indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than June 7, 2002.

**A. Federal Reserve Bank of Chicago** (Phillip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

*1. Kettering Family, Steven Kettering*, Lake View, Iowa; Michael Kettering, Lake View, Iowa; and June Kettering Manary, Livingston, Texas; to acquire voting shares of JEMS, Inc., Lake View, Iowa, and thereby indirectly acquire voting shares of Farmers State Bank, Lake View, Iowa.

Board of Governors of the Federal Reserve System, May 20, 2002.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 02–13031 Filed 5–23–02; 8:45 am]

BILLING CODE 6210–01–S

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than June 17, 2002.

**A. Federal Reserve Bank of Atlanta** (Sue Costello, Vice President) 1000 Peachtree Street, N.E., Atlanta, Georgia 30309-4470:

*1. First Georgia Holding, Inc.*, Brunswick, Georgia; to become a bank holding company by acquiring 100 percent of the voting shares of First Georgia Bank, Brunswick, Georgia.

*2. Peoples Community BancShares, Inc.*, Sarasota, Florida; to become a bank holding company by acquiring 100 percent of the voting shares of Peoples Community Bank of the West Coast, Sarasota, Flordia.

**B. Federal Reserve Bank of Chicago** (Phillip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

*1. Metropolitan Bank Group, Inc.*, Chicago, Illinois; to retain more than 5 percent of the voting shares of Upbancorp, Inc., Chicago, Illinois, and thereby indirectly retain voting shares of Uptown National Bank of Chicago, Chicago, Illinois.

Board of Governors of the Federal Reserve System, May 20, 2002.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 02–13032 Filed 5–23–02; 8:45 am]

BILLING CODE 6210–01–S

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary, Assistant Secretary for Planning and Evaluation

### Notice of Funding Availability for Policy and Research Grants (State Innovation Grants)

**AGENCY:** The Office of the Assistant Secretary for Planning and Evaluation (ASPE), HHS.

**ACTION:** Announcement of the availability of funds and request for applications from States for innovation grants.

**SUMMARY:** ASPE invites state agencies to submit competitive grant applications for financial assistance in order to plan for, or implement, innovative approaches for the delivery of health and human services. This announcement has 2 tracks. Track 1 is for demonstration grants; track 2 is for planning grants. States may submit applications to either or both tracks. There is no limit on the number of applications that a state may submit.

*The Catalog of Federal Domestic Assistance Number:* The CFDA number is 93.239.

*Closing Date:* The closing date for submitting applications under this announcement is July 23, 2002. Please e-mail Brenda Benesch at *Brenda.Benesch@hhs.gov* by June 13, 2002, to inform the government of your intent to submit an application. Please include the proposed title of the project and the name of the agency submitting the application. Please put ''intent to submit—track 1'' or ''intent to submit—track 2'' in the subject line of your email. Providing notice of intent to submit is not a requirement for submitting an application. However, a notice of intent to submit will help the federal government in the planning for the review process.

*Mailing Address:* Applications should be submitted to Michael J. Loewe, Deputy Grants Management Officer, Grants Management Branch, National Institute of Child Health and Human Development, U.S. Department of Health and Human Services, 6100 Executive Boulevard, Room 8A01, Bethesda Maryland 20892–7510 (Regular Mail), Rockville Maryland 20852 (Express Mail), Phone: (301) 435–6995. Administrative questions will be accepted and responded to up to ten working days prior to closing date of receipt of applications.

You will receive e-mail confirmation to notify you that your application was received within 14 days of the closing date. If you do not receive confirmation within 14 days of the closing date, please contact: Michael J. Loewe at the address above.

The printed **Federal Register** notice is the only official program announcement. Although reasonable efforts are taken to assure that the information on the ASPE World Wide Web Page is accurate and complete, it is provided for information only. The applicant bears sole responsibility to assure that the copy downloaded and/or printed from any other source is accurate and complete. Any amendments to this announcement will be published in the **Federal Register** as well as on the ASPE World Wide Web Pages at *http://aspe.hhs.gov/funding.htm.* We encourage applicants to check periodically to see if any amendments have been published. We will also post answers to questions that we receive about the announcement that are of general interest at the above address.

**FOR FURTHER INFORMATION CONTACT:** Administrative questions should be directed to the Michael Loewe at the National Institute of Child and Human Development (NICHD) at the address or phone number listed above. Technical

questions should be directed to Brenda Benesch, either by telephone (202–260–0382), fax (202–690–6562), e-mail (*Brenda.Benesch@hhs.gov*) or in writing at the following address, Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, 200 Independence Avenue, SW., Room 450G, Hubert H. Humphrey Building, Washington, DC 20201. If you send your question(s) in writing, please call to confirm receipt. Technical questions will be accepted and responded to up to ten working days prior to the closing date of receipt of applications.

**ADDRESSES:** Application materials are included in this package and are also available from the ASPE World Wide Web site: *http://aspe.hhs.gov/funding.htm* or by calling Michael Loewe at (301) 435–6995.

**SUPPLEMENTARY INFORMATION:** This program announcement consists of four parts: Part I: Background—Legislative authority, Background information, Purpose, Technical assistance and process evaluation; Part II: Project and Applicant Eligibility—Eligible applicants, Available funds, Budget and project period, and Matching requirements; Part III: The Review Process—Intergovernmental review, Initial screening, and Competitive review and evaluation criteria; Part IV: The Application—Application development, and Application submission, Disposition of applications, and Components of a complete application; Part V: Questions and Answers; and Part VI: Appendix.

## Part I. Background

### *A. Legislative Authority*

This announcement is authorized by section 1110 of the Social Security Act (42 U.S.C. 1310) and section 301 of the Public Health Service Act and awards will be made from funds appropriated under the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (Pub. L. 107–116).

### *B. Background Information*

New approaches to integrating diverse funding streams, expanding services to new populations, or redesigned service delivery systems often emerge from innovations at the state or local level. Secretary Thompson initiated this grant program to stimulate states to develop new and creative approaches to program planning and health and human service delivery.

As laboratories for innovation, states are uniquely positioned to develop approaches for providing health and human services more efficiently. This grant program will encourage such creativity. It will build on activities already taking place at the state and local levels to devise better coordinated systems and programs tailored to the needs of specific populations. There are a broad array of interesting models focusing on particular issues, such as enhancing gateways to services (*e.g.,* schools); promoting family formation, responsible fatherhood, and responsible child-rearing in the context of marriage; improving outcomes for children and youth; facilitating the involvement of faith-based and community-based groups in the delivery of health and social services; consumer-directed approaches to home and community-based long-term care services; and providing culturally competent services. These, and like models, could be considered.

The grants will be administered by ASPE in conjunction with the National Institute of Child Health and Human Development. We will also facilitate information exchange among grantees, other States, and others interested in new and creative ways to deliver health and/or human services. This could be in the form of technical assistance, a conference, a website, and/or briefings.

### *C. Purpose*

This competitive grant program will allow selected States to design and/or demonstrate new models for delivering health care, long-term care, and/or human services to low-income adults, families, and children. We are interested in funding applicants that demonstrate their interest in implementing innovative ideas. The goals of this initiative are twofold: to increase the effectiveness of health and human services by fostering innovative approaches to service delivery; and to share information gained through this program with other state agencies and interested parties so that they may learn about, and potentially replicate, innovative approaches.

There are two ''tracks'' under this announcement. Track 1 applicants are expected to be those state agencies that are ready to implement proposed innovations or expand existing innovative strategies. Track 1 applicants likely will have innovative strategies developed and most or all aspects of the programs or services will have been piloted, if not fully implemented. Track 2 applicants are expected to be those state agencies that have innovative ideas, but need time for further planning to fully develop or finalize operational plans.

We are particularly interested in multi-disciplinary projects that seek to better coordinate healthcare, long-term care, and human services systems and services. We encourage states to submit ideas of their own choosing, but we have noted some examples below and in the appendix. States are not required to use any of the suggested ideas.

A. Streamlined Access to Health Care and/or Human Services and Benefits

B. State Data Enhancements

C. Comprehensive Support Services for Children and Families

D. Long-Term Care Services and Resources

By participating in this grant program, states will help to provide much-needed, credible information to government officials and others about how their programs affect families and children. HHS hopes that its sponsorship of this grant program will provide an opportunity for states to learn from one another's successes and experiences.

### *D. Technical Assistance and Process Evaluation*

ASPE will fund an independent contractor to provide technical assistance. We expect that the contractor will provide on-site technical assistance and develop technical assistance and training materials for States. An independent process evaluation will also be conducted with ASPE funds. The process evaluation will, at a minimum, address key research questions:

1. What are the issues and challenges associated with implementing and operating the funded projects?
2. What are the expected short and long-term implications of this intervention for clients, as well as for agencies involved?
3. What other innovative ideas/projects may grow out of each funded project and the program as a whole?

The evaluation will address:

- Strategies undertaken to implement the innovation (*e.g.* participation of community representatives, client participation, partnerships with local and state government agencies, *etc.*)
- Process and other outcomes for clients
- Changes in communication/collaboration between local agencies, states, and providers
- Potential organizational changes resulting from ideas generated through the design or implementation process (*i.e.* state or local policy changes, new programs initiated, fostering of community collaboration)
- Potential for further research and evaluation on outcomes for service population

We expect that the work undertaken through this evaluation will result in important operational lessons and sound information about implementing innovative approaches. ASPE expects that this investment will benefit low-income clients and families, state and local health and human service administrators, others who work with low-income people, and the general public.

**Part II. Project and Applicant Eligibility**

*A. Eligible Applicants*

The District of Columbia and any of the 50 states are eligible to apply for funding.

In order to be considered under this announcement, applicants under either Track 1 or 2 should indicate their willingness and intention to participate in a process evaluation, under the direction of and with assistance from HHS and its contractor.

*B. Available Funds*

Approximately $2.5 million is expected to be available from ASPE funds appropriated for fiscal year 2002. We estimate that this level of funding will support between 4–6 Track 1 demonstration grants and between 10 and 20 Track 2 planning grants.

*C. Budget and Project Period*

Awards made under this announcement for Track 1 will be for up to 12-month budget periods. States may propose projects up to 36 months in duration. Subject to the availability of funds, grantees with projects which last longer then 12 months will be allowed to submit subsequent applications for additional funding, at a lower level, for the additional budget period(s). Decisions on subsequent funding will be made on a noncompetitive basis based on the availability of funds, the adequate progress of the grantee, and such other similar criteria as the Department determines. Any requested additional funding will be reviewed to determine that the continuation of the project is consistent with the purposes of the announcement. Awards made under this announcement for Track 2 will be for up to 12-month budget periods and 17 month project periods.

After award, any purchase of computer hardware or software needs to be requested in writing by the grantee and approved in writing by the ASPE project officer and the grants officer. Purchases of computer hardware or software for routine uses will not be considered. *See* section Part IV, Section II for more information on review criteria for MIS/Data System proposals.

No funds may be paid as profit to grantees or subgrantees, i.e., any amount in excess of allowable direct and indirect costs of the recipient (45 CFR 74.81). Grant monies can be used for services to the extent that the cost of the services cannot be covered under existing programs.

*D. Matching Requirements*

Grantees must provide at least 10 percent of the total approved cost of the project. The total approved cost of the project is the sum of the Federal share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. For example, a state with a project with a total budget (both direct and indirect costs) of $500,000 may request up to $450,000 in federal funds. Matching requirements cannot be met with funds from other federally-funded programs.

If a proposed project activity has approved funding support from other funding sources, the amount, duration, purpose, and source of the funds should be indicated in materials submitted under this announcement. If completion of the proposed project activity is contingent upon approval of funding from other sources, the relationship between the funds being sought elsewhere and from ASPE should be discussed in the budget information submitted as a part of the abstract. In both cases, the contribution that ASPE funds will make to the project should be clearly presented.

**Part III. The Review Process**

*A. Intergovernmental Review*

State Single Point of Contact (E.O. No. 12372)

DHHS has determined that this program is not subject to Executive Order 12372, ''Intergovernmental Review of Federal Programs.'' Applicants are not required to seek intergovernmental review of their applications within the constraints of E.O. 12372.

*B. Initial Screening*

Each application submitted under this program announcement will undergo a pre-review to determine that (1) the application was received by the closing date and submitted in accordance with the instructions in this announcement (2) the applicant is eligible for funding, (3) must include assurance that they and other relevant participating organizations will be willing to field test strategies and to participate in a process evaluation (this must be indicated on the page with the project abstract—see part IV, section E, 8(a)), and (4) is within the page limit (*see* part III, section C). Note that applications exceeding the page limit will not be reviewed further and will be ineligible for funding.

*C. Competitive Review and Evaluation Criteria*

Applications that pass the initial ASPE pre-review screening will be evaluated and rated by an independent review panel on the basis of specific evaluation criteria. The evaluation criteria are designed to assess the quality of the proposed project and to determine the likelihood of its success. The evaluation criteria are closely related and are considered as a whole in judging the overall quality of an application. Points are awarded only to applications that are responsive to the evaluation criteria as provided in this program announcement.

In order to ensure that the interests of the Federal Government are met, in making the final selections, ASPE may consider additional factors, in addition to the review criteria identified below such as the applicants' capacity for innovation (we encourage states with historically limited capacity to apply for grants), the potential impact of the innovation on the target population, the potential for building upon funded activities, the extent of partnerships with local entities, the overall diversity of program activities within the applicant pool, and the overall diversity of geographic areas within the applicant pool.

Although the review criteria are the same for applications submitted under either Track 1 or Track 2, the level of detail contained in the application is expected to be greater for Track 1 applications given that the applicant has likely progressed further in formulating the proposed approach (*e.g.,* identifying questions to be addressed, developing and implementing retention and/or advancement strategies, identifying data sources) and that more funds are available. Track 1 applications should be 10–20 pages, and Track 2 applications should be 5–10 pages. Applications exceeding the page limit will not be reviewed. Applicants are requested to be concise. More information about application submission is provided under Part IV, below.

Proposed projects will be reviewed using the following evaluation criteria:

(1) *Approach:* (40 POINTS)

The application will be judged on the extent to which the proposed approaches to project activities are

adequate and appropriate to meet the objectives for projects in this program as set out in this announcement. As a part of the proposed approach, the application should identify the key, relevant organizations that will be involved in project activity and describe operational relationships that exist or will be put into place among the state, local public, private and non-profit agencies, and any other entities. Plans for cross-agency collaboration should be clearly explained.

Track 1 applicants should include a discussion of the proposed approach for implementing and operating the innovative strategies identifying specific steps to be undertaken. Track 2 applicants should discuss the approach for implementing planning activities. If alternative strategies are already operating, the discussion should indicate how long they have been in place and ways in which they will be affected by the proposed innovation. For track 1, the approach should include a discussion of the time frame and action steps necessary before the project becomes operational (*e.g.,* staff must be trained over the next six months; partnerships with local agencies, non-profits, employers, *etc.* must be established, *etc.*) The application will be judged based on the extent to which the proposed project demonstrates a firm commitment of State, and/or local, and/or private funding and /or in-kind contributions dedicated to sustainability of the project, on the extent to which it is innovative, and on its potential for improving outcomes either in target populations or management of state programs.

The application should include a brief discussion of the location of the proposed project. Maps or other graphic aids may be attached. Applications should include appropriate information about the size of the target population in the proposed site/area and other data or information available that relate to the project activity.

It may be necessary for agencies to provide data to an evaluation contractor. The types of data likely to be required under this project include administrative data, including data on program attendance, or other participation data. Data may also be collected from program managers and staff and from individuals participating in the demonstration program. The proposed approach should indicate the availability of such data, the source of the data, the extent to which it can be obtained or accessed by the applicant organization, the existence of data exchange agreements with other agencies that are the source of needed data, and the willingness of the applicant agency to obtain data needed for the evaluation. Any limitations regarding data availability or access should be discussed, including any fees for data.

Any application for a project involving the use of personally-identifiable information about patients or clients that grantees collect should describe how the project intends to address the privacy and confidentiality issues presented by the data collection. The description should not include details of collection, consent, security and the like. It should describe the organizational and planning approaches that will ensure that the project addresses these issues in a thoughtful way, respectful of the patients' and clients' privacy and dignity, in accord with all applicable law, and, if appropriate, taking particular account of the special privacy issues created by systems that integrate or link administrative data across several programs that serve the same population.

*Management Information Systems/ Data Enhancement*—If one of the project's components includes the development of a management information system (MIS) or enhancement of data systems, please append a supplemental description of the existing system and the proposed enhancements (*If applicable, this section should be included as an appendix and should not be more than 3 pages. The appendix does not count toward the page limit*).

This supplemental information on MIS/data system development will be reviewed separately by a technical review panel. The supplemental descriptions should also include the following:

- The goals of the MIS/data project and how they fit into the overall goals and needs of the applicant's current system.
- The current and intended system, including plans to manage data and create or purchase software; connectivity such as wide area networks, web-based access, smart cards and expanded connections to existing mainframe systems; compliance with Health Insurance Portability and Accountability Act (HIPAA) requirements for patient privacy and confidentiality, and security plans.
- The implementation steps, the current status of implementation, and planned training for users of the system.
- The decision-making process for MIS including how the proposed activities were selected, who was consulted, and how ongoing decisions related to data elements and definitions will be reached.
- What is expected to be funded under the grant (hardware, software, personnel, consultants)?
- How system maintenance and upgrades will be sustained after the grant.

*(2) Objectives and Need for Assistance: (15 points)*

The applications should describe (1) issues and challenges which the applicant has considered and dealt with to date in designing and/or implementing strategies for system improvements, including an assessment of the current delivery system and the most urgent needs of the project's target population or system, and (2) the proposed innovation strategy and ways in which it will significantly enhance performance. A description of existing resources and programs for the target population, barriers in the current delivery system, and gaps in service delivery should also be included. The applicant should include any supporting data or available information which suggest why the innovation is needed. Applications will be judged on the relevance of the discussion to the program objectives set out within this announcement. The application will also be judged on the extent to which the innovation proposed will help to address the target population's needs, build the knowledge base, and have applicability to a range of states and localities.

*(3) Results or Benefits Expected: (15 points)*

The application should describe how the proposed innovation will address the identified needs and improve the delivery of services or activities. The application should identify specific outcome measures (goals) to be achieved through the innovation (Examples of innovative strategies are attached).

Goals should be tied to discrete, measurable objectives. Examples include: Increase in the proportion of participants entering jobs at higher wage levels; increased partnerships between agencies and employers to support working families; increased access to health and human services benefits; increased integration of programs or services targeting clients with multiple barriers; increased innovation related to ''consumer-directed'' approaches to home and community-based long-term care services; more rapid access to program and client date; etc. The application will be judged on the extent to which the proposed program design

or policies can be expected to achieve the stated project goals.

In committing to participate in a process evaluation, applicants should be able to report baseline information, including the size of the target population and the expected number of individuals or families to be served by the project, as appropriate. Interim and final program reports will be required.

*(4) Staff and Position Data: (10 Points)*

The application should include a listing of key individuals who will oversee and work on the project, specifically identifying the key individuals from the applicant agency who will serve as the primary contacts for ASPE and contractor staff, indicating their positions, areas of responsibility and authority, and the proportion of time that will be available for project activity.

Applications will be judged on the extent to which individuals with appropriate authority, positions, and experience will work on the project and the adequacy of time allocated for key staff to the project. In addition, the application will be judged on the extent to which there is a commitment to the project evidenced by the participation of senior state and local officials and managers and on the adequacy of the proposed plans for obtaining advice and direction regarding project work and involvement and assistance to resolve issues or problems, as appropriate.

*(5) Adequacy of Workplan (10 points)*

Track 1 applicants should provide details about how demonstration projects will be implemented, and Track 2 applicants should provide details about how the planning processes will evolve. Applications should delineate tasks for completing the work, indicate staff assignments for each task, and provide a schedule for completing each task. Applicants should also describe mechanisms that will be put in place to maintain quality control over the project. The application will be judged on the appropriateness and timeliness of the work schedule and tasks, staff assignments, and quality assurance plan.

*(6) Budget Appropriateness: (10 points)*

The application must include a narrative description and justification for proposed budget line items and demonstrate that the project's costs are adequate, reasonable and necessary for the activities or personnel to be supported. The budget and narrative should have a clear relationship to the approach. The budget must include 2 trips to Washington, DC. The application will be judged on the extent to which adequate staffing and other resources will be provided as required to successfully carry out the tasks and activities proposed. (Applicants should refer to the budget information presented in the Standard Forms 424 and 424A, which can be found at *http://aspe.hhs.gov/funding.htm*).

**Part IV. The Application**

*A. Application Development*

In order to be considered for an award under this program announcement, an application must be submitted on the forms supplied and in the manner prescribed by ASPE. Application materials including forms and instructions are attached to this announcement. Additional copies are available from Brenda Benesch or may be obtained electronically from the ASPE World Wide Web site: *http://aspe.hhs.gov/funding.htm*

Applicants should refer to the attached application kit for instructions regarding which forms, certifications and assurances are required and for instructions on completing the forms and preparing and submitting the application. Each application package must include an *original and two copies* of the complete application. All pages of the narrative must be sequentially numbered and unbound.

Applications must be received in the following format:

- 12 point font size
- Single line spacing
- 1 inch top, bottom, left, and right margins
- Applications under Track 1 should be 10–20 pages. Applications submitted under Track 2 applications should be 5–10 pages. Page limits apply to items Section IV, E, 8(b–e) only; page limits do not include standard forms, certificates, and the like. Forms are available from Brenda Benesch or may be obtained electronically from the ASPE world Wide Web site: *http://aspe.hhs.gov/funding.htm.* Applications that are not received in the format described above and/or exceed the page limit, will not be reviewed. Applicants are requested to be concise. Applicants are encouraged not to attach or include bound reports or other documents.

*B. Application Submission*

1. Mailed applications postmarked after the closing date will be classified as late.

2. *Deadline.* The closing (deadline) date for submission of applications under Track 1 is July 23, 2002, and under Track 2 is July 23, 2002. Please e-mail Brenda Benesch at *Brenda.Benesch@hhs.gov* by June 13, 2002, to inform the government of your intent to submit an application. Please include the proposed title of the project and the name of the agency submitting the application. Please put ''intent to submit—track 1'' or ''intent to submit—track 2'' in the subject line of your email. Providing notice of intent to submit is not a requirement for submitting an application. However, a notice of intent to submit will help the federal government in the planning for the review process. U.S.P.S. mailed applications shall be considered as meeting the announced deadline if they are either received on or before the deadline date or postmarked on or before the deadline date and received by ASPE in time for the independent review to: Michael J. Loewe, Deputy Grants Management Officer, Grants Management Branch National Institute of Child Health and Human Development, U.S. Department of Health and Human Services, 6100 Executive Boulevard, Room 8A01, Bethesda Maryland 20892–7510 (Regular Mail), Rockville Maryland 20852 (Express Mail), Phone: (301) 435–6995 Fax: (301) 402–0915.

If applicants use a commercial mail service, they must ensure that a legibly dated, machine produced postmark of a commercial mail service is affixed to the envelope/package containing the application. To be acceptable as proof of timely mailing, a postmark from a commercial mail service must include the logo/emblem of the commercial mail service company and must reflect the date the package was received by the commercial mail service company from the applicant. Private Metered postmarks shall not be acceptable as proof of timely mailing. (Applicants are cautioned that express/overnight mail services do not always deliver as agreed.)

Applications hand-carried by applicants, applicant couriers, or by other representatives of the applicant shall be considered as meeting an announced deadline if they are received on or before the deadline date, between the hours of 8 a.m. and 4:30 p.m. EST, at the U.S. Department of Health and Human Services, Grants Management Branch National Institute of Child Health and Human Development, U.S. Department of Health and Human Services, 6100 Executive Boulevard, Room 8A01 Bethesda Maryland 20892–7510 (Regular Mail), Rockville Maryland 20852 (Express Mail) ) The address must appear on the envelope/package containing the application with the note ''Attention: ( Michael J. Loewe, Deputy Grants Management Officer ''

(Applicants are cautioned that express/overnight mail services do not always deliver as agreed.)

An application sent via the U.S. Postal Service will be considered as having met the deadline if it is postmarked before midnight three days prior to July 23, 2002, and received in time to be considered during the competitive review process (within two weeks of the deadline).

Applications transmitted by fax or through other electronic means will not be accepted regardless of date or time of submission or receipt.

3. *Late applications.* Applications that do not meet the criteria above are considered late applications. NICHD shall notify each late applicant that its application will not be considered in the current competition.

4. *Extension of deadlines.* NICHD may extend an application deadline when circumstances such as acts of God (floods, hurricanes, etc.) occur, or when there are widespread disruptions of the mail service, or in other rare cases. Determinations to extend or waive deadline requirements rest with Michael J. Loewe , Deputy Grants Management Officer, Grants Management Branch, National Institute of Child Health and Human Development.

*C. Disposition of Applications*

1. *Approval, disapproval, or deferral.* On the basis of the review of the application, the Assistant Secretary will either (a) approve the application as a whole or in part; (b) disapprove the application; or (c) defer action on the application for such reasons as lack of funds or a need for further review.

2. *Notification of disposition.* The Assistant Secretary for Planning and Evaluation will notify the applicants of the disposition of their applications. If approved, a signed notification of the award will be sent to the business office named in the ASPE checklist.

3. *The Assistant Secretary's Discretion.* Nothing in this announcement should be construed as to obligate the Assistant Secretary for Planning and Evaluation to make any awards whatsoever. Awards and the distribution of awards among the priority areas are contingent on the needs of the Department at any point in time and the quality of the applications that are received.

*D. Components of a Complete Application*

A complete application consists of the following items in this order:

1. Application for Federal Assistance (Standard Form 424);

2. Budget Information—Non-construction Programs (Standard Form 424A);

3. Assurances—Non-construction Programs (Standard From 424B);

4. Table of Contents;

5. Budget Justification for Section B Budget Categories;

6. Proof of Non-profit Status, if appropriate;

7. Copy of the applicant's Approved Indirect Cost Rate Agreement, if necessary;

8. Project Narrative Statement, organized in six sections, addressing the following topics (b through e are limited to twenty (20) single-spaced pages for Track 1 and ten (10) pages single-spaced pages for Track 2):

(a) Abstract (must include assurance of willingness to participate in a process evaluation),

(b) Goals, Objectives and Usefulness of the Project,

(c) Methodology and Design,

(d) Background of the Personnel and Organizational Capabilities,

(e) Work plan (timetable), and

(f) Budget narrative.

9. Any appendices or attachments;

10. Certification Regarding Drug-Free Workplace;

11. Certification Regarding Debarment, Suspension, or other Responsibility Matters;

12. Certification and, if necessary, Disclosure Regarding Lobbying;

13. Supplement to Section II—Key Personnel;

14. Application for Federal Assistance Checklist.

Standard forms are available from Brenda Benesch or may be obtained electronically from the ASPE World Wide Web site: *http://aspe.hhs.gov/funding.htm*

**Part V. Questions and Answers**

*1. Should We Apply Under Track 1 or Track 2?*

There are two ''tracks'' under this announcement. Track 1 applicants are expected to be those state agencies that are ready to implement proposed innovations or expand existing innovative strategies. Track 1 applicants likely will have innovative strategies developed and most or all aspects of the programs or services will have been piloted, if not fully implemented. Track 2 applicants are expected to be those state agencies that have innovative ideas, but need time for further planning to fully develop or finalize operational plans.

ASPE expects that approved applications under Track 1 will be for a period of 1 year (with the possibility of an additional 2 years of funding at a lower level) and applications under Track 2 will be for a period of 17 months.

*2. Which Agency May Submit the Application Under This Announcement?*

Any state agency may apply. However, refer to Section I, part C, regarding the purpose of the program.

ASPE expects that the project will be conducted in a defined geographic area (*e.g.,* county, city, selected districts, or the state).

As indicated in the announcement, the state can propose more than one project and can apply under either Track 1 or 2, or under both tracks (for different projects).

*3. How Much Money is Available Per Applicant Under This Announcement?*

*Track 1:* ASPE anticipates that awards under Track 1 may be up to $500,000 per year.

*Track 2:* ASPE anticipates that awards under Track 2 may be up to $50,000 for the 17-month period.

*4. How Many Awards Will Be Made or How Many Applications Will Be Approved?*

*Track 1:* ASPE anticipates awarding 4–6 grants under Track 1.

*Track 2:* ASPE anticipates awarding up to 20 grants under Track 2, under this announcement.

*5. May a State Submit More Than One Application (e.g., Under Either Track 1 or 2 or Submit Applications Under Each Track)?*

Yes. If the state agency wishes to propose and apply to have more than one project awarded under either Track 1 or 2, they should submit an application for each proposed project. Sufficient budget detail must be provided to allow ASPE to determine the costs associated with *each* project proposed.

If the state agency wishes to submit applications under both Track 1 and Track 2 for different projects, separate applications for each track must be submitted. (Note: there are different submission deadlines for each track).

*6. Can More Than One Agency From a State Apply?*

Yes.

*7. Are There Page Limits or Other Page Guidelines for the Narrative Section of the Application?*

Yes, there are page limits for the applications. Applicants are requested to be concise. The announcement

indicates that applications are not expected to be lengthy (*see* Part III, Section C). Track 1 applications must be no longer than 20 pages, and Track 2 applications must be no longer than 10 pages, excluding required forms, certificates, etc. Applications must be typed in 12 point font size, with single line spacing, and 1 inch top, bottom, right, and left margins. Applications that exceed the page limits and other guidelines will not be considered.

*8. Where Should Applications Be Sent?*

An original and two copies of the complete application should be sent: to Michael J. Loewe, Deputy Grants Management Officer, Grants Management Branch, National Institute of Child Health and Human Development, U.S. Department of Health and Human Services, 6100 Executive Boulevard, Room 8A01, Bethesda, Maryland 20892–7510 (Regular Mail), Rockville, Maryland 20852 (Express Mail) , Phone: (301) 435–6995.

*9. What Is the Application Submission Deadline?*

*For Track 1:* applications must be received or postmarked by July 23, 2002.

*For Track 2:* applications must be received or postmarked by July 23, 2002.

*10. What Is the Deadline for Applications Sent Via Overnight Courier Services?*

Applications that are hand-carried will be considered as meeting the deadline if they are *received on or before the deadline date between the hours of 8 a.m. and 4:30 p.m. EST* at Grants Management Branch, National Institute of Child Health and Human Development, U.S. Department of Health and Human Services, 6100 Executive Boulevard, Room 8A01, Bethesda, Maryland 20892–7510 (Regular Mail), Rockville, Maryland 20852 (Express Mail), Phone: (301) 435–6995, Fax: (301) 402–0915. The address must include the designation: ''Attention: Michael Loewe''. (Applicants are cautioned that express/overnight mail services do not always deliver as agreed.)

*11. May Applications Be Faxed or Sent Electronically?*

Applications transmitted by fax or through other electronic means will not be accepted regardless of date or time of submission or receipt.

*12. Where Can Additional Copies of the Announcement and/or Forms Be Obtained?*

The complete package, announcement and standard forms, are available on the ASPE Web site at: *http://aspe.hhs.gov/funding.htm* or by calling Michael Loewe at (301) 435–6995.

## Part VI: Appendix

### Examples of Activities for State Innovation Grants

The following are intended as examples that States may pursue through innovation grants. Although we have grouped the examples into subcategories, several of them describe cross-cutting issues. States are encouraged to submit ideas of their choosing, and are not required to use one of the ideas suggested below.

*Access to Health Care and/or Human Services and Benefits*

- Many states are interested in expanding access to private health insurance for low-income workers. Funds from state innovation grants could be used for the design or infrastructure development of programs such as the following:
- *Premium assistance programs for low-income workers who cannot afford to purchase insurance offered by their employers*—states could subsidize premiums or other cost-sharing requirements for workers deemed eligible;
- *A private insurance product for small employers who do not now offer insurance coverage to their employees*—states could target certain employers for this type of insurance, including daycare and long-term care providers and other service-oriented businesses.
- States could adopt a number of strategies to address lack of access to dental care and affordable dental insurance, which is particularly a problem among the poor, racial and ethnic minorities, and people living in rural areas. For example, states could form public/private partnerships to increase the number of providers or the availability of dental insurance.
- Coordination between adequate income, food, social services, and health care is especially important in rural communities and areas with high concentration of poverty where services and providers are limited. Although health and social welfare are strongly associated with one another, Federal, State, and local planning efforts continue to address primary health care, behavioral health care, and social services separately. States could use innovation grants to improve coordination and compatibility of services, processing requirements, eligibility, and financial accountability.
- Many states are interested in providing coverage for personal care and other community-based services to be provided to Medicaid beneficiaries in assisted living facilities (ALFs). However, in order to serve Medicaid beneficiaries in ALFs, financing sources must be found to pay the room and board components of the cost of care since Medicaid law prohibits such coverage. The Department of Housing and Urban Development has a grants program specifically for conversion of Section 202 housing to assisted living, and HUD is interested in working with State Medicaid agencies. States may choose to apply for a State Innovation Grant to do some preliminary interagency planning to come up with new approaches that will enable them to access HUD funds for 202 conversions to ALFs.

*State Data Enhancements*

- States could enhance their data management systems to integrate or link administrative data across a range of programs that serve similarly situated families; expand eligibility screening processes; application of Geographic Information System (GIS) techniques for program planning and operations; or expand use of new technologies, such as Personal Digital Assistants.
- States and providers often face burdensome, duplicative, inconsistent data collection and reporting requirements in their health and long-term care systems. States may elect to use a State Innovation Grant to work on the development of an electronic health information system that will support effective clinical management of patients; improve quality of care; enhance, expand, and support the role of patients in health care decision making; and reduce regulatory burden imposed on providers.

*Comprehensive Support Services for Children and Families*

- Many states are developing a comprehensive set of early childhood services and family support programs to promote school-readiness in all young children. To support high-risk families, working families, and children with special needs, states could integrate federal support systems that address different facets of early childhood (*i.e.,* Medicaid, SCHIP, mental health, child care, Head Start and Early Head Start, *etc.*); or link key services that address the various components of early childhood development (for example, promoting reading readiness and healthy development in child care settings).
- States are beginning to realize that there is tremendous overlap between adults in the criminal justice system and the adults and children served in many of the health and human services programs targeting low-income families. States could build connections between support programs for families of prisoners, prisoner/re-entry programs, and health and social service delivery systems.
- There is growing recognition of the critical importance of primary and secondary prevention of youth risk behavior through approaches and supports targeting all youth, and particularly high-risk youth. States can make a significant effort to provide program interventions to compensate for those that may be missing within the current system by: involving multiple youth serving sectors to develop core indicators and encouraging state data agencies to monitor these indicators; providing cross-training to facilitate interagency education and

communication; or developing a state youth coordinating council.

• State or local agencies might partner with employers to support low-income working families by matching the employer's provision of paid release time to take job-related classes. Agencies could also partner with employers to offer lunchtime classes on such topics as choosing a child care provider, conflict resolution, or repairing bad credit.

*Long-Term Care Services and Resources*

• States interested in experimenting with ''consumer-directed'' approaches to home and community-based long-term care services could undertake a variety of innovative practices, for example: developing the specialized infrastructure needed for consumers to recruit and manage home care workers directly, without having to take on the business-related tasks of issuing paychecks and making required tax filings; providing consumer-directed service options within managed care structures; providing options for particular constituencies, such as elders with Alzheimer's disease and their families; or growing small pilot programs to scale and adapting those originally funded with state revenues to conform to Medicaid requirements.

• States could develop campaigns to make residents aware of their risk for long-term care and their options for planning ahead, including purchasing private long-term care insurance. States could use their existing aging infrastructure to ensure that persons nearing retirement age are offered the resources and assistance necessary for successful planning, or they could use the grant resources to investigate the best and most cost-effective mechanisms for educating citizens so that future resources will be well targeted.

• Allegations of poor quality, abuse, and neglect in nursing homes are giving rise to an increasing number of private lawsuits and, as a result, liability insurance premiums for facilities in a number of states have gone sky high. States may choose to apply for state innovation grants to develop working partnerships with private liability insurers to identify ''best practices'' for nursing homes that, if adopted by facilities, can be linked to liability premium discounts.

• States, providers, consumers and others are increasingly struggling with a serious crisis in recruiting and retaining a quality, committed workforce to provide long-term care services in institutional and home and community-based settings. States may opt to use state innovation funds to develop and implement programs to address the shortage. For example, states could experiment with providing new training programs, establishing alternative approaches to management and supervision, improving benefits for direct care workers, or creating career ladders.

Dated: May 15, 2002.

**William F. Raub,**

*Principal Deputy Secretary for Planning and Evaluation.*

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

## Agency for Healthcare Research and Quality

## Public comments on EPC Report ''Systems to Rate the Strength of Scientific Evidence''

**AGENCY:** The Agency for Healthcare Research and Quality (AHRQ), HHS.

**ACTION:** Request for public comments.

**SUMMARY:** To inform its response to a legislative mandate to develop and disseminate methods or systems to rate scientific evidence found in health care research studies (*see Background* section, below), AHRQ commissioned the Research Triangle Institute-University of North Carolina Evidence-based Practice Center (RTI/UNC EPC) to undertake a study on systems to rate the quality of scientific evidence. The goals of the EPC study were to describe systems to rate the strength of scientific evidence, including evaluating the quality of individual articles that make up a body of evidence on a specific scientific question in health care, and to provide some guidance as to current ''best practices'' with respect to rating scientific evidence regrading a particular clinical treatment or technology.

The RTI/UNC EPC completed their study and submitted to AHRQ the report ''Systems to Rate the Strength of Scientific Evidence''. The report includes the EPC's methodological approach (*e.g.*, search strategy, data collection, analysis of findings) and discusses identification of systems, factors important in developing and using rating systems, and a ''best practices'' orientation to selecting systems for use. The report also includes recommendations for future research.

The comprehensive report ''Systems to Rate the strength of Scientific Evidence, is available on AHRQ's web page at *http://www.ahrq.gov/clinic/evrptfiles.htm#strength*''. The report also is available, without charge, from the AHRQ Clearinghouse by calling 800–358–9295.

There are a variety of audiences for the guidance that the Agency will disseminate on this subject, who we hope will be interested in evaluating the usefulness of this EPC report for their purposes and who will also describe the type of guidance that would be most helpful to them. Obtaining comment on how the AHRQ can best fulfill its legislative mandate to identify and disseminate guidance on systems to rate the strength of scientific evidence, is essential to fulfill its commitment to inform all segments of the health care community. We are interested in receiving comments on the report's overall clarity, usefulness, and thoroughness, and we also welcome suggestions on the type of guidance that would be most helpful to researchers, policymakers, provider systems, professional societies, practitioners, patients, and others. For example, what do professional societies, practitioners, payors, policymakers need to know about grading scientific evidence? What parts of the EPC report will be used in day-to-day health care decision making? Is some part this information useful to patients? What are the most useful format(s) for the guidance that AHRQ should use for its dissemination strategy with particular audiences or users?

**DATES:** For particular audiences or uses, or explanation of particular rating systems to be considered for incorporation and discussion in the guidance AHRQ will provide in the near future in accordance with its legislative mandate, written comments must be received by August 22, 2002. Comments should be sent to Jacqueline Besteman (e-mail attached file preferred), at *jbestema@ahrq.gov*; or faxed to 301–594–4027.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline Besteman, J.D., M.A., Director, EPC Program, Center for Practice and Technology Assessment AHRQ, 6010 executive Blvd., Suite 300, Rockville, MD 20852; Phone: (301) 594–4017; Fax: (301) 594–4027; e-mail: *jbestema@ahrq.gov*.

**SUPPLEMENTARY INFORMATION:**

### Background

AHRQ is the lead Federal agency for enhancing the quality, appropriateness, and effectiveness of healthcare services and access to such services. In carrying out this mission, AHRQ conducts and funds research that develops and presents evidence-based information on healthcare outcomes, quality, cost, use and access. Included in AHRQ's legislative mandate is support of syntheses of scientific clinical and behavioral studies on particular treatments and technologies, and wide-spread dissemination of the resultant evidence reports and technology assessments. The mandate includes dissemination of guidance on methods or systems for rating the strength of scientific evidence. These research findings, syntheses, and guidance are intended to assist providers, clinicians, payers, patients, and policymakers in making evidence-based decisions