants-policies-regulations/lobbying-restrictions.html#>

#### **G.4.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Review of lobbying certification and disclosure forms for both the recipient and subrecipients.

#### **G.4.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.
- b) File assigned “Certification Regarding Lobbying,” and as appropriate, a “Disclosure of Lobbying Activities.”
- c) Ensure that subrecipient staff are familiar with and in compliance with prohibitions on lobbying with federal funds.

#### **G.4.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.
- b) Include in the personnel manual and employee orientation information regulations that forbid lobbying with federal funds.

#### **G.4.iv. Source Citations**

- Annual Appropriations Act
- 45 CFR § 75.450
- 45 CFR Part 93

### **G.5. Direct Cash Payments**

RWHAP funds may not be used to make cash payments to intended service recipients of RWHAP-funded services. This prohibition includes cash incentives and cash intended as payment for RWHAP core medical and support services. Where a direct provision of the service is not possible or effective, store gift cards, vouchers, coupons, or tickets that can be exchanged for a specific service or commodity (e.g., food or transportation) must be used.

#### **G.5.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Review of Standards of Care and other policies and procedures for service categories involving payments made on behalf of individuals to ensure that no direct payments are made to individuals (e.g., emergency financial assistance, transportation, health insurance premiums, medical or medication copays, deductibles, food, and nutrition).
- c) Review of expenditures by subrecipients to ensure that no cash payments were made to clients of RWHAP-funded services.

#### **G.5.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.

- b) Ensure that Standards of Care for service categories involving payments made on behalf of clients forbid cash payments to clients of RWHAP-funded services.

### **G.5.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.
- b) Service Standards and other policies and procedures prohibit making cash payments to clients of RWHAP-funded services.
- c) Maintain documentation that all provider staff have been informed of policies that prohibit the use of RWHAP funds for cash payments to clients of RWHAP-funded services.

### **G.5.iv. Source Citations**

- PHS Act § 2604(i)
- HAB PCN 16-02 and FAQs

## **G.6. Employment and Employment-Readiness Services**

Prohibition on the use of RWHAP funds to support employment, vocational, or employment-readiness services, except in limited, specified instances (e.g., Non-Medical Case Management Services or Rehabilitation Services).

### **G.6.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.

### **G.6.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.

### **G.6.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.

### **G.6.iv. Source Citations**

- HAB PCN 16-02 and FAQs

## **G.7. Maintenance of Privately-Owned Vehicle**

No use of RWHAP funds for direct maintenance expenses (tires, repairs, etc.) of a privately-owned vehicle or any other costs associated with a vehicle, such as a lease or loan payments, insurance, or license and registration fees.

Note: This restriction does not apply to vehicles operated by organizations for program purposes.

### **G.7.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Documentation that RWHAP funds are not being used for direct maintenance expenses or any other costs associated with privately-owned vehicles, such as a lease or loan payments, insurance, or license and registration fees – except for vehicles operated by organizations for program purposes.

### **G.7.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.
- b) Clearly define the prohibition against expenditures for maintenance of privately-owned vehicles in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work, including clarification of the difference between privately-owned vehicles and vehicles owned and operated by organizations for program purposes.

### **G.7.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.

### **G.7.iv. Source Citations**

- HAB PCN 16-02 and FAQs

## **G.8. Syringe Services**

Part A funds may be used to support some aspect of support syringe service programs with prior approval and in compliance with HHS and HRSA policy.

### **G.8.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Documentation that RWHAP funds are not being used for programs related to sterile needles or syringe exchange for injection drug use.

### **G.8.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above
- b) Clearly define the prohibition against the expenditures for a syringe and sterile needle exchange in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work.

### **G.8.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.

### **G.8.iv. Source Citations**

- Annual Appropriations Act

## **G.9. Additional Prohibitions**

No use of RWHAP funds for the following activities or to purchase these items:

- Clothing.
- Funeral, burial, cremation, or related expenses.
- Local or state personal property taxes (for residential property, private automobiles, or any other personal property against which taxes may be levied).
- Household appliances.
- Pet foods or other non-essential products.
- Off-premise social/recreational activities or payments for a client's gym membership.
- Purchase or improve land, or purchase, construct, or permanently improve (other than minor remodeling) any building or other facility.
- Pre-exposure prophylaxis (PrEP).
- Post-exposure prophylaxis.
- International travel.

Note: RWHAP funds cannot pay for PrEP or non-occupational post-exposure prophylaxis (nPEP), as the person using PrEP is not an individual with HIV, and the person using nPEP is not diagnosed with HIV prior to the exposure, and therefore are not eligible for RWHAP-funded medications or medical services. Part A and Part B recipients and subrecipients may provide some limited services under the EIS category. For more information, see the [HAB RWHAP and PrEP Program Letter](#).

### **G.9.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above.
- b) Review and monitor recipient and subrecipient activities and expenditures to ensure that RWHAP funds are not being used for any of the prohibited activities.

### **G.9.ii. Recipient Responsibility**

- a) Carry out actions specified in G.1 above.
- b) Develop and implement a system to review and monitor subrecipient program activities and expenditures and ensure a similar system to review and monitor recipient expenditures.

### **G.9.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in G.1 above.

### **G.9.iv. Source Citations**

- PHS Act § 2604(i)
- HAB PCN 16-02 and FAQs
- HAB Program Letter – The Ryan HIV/AIDS Program and Pre-Exposure Prophylaxis (PrEP), November 16, 2021, updated from June 22, 2016

## **Section H: Chief Elected Official (CEO) Agreements & Assurances**

### **H.1.a. Planning within Jurisdiction**

Establishment of a mechanism to allocate funds and an HIV Health Services Planning Council that meets legislatively specified requirements.

Note: Certain TGAs are exempt from this requirement but must document community input, particularly from those with HIV, for formulating a plan, setting priorities, and allocation of funds.

#### **H.1.a.i. Performance Measure/Method**

- a) Documentation that the CEO has established a mechanism to allocate funds that includes an HIV Health Services Planning Council or established planning body with membership and roles and responsibilities specified in the legislation.

#### **H.1.a.ii. Recipient Responsibility**

- a) Ensure that the CEO understands the role of the Planning Council, the membership requirements, and the Planning Council or established planning body's responsibility for setting priorities and allocating resources.

#### **H.1.a.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.1.a.iv. Source Citations**

- PHS Act § 2602(a)(2)
- PHS Act § 2609(d)(1)
- HAB Program Letter – [Planning Council and Planning Body Requirements and Expectations Letter](#)

### **H.1.b. Coordination of Planning with the State**

Participation in the Statewide Coordinated Statement of Need (SCSN) process initiated by the state and assurance that the services provided under the EMA/TGA's Integrated Plan are consistent with the SCSN.

#### **H.1.b.i. Performance Measure/Method**

- a) Participate in the SCSN process initiated by the state, and the services provided under the EMA/TGA's Integrated Plan are consistent with the SCSN.

#### **H.1.b.ii. Recipient Responsibility**

- a) Ensure the participation of the Part A program in the SCSN process by attending meetings, reviewing drafts, joint planning, and the alignment of integrated plans.

### **H.1.b.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.1.b.iv. Source Citations**

- PHS Act § 2605(a)(8)
- [HAB Program Letter – HRSA CDC Letter in Support of Integrated HIV Planning, June 30, 2021](#)

## **H.2.a. Access to Care**

1. Intergovernmental Agreements (IGAs) to be established and maintained with the CEOs of the political subdivisions in the EMA/TGA that provide HIV-related health services and account for no less than 10 percent of AIDS cases diagnosed in the EMA or TGA over the last five years.
2. Maintenance of appropriate referral relationships with entities considered key points of access to the healthcare system to facilitate EIS for individuals who have diagnosed HIV infection.

### **H.2.a.i. Performance Measure/Method**

- a) Documentation that IGAs are in place with the CEOs of the political subdivisions in the EMA/TGA that provide HIV-related health services and account for no less than 10 percent of AIDS cases diagnosed in the EMA or TGA over the last five years.
- b) Documentation of written referral relationships with entities considered key points of access to the healthcare system to facilitate EIS for individuals who have diagnosed HIV infection.

### **H.2.a.ii. Recipient Responsibility**

- a) Have on file IGAs with the CEOs of applicable political subdivisions.
- b) Work with the Planning Council or established planning body to identify key points of entry using a needs assessment process.
- c) Require development and maintenance of written referral and linkage agreements between RWHAP providers and key points of entry.
- d) Monitor the use of referral and linkage agreements by funded providers.

### **H.2.a.iii. Subrecipient Responsibility**

- a) Provide documentation of a written referral and linkage agreements with key points of entry, and make these agreements available for review by the recipient upon request.

### **H.2.a.iv. Source Citations**

- PHS Act § 2602(a)(2)
- PHS Act § 2605(a)(2) and (3)



## **H.2.b. Participation in an established HIV community-based continuum of care, if such continuum exists within the EMA/TGA.**

### **H.2.b.i. Performance Measure/Method**

- a) Assurance that entities that receive Part A funds will participate in an established HIV continuum of care if such continuum exists within the EMA or TGA.
- b) Work carried out with the Planning Council or established planning body to describe and analyze the current continuum of care and identify and implement ways for improving it, based on the development of the comprehensive plan for the EMA/TGA.

### **H.2.b.ii. Recipient Responsibility**

- a) Award program funds to community-based, not-for-profit organizations or public agencies where such entities exist.
- b) Work with the Planning Council or established planning body and area providers in developing or enhancing a continuum of care; this includes collaboration with the Planning Council to develop and update the comprehensive plan for the EMA/TGA, which involves describing and analyzing the current continuum of care and identifying and implementing actions to improve it.

### **H.2.b.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.2.b.iv. Source Citations**

- PHS Act § 2605(a)(5)
- HAB Program Letter – [RWHAP Services Categories Crosswalk with HIV Care Continuum](#), June 11, 2015

## **H.2.c. Service Delivery**

Provision of Part A-funded HIV primary medical care and support services, to the maximum extent possible, without regard to either:

- The ability of the individual to pay for such services, or
- The current or past health conditions of the individuals to be served.

### **H.2.c.i. Performance Measure/Method**

- a) Documentation that the EMA/TGA is funding HIV primary medical care and support services.
- b) Documentation that agency billing and collection policies and procedures are in place that do not:
  - Deny services for non-payment.
  - Deny services for the inability to produce income documentation.

- Require full payment prior to service.
- Include any other procedure that denies services for non-payment.
- Permit denial of services due to pre-existing conditions.
- Permit denial of services due to non-HIV-related conditions.
- Provide any other barrier to care due to a person’s past or present health condition.

### **H.2.c.ii. Recipient Responsibility**

- a) Include language in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work regarding access to care regardless of ability to pay and/or current or past health condition, and requirements regarding client eligibility criteria and use of fees and sliding fee scales.
- b) Review agency’s billing, collections, copays, and sliding fee policies and procedures to ensure that they do not result in denial of services.
- c) Review agency eligibility and clinical policies.
- d) Investigate any complaints against the agency for denial of services.
- e) Review files of refused clients and client complaints.
- f) Investigate any complaints of subrecipients denying services to high-risk or high-cost clients, including the “dumping” or “cherry-picking” of patients.

### **H.2.c.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.2.c.iv. Source Citations**

- PHS Act § 2605(a)(7)(A)

## **H.2.d. Service Delivery Settings**

Provision of Part A-funded HIV primary medical care and support services in settings that are accessible to low-income people with HIV.

### **H.2.d.i. Performance Measure/Method**

- a) Documentation that:
  - Part A-funded HIV primary medical care and support services are provided in a facility that is accessible.
  - Providers have policies and procedures in place that provide transportation if the facility is not accessible to public transportation.
  - No provider policies dictate a dress code or conduct that may act as a barrier for low-income individuals.

### **H.2.d.ii. Recipient Responsibility**

- a) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work the expectations that services be provided in settings that are accessible to low-income people with HIV.
- b) Inspect subrecipient facilities for Americans with Disabilities Act (ADA) compliance and the location of the facility with regard to access to public transportation.

- c) Review policies and procedures for providing transportation assistance if the facility is not accessible by public transportation.

### **H.2.d.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.2.d.iv. Source Citations**

- PHS Act § 2605(a)(7)(B)
- Americans with Disabilities Act

## **H.2.e. Outreach Efforts**

Provision of a program of outreach efforts to inform low-income people with HIV of the availability of services and how to access them.

### **H.2.e.i. Performance Measure/Method**

- a) Use of informational materials about agency services and eligibility requirements, including:
  - Brochures.
  - Newsletters.
  - Posters.
  - Community bulletins.
  - Any other types of promotional materials.
- b) Documentation that any funded awareness activities target specific groups of low-income people with HIV to inform them of such services.

### **H.2.e.ii. Recipient Responsibility**

- a) Review documents indicating activities for promotion and awareness of the availability of HIV services.

### **H.2.e.iii. Subrecipient Responsibility**

- a) Maintain a file documenting agency activities for the promotion of HIV services to low-income individuals, including copies of HIV program materials promoting services and explaining eligibility requirements.

### **H.2.e.iv. Source Citations**

- PHS Act § 2605(a)(7)(C)
- HAB PCN 16-02 and FAQs

## **H.3.a. Expenditure and Use of Funds**

Compliance with statutory requirements regarding the timeframe for obligation and expenditure of funds and with any cancellation of unobligated funds.

Note: Penalties could be incurred if the timeline is not adhered to and/or there are reporting inaccuracies.

### **H.3.a.i. Performance Measure/Method**

- a) Documentation that the recipient has complied with statutory requirements regarding the timeframe for obligation and expenditure of funds and with any cancellation of unobligated funds.

### **H.3.a.ii. Recipient Responsibility**

- a) Ensure that providers understand the importance of timely expenditures and reporting of those expenditures and their responsibility for informing the recipient of expected under-expenditures.
- b) Work with the Planning Council or established planning body to ensure an efficient and timely reallocation process.
- c) Provide timely and accurate carryover requests.
- d) Comply with unobligated balance requirements.

### **H.3.a.iii. Subrecipient Responsibility**

- a) Inform the recipient of any expected under-expenditures as soon as identified.

### **H.3.a.iv. Source Citations**

- PHS Act § 2603(c)
- HAB Policy Notice 12-02
- RWHAP Part A Manual

#### **Important note:**

This financial penalty was automatically waived due to the COVID-19 public health emergency for awards funded in Fiscal Years 2020, 2021, and 2022. See the Preface in the RWHAP Part A Manual for more information on COVID-19 waivers. Although Congress provided the same waiver authority for funds awarded in the Fiscal Year 2022; HAB discontinued this waiver.

## **H.3.b. Expenditure of program funds in compliance with priorities established by the HIV Health Services Planning Council.**

Note: Certain TGAs are exempt from this requirement but must document community input, particularly from those with HIV, for formulating a plan, setting priorities, and allocating funds.

### **H.3.b.i. Performance Measure/Method**

- a) Documentation that actual contracting and expenditure of Part A funds is consistent with the program priorities and allocations established by the Planning Council or established planning body and submitted to HRSA HAB.
- b) Review of the Planning Council's or established planning body's letter regarding compliance, as submitted as part of the annual Part A application.

### **H.3.b.ii. Recipient Responsibility**

- a) Compare actual contracted amounts of program funding by service category with the revised list of priorities and allocations adopted by the Planning Council or established planning body following each year's grant award.
- b) Review of the letter from the chair or co-chairs of the Planning Council or representatives of the established planning body concerning whether funds were contracted to service categories as specified by that Planning Council or established planning body.

### **H.3.b.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.3.b.iv. Source Citations**

- PHS Act § 2603(d)
- PHS Act § 2609(d)(1)(A)

## **H.3.c. Allowable Uses of Funds**

Expenditure of funds for core medical services, support services approved by the Secretary of HHS, and administrative and CQM expenses only.

### **H.3.c.i. Performance Measure/Method**

- a) Documentation of the recipient's expenditure of funds for core medical services, support services approved by the Secretary of HHS in accordance with statute, administrative and CQM expenses only.

### **H.3.c.ii. Recipient Responsibility**

- a) Establish and maintain systems and procedures that ensure that funds are used only for permitted activities.
- b) Ensure that subrecipients are required to use funds only for allowable service categories and understand this requirement.
- c) Ensure that activities carried out within each service category meet HRSA definitions and are categorized and reported appropriately.

### **H.3.c.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.3.c.iv. Source Citations**

- PHS Act § 2604(a)

## **H.3.d. Core Medical Services Expenditure**

Expenditure of not less than 75 percent of service dollars for core medical services, and expenditure of not more than 25 percent of service dollars for support services that contribute to positive clinical outcomes for people with HIV, unless a waiver from this provision is obtained.

Note: Instructions on requesting a core medical waiver can be found in the [HAB Policy Notice 21-01](#) and any succeeding policy.

### **H.3.d.i. Performance Measure/Method**

- a) Review of budgeted allocations and actual program expenses to verify that:
  - The recipient has met or exceeded the required 75 percent expenditure on HRSA-defined core medical services.
  - Aggregated support service expenses do not exceed 25 percent of service funds.
  - Support services are being used to help achieve positive medical outcomes for clients.
  - These requirements are met unless a waiver has been obtained.

### **H.3.d.ii. Recipient Responsibility**

- a) Work with the Planning Council or established planning body to ensure that final allocations meet the 75 percent to 25 percent requirement.
- b) Monitor program allocations, subrecipient agreements, actual expenditures, and reallocations throughout the year to ensure that at least 75 percent of service dollars are expended for HRSA-defined core medical services and no more than 25 percent of service dollars are expended for HHS-approved support services.
- c) Require subrecipient monitoring and financial reporting that documents expenditures by program service category.
- d) Maintain budgets and funding allocations, subrecipient award information, and expenditure data with sufficient detail to allow for the tracking of core medical services and support services expenses.
- e) Document and assess the use of funds spent on support services to demonstrate that they are contributing to positive medical outcomes for clients.
- f) If a waiver is desired, comply with applicable core medical services waiver instructions.

### **H.3.d.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.3.d.iv. Source Citations**

- PHS Act § 2604(c)(1)
- HAB Policy Notice 21-01 and any succeeding policy
- RWHAP Part A Manual

**Important note:**

This requirement was waived, if specifically requested, due to the COVID-19 public health emergency for awards funded in Fiscal Years 2020 and 2021. See the Preface in the RWHAP Part A Manual for more information on COVID-19 waivers. Although Congress provided the same waiver authority for funds awarded in the Fiscal Year 2022; HAB discontinued this waiver.

### **H.3.e. Maintenance of Effort (MOE)**

Includes the following:

- Funds to be used to supplement, not supplant, local funds made available in the year for which the grant is awarded to provide HIV-related services to people with HIV.
- Political subdivisions within the EMA/TGA to maintain at least their prior fiscal year's level of expenditures for HIV-related services for individuals with HIV.
- EMA/TGA will not use funds received under Part A in maintaining the level of expenditures for HIV-related services, as required in the above paragraph.
- Documentation of this MOE is to be retained.

Note: For additional information, please reference the RWHAP Part A Fiscal Monitoring Standards.

#### **H.3.e.i. Performance Measure/Method**

- a) Documentation of the recipient's MOE, including submission of non-RWHAP amounts allocated and assurances that:
  - Part A funds will be used to supplement, not supplant, local funds made available in the year for which the grant is awarded.
  - Political subdivisions within the EMA/TGA will maintain at least their prior fiscal year's level of expenditures for HIV-related services.
  - The EMA/TGA will not use funds received under Part A in maintaining the level of expenditures.

#### **H.3.e.ii. Recipient Responsibility**

- a) Collect and submit the following MOE information to HRSA HAB annually:
  - A list of core medical and support services and budget elements that will be used to document MOE in subsequent grant applications.
  - A description of the tracking system that will be used to document these elements.
  - The budget for EMA/TGA contributors.
  - Tracking/accounting documentation of actual contributions.

#### **H.3.e.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.3.e.iv. Source Citations**

- PHS Act § 2605(a)(1) RWHAP Part A Manual

**Important note:**

This requirement was waived, if specifically requested, due to the COVID-19 public health emergency for awards issued in Fiscal Years 2020, 2021, and 2022. See the Preface in the RWHAP Part A Manual for more information on COVID-19 waivers. Although Congress provided the same waiver authority for funds awarded in the Fiscal Year 2022; HAB discontinued this waiver.

### **H.3.f. Provision of Services**

Procedures are in place to ensure that services are provided by appropriate entities.

- a) Program services are provided by public or nonprofit entities or by private for-profit entities if they are the only available provider of quality HIV care in the area.
- b) Providers and personnel providing services are expected to meet appropriate state and local licensure and certification requirements.

#### **H.3.f.i. Performance Measure/Method**

- a) Documentation that program services are being provided by public or nonprofit entities unless private for-profit entities are the only available provider of quality HIV care in the area.
- b) Review of providers to ensure that the entities and the individuals providing services have appropriate licensure and certification, as required by the state and locality in which the provider is operating.

#### **H.3.f.ii. Recipient Responsibility**

- a) Review and monitor the licensing and certification of provider entities and staff to ensure they are valid and appropriate.
- b) Provide documentation of situations in which private for-profit entities are the only available provider of quality HIV care in the area.
- c) Have for-profit justification available for HRSA HAB review as needed.

#### **H.3.f.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.3.f.iv. Source Citations**

- PHS Act § 2604(b)(2)
- HAB Policy Notice 11-02

### **H.3.g. Integration and Coordination of Services**

Funded services to be integrated with other such services and coordinated with other available programs (including Medicaid) so that the continuity of care and prevention services for people with HIV is enhanced.



### **H.3.g.i. Performance Measure/Method**

- a) Documentation that funded Part A providers are expected to work collaboratively with each other, other available programs, and prevention providers to enhance the continuity of care, as specified in RFPs, contracts, MOUs/LOAs, and/or statements of work and standards of care.

### **H.3.g.ii. Recipient Responsibility**

- a) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work the expectations for service integration and coordination with other available programs.
- b) Work with the Planning Council and providers to improve linkages and strengthen the continuum of care.
- c) Encourage linkages between Part A providers and prevention providers.
- d) Describe in the grant application the Integrated HIV Prevention and Care Plan, Annual Progress Report, and continuum of care, the ways in which entities are integrated and coordinated.

### **H.3.g.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.3.g.iv. Source Citations**

- PHS Act § 2681(d)
- [Memo – HRSA CDC Integrated HIV Prevention and Care Plan Guidance, including the Statewide Coordinated Statement of Need, June 30, 2021](#)
- [HRSA CDC Integrated HIV Prevention and Care Plan Guidance, including the Statewide Coordinated Statement of Need, CY 2022-2026, June 2021](#)

## **H.4.a. Limitations on Use of Funds**

Expenditure of no more than 10 percent of the grant on administrative costs, with funds expended in accordance with the legislative definition of administrative activities and allocation of funds to entities and subcontractors, such that their aggregate expenditure of funds for administrative purposes does not exceed 10 percent of those funds.

Note: Please reference [HAB PCN 15-01](#), which outlines the revised parameters for the treatment of costs under the 10 percent administrative cap.

### **H.4.a.i. Performance Measure/Method**

- a) Documentation that:
  - Recipient expenditures for administrative costs do not exceed 10 percent of grant funds.
  - Aggregate subrecipient expenditures for administrative purposes do not exceed 10 percent of service dollars.

- Both recipient and subrecipient administrative expenditures meet the legislative definition of administrative activities.

#### **H.4.a.ii. Recipient Responsibility**

- a) Clearly define administrative cost caps and allowable activities in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work.
- b) Monitor subrecipient expenditures to ensure that:
  - They meet the legislative definition of administrative activities.
  - In the aggregate, they do not exceed 10 percent of service dollars.
- c) Identify and describe all expenses within the recipient budget that are categorized as administrative costs, and ensure that these expenses do not exceed 10 percent of the Part A grant awarded to providers for core medical and support services.

#### **H.4.a.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.4.a.iii. Source Citations**

- PHS Act § 2604(h)
- HAB PCNs 16-02, 15-01, and FAQs
- RWHAP Part A Manual

### **H.4.b. Implementation of a CQM program that meets HRSA requirements, with funding that does not exceed the lesser of five percent of total grant funds or \$3,000,000.**

#### **H.4.b.i. Performance Measure/Method**

- a) Documentation that:
  - The recipient has implemented a CQM program that meets HRSA requirements.
  - CQM funding does not exceed the lesser of five percent of program funds or \$3,000,000.

#### **H.4.b.ii. Recipient Responsibility**

- a) Develop and implement a CQM program.
- b) Develop a CQM budget and separately track CQM expenditures.
- c) Provide a budget and a financial report to HRSA that separately identifies all CQM costs, contracts, MOUs/LOAs, and/or statements of work.
- d) Document recipient costs.

#### **H.4.b.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.4.b.iv. Source Citations**

- PHS Act § 2618(b)(3)(E)
- HAB PCN 15-02 and FAQs
- RWHAP Part A Manual

### **H.4.c. No use of RWHAP Part A funds for construction or to make cash payments to recipients of services.**

#### **H.4.c.i. Performance Measure/Method**

- a) Documentation that no RWHAP Part A funds are used for construction or to make cash payments to recipients of services.

#### **H.4.c.ii. Recipient Responsibility**

- a) Specify in RFPs, RFAs, contracts, provider agreements, MOUs/LOAs, and/or statements of work the requirement that no Part A funds can be used for construction and that no funds can be used to make cash payments to recipients of services [See Section F.5, Direct Cash Payment].
- b) Document recipient costs and ensure that no funds are used for construction; if the recipient is also a subrecipient, ensure that no Part A funds are used for cash payments.

#### **H.4.c.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **H.4.c.iv. Source Citations**

- PHS Act § 2604(i)
- HAB PCN 16-02 and FAQs

**H.4.d. No use of Part A funds to pay for any item or service that can reasonably be expected to be paid under any state compensation program, health insurance plan, or any federal or state health benefits program (except for programs related to the Indian Health Service) or by an entity that provides health services on a prepaid basis.**

**H.4.d.i. Performance Measure/Method**

- a) Documentation and certification that no Part A funds have been used to pay for any item or service that could reasonably be expected to be paid for under any state compensation program, insurance policy, or federal or state health benefits program (except for programs related to the Indian Health Service) or by an entity that provides health services on a prepaid basis.

**H.4.d.ii. Recipient Responsibility**

- a) Maintain documentation that all costs that can be paid under any state compensation program, insurance policy, or federal or state health benefits program (except for programs related to the Indian Health Service) or by an entity that provides health services on a prepaid basis, have been paid under these programs and not through the use of Part A funds.
- b) Provide certification that Part A funds have not been used in any of the specified situations.

**H.4.d.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

**H.4.d.iv. Source Citations**

- PHS Act § 2605(a)(6)
- HAB PCNs 16-01, 18-01, 21-02
- HAB Policy Notice 07-01

**H.5.a. Submission, every two years, to the lead agency under Part B audits, consistent with the Office of Management and Budget (OMB) 45 CFR 75, Subpart F, regarding funds expended under Part A.**

### **H.5.a.i. Performance Measure/Method**

- a) Documentation that the EMA/TGA is submitting audits consistent with 45 CFR Part 75 Subpart F to the Part B lead agency every two years.

### **H.5.a.ii. Recipient Responsibility**

- a) Submit audits to the state Part B program every two years.

### **H.5.a.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **H.5.b.iv. Source Citations**

- PHS Act § 2605(a)(10)
- 45 CFR Part 75.512

## **Section I: Minority AIDS Initiative**

### **I.1. Minority AIDS Initiative (MAI)**

MAI funds must be used to address the disproportionate impact of HIV on racial and ethnic minority populations and subpopulations, in addition to disparities in access, treatment, care, and outcomes.

#### **I.1.i. Performance Measure/Method**

- a) Documentation that the EMA/TGA is allocating and expending funds to serve racial and ethnic minority populations and subpopulations disproportionately impacted by HIV in their jurisdiction.

#### **I.1.ii. Recipient Responsibility**

- a) Ensure that subrecipient contracts contain clear reporting requirements that include:
  - Funds expended.
  - Units of service provided overall by race/ethnicity, women, infants, children, and youth.
  - Number of clients served.
  - Client demographics.
  - Client-level outcomes within each minority population and/or subpopulation.

#### **I.1.iii. Subrecipient Responsibility**

- a) Establish and maintain a system that tracks and reports the following for MAI services:
  - Funds expended.
  - Number of clients served.
  - Units of service provided overall by race/ethnicity, women, infants, children, and youth.
  - Client-level outcomes within each minority population and/or subpopulation.

#### **I.1.iv. Source Citations**

- PHS Act §§ 2693(a) and 2693(b)(1)(A)
- PHS Act § 2693(b)(2)(A)
- RWHAP Part A Manual

## **I.2. Submission of an Annual MAI Plan and Annual MAI Progress Report as required by HRSA HAB.**

#### **I.2.i. Performance Measure/Method**

- a) Documentation that the recipient submitted an Annual MAI Plan in the application and MAI Report as part of the Annual Progress Report as required by HRSA HAB.

#### **I.2.ii. Recipient Responsibility**

- a) Submit Annual MAI Plan and MAI Report as required by HRSA HAB.

#### **I.2.d.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **I.2.iv. Source Citations**

- PHS Act § 2693(b)(2)(A)
- RWHAP Part A Manual

## **Section J: Data Reporting Requirements**

### **J.1. Submission of the RSR:**

There are three components to the RSR that EMAs/TGAs must successfully submit online:

- a) Recipient Report.
- b) Provider Report.
- c) Client Report.

Note: Eligible Scope is the mechanism used to help HRSA HAB better understand the full scope of services that people seeking care from RWHAP providers receive. To be included in the RSR, the client must:

- Meet the recipient's eligibility requirements for the RWHAP participation (see [HAB PCN 21-02](#) for more information on client eligibility), and
- Have received at least one of the core medical or support services for which the recipient/subrecipient receives RWHAP-related funding.

#### **J.1.i. Performance Measure/Method**

- a) Documentation that the EMA or TGA has submitted the annual online Recipient Report and that it includes a complete list of subrecipient contracts and the services funded under each contract.

- b) Documentation that all subrecipients have submitted Provider Reports through the RSR portal by the required due date.
- c) Documentation that all subrecipients have submitted client-level data within the Provider Report by the required due date unless the provider has an approved exemption from reporting client-level data.

#### **J.1.ii. Recipient Responsibility**

- a) Review the EMA/TGA's organizational information for accuracy.
- b) Review and, if necessary, correct the pre-filled list of funded subrecipient contractors and the list of the contracted services for each subrecipient.
- c) Submit the Recipient Report electronically by the deadline.
- d) Include contract language requiring subrecipients to meet the reporting requirements.
- e) Ensure subrecipients are entering client-level data timely, accurately, and completely.

#### **J.1.iii. Subrecipient Responsibility**

- a) Report all the RWHAP-funded or RWHAP-related funded services the subrecipient offers to clients during the funding year.
- b) Submit both interim and final reports by the specified deadlines.
- c) Maintain client-level data on each client served, including in each client record demographic status, HIV clinical information, HIV care medical and support services received, and the client's Unique Client Identifier.
- d) Submit this report online as an electronic file upload using the standard format.

#### **J.1.iv. Source Citations**

- RWHAP Services Report Instruction Manual

## **Section K: Integrated HIV Prevention and Care Plan, including Statewide Coordinated Statement of Need (SCSN)**

### **K.1. Submission of a Comprehensive Plan**

Submission of a comprehensive plan, also referred to by the CDC and HRSA as the Integrated HIV Prevention and Care Plan, including the SCSN, to HRSA HAB and the CDC Division of HIV Prevention (DHP) that describes the organization and delivery of HIV healthcare and support services to be funded with assistance under RWHAP Part A and meets other requirements as stated in the HRSA CDC Integrated HIV Prevention and Care Plan Guidance, including the SCSN.

#### **K.1.i. Performance Measure/Method**

- a) Comprehensive plan (Integrated HIV Prevention and Care Plan, including the SCSN) to ensure that it describes the organization and delivery of HIV healthcare and support services to be funded with assistance under Part A.

- b) The plan includes all specified components, as stated in the legislation and the HRSA/CDC Integrated HIV Prevention and Care Plan Guidance, including the SCSN, provided by HRSA HAB and CDC/DHP (Integrated HIV Prevention and Care Plans, including the SCSN).

#### **K.1.ii. Recipient Responsibility**

- a) Prepare and submit a comprehensive plan (Integrated HIV Prevention and Care Plan, including the SCSN) to HRSA HAB that includes all information and components specified in the legislation and in the HRSA/CDC Integrated HIV Prevention and Care Plan Guidance, including the SCSN, provided by HRSA HAB.
- b) Engage subrecipients to support the implementation and monitoring of the plan.

#### **K.1.iii. Subrecipient Responsibility**

- a) Support the implementation and monitoring of the plan.

#### **K.1.iv. Source Citations**

- PHS Act § 2617(b)(5)
- [Memo – HRSA CDC Integrated HIV Prevention and Care Plan Guidance, including the Statewide Coordinated Statement of Need, June 30, 2021](#)
- [HRSA CDC Integrated HIV Prevention and Care Plan Guidance, including the Statewide Coordinated Statement of Need, CY 2022-2026, June 2021](#)



# Fiscal Monitoring Standards for RWHAP Part A Recipients

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## **Section A: Limitation on Uses of RWHAP Part A Funding**

### **A.1. For recipients without a fiduciary intermediary or administrative agent:**

No more than 10 percent of the grant amount may be used for administrative activities, i.e., routine grants administration, monitoring, and all activities associated with the recipient's award procedures, including but not limited to Planning Council/Body expenses.

#### **A.1.i. Performance Measure/Method**

- a) Identification and description of all expenses within the recipient budget categorized as administrative costs.
- b) Documentation that routine grants administration, monitoring, and activities associated with the recipient's award procedures, including but not limited to Planning Council/Body expenses, do not exceed 10 percent of the awarded RWHAP grant.

#### **A.1.ii. Recipient Responsibility**

- a) Identify and appropriately categorize routine grants administration, monitoring, and activities associated with the recipient's award procedures, including but not limited to Planning Council/Body expenses, and ensure they collectively do not exceed 10 percent of the total grant.
- b) Provide the Health Resources and Services Administration HIV/AIDS Bureau (HRSA HAB) with annual line-item budgets and Allocation and Expenditure Reports with sufficient detail to determine and review administrative expenses.
- c) Maintain all expense documentation for a period of three years from the date of submission of the final Federal Financial Report (FFR).

#### **A.1.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

#### **A.1.iv. Source Citations**

- Public Health Service (PHS) Act §§ 2604(h)(1), (3), and (5)(B)(ii)
- 45 CFR §§ 75.302, 352, 361, and Subpart E
- HAB Policy Clarification Notice (PCN) 15-01 and Frequently Asked Questions (FAQs)

### **A.2. For recipients with a fiduciary intermediary or administrative agent:**

The combined administrative expenses for the recipient and administrative or fiscal agent must adhere to the "no more than 10 percent of the grant" limitation for the management of the RWHAP Part A grant.

### **A.2.i. Performance Measure/Method**

- a) Documentation of routine grants administration, monitoring, and activities associated with the recipient's award procedures, including but not limited to Planning Council/Body costs within both recipient and fiduciary intermediary budgets.
- b) Documentation that combines routine grants administration, monitoring, and activities associated with the recipient's award procedures, including but not limited to the Planning Council/Body expenses, and does not exceed 10 percent of the awarded RWHAP grant.

### **A.2.ii. Recipient Responsibility**

- a) Ensure the limitation on routine grants administration, monitoring, and Planning Council/Body costs are clearly stated in the contract, memorandum of understanding (MOU), or other written legal agreement with the fiduciary intermediary or administrative agent.
- b) Monitor combined recipient and intermediary/agent expenses to ensure adherence to the 10 percent limitation.
- c) See "Recipient Responsibility" in A.1 above—all requirements apply.

### **A.2.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **A.2.iv. Source Citations**

- PHS Act § 2604 (h)(1)
- 45 CFR §§ 75.302, 352, 361, and Subpart E
- HAB PCN 15-01 and FAQs
- RWHAP Part A Manual

## **A.3. Use of recipient administrative funds only for allowable, allocable, and reasonable costs.**

### **A.3.i. Performance Measure/Method**

- a) Review recipient budget to determine the allowability of expenditures as outlined in [HAB PCN 15-01](#).
- b) Allowable, allocable, and reasonable expenditures include those that are:
  - Usual and recognized overhead activities, including established indirect cost rates.
  - Management oversight of specific programs funded under the Part A award; and
  - Other types of program support, such as quality assurance, quality control, and related activities (exclusive of RWHAP Clinical Quality Management (CQM)) services.

### **A.3.ii. Recipient Responsibility**

See "Recipient Responsibility" in A.1 and A.2 above.

### **A.3.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **A.3.iv. Source Citations**

- PHS Act § 2604(h)(3)
- 45 CFR §§ 75.302, 352, 361, and Subpart E
- HAB PCN 15-01 and FAQs
- RWHAP Part A Manual

## **A.4. Aggregate total of subrecipient administrative expenses does not exceed 10 percent of the aggregate total of funds awarded to subrecipients.**

### **A.4.i. Performance Measure/Method**

- a) Calculation of the administrative costs for each subrecipient.
- b) Review of subrecipient budgets to ensure proper designation and categorization of administrative costs.
- c) Calculation of the total amount of administrative expenses across all subrecipients to ensure that the aggregate administrative costs do not exceed 10 percent.

### **A.4.ii. Recipient Responsibility**

- a) Pre-award negotiation and calculation of administrative expenses (including all indirect costs) for each subrecipient.
- b) Monitor subrecipient expenditures to ensure they do not exceed the negotiated limit on administrative expenses.
- c) Maintain file documentation on all subrecipients, including project budgets and expense/allocation reports, with sufficient detail to identify and calculate administrative expenses.

### **A.4.iii. Subrecipient Responsibility**

- a) Adhere to negotiated project budget and track expenses with sufficient detail to allow identification of administrative expenses.

### **A.4.iv. Source Citations**

- PHS Act § 2604(h)(2)
- 45 CFR §§ 75.302, 352, 361, and Subpart E
- HAB PCN 15-01 and FAQs
- RWHAP Part A Manual

## **A.5. Appropriate subrecipient assignment of RWHAP Part A administrative expenses, with administrative costs to include:**

- Usual and recognized overhead activities, including established indirect rates for agencies;
- Management oversight of specific programs funded under the RWHAP Part A award; and
- Other types of program support, such as quality assurance, quality control, and related activities (exclusive of RWHAP CQM) services.

### **A.5.i. Performance Measure/Method**

- a) Review subrecipient administrative budgets and expense documentation to ensure that all expenses are reasonable, allowable, and allocable.

### **A.5.ii. Recipient Responsibility**

- a) Obtain, and keep on file, current subrecipient project budgets and negotiated indirect cost rates (if applicable) with sufficient detail to review program and administrative expenses and ensure appropriate categorization of costs.
- b) Review expense reports to ensure that all administrative costs are reasonable, allowable, and allocable.
- c) Monitor aggregate subrecipient administrative expenditures in relation to the aggregate total of all subawards to ensure compliance with the 10 percent limitation.

### **A.5.iii. Subrecipient Responsibility**

- a) Adhere to a negotiated project budget that meets administrative cost guidelines.
- b) Provide expense reports that track administrative expenses with sufficient detail to permit review of administrative cost elements.
- c) Maintain all financial records and expense documentation applicable to the RWHAP subaward for the retention period specified by the pass-through entity.

### **A.5.iv. Source Citations**

- PHS Act § 2604(h)(1-4)
- 45 CFR §§ 75.302, 352, 361, and Subpart E
- HAB PCN 15-01 and FAQs

## **A.6. Indirect Costs for recipients:**

Inclusion of indirect costs only where the recipient has a current federally negotiated indirect cost rate applicable to the project period, a copy of which has been submitted with the recipient's application or verified by the HRSA HAB Project Officer online at <http://rates.psc.gov/>.

## **A.6.a. Indirect Costs for subrecipients:**

Inclusion of indirect costs only when the subrecipient has an approved federally negotiated indirect cost rate, or if no such rate exists, either a rate negotiated between the recipient and the subrecipient (in compliance with 45 CFR Part 75), or a de minimis rate of 10 percent of the modified total direct costs (per 45 CFR Part 75).

Note: Statutory limits on administrative expenses may limit the amount of indirect costs that may be charged to the RWHAP subaward, regardless of the negotiated indirect cost rates.

### **A.6.i. Performance Measure/Method**

- a) Review of the current federally-negotiated indirect cost rate applicable to the project period, a copy of which has been submitted with the recipient's application or verified by the HRSA HAB Project Officer online at <http://rates.psc.gov/>.

### **A.6.ii. Recipient Responsibility**

- a) Submit a copy of the current federally negotiated indirect rate with their application.
- b) For their subrecipients using RWHAP funds for indirect costs, maintain on file one of the following:
  - A copy of the federally negotiated indirect cost rate.
  - A copy of the rate negotiated by the recipient and all related documentation; or documentation indicating permission to use the de minimis 10 percent rate and make available for review during HRSA HAB site visits.
- c) Review subrecipient budgets and expense reports to determine the proper use of the indirect cost rate and adherence to the 10 percent administration cap. [Reminder: All indirect costs count toward the aggregate 10 percent limit on subrecipient administrative expenses.]
- d) Review subrecipient budgets to ensure no duplication of the cost covered in the indirect rate and other line-item expenses. [Ensure the subrecipient is not charging for the same expense twice (as both direct and indirect); ensure consistent treatment of costs.]

### **A.6.iii. Subrecipient Responsibility**

- a) If using indirect cost as part or all of its 10 percent administration costs, obtain and keep on file one of the following:
  - The federally negotiated indirect cost rate agreement and all related documentation;
  - A copy of the rate negotiated by the recipient and all related documentation; or documentation indicating permission to use the de minimis 10 percent rate.
- b) Submit a current copy of the above to the recipient.

### **A.6.iv. Source Citations**

- 45 CFR Part 75, Subpart E
- HAB PCN 15-01 and FAQs

**A.7. Total CQM costs for the Eligible Metropolitan Area (EMA) or Transitional Grant Area (TGA) do not exceed five percent of the annual RWHAP Part A grant or \$3,000,000, whichever is less.**

**A.7.i. Performance Measure/Method**

- a) Review of recipient budget and expenditures to determine CQM costs.
- b) Documentation that CQM expenses do not exceed five percent of the RWHAP Part A grant amount or \$3,000,000, whichever is less.

**A.7.ii. Recipient Responsibility**

- a) Provide a budget to HRSA that separately identifies all CQM costs.
- b) Separately track costs associated with CQM.
- c) Identify and appropriately categorize CQM expenses, ensuring they do not exceed five percent of the Part A grant amount or \$3,000,000, whichever is less.

**A.7.iii. Subrecipient Responsibility**

- a) Prepare a project budget that meets CQM cost guidelines.
- b) Provide expense reports that track CQM expenses with sufficient detail to permit a review of CQM cost elements.

**A.7.iv. Source Citations**

- PHS Act § 2604(h)(5)
- HAB PCN 15-02 and FAQs

**A.8. Expenditure of not less than 75 percent of service dollars on core medical services unless a waiver has been obtained from HRSA.**

**(Service dollars are those grant funds minus the amount reserved for administrative, planning and evaluation, and CQM activities.)**

**A.8.i. Performance Measure/Method**

- a) Review of budgeted allocations and actual program expenses to verify that the recipient has met or exceeded the required 75 percent of service dollars expenditure on RWHAP-defined core medical services (if no waiver has been approved).

### **A.8.ii. Recipient Responsibility**

- a) Recipients may request a core medical services waiver.
- b) Monitor program allocations, subrecipient agreements, actual expenditures, and reallocations throughout the year to ensure that not less than 75 percent of service dollars are expended for HRSA-defined core medical services (if no waiver has been approved).
- c) Require subrecipient monitoring and financial reporting that document expenditures by the RWHAP-defined core medical service category.
- d) Maintain budgets and funding allocations, subrecipient award information, and expenditure data with sufficient detail and supporting documentation to allow for the tracking of core medical services expenses.

### **A.8.iii. Subrecipient Responsibility**

- a) Maintain appropriate expense documentation and properly allocate and report expenditures for HRSA-defined core medical services to the recipient by service category.

### **A.8.iv. Source Citations**

- PHS Act § 2604(c)
- HAB PCN 16-02 and FAQs
- HAB PCN 21-01

**A.9. Total expenditures for support services are limited to no more than 25 percent of service dollars\*\* (if no core medical services waiver was obtained).**

**\* Support services are those services, subject to the approval of the Secretary of Health and Human Services, that are needed for people with HIV to achieve their medical outcomes.**

**\*\*Service dollars are those grant funds remaining after reserving or expending statutory permissible amounts on administrative and CQM.**

### **A.9.i. Performance Measure/Method**

- a) Documentation that support services are being used to help achieve positive medical outcomes for clients.
- b) Documentation that aggregated support service expenses do not exceed 25 percent of service dollars.



### **A.9.ii. Recipient Responsibility**

- a) Document and assess the use of support service funds to demonstrate that they are contributing to positive medical outcomes for clients.
- b) Monitor program allocations, subrecipient agreements, actual expenditures, and reallocations throughout the year to ensure that no more than 25 percent of service dollars are expended for HRSA-defined support services (if no core medical services waiver was obtained).
- c) Require subrecipient monitoring and financial reporting that documents expenditures by HRSA-defined support service category.
- d) Maintain budgets and funding allocations, subrecipient award information, and expenditure data with sufficient detail and supporting expense documentation to allow for the tracking of support service expenses.

### **A.9.iii. Subrecipient Responsibility**

- a) Maintain appropriate expense documentation and properly allocate and report expenditures for HRSA-defined support services to the recipient by service category.
- b) Document that support service funds are contributing to positive medical outcomes for clients.

### **A.9.iv. Source Citation**

- PHS Act § 2604(a) and (d)

## **A.10. RWHAP Part A funds may be used to support some aspects of syringe services programs (SSPs) with prior approval and in compliance with the Department of Health and Human Services (HHS) and HRSA policy.**

### **A.10.i. Performance Measure/Method**

- a) Ensure that newly implemented or expanded SSPs have policies and procedures in place that demonstrate federal funds are only used for allowable activities.

### **A.10.ii. Recipient Responsibility**

- a) Carry out actions specified in A.10.i.
- b) Review subrecipient budget and SSP policies and procedures to ensure compliance with HHS and HRSA HAB SSP guidance.

### **A.10.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in A.10.i.

- b) Maintain financial reports that track SSP expenses with sufficient detail demonstrating federal funds are not used to purchase sterile needles or syringes.

#### **A.10.iv. Source Citations**

- Annual Appropriations Act
- [HHS Syringe Programs Guidance](#)
- [HRSA Syringe Programs Guidance](#)

## **Section B: Unallowable Costs**

### **B.1. The recipient shall provide to all RWHAP Part A subrecipients definitions of unallowable costs.**

#### **B.1.i. Performance Measure/Method**

- a) Signed contracts, recipient and subrecipient assurances, and/or certifications that define and specifically forbid the use of RWHAP funds for unallowable expenses.
- b) Recipient review of subrecipient budgets and expenditures to ensure that they do not include any unallowable costs.

#### **B.1.ii. Recipient Responsibility**

- a) Document receipt of the Notice of Award (NoA) and maintain a file of signed assurances.
- b) Include definitions of unallowable costs in all subrecipient requests for proposals, subrecipient agreements, purchase orders, and requirements or assurances.
- c) Include in financial monitoring a review of subrecipient expenses to identify any unallowable costs.
- d) Require subrecipient budgets and expense reports with sufficient budget justification and expense detail to document that they do not include unallowable costs.

#### **B.1.iii. Subrecipient Responsibility**

- a) Maintain a file with signed subrecipient agreement, assurances, and/or certifications that specify unallowable costs.
- b) Ensure that budgets do not include unallowable costs.
- c) Ensure that expenditures do not include unallowable costs.
- d) Provide budgets and financial expense reports to the recipient with sufficient detail to document that they do not include unallowable costs.
- e) Maintain appropriate expense documentation.

#### **B.1.iv. Source Citations**

- PHS Act § 2604(i)
- 45 CFR Part 75, Subpart E
- HAB PCN 16-02 and FAQs
- RWHAP Part A Manual

## **B.2. No use of RWHAP Part A funds to purchase or improve land or to purchase, construct, or permanently improve any building or other facility.**

Note: Minor remodeling, with HRSA prior written approval, is permitted.

### **B.2.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.

### **B.2.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.

### **B.2.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.

### **B.2.iv. Source Citation**

- PHS Act § 2604(i)

## **B.3. No cash payments to intended recipients of services.**

Note: A cash payment is the use of some form of currency (paper or coins) or “cash equivalent” gift cards (e.g., a Visa gift card). Where the direct provision of a service is not possible or effective, vouchers, coupons, or tickets that can be exchanged for a specific service or commodity (e.g., food or transportation) are not considered to be cash payments.

### **B.3.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.
- b) Review of policies and procedures for service categories involving payments made on behalf of individuals to ensure that no direct payments are made to individuals (e.g., emergency financial assistance, transportation, health insurance premiums, medical or medication copays and deductibles, food and nutrition).
- c) Review of expenditures by subrecipients to ensure that no cash payments were made to individuals.

### **B.3.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.
- b) Ensure that Standards of Care/Service Standards for service categories involving payments made on behalf of clients prohibit cash payments to service recipients.
- c) Ensure that written policies and procedures for service categories involving payments made on behalf of clients prohibit cash payments to service recipients.

- d) Ensure that written policies are in place to ensure that voucher programs are administered in a manner that ensures that vouchers cannot be used for anything other than the allowable service and that systems are in place to account for disbursed vouchers.

### **B.3.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.
- b) Maintain documentation of policies that prohibit the use of RWHAP funds for cash payments to service recipients.
- c) Administer voucher programs in a manner that ensures that vouchers cannot be used for anything other than the allowable service and that systems are in place to account for disbursed vouchers.

### **B.3.iv. Source Citations**

- PHS Act § 2604(i)
- HAB PCN 16-02 and FAQs

## **B.4. No use of RWHAP Part A funds to develop materials designed to promote or encourage intravenous drug use or sexual activity, whether homosexual or heterosexual.**

### **B.4.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.

### **B.4.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.

### **B.4.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.

### **B.4.iv. Source Citation**

- PHS Act § 2684
- [HHS Syringe Programs Guidance](#)

## **B.5. No use of RWHAP Part A funds for the purchase of equipment costing more than \$5,000, including vehicles, without prior written approval by HRSA's Grants Management Officer (GMO).**

### **B.5.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.
- b) Where equipment or vehicles were purchased, review of files for prior written approval from the HRSA GMO.

### **B.5.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.
- b) If any equipment or vehicles were purchased at the recipient or subrecipient level, maintain file documentation of prior written approval from the HRSA GMO to purchase a vehicle and equipment.

### **B.5.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.
- b) If equipment or a vehicle purchase is needed, maintain documentation of prior written approval from the recipient, who then seeks written prior approval from HRSA.

### **B.5.iv. Source Citation**

- 45 CFR § 75.308

## **B.6. No use of RWHAP Part A funds for:**

- Non-focused marketing promotions or advertising about HIV services that target the general public (e.g., poster campaigns for display on public transit, TV or radio public service announcements, etc.).
- Broad-scope awareness activities about HIV services that target the general public.

### **B.6.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1 above.
- b) Review of program plans, budgets, and budget narratives for marketing, promotions, and advertising efforts to determine whether they are appropriately targeted to geographic areas and/or disproportionately affected populations rather than targeting the general public.

### **B.6.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.
- b) Review program plans, budgets, and budget narratives for any marketing or advertising activities to ensure that they do not include unallowable costs.

### **B.6.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.
- b) Prepare a detailed program plan and budget narrative that describe the planned use of any advertising or marketing activities.

#### **B.6.iv. Source Citation**

- HAB PCN 16-02 and FAQs

### **B.7. No use of RWHAP Part A funds for outreach activities that have HIV prevention education as their exclusive purpose.**

#### **B.7.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.
- b) Review of program plans, budgets, and budget narratives for outreach activities that have HIV prevention education as their exclusive purpose.

#### **B.7.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.
- b) Require a detailed narrative program plan of outreach activities from subrecipients and contractors to ensure that their purpose goes beyond HIV prevention education to include testing and early entry into care.

#### **B.7.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.
- b) Provide a detailed program plan of outreach activities that demonstrates how the outreach goes beyond HIV prevention education to include testing and early entry into care.

#### **B.7.iv. Source Citations**

- HAB PCN 16-02 and FAQs
- RWHAP Part A Manual

### **B.8. No use of RWHAP Part A funds for influencing or attempting to influence members of Congress and other federal personnel.**

Note 1: This provision also applies to planning and advisory bodies.

Note 2: Lobbying certification and disclosure forms are part of the annual RWHAP Part A application kit. Forms can also be obtained from the Grants.gov website.

#### **B.8.i. Performance Measure/Method**

- a) Implementation of actions specified in B.1.
- b) Review of lobbying certification and disclosure forms for both the recipient and subrecipients.

### **B.8.ii. Recipient Responsibility**

- a) Carry out actions specified in B.1.
- b) File a signed “Certification Regarding Lobbying,” and as appropriate, a “Disclosure of Lobbying Activities.”
- c) Ensure that subrecipients receiving \$100,000 or more in direct funding have submitted signed certifications and disclosure forms (if applicable).
- d) Ensure that subrecipient staff are familiar with and in compliance with prohibitions on lobbying with federal funds.

### **B.8.iii. Subrecipient Responsibility**

- a) Carry out subrecipient actions specified in B.1.
- b) Subrecipients receiving more than \$100,000 in Part A funding must submit signed certifications and disclosure forms (if applicable).
- c) Include information on the regulations that forbid lobbying with federal funds in the personnel manual and employee orientation.
- d) Incorporate into the bylaws of planning bodies.

### **B.8.iv. Source Citations**

- Annual Appropriations Act
- 45 CFR § 75.450
- 45 CFR Part 93

## **Section C: Program Income**

### **C.1. Ensuring that RWHAP Part A funding is the payor of last resort by using other funding sources to maximize program income from third-party sources.**

#### **Third-party funding at a minimum includes:**

- Medicaid.
- Children’s Health Insurance Programs (CHIP).
- Medicare (including the Part D prescription drug benefit).
- Veterans Benefits Administration (VBA).
- Private insurance (including medical, drug, dental, and vision benefits).

Note: Payor of last resort does not apply to the VBA; however, recipients and subrecipients should pursue agreements with various VBA programs but may not deny services to eligible clients.

#### **C.1.i. Performance Measure/Method**

- a) Information in client records that includes proof of screening for insurance coverage.
- b) Documentation of policies and consistent implementation of efforts to enroll all eligible uninsured clients into Medicare, Medicaid, private health insurance, or other programs.

- c) Documentation of procedures for coordination of benefits by recipient and subrecipients.

### **C.1.ii. Recipient Responsibility**

- a) Establish and implement a process to ensure that subrecipients are maximizing third-party reimbursements, including:
  - The requirement in subrecipient agreements or through another mechanism that subrecipients maximize and monitor third-party reimbursements.
  - The requirement that subrecipients document in client records how each client has been screened for and enrolled in eligible programs.
  - Monitoring to determine that RWHAP is serving as the payor of last resort, including review of client records and documentation of billing and collection policies and procedures, and information on third-party contracts.

### **C.1.iii. Subrecipient Responsibility**

- a) Have written policies and staff training on the requirement that RWHAP is the payor of last resort and how that requirement is met.
- b) Require that each client be screened for insurance coverage and eligibility for third-party programs and helped to apply for such coverage, with documentation of this in client records.
- c) Carry out internal reviews of files and billing systems to ensure that RWHAP resources are used only when a third-party payer is not available.
- d) Establish and maintain medical practice management systems for billing.

### **C.1.iv. Source Citations**

- PHS Act § 2605(a)(6)
- 45 CFR § 75.307
- HAB PCNs 16-01, 15-03, 13-06, 13-05, 13-04, and 13-01
- [HAB Program Letter – Medicaid Coordination](#), August 10, 2000

## **C.2. Ensure billing and collection from third-party payers, as referenced in C.1 (above), so that the payor of last resort requirements are met.**

### **C.2.i. Performance Measure/Method**

- a) Inclusion in subrecipient agreements of language that requires billing and collection of third-party funds.
- b) Review of the following subrecipient systems and written procedures:
  - Billing and collection policies and procedures.
  - Electronic or manual system to bill third-party payers.
  - Accounts receivable system for tracking charges and payments for third-party payers.



### **C.2.ii. Recipient Responsibility**

- a) Include provisions in subrecipient agreements that require billing and collection of third-party funds.
- b) Where appropriate, require reports from subrecipients on collections from third-party payers.
- c) Where the recipient is a provider of billable services, carry out the same direct efforts as subrecipients.

### **C.2.iii. Subrecipient Responsibility**

- a) Establish and consistently implement.
  - Written billing and collection policies and procedures.
  - Billing and collection process and/or electronic system.
  - Documentation of accounts receivable.

### **C.2.iv. Source Citations**

- PHS Act § 2605(a)(6)
- HAB PCN 13-01
- [HAB Program Letter – Medicaid Coordination](#), August 10, 2000

## **C.3. Subrecipient participation in Medicaid and certification to receive Medicaid payments.**

Subrecipients who provide Medicaid-reimbursable services must be Medicaid certified, vigorously pursue Medicaid enrollment for individuals likely to be Medicaid eligible, and seek payment from Medicaid when a covered service is provided to a Medicaid beneficiary.

### **C.3.i. Performance Measure/Method**

- a) Review of each subrecipient's individual or group Medicaid number.
- b) If the subrecipient is not currently certified to receive Medicaid payments, there should be evidence of documentation to obtain certification in addition to the expected timeframe.

### **C.3.ii. Recipient Responsibility**

- a) Maintain documentation of subrecipient Medicaid certification.
- b) Ensure that subrecipients that are not certified maintain documentation of efforts under way to obtain certification and expected timing.

### **C.3.iii. Subrecipient Responsibility**

- a) Document and maintain file information on the recipient or individual provider agency's Medicaid status.
- b) Maintain a file of contracts with Medicaid insurance companies.
- c) If there is no Medicaid certification, document current efforts to obtain such certification, or if certification is not feasible, request a waiver where appropriate.

#### **C.3.iv. Source Citations**

- PHS Act § 2604(g)
- [HAB Program Letter – Medicaid Coordination](#), August 10, 2000

### **C.4. Ensure appropriate billing, tracking, reporting, and use of program income by recipient and subrecipients.**

Note: To the extent that it is available, program income earned must be used prior to requesting RWHAP funds.

#### **C.4.i. Performance Measure/Method**

- a) Review of the recipient (if applicable) and subrecipient billing, tracking, and reporting of program income generated by RWHAP-funded services.
- b) Review of program income reported by the recipient in the FFR and annual reports.
- c) Review of payment requests in relation to available program income earned.
- d) Review the subaward agreement to ensure all requirements were conveyed to the subrecipient.

#### **C.4.ii. Recipient Responsibility**

- a) In the subaward agreement, clearly convey the requirement to the extent that it is available; subrecipients must spend program income earned prior to requesting RWHAP funds.
- b) Monitor subrecipients to ensure appropriate billing and tracking of program income.
- c) Report aggregate program income earned by the recipient in the FFR and annual data report.
- d) Require subrecipient reporting of program income.

#### **C.4.iii. Subrecipient Responsibility**

- a) Bill, track, and report to the recipient all program income earned.
- b) To the extent that is available, spend program income earned prior to requesting RWHAP funds.

#### **C.4.iv. Source Citations**

- 45 CFR § 75.302(b)(3), 305(b)(5), and 307
- HAB PCN 15-03

## **C.5. Ensure service provider retention of program income derived from RWHAP-funded services and use of such funds as follows:**

- Funds are added to resources committed to the project or program and used to further eligible project or program objectives.
- Allowable program costs are limited to core medical and support services, CQM, and administrative expenses, as part of a comprehensive system of care for low-income people with HIV.

Note 1: Program income funds are not subject to the legislative limitations on administration (10 percent), quality management (five percent), or support services (25 percent maximum). For example, all program income can be spent on the administration of the RWHAP Part A; however, HRSA encourages the use of funds for services.

Note 2: Program income funds must be expended prior to using RWHAP Part A funds.

### **C.5.i. Performance Measure/Method**

- a) Review of the recipient and subrecipient systems for tracking and reporting program income generated by RWHAP-funded services.
- b) Review the subaward agreement to ensure all requirements were conveyed to the subrecipient.
- c) Review of expenditure reports from subrecipients regarding the collection and use of program income.
- d) Monitoring of the medical practice management system to obtain reports of total program income derived from Part A activities.

### **C.5.ii. Recipient Responsibility**

- a) In the subaward agreement, clearly convey the requirements related to program income earned under the RWHAP subaward.
- b) In the subaward agreement, indicate that program income earned under the RWHAP subaward is subject to the “additive” alternative and therefore must be used for otherwise allowable costs to further the goals of the RWHAP.
- c) Monitor subrecipient receipt and use of program income to ensure use for allowable program activities.
- d) Report aggregate program income earned by the recipient in the FFR and annual data report.
- e) Provide a report detailing the expenditure of program income by each subrecipient.

### **C.5.iii. Subrecipient Responsibility**

- a) Document billing and collection of program income.
- b) Report program income documented by charges, collections, adjustment reports, or by the application of a revenue allocation formula.
- c) Document appropriate use of program income earned under the RWHAP subaward.

#### **C.5.iv. Source Citations**

- 45 CFR §§ 75.305(b)(5) and 307
- HAB PCN 15-03

### **C.6. Recipient and subrecipient policies and procedures in place for tracking and ensuring the proper use of program income directly generated by the RWHAP Part A award.**

Note 1: Program income means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the federal award during the period of performance, except as provided on 45 CFR Part 75. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees, and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. The RWHAP utilizes the “addition” alternative for the use of program income.

Note 2: Program income may be used for core medical and support services, CQM, and administrative expenses as part of a comprehensive system of care for low-income people with HIV.

#### **C.6.i. Performance Measure/Method**

- a) Review written policies and procedures related to the treatment of program income generated by the RWHAP Part A award.
- b) Review the chart of accounts and general ledger that tracks the source and use of program income directly generated by the Part A award.
- c) Sample accounting entries to verify that program income generated by the award is being recorded and used appropriately.
- d) Review the SF-425 FFR to ensure the recipient is reporting program income earned at the recipient level.

#### **C.6.ii. Recipient Responsibility**

- a) Establish written policies and procedures for handling program income generated by the Part A award at the recipient level directly.
- b) Prepare a detailed chart of accounts and general ledger that provide for the tracking of program income generated by the Part A at the recipient level.
- c) In subaward agreements clearly state the requirements regarding the treatment of program income generated by Part A subawards.

- d) Report program earned by the recipient on the SF-425 FFR.
- e) Monitor subrecipient implementation of written policies and procedures regarding the treatment of program income and rebates generated by the Part A subaward.

### **C.6.iii. Subrecipient Responsibility**

- a) Establish policies and procedures for handling program income generated by the Part A award directly.
- b) Prepare a detailed chart of accounts and general ledger that provide for the tracking of Part A program income.
- c) Make the policies and process available for recipient review upon request.
- d) Track and report the source and use of program income to the recipient.

### **C.6.iv. Source Citations**

- 45 CFR § 75.307
- HAB PCNs 15-03 and 15-04

## **Section D: Imposition & Assessment of Client Charges**

**D.1. Policies and procedures of recipients and subrecipients who are direct service providers must make a schedule of charges to clients for services publicly available, which may include a documented decision to impose only a nominal charge. Recipients and subrecipients operating as free clinics or healthcare for the homeless clinics have the option to waive the imposition of charges, including nominal charges, on RWHAP services provided to eligible clients.**

### **D.1.i. Performance Measure/Method**

- a) Review of the recipient (if applicable) and subrecipient policies and procedures to determine:
  - Imposition of charges policy that includes a schedule of charges.
  - A publicly available schedule of charges that is based on a nominal fee or a varying rate (e.g., sliding fee scale).

Client placement on the schedule of charges must be based on the client's individual annual gross income, although client eligibility for RWHAP services may be based on family income if that is the policy of the recipient.

The process to impose charges for RWHAP services based on the schedule of charges.

The process to track imposed charges by the provider and payments received from clients.

How accounting systems are used for tracking charges, payments, and adjustments.

- b) Review the subaward agreement to ensure all requirements were conveyed to the subrecipient.

### **D.1.ii. Recipient Responsibility**

- a) In the subaward agreement, clearly convey requirements regarding the imposition of charges on RWHAP clients for RWHAP services provided.
- b) Ensure the subrecipient's schedule of charges is based on a nominal fee or a varying rate (e.g., sliding fee scale) and is publicly available.
  - Placement on the schedule of charges must be based on a client's individual annual gross income, although client eligibility for services may be based on family income if that is the policy of the recipient.
  - Process for the imposition of charges based on the schedule of charges.
  - Process to track imposed charges by the provider and payments received from clients.
- c) If providing direct services, meet the same requirements as subrecipients.

### **D.1.iii. Subrecipient Responsibility**

- a) Establish, document, and have available for review:
  - Imposition of charges policy that includes a schedule of charges.
  - Client eligibility determination procedures for imposition of charges.
  - Description of the accounting system used for tracking patient charges, payments, and adjustments.
  - Written imposition of charges policy that includes a current schedule of charges.
  - Client eligibility determination in client records.
  - Fees charged by the provider and payments made to that provider by clients.
  - Process for obtaining and documenting client charges and payments through an accounting system, manual or electronic.
- b) Publicly post the schedule of charges.
- c) Personnel are aware of and consistently follow the schedule of charges.
- d) Inform clients of their responsibility to track their expenditures to ensure that they are not charged beyond the annual cap on charges based upon their federal poverty level (FPL).

### **D.1.iv. Source Citation**

- PHS Act § 2605

## **D.2. No charges are imposed on clients with individual incomes less than or equal to 100 percent of the FPL.**

Note: This applies to all services.

### **D.2.i. Performance Measure/Method**

- a) Schedule of charges that indicates clients with individual annual gross incomes less than or equal to 100 percent of the FPL are not charged for RWHAP services.

### **D.2.ii. Recipient Responsibility**

- a) Review subrecipient eligibility determination procedures and ensure that clients with individual annual gross incomes less than or equal to 100 percent of the FPL are not charged for RWHAP services.
- b) Review client records and documentation of actual charges and payments to ensure that the policy is being correctly and consistently enforced, and clients with individual annual gross incomes less than or equal to 100 percent of FPL are not being charged for RWHAP services.

### **D.2.iii. Provider/Subrecipient Responsibility**

- a) Document that:
  - The schedule of charges does not allow clients with individual annual gross income less than or equal to 100 percent of the FPL to be charged for RWHAP services.
  - RWHAP clients with individual annual gross incomes less than or equal to 100 percent FPL are not charged for RWHAP services.

### **D.2.iv. Source Citation**

- PHS Act § 2605(e)

## **D.3. Charges imposed for RWHAP services on clients with individual annual gross incomes greater than 100 percent of the FPL are determined by the schedule of charges. Limitations on amounts of annual aggregate charges (see notes) in a calendar year for RWHAP services are based on the percent of the client's annual individual gross income, as follows:**

- Five percent for clients with individual annual gross incomes between 101 percent and 200 percent of the FPL.

- Seven percent for clients with individual annual gross incomes between 201 percent and 300 percent of the FPL.
- Ten percent for clients with individual annual gross incomes greater than 300 percent of the FPL.

Note 1: The annual limitation on aggregate charges are those charges that are aggregated across all RWHAP service providers for each client in a calendar year.

Note 2: The schedule of charges applies to uninsured patients with individual annual gross incomes above 100 percent FPL and may be applied to insured patients, as determined by RWHAP recipients' policies and procedures. When applied to insured patients, recipients should consider how their policy will be applied uniformly to all insured patients rather than on a case-by-case basis.

### **D.3.i. Performance Measure/Method**

- a) Imposition of charges policy that includes a schedule of charges and the cap on annual aggregate RWHAP charges.
- b) Review of the accounting system for tracking patient charges and payments.
- c) Process to track charges imposed by other RWHAP providers towards clients' cap on charges.
- d) Procedures to ensure that charges for RWHAP services cease when a client has reached the annual cap on charges, as defined in the statute, based on their annual individual gross income.

### **D.3.ii. Recipient Responsibility**

- a) Review the subrecipient imposition of charges policy to make sure it includes the schedule of charges and cap on annual aggregate charges to ensure they meet legislative requirements.
- b) Review accounting system and records of charges and payments to ensure compliance with limitations on annual aggregate charges.
- c) Review process to track charges imposed by other RWHAP providers towards clients' cap on charges.
- d) Review procedures to ensure charges for RWHAP services cease when a client has reached the annual cap on charges, as defined in the statute, based on their annual individual gross income.

### **D.3.iii. Subrecipient Responsibility**

- a) Establish and maintain an imposition of charges policy that includes:
  - A schedule of charges.
  - A limitation on annual aggregate charges for RWHAP services, including a process for alerting the billing system that the client has reached the cap and should not be further charged for the remainder of the year.
  - A process for tracking all RWHAP charges or medical expenses, inclusive of enrollment fees, deductibles, copayments, etc., if applicable.



- b) Ensure personnel are aware of and consistently follow the policy for the schedule of charges and limitation on charges.

#### **D.3.iv. Source Citation**

- PHS Act § 2605(e)(1)

## **Section E: Financial Management**

### **E.1. Compliance by recipient and subrecipients with all regulations outlined in 45 CFR Part 75.**

#### **Requirements include:**

Standards for Financial and Program Management, including:

- Financial management and standards for financial management systems.
- Payment.
- Program income.
- Revision of budget and program plans.
- Property standards, including insurance coverage, equipment, supplies, and other expendable property.
- Procurement standards, including recipient responsibilities, codes of conduct, competition, procurement procedures, cost and price analysis, and procurement records.
- Performance and financial monitoring and reporting.
- Subrecipient monitoring and management.
- Record retention and access.
- Remedies for noncompliance.
- Closeout.
- Post-closeout adjustments and continuing responsibilities.
- Cost principles.
- Audit requirements.

#### **E.1.i. Performance Measure/Method**

- a) Review of the recipient and subrecipient accounting systems to verify that systems are sufficient and have the flexibility to operate the RWHAP Part A and meet federal requirements.
- b) Review of the recipient's systems to ensure capacity to meet requirements for:
  - Tracking source and use of funds.
  - Payment of subrecipient contractor invoices.
  - Allocation of expenses of subrecipients among multiple funding sources.
- c) Review of recipient and subrecipient:
  - Written financial operations policies and procedures.
  - Written purchasing and procurement policies and procedures.
  - Financial reports.

- d) Review the subaward agreement to ensure all requirements were conveyed to the subrecipient.
- e) Review of recipient's process for reallocation of funds by service category and subrecipient.
- f) Review of recipient's FFR and documentation.

### **E.1.ii. Recipient Responsibility**

- a) Ensure access to and review:
  - Subrecipient accounting systems, electronic spreadsheets, general ledger, balance sheets, income and expense reports, and all other financial activity reports.
  - All written financial policies and procedures, including billing and collection policies and purchasing and procurement policies.
  - Accounts payable systems and policies.
- b) Ensure that subrecipient agreements require the availability of records for use by recipient auditors, staff, and federal government agencies.
- c) Include in subrecipient agreements required compliance with federal standards for financial management (45 CFR Part 75).
- d) Review recipient financial systems to ensure the capacity for compliance with all federal regulations, including the FFR and other required reporting, and make all systems and procedures accessible to federal funding and monitoring agencies.
- e) Maintain documentation of subrecipient findings pertaining to the Part A for the Single Audit requirement as per 45 CFR Part 75.

### **E.1.iii. Subrecipient Responsibility**

- a) Provide recipient personnel access to:
  - Accounting systems, electronic spreadsheets, general ledger, balance sheets, income and expense reports, and all other financial activity reports of the subrecipient.
  - All financial policies and procedures, including billing and collection policies and purchasing and procurement policies.
  - Accounts payable systems and policies.

### **E.1.iv. Source Citation**

- 45 CFR Part 75, Subpart D

## **E.2. Recipient and subrecipient financial systems are able to track source (RWHAP, program income, etc.) and use of funds for:**

- Award administration and monitoring.
- Planning Council/Body expenses.
- RWHAP core medical and support services categories and compliance with the 75 percent minimum distribution requirement for core medical services.

- Minority AIDS Initiative (MAI).
- Women, Infants, Children, and Youth (WICY) requirement.
- CQM.
- Subawards and subrecipient administrative costs.

### **E.2.i. Performance Measure/Method**

- a) Review of:
  - Written accounting policies and procedures.
  - Recipient and subrecipient budgets.
  - Accounting system used to record expenditures using the specified allocation methodology.
  - Reports generated from the accounting system to determine if the detail and timeliness are sufficient to manage an RWHAP program and comply with administrative and reporting requirements.

### **E.2.ii. Recipient Responsibility**

- a) Determine the capacity of the recipient and subrecipient to meet the financial management and standards for financial management systems requirements.

### **E.2.iii. Subrecipient Responsibility**

- a) Identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received.
- b) Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in §§ 75.341 and 75.342.
- c) Records that adequately identify the source and application of funds for federally-funded activities.
- d) Effective control over and accountability for all funds, property, and other assets.
- e) Comparison of expenditures with budget amounts for each federal award.
- f) Written procedures to implement the requirements of § 75.305.
- g) Written procedures for determining the allowability of costs in accordance with Subpart E of 45 CFR 75 and the terms and conditions of the federal award.

### **E.2.iv. Source Citation**

- 45 CFR § 75.302

## **E.3. Line-item recipient and subrecipient budgets that include under Section B, Budget Categories of the SF-424A, the following column headings or program components:**

- Administrative.
- Clinical Quality Management (CQM).

- HIV Services.
- MAI.

Note 1: Award funds may not be used by the recipient or subrecipients to pay the salary of an individual at a rate in excess of Executive Level II.

### **E.3.i. Performance Measure/Method**

- a) Review of the recipient's line-item budget and narrative for inclusion of required forms, categories, and level of detail to assess the funding to be used for administration (including all Planning Council/Body expenses), CQM, the direct provision of HIV services, MAI, and the budget's relation to the scope of services.
- b) Review of the recipient's administrative budget and narrative for inclusion of sufficient Planning Council support funds to cover reasonable and necessary costs associated with carrying out legislatively mandated functions.
- c) Review of the subrecipient's line-item budget to ensure inclusion of required information and level of detail to ensure the allowable use of funds and its relation to the proposed scope of services.
- d) Review line-item budgets to ensure compliance with the salary rate limitation.

### **E.3.ii. Recipient Responsibility**

- a) Use the prescribed Form SF-424A when submitting the line-item budget and budget justification.
- b) Include the following budget categories in all components of the budget:
  - Salaries and fringe benefits for program staff (ensure compliance with the salary rate limitations).
  - Travel.
  - Equipment.
  - Supplies.
  - Contractual Services - personnel or services contracted to outside providers for activities not done in-house.
  - Other.
- c) Line-item budget should include information for each of the following, if applicable:
  - Administration and Planning Council Support (which must be under the Administrative Category) – capped at 10 percent.
  - CQM – capped at the lesser of five percent of the award amount or \$3,000,000.
  - MAI.
  - HIV Services.
- d) Ensure that Planning Council support includes sufficient resources to enable the completion of legislatively mandated functions.
- e) Ensure compliance with salary rate limitations.
- f) Provide a budget justification narrative describing the uses, activities, and basis for the projections of personnel costs, fringe benefits, travel, equipment, supplies, contracts, and other components to accompany the line-item budget.

- g) Develop provider Request for Proposals (RFPs) and subrecipient agreement instructions for the development and submission of provider line-item budgets.
- h) Review subrecipient budgets to ensure costs are allowable, reasonable, allocable, and that all legislatively required distribution of funds is met (e.g., the aggregate limit of 10 percent of total subawards for administrative expenses, including all indirect costs, 75 percent of the remaining funds for core medical services, etc.).
- i) Review subrecipient budgets to ensure compliance with the salary rate limitation.

### **E.3.iii. Subrecipient Responsibility**

- a) Use the prescribed SF-424A when submitting the line-item budget and budget justification. Include the following budget categories in all components of the budget:
  - Salaries and fringe benefits for program staff.
  - Travel.
  - Equipment.
  - Supplies.
  - Contractual Services - personnel or services contracted to outside providers for activities not done in-house.
  - Other.

### **E.3.iv. Source Citations**

- Annual Appropriations Act
- 45 CFR Part 75

## **E.4. Revisions to the approved budget of federal funds that involve significant modifications of project costs made by the recipient only after approval from the HRSA/HAB Grants Management Officer (GMO).**

Note: For grants over \$100,000, the threshold for significant rebudgeting has been reached only when:

Cumulative transfers among direct cost budget categories (i.e., Personnel, Fringe, Travel, Equipment, Supplies, Contractual, etc.) for the current budget period exceed 25 percent of the total approved budget (which includes direct and indirect costs) for that budget period or \$250,000, whichever is less; or

Moving costs between HAB funding categories would result in failure to meet the statutorily required distributions (e.g., exceeding the 10 percent of the award amount for administration, failure to allocate at least 75 percent of the remaining funds for core medical services, etc.); or

Budget revisions reflect a change in scope; or

The recipient wants to purchase a piece of equipment that exceeds \$25,000 and was not included in the approved project budget/application.

Note: The base used for determining “significant rebudgeting” within a budget period, as outlined above in bullets 1, 3, and 4, excludes carryover balances but includes any amounts awarded as competing or noncompeting supplements.

#### **E.4.i. Performance Measure/Method**

- a) HRSA Project Officer documentation in the electronic handbooks (EHBs) of regular monitoring calls to ensure programmatic progress is consistent with the approved budget and RWHAP Allocation Report.
- b) Documentation of written GMO approval of any budget modifications that exceed the required threshold.

#### **E.4.ii. Recipient Responsibility**

- a) Where a budget modification requires HRSA HAB approval, discuss with the HRSA Project Officer and request the revision through the EHBs.
- b) Consider the approval official only upon receipt of a NoA signed by the HRSA GMO.
- c) Include in subrecipient agreements specification of which budget revisions require approval, and provide written instructions on the budget revision process.

#### **E.4.iii. Subrecipient Responsibility**

- a) Document all requests for and approvals of significant budget revisions.

#### **E.4.iv. Source Citation**

- 45 CFR § 75.308

### **E.5. Expenditure of RWHAP Part A service funds consistent with the service priorities and fund allocations to specific service categories (both core medical and support services) established by the Planning Council and any reallocations of funds approved by the Planning Council.**

#### **E.5.i. Performance Measure/Method**

- a) Comparison of the Planning Council list of service priorities and funding allocations with:
  - Recipient budgeted amounts for each service category.
  - Actual contract amounts by service category.
  - Review of the RWHAP Part A’s policies for reallocation across service categories, as established by the Planning Council.
  - Comparison of actual expenditures by service categories with Planning Council allocations and reallocations consistent with Planning Council policies.

### **E.5.ii. Recipient Responsibility**

- a) Ensure the Part A services budget submitted to HRSA HAB includes the fund allocations to service categories established by the Planning Council.
- b) Ensure that total subrecipient amounts by service category reflect the Planning Council allocations.
- c) Ensure that any reallocation of funds across service categories reflects compliance with Planning Council reallocation policies and procedures.

### **E.5.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **E.5.iv. Source Citation**

- PHS Act § 2603(d)

## **E.6. Recipients follow their documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal law and the standards identified in 45 CFR Part 75.**

- Major areas for compliance:
  - Ensure that every subaward includes clauses required by 45 CFR Part 75.
  - Ensure appropriate retention of and access to records.
  - Ensure that payment of RWHAP Part A funds conforms with the requirement outlined in 45 CFR Part 75.

### **E.6.i. Performance Measure/Method**

- a) Develop and review the RWHAP Part A subaward agreements and/or contracts to ensure compliance with the requirements outlined in programmatic legislation, related [HAB PCNs and Policy Letters](#), and 45 CFR Part 75.

### **E.6.ii. Recipient Responsibility**

- a) Follow written procurement procedures that comply with RWHAP legislative requirements, related [HAB PCNs and Policy Letters](#), and 45 CFR Part 75.
- b) Monitor and manage subrecipients in compliance with 45 CFR Part 75.
- c) Maintain file documentation of Part A subrecipient agreements/contracts and awards in compliance with 45 CFR Part 75.
- d) Issue payments to subrecipients in compliance with 45 CFR Part 75.

### **E.6.iii. Subrecipient Responsibility**

- a) Establish policies and procedures to ensure compliance with the subaward agreement.

- b) Adhere to all requirements specified in the subaward agreement to ensure RWHAP funds are used in accordance with federal statutes, regulations, and the terms and conditions of the award.
- c) Provide all requirement reports by the specified deadlines to ensure that the recipient can meet their responsibilities to HRSA.
- d) Ensure that the recipient has timely access to relevant financial records, supporting documents, statistical records, and all other records pertinent to the Part A subaward.

#### **E.6.iv. Source Citation**

- 45 CFR Part 75, Subpart D, and Appendix II

## **Section F: Property Standards – Equipment**

### **F.1. Recipient and subrecipient proper use, tracking, and reporting of equipment purchased with RWHAP Part A funds as follows:**

- Maintain property records that include a description of the property, a serial number or other identification number, the source of funding for the property (including the Federal Award Identification Number), who holds the title, the acquisition date, and the cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data, including the date of disposal and sale price of the property.
- Conduct a physical inventory of the property and reconcile the results with the property records at least once every two years.
- Maintain a depreciation schedule that can be used to determine when federal reversionary interest has expired.
- Monitor the subrecipient to ensure proper use and management of equipment purchased under the subaward.

Note: Equipment means tangible personal property (including information technology systems), having:

- The useful life of more than one year, and
- An acquisition cost of \$5,000 or more per unit (lower limits may be established, consistent with recipient policies).
- Additionally, the requirements in this section are applicable only to equipment purchased under the award.

#### **F.1.i. Performance Measure/Method**

- a) Review recipient records and their SF-428 Tangible Personal Property Reports to determine proper use, tracking, and reporting of equipment purchased under the award.



### **F.1.ii. Recipient Responsibility**

- a) Develop and maintain property records compliant with 45 CFR Part 75 for equipment purchased under the award.
- b) Conduct a physical inventory of the property and reconcile the results with the property records at least once every two years.
- c) Maintain a depreciation schedule that can be used to determine when federal reversionary interest has expired.
- d) Monitor subrecipients to ensure proper use and management of equipment purchased under the subaward.
- e) Submit the Tangible Personal Property Report (SF-428) and any related forms within 90 days after the project period ends.

### **F.1.iii. Subrecipient Responsibility**

- a) Develop and maintain property records compliant with 45 CFR Part 75 for equipment purchased under the subaward.
- b) Make the records available to the recipient upon request.

### **F.1.iv. Source Citation**

- 45 CFR §§ 75.302(b)(4), 316-323, and Subpart D

## **F.2. Implementation of a control system to ensure adequate safeguards to prevent loss, damage, or theft of equipment purchased under the award and adequate maintenance procedures to keep the equipment in good condition.**

### **F.2.i. Performance Measure/Method**

- a) Review recipient's and subrecipient's written procedures regarding equipment management.
- b) Review relevant insurance policies.

### **F.2.ii. Recipient Responsibility**

- a) Implementation of a control system to ensure adequate safeguards to prevent loss, damage, or theft of equipment purchased under the award.
- b) Implementation of adequate maintenance procedures to keep the equipment in good condition.
- c) Monitor subrecipients to ensure adequate control systems to prevent loss, damage, or theft, and maintenance procedures for equipment purchased under the subaward.

### **F.2.iii. Subrecipient Responsibility**

- a) Implementation of a control system to ensure adequate safeguards to prevent loss, damage, or theft of equipment purchased under the award.
- b) Implementation of adequate maintenance procedures to keep the equipment in good condition.

### **F.2.iv. Source Citation**

- 45 CFR §§ 75.302(b)(4), and 75.320(d)

## **F.3. Equipment acquired with RWHAP Part A funds must be held in trust by the recipient and subrecipients as trustees for the beneficiaries of the RWHAP Part A. Title of the equipment is vested in the recipient or subrecipient with the following conditions:**

- Use of the equipment for authorized purposes of the project during the period of performance or until the property is no longer needed for the purposes of the project.
- To not encumber the property without approval of HRSA (or the pass-through entity for subrecipients).
- Use and dispose of the equipment in accordance with paragraphs (b), (c), and (e) of 45 CFR Part 75.320.

### **F.3.i. Performance Measure/Method**

- a) Implementation of actions specified in F.1 above.
- b) Review recipient and subrecipient written procedures to ensure they:
  - Acknowledge the reversionary interest of the federal government over equipment purchased with federal funds.
  - Establish that such equipment may not be encumbered or disposed of without HRSA HAB approval.
- c) Review inventory records and related prior approval requests (if any) related to the disposition of equipment purchased with RWHAP Part A funds.

### **F.3.ii. Recipient Responsibility**

- a) Carry out the actions specified in F.1 above.
- b) Ensure written policies and procedures at the recipient and subrecipient levels acknowledging that while the title of property purchased with Part A funds is vested in the recipient or subrecipient, the federal government has a reversionary interest.
- c) Ensure policies at the recipient and subrecipient level establish that such property may not be encumbered or disposed of without prior written approval from HRSA HAB as the HHS awarding agency.

- d) Submit a prior approval request through the EHBs prior to the disposition of equipment purchased with Part A funds.

### **F.3.iii. Subrecipient Responsibility**

- a) Carry out the actions specified in F.1 above.
- b) Establish written policies and procedures that acknowledge the reversionary interest of the federal government over equipment purchased with federal dollars.
- c) Maintain file documentation of these policies and procedures for recipient review.
- d) Obtain written approval from the recipient prior to the disposition of equipment purchased under the subaward.

### **F.3.iv. Source Citation**

- 45 CFR §§ 75.320 and 75.323

## **F.4. Title to supplies, including medications, are vested in the recipient upon acquisition, with the provision that if there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the program and the supplies are not needed for any other federally-sponsored program, the recipient shall:**

- Retain the supplies for use on non-federally sponsored activities or sell them.
- Compensate the federal government for its share contributed to the purchase of supplies.

### **F.4.i. Performance Measure/Method**

- a) Review to ensure that there is an inventory of supplies (including medications) purchased with Local Pharmaceutical Assistance Program (LPAP) funds.

### **F.4.ii. Recipient Responsibility**

- a) Develop and maintain a current, complete, and accurate supply and medication inventory list.
- b) Ensure that subrecipients develop and maintain similar lists and make them available to the recipient upon request.

### **F.4.iii. Subrecipient Responsibility**

- a) Develop and maintain a current, complete, and accurate supply and medication inventory list.
- b) Make the list available to the recipient upon request.

#### **F.4.iv. Source Citations**

- 45 CFR § 75.321
- HAB PCN 16-02 and FAQs

## **Section G: Cost Principles**

### **G.1. Recipients and subrecipients must comply with the cost principles outlined in 45 CFR Part 75, Subpart E, and the terms and conditions of the award. Consequently, all costs charged to the RWHAP Part A award or subaward must:**

- Be necessary, reasonable, allocable, and allowable.
- Conform to statutory limitations.
- Be accorded consistent treatment.
- Not be included as a cost or used to meet the cost-sharing or matching requirement of any other federal award.
- Be adequately documented.

#### **G.1.i. Performance Measure/Method**

- a) Review recipient and subrecipient budgets, expenditure reports, written accounting procedures, accounting records, and expense documentation to determine whether the use of funds is consistent with cost principles.

#### **G.1.ii. Recipient Responsibility**

- a) Ensure that recipient and subrecipient written accounting procedures and expenses charged to the RWHAP Part A award or subaward conform to cost principles.
- b) Ensure recipient and subrecipient staff familiarity with cost principles.
- c) Ensure that recipient and subrecipient budgets and expenditures conform to the Code of Federal Regulations (CFR) requirements.
- d) Include in subrecipient agreements a provision requiring compliance with cost principles.

#### **G.1.iii. Provider/Subrecipient Responsibility**

- a) Ensure that budgets and expenses conform to cost principles.
- b) Ensure fiscal staff familiarity with applicable federal regulations.

#### **G.1.iv. Source Citation**

- 45 CFR Part 75, Subpart E

## **G.2. Payments made for services to be reasonable, not exceeding costs that would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs.**

### **G.2.i. Performance Measure/Method**

- a) Review recipient and subrecipient budgets, expenditure reports, accounting records, and expense documentation to determine costs and identify cost components for core medical and support services provided.
- b) When applicable, review unit cost calculations for reasonableness.
- c) Review fiscal and productivity reports to determine whether costs are reasonable when compared to the level of service provided.

### **G.2.ii. Recipient Responsibility**

- a) Submit reasonable and accurate budgets and annual expenditure reports.
- b) Assess the reasonableness of subrecipient costs by reviewing expenditures and unit cost calculations.
- c) Review and keep on file the following documentation for each subrecipient:
  - Current budget.
  - Unit cost agreement and calculation.
  - Fiscal and productivity reports.

### **G.2.iii. Provider/Subrecipient Responsibility**

- a) Make available to the recipient very detailed information on the allocation and cost of expenses for services provided.
- b) When applicable, calculate unit costs based on historical data.
- c) Reconcile projected unit costs with actual unit costs on a yearly or quarterly basis.

### **G.2.iv. Source Citation**

- 45 CFR §§ 75.403, 404, 405

## **G.3. Written recipient and subrecipient procedures for determining the reasonableness and allocability of costs, the process for allocations, and the policies for allowable costs, in accordance with 45 CFR Part 75, Subpart E, and the terms and conditions of the award.**

Note: Costs are considered to be reasonable when they do not exceed what would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs.

### **G.3.i. Performance Measure/Method**

- a) Implementation of actions specified in G.1 above:
  - Review policies and procedures that specify allowable expenditures for administrative costs and programmatic costs.
  - Ensure allowability, allocability, and reasonableness of charges to the RWHAP Part A.

### **G.3.ii. Recipient Responsibility**

- a) Implementation of actions specified in G.1 above:
  - Have policies in place to be used in determining allowable costs.
  - Test to determine whether subrecipient costs for services as charged to the program are reasonable, allocable, and allowable.

### **G.3.iii. Provider/Subrecipient Responsibility**

- a) Have in place policies and procedures to determine allowable and reasonable costs.
- b) Have in place reasonable methodologies for allocating costs among different funding sources and RWHAP categories.
- c) Make available policies, procedures, and calculations to the recipient upon request.

### **G.3.iv. Source Citation**

- 45 CFR Part 75, Subpart E

## **G.4. Calculate unit costs by recipients and subrecipients based on an evaluation of the reasonable cost of services; financial data must relate to performance data and include the development of unit cost information whenever practical.**

Note 1: When using unit costs for establishing fee-for-service charges, the Generally Accepted Accounting Principles (GAAP) definition can be used. Under GAAP, donated materials and services, depreciation of capital improvement, administration, and facility costs are allowed when determining cost.

Note 2: If unit cost is the method of reimbursement, it can be derived by adding direct program costs and allowable administrative costs, capped at 10 percent, and dividing by the number of units of service to be delivered.

#### **G.4.i. Performance Measure/Method**

- a) Review unit cost methodology for subrecipient and provider services.
- b) Review budgets to calculate allowable administrative and program costs for each service.

#### **G.4.ii. Recipient Responsibility**

- a) Include in subrecipient agreements a provision that requires submission of reports that detail performance and allow review of the subrecipient's:
  - Budget.
  - Cost of services.
  - Unit cost methodology.

#### **G.4.iii. Provider/Subrecipient Responsibility**

- a) Have systems in place that can provide expenses and client utilization data in sufficient detail to determine the reasonableness of unit costs.

#### **G.4.iv. Source Citations**

- 45 CFR Part 75, Subpart E
- RWHAP Part A Manual
- [Determining the Unit Cost of Services](#) (HRSA publication)

### **G.5. Requirements to be met in determining the unit cost of a service:**

- Unit cost is not to exceed the actual cost of providing the service.
- Unit cost to include only expenses that are allowable under RWHAP requirements.
- Unit cost for treatment drugs not to exceed 340B pricing and a reasonable dispensing fee.

Note 1: Calculation of unit cost to use a formula of allowable administrative costs plus allowable program costs divided by the number of units to be provided.

Note 2: The cost of paying for the health care coverage (including all other sources of premium and cost-sharing assistance) is cost-effective in the aggregate versus paying for the full cost for medications and other appropriate HIV outpatient/ambulatory health services.

#### **G.5.i. Performance Measure/Method**

- a) Review methodology used for calculating unit costs of services provided.
- b) Review budgets to calculate allowable administrative and program costs for each service.

#### **G.5.ii. Recipient Responsibility**

- a) Review subrecipient unit cost methodology.
- b) Review recipient budget components to ensure that all expense categories are allowable under the RWHAP.

### **G.5.iii. Provider/Subrecipient Responsibility**

- a) Have systems in place that can provide expenses and client utilization data in sufficient detail to calculate the unit cost.
- b) Have unit cost calculations available for recipient review.

### **G.5.iv. Source Citations**

- PHS Act §§ 2615 and 2616(b)(3)(A), (b)(2), (b)(4), (b)(5)
- PCN 16-02 and FAQs
- PCN 18-01

## **G.6. Requirement that jurisdictions must secure the best price available for all products on their LPAP formularies.**

Note: Failure to participate in cost-saving programs may result in a negative audit finding and cost disallowance.

### **G.6.i. Performance Measure/Method**

- a) Review of purchasing practices to ensure the adoption by LPAP of at least one defined cost-saving practice that is equal to or better than 340B drug pricing or prime vendor program.

### **G.6.ii. Recipient Responsibility**

- a) Ensure that drug acquisition practices are compliant with federal requirements regarding cost-effectiveness and reasonableness.
- b) Recertify on an annual basis eligibility for 340B through HRSA's Office of Pharmacy Affairs.
- c) Provide documentation of annual 340B certification and/or prime vendor contract.
- d) Require subrecipients to be eligible for "covered entity status" under 340B pricing.
- e) Require subrecipients to have purchasing practices that meet federal requirements.

### **G.6.iii. Provider/Subrecipient Responsibility**

- a) Participate in the 340B Pricing Program.
- b) Use purchasing policies and procedures that meet federal requirements.

### **G.6.iv. Source Citations**

- 42 CFR Part 50, Subpart E
- 45 CFR § 75.404
- HAB Program Letter- Local Pharmaceutical Assistance Programs (LPAP) Clarification, August 29, 2013



## **G.7. Cost of health insurance or plans to be purchased or maintained not to exceed the cost of providing the medication and other appropriate primary care services.**

### **G.7.i. Performance Measure/Method**

- a) Verification that the recipient has conducted a cost analysis that shows the use of health insurance or plans to be cost neutral or beneficial when compared to the cost of providing the treatment medication and appropriate primary care services through the RWHAP Part A.
- b) If the administration of the program is subcontracted, documentation that administrative costs are not excessive, federal requirements are being met, and the process is accessible.

### **G.7.ii. Recipient Responsibility**

- a) Document a cost analysis demonstrating that the cost of health insurance or plans is lower than or equal to the cost of providing the medication and appropriate primary care services.
- b) Document program requirements, client eligibility, allowable costs, and process for paying client premiums, copays, and deductibles.
- c) If the program is administered by an entity other than the Part A recipient, include contract language that limits administration costs, clearly states reporting requirements, and requires assurances that legislative and programmatic requirements are being met.

### **G.7.iii. Provider/Subrecipient Responsibility**

- a) Establish written policies and procedures that ensure contract requirements are met.
- b) Provide detailed expense reports to enable the recipient to document that costs are at or below the cost of providing the medications and appropriate primary care services.

### **G.7.iv. Source Citations**

- PHS Act § 2616(f)(1)(2)
- HAB PCN 18-01

## **Section H: Auditing Requirements**

**H.1. Recipients and subrecipients of RWHAP funds are subject to the audit requirements that apply to all recipients and subrecipients expending \$750,000 or more in federal funds from all sources (not just RWHAP) during their fiscal year.**

### **H.1.i. Performance Measure/Method**

- a) Review requirements for subrecipient audits.
- b) Review the most recent Single Audit to ensure it includes:
  - List of federal recipients to ensure that the RWHAP grant is included.
  - Income and expense reports to assess if the RWHAP grant is included.
- c) Review audit management letter, if one exists.
- d) Review all programmatic income and expense reports for the payor of last resort verification by the auditor.

### **H.1.ii. Recipient Responsibility**

- a) Include in the subrecipient agreement a requirement for a timely annual audit and associated management letter (a Single Audit if federal funds expended from all sources during the subrecipient's fiscal year total more than \$750,000).
- b) Verify that every subrecipient is audited as required by 45 CFR Part 75, Subpart F when it is expected that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded \$750,000.
- c) Maintain file documentation of subrecipient audits and management letters.
- d) Review audits to ensure inclusion of RWHAP funding if deemed a major program per audit requirements.
- e) Review audit management letter to determine any material weaknesses specific to RWHAP Part A funding.
- f) Review audit for income and expense reports testing the payor of last resort verification.
- g) Ensure that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Part A award provided to the subrecipient from the pass-through entity detected through audits.
- h) Issue a management decision for audit findings pertaining to the federal award provided to the subrecipient from the pass-through entity as required by 45 CFR Part 75.

### **H.1.iii. Provider/Subrecipient Responsibility**

- a) Conduct a timely annual audit (an agency audit or a Single Audit, depending on the amount of federal funds expended).
- b) Request a management letter from the auditor.

- c) Submit the audit and management letter to the recipient.
- d) Prepare and provide the auditor with income and expense reports that include payor of last resort verification.

#### **H.1.iv. Source Citations**

- 45 CFR § 75.351-352 and Subpart F
- PHS Act § 2682

## **H.2. Selection of auditor per written procurement standards.**

#### **H.2.i. Performance Measure/Method**

- a) Review subrecipient procurement policies and procedures related to audits and the selection of an auditor.

#### **H.2.ii. Recipient Responsibility**

- a) Ensure financial policies and procedures are in place for auditor selection.
- b) Ensure that subrecipients have policies and procedures in place to select an auditor.

#### **H.2.iii. Provider/Subrecipient Responsibility**

- a) Have in place procurement policies and procedures that guide the selection of an auditor.
- b) Make the policies and procedures available to the recipient upon request.

#### **H.2.iv. Source Citation**

- 45 CFR § 75.509

## **H.3. Review of audited financial statements to verify the financial stability of the organization.**

#### **H.3.i. Performance Measure/Method**

- a) Review Statement of Financial Position/Balance Sheet, Statement of Activities/Income and Expense Report, Cash Flow Statement, and notes included in the audit to determine the organization's financial stability.

#### **H.3.ii. Recipient Responsibility**

- a) Review subrecipient audited financial statements and notes to determine the organization's financial status and stability.

#### **H.3.iii. Provider/Subrecipient Responsibility**

- a) Comply with contract audit requirements on a timely basis.
- b) Provide audit to the recipient on a timely basis.

### **H.3.iv. Source Citation**

- 45 CFR § 75.510

## **H.4. Single Audits to include statements of conformance with financial requirements and other federal expectations.**

### **H.4.i. Performance Measure/Method**

- a) Review statements of internal controls and federal compliance in Single Audits.

### **H.4.ii. Recipient Responsibility**

- a) Annually review statements of internal controls and federal compliance in subrecipient Single Audits to determine compliance with federal expectations.

### **H.4.iii. Provider/Subrecipient Responsibility**

- a) Comply with contract audit requirements on a timely basis.
- b) Provide audit to the recipient on a timely basis.

### **H.4.iv. Source Citation**

- 45 CFR §§ 75.515-516

## **H.5. Recipients and subrecipients are expected to note reportable conditions from the audit and provide a resolution.**

### **H.5.i. Performance Measure/Method**

- a) Review of audit findings.
- b) Determination of whether they are significant and whether they have been resolved.
- c) Development of an action plan to address reportable conditions that have not been resolved.

### **H.5.ii. Recipient Responsibility**

- a) Annually review subrecipient audits for reportable conditions.
- b) Obtain and review subrecipient agency responses to audit findings.
- c) Require corrective action if reportable conditions have not been resolved.

### **H.5.iii. Provider/Subrecipient Responsibility**

- a) Comply with contract audit requirements on a timely basis.

- b) Provide recipient with the agency response and corrective action plan for any reportable conditions.

#### **H.5.iv. Source Citation**

- 45 CFR §§ 75.508 and 511

### **H.6. Every two years, RWHAP Part A recipients must submit to the state RWHAP Part B program audits, consistent with 45 CFR 75, Subpart F – Audit Requirements regarding funds expended.**

#### **H.6.i. Performance Measure/Method**

- a) Review to ensure that Single Audits or other audits (where Single Audits are not required) have been completed, collected, and submitted to the state RWHAP Part B recipient every two years.

#### **H.6.ii. Recipient Responsibility**

- a) Have documented evidence of recipient audits completed and submitted to the state Part B program.

#### **H.6.iii. Provider/Subrecipient Responsibility**

- a) Comply with audit requirements.

#### **H.6.iv. Source Citations**

- PHS Act § 2605(a)(10)
- 45 CFR Part 75 Subpart F – Audit Requirements

### **Section I: Matching or Cost-Sharing Funds**

Not applicable for RWHAP Part A.

### **Section J: Maintenance of Effort (MOE)**

**J.1. RWHAP Part A recipients must maintain EMA/TGA political subdivision expenditures for HIV-related core medical services and support services at a level equal to the level of expenditures for those services during the preceding fiscal year (FY).**

### **J.1.i. Performance Measure/Method**

- a) Review MOE documentation submitted annually with the application, including the MOE Table and the narrative explanation of the process and elements used to determine the aggregate totals in the table.
- b) Review tracking/accounting system that documents the EMA/TGA contribution to core medical services and supportive services.
- c) Review actual tracking/accounting documentation of contributions.
- d) Review Single Audit for findings related to MOE.

### **J.1.ii. Recipient Responsibility**

- a) Submit the following MOE information to HRSA HAB annually:
  - A table that identifies the baseline aggregate for actual non-federal EMA/TGA political subdivision expenditures for HIV-related core medical and support services during the most recently completed FY prior to the application deadline and an estimate for the next fiscal year, and
  - A description of the process and elements used to determine the amount of expenditures in the MOE calculations.

### **J.1.iii. Provider/Subrecipient Responsibility**

N/A at the subrecipient level.

### **J.1.iv. Source Citation iii, iv**

- PHS Act § 2605(a)(10)
- 45 CFR Part 75 Subpart F – Audit Requirements

## **Section K: Fiscal Procedures**

**K.1. Recipients and subrecipients must be paid in advance, provided they maintain or demonstrate the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement and financial management systems that meet the standards for fund control and accountability as established in 45 CFR Part 75.**

- Advance payments must be limited to the minimum amounts needed and be timed in accordance with the actual, immediate cash requirements of the recipient (or subrecipient) in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the recipient (or subrecipient) for direct program or project costs and the proportionate share of any allowable indirect costs.

- To the extent available, recipients and subrecipients must disburse funds available from program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments under the RWHAP Part A award.

#### **K.1.i. Performance Measure/Method**

- a) Review the recipient's and subrecipient's written procedures that minimize the time elapsing between the transfer of funds and disbursement and financial management systems that meet the standards for funds control and accountability as established in 45 CFR Part 75.
- b) Review subrecipient agreements for advance payment information consistent with 45 CFR Part 75.
- c) Review accounting records to ensure payments to recipients and subrecipients were immediately disbursed for allowable program costs.
- d) Review accounting records to ensure that to the extent available, recipients and subrecipients disbursed funds available from program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments under the RWHAP Part A award or subaward.
- e) Review required financial reports.

#### **K.1.ii. Recipient Responsibility**

- a) Comply with the payment requirements specified in 45 CFR Part 75.
- b) Ensure that advance payments to subrecipients are limited to the minimum amounts needed and be timed in accordance with the actual, immediate cash requirements of the subrecipient for allowable program costs under the subaward.
- c) To the extent that it is available, ensure that subrecipients disburse program income directly generated by the Part A subaward prior to requesting cash payments under the subaward.

#### **K.1.iii. Provider/Subrecipient Responsibility**

- a) Have written procedures that minimize the time elapsing between the transfer of subaward funds and disbursement and financial management systems that meet the standards for fund control and accountability as established in 45 CFR Part 75.
- b) To the extent available, disburse program income directly generated by the Part A subaward prior to requesting cash payments under the subaward.

#### **K.1.iv. Source Citations**

- 45 CFR § 75.305
- HAB PCN 15-03
- RWHAP Part A Manual

**K.2. Recipients must clearly convey requirements that subrecipients permit the recipient and auditors to have access to the subrecipient's records and financial statements as necessary, including payroll, tax statements, and expenditures, as necessary for the recipient to meet the requirements of the RWHAP Part A and 45 CFR Part 75.**

**K.2.i. Performance Measure/Method**

- a) Review subrecipient agreements to ensure that language is included that permits the recipient and auditors to have access to the subrecipient's records and financial statements, as necessary for the recipient to meet the RWHAP Part A programmatic requirements and the requirements included in 45 CFR Part 75.
- b) Review subaward to ensure that it includes the record retention requirement specified in 45 CFR Part 75.

**K.2.ii. Recipient Responsibility**

- a) Include a provision in subrecipient agreements that guarantees the recipient and auditors access to subrecipient records and documents for program and fiscal monitoring and oversight.
- b) Include a provision in the subaward agreement that specifies record retention requirements necessary for the recipient to comply with 45 CFR Part 75.
- c) Have policies and procedures in place that ensure HRSA HAB access to recipient and subrecipient records and documents.

**K.2.iii. Provider/Subrecipient Responsibility**

- a) Have written policies and procedures in place that allow the recipient and auditors prompt and full access to financial, program, and management records and documents as needed for program and fiscal monitoring and oversight.

**K.2.iv. Source Citation**

- 45 CFR §§ 75.342, 352, and 361-365



**K.3. Awarding agency not to withhold payments for proper charges incurred by the recipient unless the recipient has failed to comply with award terms and conditions or is indebted to the United States; recipient not to withhold subrecipient payments unless subrecipient has failed to comply with grant award conditions or is indebted to the United States.**

Note 1: If the recipient or subrecipient is delinquent in a debt to the United States, as defined in OMB Guidance A-129, HRSA or the recipient (in the case of a delinquent subrecipient) may, upon reasonable notice, inform the recipient (or subrecipient) that payments must not be made for obligations incurred after a specified date until the conditions are corrected, or the indebtedness to the federal government is liquidated.

Note 2: HRSA's Office of Federal Assistance Management checks the Do Not Pay system prior to issuing payments to recipients to test for delinquent debt. Review subaward agreements to ensure that they include the requirement that the subrecipient certifies that they are not delinquent on federal debt.

**K.3.i. Performance Measure/Method**

- a) For recipients and subrecipients in compliance with the terms and conditions of the award, review the timing of payments to recipients and subrecipients through sampling that tracks the accounts payable process from the date invoices/payment requests are electronically submitted (or received by recipients that do not have electronic payment systems for their subrecipients) to the date the electronic payments (or checks) are issued.
- b) Subaward agreements should include the requirement that the subrecipient certifies they are not delinquent on federal debt.

**K.3.ii. Recipient Responsibility**

- a) Periodically track the accounts payable process from the date of receipt of invoices/payment requests to the date the electronic payments (or checks) are issued.
- b) Ensure the subrecipient certifies that they are not delinquent in a debt to the United States as defined in OMB Guidance A-129.

**K.3.iii. Provider/Subrecipient Responsibility**

- a) Provide timely, properly documented invoices.
- b) Comply with provisions of the subaward agreement.
- c) Immediately inform the recipient if the subrecipient becomes delinquent on a debt to the United States as defined in OMB Guidance A-129.

#### **K.3.iv. Source Citation**

- 45 CFR §§ 75.305(b)(6) and 352

### **K.4. Employee time and effort documentation with charges for the salaries and wages of hourly employees must:**

- Be supported by documented payrolls approved by the responsible official.
- Reflect the distribution of activity of each employee.
- Be supported by records indicating the total number of hours worked each day.

#### **K.4.i. Performance Measure/Method**

- a) Review documentation of employee time and effort through:
  - Review of payroll records for specified employees.
  - Documentation of allocation of payroll between funding sources, if applicable.
  - Review of time and effort reporting or payroll allocation methods outlined in 45 CFR Part 75.

#### **K.4.ii. Recipient Responsibility**

- a) Maintain payroll records for specified employees.
- b) Establish and consistently use allocation methodology for employee expenditures where employees are engaged in activities supported by several funding sources.

#### **K.4.iii. Provider/Subrecipient Responsibility**

- a) Maintain payroll records for specified employees.
- b) Establish and consistently use allocation methodology for employee expenditures where employees are engaged in activities supported by several funding sources.
- c) Make payroll records and allocation methodology available to the recipient upon request.

#### **K.4.iv. Source Citations**

- Annual Appropriations Act
- 45 CFR §§ 75.361-365 and 430-431

**K.5. A staffing plan with a justification that includes education, experience, qualifications, and rationale for the amount of time being requested for each position. Notification of change in key personnel and/or disengagement from the project by the project director for more than three months or a 25 percent reduction in time devoted to the project.**

**K.5.i. Performance Measure/Method**

- a) Review recipient staffing plan, as submitted in the most recent application.
- b) Review personnel section of recipient budget and related budget justification for staff positions, education, experience, qualifications, and rationale for the amount of time requested for each staff person.
- c) Review personnel records to ensure that key personnel are consistent with submitted work plan documentation.

**K.5.ii. Recipient Responsibility**

- a) Verify that staff charged to the grant are consistent with those identified in the staffing plan as submitted in the most recent application.
- b) Documentation of HRSA approval for any change in key personnel and/or disengagement from the project by the project director for more than three months or a 25 percent reduction in time devoted to the project.

**K.5.iii. Provider/Subrecipient Responsibility**

N/A at the subrecipient level.

**K.5.iv. Source Citation**

- 45 CFR § 75.308 (c)(ii), (iii)

**K.6. Recipient and subrecipient fiscal staff are responsible for:**

- Ensuring adequate reporting, reconciliation, and tracking of program expenditures.
- Coordinating fiscal activities with program activities (for example, the program and fiscal staff's meeting schedule and how fiscal staff share information with program staff regarding contractor expenditures, formula and supplemental unobligated balances, and program income).
- Having an organizational and communications chart for the fiscal department.

### **K.6.i. Performance Measure/Method**

- a) Review qualifications of the program and fiscal staff.
- b) Review program and fiscal staff plans and full-time equivalents (FTEs) to determine if there are sufficient personnel to perform the duties required of the RWHAP recipient.
- c) Review recipient organizational chart.

### **K.6.ii. Recipient Responsibility**

- a) Review the following:
  - Program and fiscal staff resumes and job descriptions.
  - Staffing plan and recipient budget and budget justification.
  - Recipient organizational chart.
- b) Require and review similar information for subrecipient applicants.

### **K.6.iii. Provider/Subrecipient Responsibility**

- a) Review the following:
  - Program and fiscal staff resumes and job descriptions.
  - Staffing plan and recipient budget and budget justification.
  - Subrecipient organizational chart.
- b) Provide information to the recipient upon request.

### **K.6.iv. Source Citation**

- 45 CFR § 75.302(a)

## **Section L: Unobligated Balances and Carryover Requests**

### **L.1. Recipients must submit an estimation of carryover funds 60 days prior to the end of the grant period – by December 31 of every calendar year.**

Note: No requests to carryover funds will be approved without submitting an estimation of carryover.

#### **L.1.i. Performance Measure/Method**

- a) Review carryover estimate in relation to the work plan, budget, and programmatic progress to date.
- b) Review recipient accounting records that document unobligated funds and reports estimating remaining expenditures for the project period to confirm amounts included in the carryover estimate.

### **L.1.ii. Recipient Responsibility**

- a) Reconcile accounting records with expenditures to date and prepare reports that document unobligated balances and estimated expenditures for the remaining project period to estimate carryover.
- b) Prepare and submit estimated unobligated balances and estimated carryover requests 60 days prior to the end of the grant year.

### **L.1.iii. Recipient/Subrecipient Responsibility**

N/A at the subrecipient level.

### **L.1.iv. Source Citations**

- PHS Act § 2622
- HAB PCN 12-02

## **L.2. Recipient demonstration of its ability to expend 95 percent of its formula funds in any grant year.**

Note: Recipients must submit an estimation of an unobligated balance 60 days prior to the end of the grant period – by December 31 of every calendar year. No carryover requests will be approved without this submission.

### **L.2.i. Performance Measure/Method**

- a) Review recipient and subrecipient budgets.
- b) Review recipient accounting and financial reports that document the year-to-date and year-end spending of recipient and subrecipient obligated funds, including separate accounting for formula and supplemental funds.
- c) Calculation of unspent funds and potential unspent funds to determine estimated unobligated balance.

### **L.2.ii. Recipient Responsibility**

- a) Prepare and submit estimated unobligated balance and estimated carryover request. No carryover requests will be approved without submission of estimated carryover.
- b) Review both recipient and subrecipient budgets.
- c) Maintain accounting and financial reports that document the year-to-date spending of recipient and subrecipient funds.
- d) Review individual subrecipient financial reports that document unspent funds.
- e) Calculate year-to-date expenditures and budget variances monthly.
- f) Develop a reallocation methodology and implement it in coordination with the Planning Council.

### **L.2.iii. Provider/Subrecipient Responsibility**

- a) Report monthly expenditures to date to the recipient.
- b) Inform the recipient of variances in expenditures.

#### **L.2.iv. Source Citations**

- PHS Act § 2603(c)(3)(D)(i)
- HAB PCN 12-02

### **L.3. The recipient's annual unobligated balance for formula dollars of no more than five percent reported to HRSA HAB in the recipient's FFR.**

Note: Future year award is offset by the amount of the unobligated balance less any approved carryover, and the grant recipient is not eligible for a future year supplemental award.

See Policy Notice 12-02 for penalties imposed when UOB is greater than five percent.

#### **L.3.i. Performance Measure/Method**

- a) Determination of the breakdown of the unobligated balance in the FFR by formula, supplemental, and carryover.
- b) Submission of the final annual FFR no later than June 30; there are no waivers or extensions available for this requirement.

#### **L.3.ii. Recipient Responsibility**

- a) Track grant fund expenses by formula, supplemental, and carryover.
- b) Proactively track subrecipients' unspent funds.
- c) Establish a process to ensure that the finance department of the political subdivision receiving the funds (e.g., municipality, county) is aware of the importance of timely submission of an FFR and of spending formula dollars first.
- d) Proactively track the FFR submission and ensure its reconciliation with the EMA formula, supplemental, and carryover expenditures.

#### **L.3.iii. Provider/Subrecipient Responsibility**

- a) Provide timely reporting of unspent funds, position vacancies, etc., to the recipient.
- b) Establish and implement a process for tracking unspent RWHAP Part A funds and providing accurate and timely reporting to the recipient.
- c) Be an active participant in the reallocation process by informing the recipient on a timely basis of funds not spent or funds spent too quickly.

#### **L.3.iv. Source Citations**

- PHS Act § 2603(c)(3)(D)(i)
- 45 CFR § 75.341
- HAB PCN 12-02

# Universal Monitoring Standards for RWHAP Part A and Part B Recipients

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## **Section A: Access to Care**

### **A.1. Structured and ongoing efforts to obtain input from people with HIV in the design and delivery of services.**

#### **A.1.i. Performance Measure/Method**

- a) Documentation of people with HIV participating in committees and contributing to public meetings minutes.
- b) Documentation of the existence of appropriate mechanism(s) for obtaining client input.
- c) Documentation of content, use, and confidentiality of client satisfaction surveys or focus groups conducted at least annually.

#### **A.1.ii. Recipient Responsibility**

- a) Review documentation at the subrecipient level to determine methods used for obtaining client input into the delivery of services.

#### **A.1.iii. Subrecipient Responsibility**

- a) Maintain a file of materials documenting the consumer committee's membership and meeting attendance, including minutes.
- b) Regularly implement client satisfaction survey tools, focus groups, and/or public meetings, with analysis and use of results documented.
- c) Implement appropriate mechanism(s) for obtaining client input.

#### **A.1.iv. Source Citations**

- PHS Act § 2602(b)(4)
- PHS Act § 2617(b)(7)(A)
- RWHAP Part A Manual
- RWHAP Part B Manual

### **A.2. Provision of services regardless of an individual's ability to pay for the service.**

#### **A.2.i. Performance Measure/Method**

- a) Recipient and subrecipient billing and collection policies and procedures do not:
  - Deny services for non-payment.
  - Require full payment prior to service.
  - Include any other procedure that denies services for non-payment.

#### **A.2.ii. Recipient Responsibility**

- c) Review subrecipient billing, collections, copays, and schedule of charges.



- d) Review limitations on charges policies and procedures to ensure that they do not result in denial of services.
- e) Investigate any complaints against the subrecipient for denial of services.
- f) Review file of refused clients and client complaints.

### **A.2.iii. Subrecipient Responsibility**

- a) Ensure that billing, collections, copays, and schedule of charges and limitation of charges policies do not act as a barrier to receiving services, regardless of the client's ability to pay.
- b) Implement an appeals/grievance process and maintain a file of individuals who refused services with reasons for refusal specified; include in the file any complaints from clients, with documentation of complaint review and decision reached and/or response given if any.

### **A.2.iv. Source Citations**

- PHS Act § 2605(a)(7)(A)(i)
- PHS Act § 2617(b)(7)(B)(i)
- RWHAP Part A Manual
- RWHAP Part B Manual

## **A.3. Provision of services regardless of the current or past health condition of the individual to be served.**

### **A.3.i. Performance Measure/Method**

- a) Maintain documentation of eligibility determination and provider policies to ensure that they do not:
  - Permit denial of services due to pre-existing conditions.
  - Permit denial of services due to non-HIV-related conditions (primary care).
  - Provide any other barrier to care due to a person's past or present health condition.

### **A.3.ii. Recipient Responsibility**

- a) Review subrecipient eligibility determination and provider policies.
- b) Investigate any complaints of subrecipients dropping high-risk or high-cost clients, including "dumping" or "cherry-picking" patients.

### **A.3.iii. Subrecipient Responsibility**

- a) Maintain files of eligibility determination and clinical policies.
- b) Implement an appeals/grievance process and maintain a file of individuals refused services with reasons for refusal specified; include in the file any complaints from clients, with documentation of complaint review and decision reached and or/response given if any.

#### **A.3.iv. Source Citations**

- PHS Act § 2605(a)(7)(A)(ii)
- PHS Act § 2617(b)(7)(B)(i)
- HAB PCN 21-02
- RWHAP Part A Manual
- RWHAP Part B Manual

### **A.4. Provision of services in a setting accessible to individuals with HIV who are low-income and comply with the Americans with Disabilities Act (ADA) Barrier-Free Health Care Initiative.**

#### **A.4.i. Performance Measure/Method**

- a) Maintain policies and procedures that provide by referral or vouchers, transportation if the facility is not accessible to public transportation, and policies that facilitate access to care for low-income individuals.
- b) Maintain an environment that provides barrier-free access to healthcare, which includes provisions for mobility disabilities and communication disabilities.

#### **A.4.ii. Recipient Responsibility**

- d) Inspect the subrecipient facility's accessibility with regard to access to public transportation.
- e) Review policies and procedures for providing transportation assistance if the facility is not accessible by public transportation.
- f) Inspect the subrecipient facility's accessibility with regard to the ADA Barrier-Free Health Care Initiative.

#### **A.4.iii. Subrecipient Responsibility**

- a) Ensure that the facility is accessible by public transportation or provide transportation assistance.
- b) Ensure that the facility is compliant with the ADA Barrier-Free Health Care Initiative requirements.

#### **A.4.iv. Source Citations**

- PHS Act § 2605(a)(7)(B)
- PHS Act § 2616(c)(4)
- PHS Act § 2617(b)(7)(B)(ii)
- Americans with Disabilities Act of 1990, 42 USC 12101 et. seq.
- RWHAP Part A Manual
- RWHAP Part B Manual
- U.S. Department of Justice [Barrier-Free Health Care Initiative](#)

## **A.5. Dissemination of information to low-income individuals regarding the availability of HIV-related services and how to access them.**

### **A.5.i. Performance Measure/Method**

- a) Availability of informational materials about subrecipient services and eligibility requirements such as:
  - Newsletters.
  - Brochures.
  - Posters.
  - Community bulletins.
  - Social media.
  - Webpages.
  - Any other types of promotional materials.

### **A.5.ii. Recipient Responsibility**

- a) Review documents indicating activities for promotion and awareness of the availability of HIV services.

### **A.5.iii. Subrecipient Responsibility**

- a) Maintain a file documenting subrecipient activities for the promotion of HIV services to low-income individuals, including copies of HIV program materials promoting services and explaining eligibility requirements.

### **A.5.iv. Source Citations**

- PHS Act § 2605(a)(7)(C)
- PHS Act § 2616(c)(3)
- PHS Act § 2617(b)(7)(B)(iii)
- RWHAP Part A Manual
- RWHAP Part B Manual

## **Section B: Eligibility Determination**

### **B.1. Eligibility determination of clients as specified by the jurisdiction or AIDS Drug Assistance Program (ADAP):**

Eligibility determination of clients for RWHAP services within a predetermined timeframe.

### **B.1.i. Performance Measure/Method**

- a) Documentation of eligibility required by the jurisdiction or ADAP in client records, including the following:
  - A documented diagnosis of HIV,
  - Low-income status as defined by the recipient, and
  - Proof of residency within its service area, as defined by the recipient.
- b) Eligibility policy and procedures on file.
- c) Documentation that all staff involved in eligibility determination have participated in required training on appropriate policies and procedures.
- d) Subrecipient client data reports consistent with eligibility requirements specified by the recipient.

### **B.1.ii. Recipient Responsibility**

- a) Establish a process and policies for determining eligibility and confirming ongoing eligibility.
- b) Conduct site visits to review client records for appropriate documentation that meets the eligibility requirements.
- c) Provide training to new and existing agencies and new staff on eligibility determination and confirmation.
- d) Review data reports for accuracy.
- e) Monitor subrecipients' procedures for identifying challenges in the process of determining and confirming eligibility and tracking those challenges to resolution.
- f) Ensure eligible clients are receiving allowable services that are fundable with RWHAP dollars.

### **B.1.iii. Subrecipient Responsibility**

- a) Develop and maintain client records that contain documentation as required by the recipient of a client's eligibility determination, including the following:
  - Completion of an eligibility determination as specified by the recipient.
  - Documentation of eligibility determination required in client records, with documentation as required by the recipient:
    - Initial proof of HIV diagnosis (required only once).
    - Low-income.
    - Proof of residence.
    - Proof of compliance with eligibility determination as defined by the jurisdiction or ADAP.
- b) Conduct periodic reviews based upon recipient policies and procedures to identify any potential changes that may affect eligibility, and require clients to report any such changes.
- c) Document compliance with eligibility determination as defined by the jurisdiction or ADAP.
- d) Document that all staff involved in eligibility determination and confirmation have participated in the required training.

#### **B.1.iv. Source Citations**

- PHS Act § 2605(a)(6)
- PHS Act § 2616(b)(1)-(2)
- PHS Act § 2617(b)(7)(B)
- HAB PCN 21-02

## **Section C: Payor of Last Resort (POLR)**

Maintain policies and document efforts to ensure that RWHAP recipients and subrecipients assist clients to vigorously pursue enrollment in health care coverage and that clients have accessed all other available public and private funding sources for which they may be eligible.

### **C.1.i. Performance Measure/Method**

- a) Ensure that reasonable efforts are made to use non-RWHAP resources whenever possible, including establishing, implementing, and monitoring policies and procedures to identify any other possible payers to extend finite RWHAP funds.
- b) Document that all staff involved in health care coverage verification have participated in required training on appropriate policies and procedures.
- c) Ensure that subrecipient client data reports are consistent with requirements as specified by the recipient.

### **C.1.ii. Recipient Responsibility**

- a) Conduct site visits to review client records for appropriate documentation that meet the payor of last resort (POLR) requirements.
- b) Provide training to new and existing agencies and new staff on health care coverage determination, assessment, and reassessment of clients.
- c) Provide training to subrecipients on third-party payment sources.
- d) Monitor subrecipients' receipt and use of third-party payments as an indication of their use of third-party payers.
- e) Review data reports for accuracy.
- f) Monitor client utilization and expenditure reports by subrecipient, by service category.

### **C.1.iii. Subrecipient Responsibility**

- a) Maintain policies and document their efforts to ensure that they assist clients to vigorously pursue enrollment in health care coverage and that clients have accessed all other available public and private funding sources for which they may be eligible.
- b) Conduct periodic checks to identify any potential changes that may affect POLR determination, and require clients to report any such changes.
- c) Document that all staff members have participated in required third-party payment training.
- a) Ensure that subrecipient client data reports are consistent with requirements specified by the funder, which demonstrates clients are receiving allowable services. [See the Program Monitoring section for a list of allowable services.]

#### **C.1.iv. Source Citations**

- PHS Act § 2605(a)(6)
- PHS Act § 2617(b)(7)(F)
- HAB PCN 21-02
- HAB PCN 13-01

## **C.2. Ensure military veterans with Department of Veterans Affairs (VA) benefits are deemed eligible for RWHAP services.**

#### **C.2.i. Performance Measure/Method**

- a) Documentation that eligibility determination policies and procedures do not classify VA health benefits as an insurance program or deny access to RWHAP services citing “payor of last resort.”

#### **C.2.ii. Recipient Responsibility**

- a) Ensure that those subrecipients funded to assess compliance with the POLR requirement are aware of and are consistently implementing the veteran classification policy.

#### **C.2.iii. Subrecipient Responsibility**

- a) Ensure that policies and procedures do not classify VA health benefits as an insurance program or cite the “payor of last resort” requirement to compel an otherwise eligible client who is a veteran to obtain services from the VA or refuse to provide services.

#### **C.2.iv. Source Citations**

- HAB PCN 21-02
- HAB PCN 16-01

## **C.3. Ensure American Indians (AI) and Alaska Natives (AN) are provided access to RWHAP services.**

#### **C.3.i. Performance Measure/Method**

- a) Documentation that eligibility determination policies and procedures do not consider Indian Health Service benefits as primary insurance (as they are exempt) and deny access to RWHAP services citing “payor of last resort.”

#### **C.3.ii. Recipient Responsibility**

- a) Ensure that those subrecipients funded to assess compliance with the POLR requirement are aware of and are consistently practicing the Indian Health Service exemption.

### **C.3.iii. Subrecipient Responsibility**

- a) Ensure that policies and procedures classify those eligible for Indian Health Services benefits as exempt from the POLR requirement.

### **C.3.iv. Source Citations**

- PHS Act § 2605(a)(6)(A)
- PHS Act § 2617(b)(7)(F)(ii)
- HAB PCN 21-02
- HAB Policy Notice 07-01

## **Section D: Anti-Kickback Statute (AKS)**

The Anti-Kickback Statute (AKS) is a criminal law that prohibits the knowing and willful payment of "remuneration" to induce or reward patient referrals or the generation of business involving any item or service payable by the federal healthcare programs (e.g., drugs, supplies, or healthcare services for Medicare or Medicaid patients).

### **D.1.i. Performance Measure/Method**

- a) Documentation that shows effective measures are in place to ensure adherence to the AKS, which prohibits the knowing and willful payment of "remuneration" to induce or reward patient referrals or the generation of business involving any item or service payable by a federal healthcare program (e.g., drugs, supplies, or healthcare services).

Note 1: Remuneration includes anything of value and can take many forms besides cash, such as free rent, expensive hotel stays and meals, and excessive compensation for medical directorships or consultancies. The statute covers the payers of kickbacks, those who offer or pay remuneration, as well as the recipients of kickbacks, those who solicit or receive remuneration.

Note 2: Criminal penalties and administrative sanctions for violating the AKS include fines, jail terms, and exclusion from participation in the federal healthcare programs. Providers who pay or accept kickbacks also face penalties of up to \$50,000 per kickback, plus three times the amount of the remuneration.

### **D.1.ii. Recipient Responsibility**

- a) Have adequate policies and procedures and verify that subrecipients also have adequate policies and procedures that ensure compliance with AKS. Such policies may include:
  - A corporate compliance plan for Medicaid and/or Medicare providers that provides for a compliance officer, compliance committee, communication lines to report non-compliance, auditing, corrective action plans, and method for reporting non-compliance with AKS.
- b) Written bylaws and board policies that include conflict of interest, prohibition on the use of organization assets for personal use, and procedures for open communication.
- c) Code of Ethics or Standards of Conduct that include conflict of interest, prohibition on the use of agency property without approval, fair and open competition, confidentiality,

- use of company assets, timely and truthful disclosure of accounting deficiencies, non-compliance, and penalties and disclosure procedures for conduct deemed to be felonies.
- d) An anti-kickback policy that prohibits the solicitation of cash or in-kind payments for awarding contracts, referring clients, purchasing goods and/or services, and submitting fraudulent billings. It should also include compliance with the imposition of charges policies, as well as the uses and applications of safe harbor laws.
  - e) Written personnel policies that discourage large signing bonuses or hiring persons with a criminal record relating to or who are currently being investigated for healthcare fraud. Refer to 42 CFR 1001 to ensure compliance related to hiring anyone with a criminal record relating to healthcare fraud, prescription drugs, or patient care.
  - f) Maintain documentation of service contracts, key employee background checks, recruitment policies and practices, and audit reports and findings.

### **D.1.iii. Subrecipient Responsibility**

- a) Have adequate policies and procedures that ensure compliance with AKS; such as:
  - A corporate compliance plan, if a Medicaid and/or Medicare provider, that provides for a compliance officer, compliance committee, communication lines to report non-compliance, auditing, corrective action plans, and method for reporting non-compliance with AKS.
  - An anti-kickback policy that prohibits the solicitation of cash or in-kind payments for awarding contracts, referring clients, purchasing goods and/or services, and submitting fraudulent billings. It should also include the uses and applications of safe harbor laws.
  - Written bylaws and board policies, if it is a non-profit, include conflict of interest, the prohibition on the use of organization assets for personal use, and procedures for open communication.
  - Code of Ethics or Standards of Conduct that include conflict of interest, prohibition on the use of agency property without approval, fair and open competition, confidentiality, use of company assets, timely and truthful disclosure of accounting deficiencies and non-compliance, and penalties and disclosure procedures for conduct deemed to be felonies.
  - Written personnel policies that discourage large signing bonuses or hiring persons with a criminal record relating to, or who are currently being investigated for, healthcare fraud. Refer to 42 CFR 1001 to ensure compliance related to hiring anyone with a criminal record relating to healthcare fraud, prescription drugs, or patient care.
  - Maintain documentation of service contracts, key employee background checks, recruitment policies and practices, and audit reports and findings.

### **D.1.iv. Source Citations**

- 42 USC 1320a-7b(b)
- 42 CFR Parts 1001 and 1003
- [HHS Office of Inspector General – Fraud Abuse Laws](#)



## **Section E: Recipient Accountability**

### **E.1. Proper stewardship of all grant funds, including compliance with programmatic requirements.**

#### **E.1.i. Performance Measure/Method**

- a) Policies, procedures, and contracts that require:
  - Timely submission of detailed fiscal reports by funding source, with expenses allocated by service category.
  - Timely submission of programmatic reports.
  - Documentation of the method used to track unobligated balances, carryover funds, and gift cards used as participant incentives.
  - A documented reallocation process.
- b) Report on the total number of funded subrecipients.
- c) Compliance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, 45 CFR Part 75 – Subpart F, if applicable, or a single audit.
- d) Auditor management letter.

#### **E.1.ii. Recipient Responsibility**

- a) Track and be able to provide financial information to the federal government:
  - By funding source (i.e., formula, supplemental, Minority AIDS Initiative (MAI), AIDS Drug Assistance Program (ADAP), and ADAP Supplemental).
  - By allowable uses (i.e., core medical services, support services, administration, planning and evaluation, and clinical quality management).
  - By service categories (e.g., Outpatient Ambulatory Health Services).
- b) Provide reports that include financial information as needed to meet federal requirements.
- c) Subrecipient contracts must include clear and concise language that outlines programmatic and fiscal requirements, including requirements for:
  - A programmatic and fiscal monitoring system that includes monthly and/or quarterly timeframes for ensuring compliance.
  - Reports that provide financial information as needed to enable the recipient to meet federal requirements.
  - An independent audit, which shall be a 45 CFR Part 75 – Subpart F audit for those meeting financial thresholds.
- d) Review 45 CFR 75 – Subpart F audit or other audits when submitted by the subrecipient.
- e) Establish criteria for conducting small program audits.
- f) Have a written institutional policy consistent with HAB PCN 16-02 if providing incentives or gift cards to project participants, which includes information about:
  - Potential IRS tax implications.
  - Identified annual limit per individual.

- Provision for a signed statement by the participant acknowledging and agreeing to the purpose(s) of and restrictions (unallowable costs) on the incentive.

### **E.1.iii. Subrecipient Responsibility**

- Meet contracted programmatic and fiscal requirements, which include
  - Providing financial reports that specify expenditures by RWHAP service category and use of RWHAP funds as specified by the recipient.
  - Developing/maintaining a policies and procedures manual that meets federal and RWHAP fiscal and programmatic requirements.
  - Documenting policies and procedures are being followed.
  - Commissioning an independent audit; for those meeting thresholds, an audit that meets 45 CFR Part 75 – Subpart F requirements and responds to audit requests initiated by the recipient.

### **E.1.iv. Source Citations**

- 45 CFR § 75.300, 302, 342, and Subpart F
- HAB PCN 16-02 and FAQs
- RWHAP Part A Manual
- RWHAP Part B Manual

## **E.2. Accountability for the expenditure of funds shared with subrecipients (e.g., lead/administrative agencies, consortia, fiduciary agents, direct service providers).**

### **E.2.i. Performance Measure/Method**

- A copy of each contract.
- Fiscal and program site visit reports and action plans.
- Audit reports.
- Documented reports that track funds by formula, supplemental, and service categories.
- Documented reports that track unobligated balance and carryover funds.
- Documented reallocation process.
- Report on the total number of funded subrecipients.
- Recipient audit per 45 CFR Part 75 – Subpart F or single audit conducted annually and made available to the state every two years.
- Auditor management letter.

### **E.2.ii. Recipient Responsibility**

- Ensure timely submission of fiscal and programmatic reports to HRSA.
- Include clear and concise contract language that outlines programmatic and fiscal requirements.

- c) Develop a programmatic and fiscal monitoring system that includes monthly and/or quarterly timeframes for ensuring compliance.
- d) Review 45 CFR Part 75 – Subpart F audit and other audits submitted by subrecipients.
- e) Submission of subrecipient audit reports to the state every two years.

### **E.2.iii. Subrecipient Responsibility**

- a) Establish and implement:
  - Fiscal and general policies and procedures that include compliance with federal and RWHAP requirements.
  - Flexible fiscal reporting systems that allow the tracking of unobligated balances and carryover funds and detail service reporting of funding sources.
  - Timely submission of independent audits (45 CFR Part 75 – Subpart F audits, if required) to the recipient.

### **E.2.iv. Source Citations**

- 45 CFR §§ 75.302, 306, and Subpart F
- RWHAP Part A Manual
- RWHAP Part B Manual

## **E.3. Demonstrate structured and ongoing efforts to avoid fraud, waste, and abuse (mismanagement) in any federally funded program.**

### **E.3.i. Performance Measure/Method**

Employee Code of Ethics including:

- Conflict of Interest.
- Prohibition on the use of property, information, or position without approval or to advance personal interest.
- Fair dealing – engaged in fair and open competition.
- Confidentiality.
- Protection and use of company assets.
- Compliance with laws, rules, and regulations.
- Timely and truthful disclosure of significant accounting deficiencies.
- Timely and truthful disclosure of non-compliance.

### **E.3.ii. Recipient Responsibility**

- a) Require by contract that subrecipients have:
  - Employee Code of Ethics.
  - For Medicare and Medicaid subrecipients, a Corporate Compliance Plan.
  - Bylaws and policies that include ethics standards or business conduct practices.
- b) During site visits, verify compliance with contract anti-kickback conditions.

### **E.3.iii. Subrecipient Responsibility**

- a) Maintain and review file documentation of:
  - Corporate Compliance Plan (required by the Centers for Medicare & Medicaid Services (CMS) if providing Medicare- or Medicaid-reimbursable services).
  - Personnel policies.
  - Code of Ethics or Standards of Conduct.
  - Bylaws and board policies.
  - File documentation of any employee or board member violation of the Code of Ethics or Standards of Conduct.
  - Documentation of any complaint of a violation of the Code of Ethics or Standards of Conduct and its resolution.
- b) For not-for-profit subrecipient organizations, ensure documentation of subrecipient bylaws, Board Code of Ethics, and business conduct practices.

### **E.3.iv. Source Citations**

- 42 USC 1320a-7b(b)

## **E.4. Business management systems that meet the requirements of 45 CFR Part 75.**

### **E.4.i. Performance Measure/Method**

- a) Review of subrecipient contracts.
- b) Fiscal and program site visit reports and action plans.
- c) Policies and procedures that outline compliance with federal and RWHAP requirements.
- d) Independent audits.
- e) Auditor management letter.

### **E.4.ii. Recipient Responsibility**

- a) Comply with and require subrecipient compliance with the requirements in the following documents:
  - 45 CFR Part 75.
  - RWHAP Part A and Part B assurances.
  - Notice of Award (NoA) Program conditions, terms, and reporting requirements.

### **E.4.iii. Subrecipient Responsibility**

- a) Ensure that the following are in place:
  - Documented policies and procedures.
  - Fiscal/programmatic reports that provide effective control over and accountability for all funds in accordance with federal and RWHAP requirements.

#### **E.4.iv. Source Citations**

- 45 CFR § 75.300 and Subpart F

## **Section F: Reporting**

### **F.1. Submission of standard reports as required in 45 CFR Part 75, as well as program-specific reports as outlined in the Notice of Award.**

#### **F.1.i. Performance Measure/Method**

- a) Records that contain and adequately identify the source of information pertaining to:
  - Federal award revenue, expenses, obligations, unobligated balances, assets, outlays, program income, rebates, and interest.
  - Client-level data.
  - Aggregate data on services provided, clients served, client demographics, and selected financial information.

#### **F.1.ii. Recipient Responsibility**

- a) Assess financial and program performance of subrecipients who are required to submit reports required by HRSA.
- b) Comply with HRSA HAB annual instruction and formats for all reporting requirements.
- c) Obtain from subrecipients the information (data or reports) needed to meet all reporting requirements.

#### **F.1.iii. Subrecipient Responsibility**

- a) Ensure:
  - Submission of timely subrecipient reports.
  - File documentation or data containing an analysis of required reports to determine the accuracy and any reconciliation with existing financial or programmatic data.  
Example: Test program income final Federal Financial Report (FFR) with the calendar year RDR.
  - Submission of periodic financial reports that document the expenditure of RWHAP funds, positive and negative spending variances, and how funds have been reallocated to other line items or service categories.

#### **F.1.iv. Source Citations**

- CFR §§ 75.341, .342, and .364
- RWHAP Part A Manual
- RWHAP Part B Manual
- RWHAP ADAP Manual

## **F.2. Federal Funding Accountability and Transparency Act of 2006 (FFATA).**

### **F.2.i. Performance Measure/Method**

N/A

### **F.2.ii. Recipient Responsibility**

- a) For RWHAP Part A and Part B recipients that have reoccurring awards since before 2010, even if the budget period is for one year, FFATA does not apply. FFATA only applies to awards issued on or after 2010. RWHAP Part A and Part B grant recipients who meet the threshold as outlined at [www.fsrs.gov](http://www.fsrs.gov) are responsible for any FFATA reporting. For these awards, HRSA notifies recipients of their FFATA reporting obligation in the Notice of Award as a “Grant Specific Term” in the “Terms and Conditions” section of the initial award letter.

### **F.2.iii. Subrecipient Responsibility**

N/A at the subrecipient level.

### **F.2.iv. Source Citations**

- Public Law (P.L.) 109-282

## **Section G: Monitoring**

### **G.1. Any grant recipient or subrecipient receiving federal funding is required to monitor for compliance with federal requirements and programmatic expectations.**

#### **G.1.i. Performance Measure/Method**

- a) Development and consistent implementation of policies and procedures that establish uniform administrative requirements governing the monitoring of awards.

#### **G.1.ii. Recipient Responsibility**

- a) Develop policies and procedures that establish uniform administrative requirements.
- b) Document in subrecipient agreements or service contracts the frequency, reports, and expectations of monitoring activities.

#### **G.1.iii. Subrecipient Responsibility**

- a) Participate in and provide all the material necessary to carry out monitoring activities.

### **G.1.iv. Source Citations**

- 45 CFR §§ 75.300, .342, .351, .352, and .353
- RWHAP Part A Manual
- RWHAP Part B Manual
- RWHAP ADAP Manual

## **G.2. Monitoring activities expected to include annual site visits of all subrecipients.**

Note: Site visit exemption requests must be submitted through the HRSA Electronic Handbooks (EHBs) using a prior approval request.

### **G.2.i. Performance Measure/Method**

- a) Review of the following program monitoring documents and actions:
  - Policies and procedures.
  - Tools, protocols, or methodologies.
  - Reports.
  - Corrective action plans.
  - Progress on meeting the goals of corrective action plans.

### **G.2.ii. Recipient Responsibility**

- a) Use a combination of several of the following to monitor program compliance: program reports, annual site visits, client satisfaction reviews, capacity development/technical assistance, and chart (client record) reviews.
- b) Keep the time and resources subrecipients must spend to meet their reporting obligations to a reasonable level.
- c) Review the following program monitoring documents:
  - Policies and procedures.
  - Tool, protocol, or methodology.
  - Reports.
  - Corrective action plan.
  - Progress on meeting the goals of corrective action plans.

### **G.2.iii. Subrecipient Responsibility**

- a) Establish policies and procedures to ensure compliance with federal and programmatic requirements.
- b) Submit audit reports.
- c) Provide the recipient with access to financial documentation, client charts, and other documents needed for monitoring.

### **G.2.iv. Source Citations**

- 45 CFR §§ 75.342 and .352
- RWHAP Part A Manual

- RWHAP Part B Manual

## **G.3. Performance of fiscal monitoring activities to ensure RWHAP funds are only used for approved purposes.**

### **G.3.i. Performance Measure/Method**

- a) Review of the following fiscal monitoring documents and actions:
  - Fiscal monitoring policy and procedures.
  - Fiscal monitoring tool or protocol.
  - Fiscal monitoring reports.
  - Fiscal monitoring corrective action plans.
  - Compliance with the goals of corrective action plans.

### **G.3.ii. Recipient Responsibility**

- a) Have documented evidence of:
  - Fiscal monitoring activities.
  - Records reviews.
  - Supporting documentation of paid expenditures.
  - An annual financial audit by a qualified independent accountant.
- b) Have a copy of all subrecipient procurement documents on file, including subrecipient agreements/contracts, letters of agreement, memoranda of understanding (MOUs), and fiscal, program, and annual site visit reports.
- c) As required in the notice of funding opportunity (NOFO) applications, report to HRSA efforts to monitor subrecipients in accordance with these standards.

### **G.3.iii. Subrecipient Responsibility**

- a) Have documented evidence that federal funds have been used for allowable services and comply with federal regulations and RWHAP requirements.

### **G.3.iv. Source Citations**

- 45 CFR Part 75
- RWHAP Part A Manual
- RWHAP Part B Manual

## **G.4. Salary Rate Limitation**

HRSA funds may not be used to pay the salary of an individual at a rate in excess of an Executive Level II employee. This amount reflects an individual's base salary exclusive of fringe and any income that an individual may be permitted to earn outside of the duties to the applicant organization. This salary rate limitation also applies to subawards/subcontracts for substantive work under a HRSA grant or cooperative agreement.



#### **G.4.i. Performance Measure/Method**

- a) Identification and description of individual employee salary expenditures to ensure that salaries are within the HRSA Salary Rate Limitation.
- b) Determine whether individual staff receives additional HRSA income through other subawards or subcontracts.

#### **G.4.ii. Recipient Responsibility**

- a) Monitor prorated salaries to ensure that the salary, when calculated at one hundred percent, does not exceed the Executive Level II rate.
- b) Monitor staff salaries to determine that the salary rate limitation is not exceeded when the aggregate salary funding from other U.S. Department of Health and Human Services (HHS) and HRSA sources, including the HRSA Bureau of Primary Health Care, Maternal and Child Health Bureau, and any other RWHAP funding (Parts A, B, C, D, and F) do not exceed the rate limitation.
- c) Review payroll reports, payroll allocation journals, and employee contracts.
- d) Interview employees if payroll or income documentation is not available from the subrecipient.

#### **G.4.iii. Subrecipient Responsibility**

- a) Monitor staff salaries to determine whether the salary rate limitation is being exceeded.
- b) Monitor prorated salaries to ensure that the salary, when calculated at one hundred percent, does not exceed the HRSA Salary Rate Limitation.
- c) Monitor staff salaries to determine that the salary rate limitation is not exceeded when the aggregate salary funding from other federal sources, including all parts of the RWHAP, does not exceed the limitation.
- d) Review payroll reports, payroll allocation journals, and employee contracts.

#### **G.4.iv. Source Citations**

- Annual Appropriations Act
- [OPM Rates of Basic Pay for Executive Schedule](#)

### **G.5. Salary Rate Limitation Fringe Benefits**

If an individual is under the salary rate limitation, fringe is applied as usual. If an individual is over the salary rate limitation, fringe is calculated on the adjusted base salary.

#### **G.5.i. Performance Measure/Method**

- a) Identification of individual employee fringe benefit allocation.

#### **G.5.ii. Recipient Responsibility**

- a) Monitor to ensure that when an employee's salary exceeds the salary rate limitation, the fringe benefit contribution is limited to the percentage of the maximum allowable salary.

### **G.5.iii. Subrecipient Responsibility**

- a) Monitor to ensure that when an employee's salary exceeds the salary rate limitation, the fringe benefit contribution is limited to the percentage of the maximum allowable salary.

### **G.5.iv. Source Citations**

- Annual Appropriations Act

## **G.6. Corrective actions taken when subrecipient outcomes do not meet program objectives and recipient expectations, which may include:**

- a) Improved oversight.
- b) Redistribution of funds.
- c) A corrective action letter.
- d) Sponsored technical assistance.

### **G.6.i. Performance Measure/Method**

- a) Review corrective action plans.
- b) Review resolution of issues identified in the corrective action plan.
- c) Maintain policies that describe actions to be taken when issues are not resolved in a timely manner.

### **G.6.ii. Recipient Responsibility**

- a) Establish and implement monitoring policies that require a compliance report that lists, in order of gravity, the identified non-compliance activities, require a corrective action plan, and establish a time limit for response and implementation of measures that will bring subrecipients into compliance.
- b) Maintain files with monitoring reports, corrective action plans, and progress reports on the resolution of any findings of a monitoring report.

### **G.6.iii. Subrecipient Responsibility**

- a) Prepare and submit:
  - Timely and detailed responses to monitoring findings.
  - Timely progress reports on the implementation of corrective action plans.

### **G.6.iv. Source Citations**

- 45 CFR §§ 75.371–.375
- HHS Grants Policy Statement, Enforcement Actions II-88