

## DECLARATION OF ALISA RANDALL

I, Alisa Randall, declare as follows:

1. I am a resident of the State of Arizona. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.

2. I am currently employed by the Arizona Health Care Cost Containment System Administration (“AHCCCS”) as the Assistant Deputy Director of Clinical Operations and serve as the Mental Health Commissioner for the State of Arizona.

3. As Assistant Deputy Director, I am responsible for overseeing all clinical operations and regulation of managed care organizations at AHCCCS. In this role, I supervise the Division of Behavioral Health and Housing, including a team of grants administrators, who work directly on grants AHCCCS receives from the U.S. Department of Health and Human Services.

4. AHCCCS received five award terminations from the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, Substance Abuse and Mental Health Services Administration. The total funds remaining at the time the awards were terminated was \$48,657,950.40. All terminations were “for cause” based on the end of the COVID pandemic, rather than failure of AHCCCS to follow the terms or conditions of the grants. Each award termination uses form language stating that “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.” Descriptions of each award and the effects of these terminations follow.

### **SAMHSA Mental Health Block Grant Testing & Mitigation ARPA Award**

5. On August 10, 2021, the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) invited applications for additional Mental Health Block Grants for Testing and Mitigation (MHBG TAM).

6. ARPA allocated \$1.5 billion each for Mental Health Block Grant (MHBG) and Substance Abuse Prevention and Treatment Block (SABG) grants to the states. This funding was available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds will provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

7. As set out in its grant proposal, AHCCCS used and intended to use the MHBG TAM to mitigate the spread of COVID-19 and enhance screening and testing in residential and other congregate settings serving individuals with Serious Mental Illness (SMI) or Serious Emotional Disturbance (SED). AHCCCS proposed a multi-pronged approach that took into consideration the current COVID-19 testing finite resources (i.e., testing supply availability given supply chain issues), staff capacity to conduct testing (i.e., workforce availability, training), and other resource limitations such as transportation in geographical rural and tribal regions of our State. This multi-pronged approach involved; (1) Expansion of onsite rapid screening utilizing FDA authorized over the counter (OTC) at-home serial screening in congregate care settings serving individuals with SMI or SED; (2) Expansion of the availability of mobile-based COVID-19 testing for congregate care settings serving individuals with SMI or SED in rural and tribal

regions; and (3) Enhancement of COVID-19 spread mitigation strategies in congregate care settings serving individuals with SMI or SED.

8. On August 10, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the MHBG TAM grant award. AHCCCS's MHBG TAM award was assigned a Unique Federal Award Identification Number: B09SM085862. A true and correct copy of the August 10, 2021 Notice of Award and its attachments is attached as **Exhibit A**.

9. AHCCCS submitted a proposal to SAMHSA on October 1, 2021 explaining how AHCCCS intended to spend these funds, and was awarded \$1,392,949.

10. Since October 2021, AHCCCS has used the MHBG TAM grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

11. AHCCCS's efforts with MHBG TAM were centered around expanding access to COVID-19 testing and spread mitigation strategies for individuals with substance use disorder (SUD), Serious Mental Illness (SMI) and Serious Emotional Disturbance (SED) in congregate care settings, including behavioral health residential facilities (BHRFs), crisis stabilization units, day treatment programs, and shelters. As well as expanding the availability of onsite testing through the purchase of FDA-authorized OTC at-home serial screening tests as well as expanding a mobile-based COVID-19 testing option, specifically targeting rural and tribal regions of Arizona.

12. As of March 24, 2025, AHCCCS still had \$1,251,152.14 available to expend under this award, through September 30, 2025. The Federal awards awarded to AHCCCS are cost reimbursement models. AHCCCS and its subrecipients must incur expenditures and then request reimbursement. AHCCCS Division Business and Finance draws down the funds from the payment

management system (PMS) when contractors' expenditure reports (CERs) are approved for payment.

13. AHCCCS has complied with required financial and programmatic reports on a timely basis. AHCCCS ARPA awards were within the award period thus there was not a requirement or need for extension request or approvals. SAMHSA verbally advised, in a March monthly meeting, that all ARPA award balances were being monitored at the Federal level. The SABG team meets monthly with SAMHSA Grant Project Officers (GPOs) and provides programmatic and financial updates of the grant including on ARPA and TAM. During the March 12, 2025 meeting, the AHCCCS SABG Administrator advised SAMHSA GPOs that SABG ARPA drawdown will be higher than it currently appeared due to the time it takes to invoice and draw down, particularly with provider invoicing under the AHCCCS Complete Care health plans – Regional Behavioral Health Authorities (ACC-RBHA) with the highest allocation and number of subrecipients. AHCCCS advised that they were working to true up with our partners on outstanding invoices, reallocate funds as needed, and funds were projected to be fully spent by September 30, 2025. AHCCCS also advised that the SABG TAM expenditure was being processed and planned to be fully spent. SAMHSA GPO stated that it would be important for all funding to be utilized.

14. On March 24, 2025, without any prior notice or indication, SAMHSA informed AHCCCS that its MHBG TAM award was being terminated effective March 24, 2025. A true and correct copy of the grant award termination communication is attached as **Exhibit B**.

15. SAMHSA stated “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.”

16. This termination notification was irregular because it was sent after the close of business on March 24, 2025, despite stating it was effective as of March 24, 2025. This lack of notice during working hours prevented AHCCCS from being able to provide notice to vendors and subrecipients to stop work until after the award was terminated, potentially incurring additional expenses under the award that cannot be reimbursed after the termination effective date. In addition, the termination communication lacked information regarding appeal rights or extension request processes. Most concerning, is that the termination communication stated, “[t]he related Payment Management System accounts will be restricted from drawdown going further.” Despite providing a standard 90-day reconciliation period to allow for states to submit expenses already incurred before the termination date, if the Payment Management System account is restricted, no payments will flow to states to allow vendors and subrecipients to be reimbursed for work already done.

17. AHCCCS relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide MHBG TAM funding it had awarded to AHCCCS. Without advance notice to AHCCCS that this award would be terminated, vendors and subrecipients of the awards from AHCCCS were unable to find alternate funding sources for these projects. This means that staff who were paid out of these awards, construction projects in process, and development of tools, websites and hotlines yet to launch have all ended without any ability to find continued funding to support them.

18. Termination of the MHBG TAM funding will reduce the availability of Professional Protective Equipment (PPE) in Arizona. This funding was used to distribute COVID-PPE supplies to peer-run organizations and crisis stabilization units.

19. Prior to the grant award termination on March 24, 2025, SAMHSA had never provided AHCCCS with notice, written or otherwise, that the grant administered by AHCCCS was in any way unsatisfactory.

**SAMHSA Substance Abuse Block Grant Testing & Mitigation ARPA Award**

20. On August 10, 2021, the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration invited applications for additional Substance Use/Abuse Block Grants for Testing and Mitigation (SABG TAM).

21. ARPA allocated \$1.5 billion each for Mental Health Block Grant (MHBG) and Substance Abuse Prevention and Treatment Block (SABG) grants to the states. This funding was available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds continue to provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

22. As set out in its grant proposal, AHCCCS intended to use the SABG TAM to mitigate the spread of COVID-19 and enhance screening and testing in residential and other congregate settings serving individuals with SUD. AHCCCS proposed a multi-pronged approach that took into consideration the prior COVID-19 testing finite resources (i.e., testing supply availability given supply chain issues), staff capacity to conduct testing (i.e., workforce availability, training), and other resource limitations such as transportation in geographical rural and tribal regions of our State. This multi-pronged approach involved; (1) Expansion of onsite rapid screening utilizing FDA authorized over the counter (OTC) at-home serial screening in

congregate care settings serving individuals with SUD; (2) Expansion of the availability of mobile-based COVID-19 testing for congregate care settings serving individuals with SUD in rural and tribal regions; and (3) Enhancement of COVID-19 spread mitigation strategies in congregate care settings serving individuals with SUD.

23. AHCCCS submitted a proposal to SAMHSA on October 1, 2021 of how AHCCCS intended to spend these funds, and was awarded \$1,392,949.

24. On August 10, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the SABG grant award. The SABG award was assigned a Unique Federal Award Identification Number: B08TI084568. A true and correct copy of the August 10, 2021 Notice of Award and its attachments is attached as **Exhibit C**.

25. Since October 2021, AHCCCS has used the SABG TAM grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

26. As of March 24, 2025, AHCCCS still had \$1,255,112.63 available to expend under this award, through September 30, 2025. The Federal awards awarded to AHCCCS are cost reimbursement models. AHCCCS and its subrecipients must incur expenditures and then request reimbursement. AHCCCS Division Business and Finance draws down the funds from the PMS when CERs are approved for payment.

27. AHCCCS has complied with required financial and programmatic reports on a timely basis. AHCCCS ARPA awards were within the award period thus there was not a requirement or need for extension request or approvals. SAMHSA verbally advised, in a March monthly meeting, that all ARPA award balances were being monitored at the Federal level. The SABG team meets monthly with SAMHSA GPOs and provides programmatic and financial

updates of the grant including on ARPA and TAM. During the March 12, 2025 meeting, the AHCCCS SABG Administrator advised SAMHSA GPOs that SABG ARPA drawdown will be higher than it currently appeared due to the time it takes to invoice and draw down, particularly with provider invoicing under the ACC-RBHA with the highest allocation and number of subrecipients. AHCCCS advised that they were working to true up with our partners on outstanding invoices, reallocate funds as needed, and funds were projected to be fully spent by September 30, 2025. AHCCCS also advised that the SABG TAM expenditure was being processed and planned to be fully spent. SAMHSA GPO stated that it would be important for all funding to be utilized.

28. On March 24, 2025, without any prior notice or indication, SAMHSA informed AHCCCS that its SABG TAM award was being terminated effective March 24, 2025. A true and correct copy of the SABG TAM grant award termination communication is attached as **Exhibit D**.

29. SAMHSA stated “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.”

30. This termination notification was irregular because it was sent after the close of business on March 24, 2025, despite stating it was effective as of March 24, 2025. This lack of notice during working hours prevented AHCCCS from being able to provide notice to vendors and subrecipients to stop work until after the award was terminated, potentially incurring additional expenses under the award that cannot be reimbursed after the termination effective date. In addition, the termination communication lacked information regarding appeal rights or extension request processes. Most concerning, is that the termination communication stated, “[t]he related

Payment Management System accounts will be restricted from drawdown going further.” Despite providing a standard 90-day reconciliation period to allow for states to submit expenses already incurred before the termination date, if the Payment Management System account is restricted, no payments will flow to states to allow vendors and subrecipients to be reimbursed for work already done.

31. AHCCCS relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide SABG TAM funding it had awarded to AHCCCS. Without advance notice to AHCCCS that this award would be terminated, vendors and subrecipients of the awards from AHCCCS were unable to find alternate funding sources for these projects. This means that staff who were paid out of these awards, construction projects in process, and development of tools, websites and hotlines that were in process but yet to launch have all ended without any ability to find continued funding to support them.

32. Termination of this funding will also reduce the availability of PPE in Arizona. This funding was used to distribute PPE supplies to peer-run organizations and crisis stabilization units.

33. Prior to the grant award termination on March 24, 2025, SAMHSA had never provided AHCCCS with notice, written or otherwise, that the SABG TAM grant administered by AHCCCS was in any way unsatisfactory.

### SAMHSA Mental Health Block Grant ARPA Award

34. On May 18, 2021, the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration invited applications for additional ARPA funding through Mental Health Block Grants (MHBG).

35. ARPA allocated \$1.5 billion each for Mental Health Block Grant (MHBG) and Substance Abuse Prevention and Treatment Block (SABG) grants to the states. This funding was available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds have and would continue to provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and to ensure the continuity of services to support individuals connected to the behavioral health system who were impacted by COVID-19.

36. As set out in its grant proposal, AHCCCS intended to use the MHBG ARPA award to address critical needs stemming from the COVID-19 pandemic for certain populations, including Children designated with an SED, Adults designated with SMI, individuals within the crisis behavioral health system, and first episode psychosis services.

37. AHCCCS submitted a proposal to SAMHSA on July 30, 2021 of how AHCCCS intended to spend these funds, and was awarded \$39,229,067.

38. On May 18, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of the MHBG ARPA grant award. A true and correct copy of the May 18, 2021 Notice of Award and its attachments is attached as **Exhibit E**. The MHBG ARPA award was assigned a Unique Federal Award Identification Number: B09SM085335.

39. Since September 2021, AHCCCS has used the MHBG ARPA grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

40. AHCCCS MHBG ARPA funding went to building the infrastructure, support, training, technical assistance, and service delivery for those suffering from behavioral health needs. AHCCCS vendors and subrecipient services and funding were targeted to serving rural communities across Arizona with the enhancement of housing and crisis services, justice involved youth and adults in need of mental health services across the state, fidelity monitoring and improvement of evidence-based practices, and valuable training to enhance our struggling behavioral health workforce.

41. As of March 24, 2025, AHCCCS still had \$26,663,399.91 available to expend under the MHBG ARPA award, through September 30, 2025. The Federal awards awarded to AHCCCS are cost reimbursement models. AHCCCS and its subrecipients must incur expenditures and then request reimbursement. AHCCCS Division Business and Finance draws down the funds from the PMS when CERs are approved for payment.

42. AHCCCS has complied with required financial and programmatic reports on a timely basis. AHCCCS ARPA awards were within the award period thus there was not a requirement or need for extension request or approvals. SAMHSA verbally advised, in a March monthly meeting, that all ARPA award balances were being monitored at the Federal level. The SABG team meets monthly with SAMHSA Grant Project Officers (GPOs) and provides programmatic and financial updates of the grant including on ARPA and TAM. During the March 12, 2025 meeting, the AHCCCS SABG Administrator advised SAMHSA GPOs that SABG ARPA drawdown will be higher than it currently appeared due to the time it takes to invoice and draw

down, particularly with provider invoicing under the ACC-RBHA with the highest allocation and number of subrecipients. AHCCCS advised that they were working to true up with our partners on outstanding invoices, reallocate funds as needed, and funds were projected to be fully spent by September 30, 2025. AHCCCS also advised that the SABG TAM expenditure was being processed and planned to be fully spent. SAMHSA GPO stated that it would be important for all funding to be utilized.

43. On March 24, 2025, without any prior notice or indication, SAMHSA informed AHCCCS that its MHBG ARPA award was being terminated effective March 24, 2025. SAMHSA conveyed its termination of the MHBG TAM and MHBG ARPA awards via a single communication, which is **Exhibit B** hereto.

44. SAMHSA stated “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.”

45. This termination notification was irregular because it was sent after the close of business on March 24, 2025, despite stating it was effective as of March 24, 2025. This lack of notice during working hours prevented AHCCCS from being able to provide notice to vendors and subrecipients to stop work until after the award was terminated, potentially incurring additional expenses under the award that cannot be reimbursed after the termination effective date. In addition, the termination communication lacked information regarding appeal rights or extension request processes. Most concerning, is that the termination communication stated, “[t]he related Payment Management System accounts will be restricted from drawdown going further.” Despite providing a standard 90-day reconciliation period to allow for states to submit expenses already incurred before the termination date, if the Payment Management System account is restricted, no

payments will flow to states to allow vendors and subrecipients to be reimbursed for work already done.

46. AHCCCS relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide MHBG ARPA funding it had awarded to AHCCCS. Without advance notice to AHCCCS that this award would be terminated, vendors and subrecipients of the awards from AHCCCS were unable to find alternate funding sources for these projects. This means that staff who were paid out of these awards, construction projects in process, and development of tools, websites and hotlines yet to launch have all ended without any ability to find continued funding to support them.

47. Termination of MHBG ARPA funding will reduce services to children with SED and adults with SMI, as well as the amount of crisis and first episode psychosis services in Arizona. In Northern Arizona under AHCCCS MCO, Arizona Complete Health's MHBG ARPA allocation, \$7,000,000 was allocated to meet the needs of children diagnosed with a serious emotional disturbance experiencing crisis by covering startup costs for 2 dually licensed child stabilization and short term residential transitional facilities in Mohave and Coconino Counties and start-up costs for 2 teams who would provide intensive wraparound crisis intervention services. In Northern and Southern Arizona, efforts in enhancing Permanent Supportive Housing (PSH) through the form of extensive technical assistance to develop infrastructure and service provision to meet fidelity to criteria established by SAMHSA. These efforts did not only help members gain and maintain housing, but they also helped reduce utilization of emergency and crisis services. In addition, 301 full-time employees of contractors and subrecipients will be impacted.

48. Prior to the grant award termination on March 24, 2025, SAMHSA had never provided AHCCCS with notice, written or otherwise, that the MHBG ARPA grant administered by AHCCCS was in any way unsatisfactory.

49. Since September 2021, AHCCCS has used the MHBG ARPA grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

#### **SAMHSA Substance Abuse Block Grant ARPA Award**

50. On May 18, 2021, the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration invited applications for additional ARPA funding through Substance Abuse Block Grants (SABG).

51. ARPA allocated \$1.5 billion each for Mental Health Block Grant (MHBG) and Substance Abuse Prevention and Treatment Block (SABG) grants to the states. This funding was available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds will provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

52. As set out in its grant proposal, AHCCCS intended to enhance primary prevention, intervention, treatment, and recovery services to address substance use disorders exacerbated by the COVID-19 pandemic. Key initiatives include expanding prevention services, improving access to treatment for underserved populations, and increasing recovery support services, particularly for pregnant and parenting women and high-risk communities. The plan also emphasizes the use

of data-driven strategies to identify and address health disparities and enhance the state's prevention infrastructure.

53. On May 17, 2021, SAMHSA produced a Notice of Award setting forth the terms and conditions of SABG ARPA grant award. A true and correct copy of the May 17, 2021 Notice of Award and its attachments is attached as **Exhibit F**. The SABG ARPA award was assigned a Unique Federal Award Identification Number: B08TI083927.

54. AHCCCS submitted a proposal to SAMHSA on July 30, 2021 explaining how AHCCCS intended to spend these SABG ARPA funds, and was awarded \$32,725,106.

55. Since September 2021, AHCCCS has used the SABG ARPA grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

56. AHCCCS's SABG ARPA funding went to direct treatment and recovery services and support services to uninsured and underinsured members, including a recovery housing initiative. Additionally, several programs were conducting outreach to identify members in need of treatment and recovery services and connect to care. Funding was also used for workforce development and training, conferences, or provider consultation services for SUD prevention, treatment, and recovery staff and communities. Funds also supported the statewide harm reduction program with a focus on people who use opioids and stimulants, people who use drugs by injection, primary prevention for high-risk college students, and adult trainings to help support healthy development of youth and children. Special populations served included rural and tribal, pregnant and parenting women, women with dependent children, at-risk college students, youth and people who use drugs by injection. Many of the SUD population served are affected by opioids and the opioid epidemic, including fentanyl.

57. As of March 24, 2025, AHCCCS still had \$17,689,697.53 available to expend under this award, through September 30, 2025. The Federal awards awarded to AHCCCS are cost reimbursement models. AHCCCS and its subrecipients must incur expenditures and then request reimbursement. AHCCCS Division Business and Finance draws down the funds from the Payment management system PMS when CERs are approved for payment.

58. AHCCCS has complied with required financial and programmatic reports on a timely basis. AHCCCS ARPA awards were within the award period thus there was not a requirement or need for extension request or approvals. SAMHSA verbally advised, in a March monthly meeting, that all ARPA award balances were being monitored at the Federal level. The SABG team meets monthly with SAMHSA Grant Project Officers (GPOs) and provides programmatic and financial updates of the grant including on ARPA and TAM. During the March 12, 2025 meeting, the AHCCCS SABG Administrator advised SAMHSA GPOs that SABG ARPA drawdown will be higher than it currently appeared due to the time it takes to invoice and draw down, particularly with provider invoicing under the ACC-RBHA with the highest allocation and number of subrecipients. AHCCCS advised that they were working to true up with our partners on outstanding invoices, reallocate funds as needed, and funds were projected to be fully spent by September 30, 2025. AHCCCS also advised that the SABG TAM expenditure was being processed and planned to be fully spent. SAMHSA GPO stated that it would be important for all funding to be utilized.

59. On March 24, 2025, without any prior notice or indication, SAMHSA informed AHCCCS that its SABG ARPA award was being terminated effective March 24, 2025. SAMHSA conveyed its termination of the SABG TAM and SABG ARPA awards via a single communication, which is **Exhibit D** hereto.

60. SAMHSA stated “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.”

61. This termination notification was irregular because it was sent after the close of business on March 24, 2025, despite stating it was effective as of March 24, 2025. This lack of notice during working hours prevented AHCCCS from being able to provide notice to vendors and subrecipients to stop work until after the award was terminated, potentially incurring additional expenses under the award that cannot be reimbursed after the termination effective date. In addition, the termination communication lacked information regarding appeal rights or extension request processes. Most concerning, is that the termination communication stated, “[t]he related Payment Management System accounts will be restricted from drawdown going further.” Despite providing a standard 90-day reconciliation period to allow for states to submit expenses already incurred before the termination date, if the Payment Management System account is restricted, no payments will flow to states to allow vendors and subrecipients to be reimbursed for work already done.

62. AHCCCS relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide SABG ARPA funding it had awarded to AHCCCS. Without advance notice to AHCCCS that this award would be terminated, vendors and subrecipients of the awards from AHCCCS were unable to find alternate funding sources for these projects. This means that staff who were paid out of these awards, construction projects in process, and development of tools, websites and hotlines in process and yet to launch have all ended without any ability to find continued funding to support them.

63. Termination of the SABG ARPA funding will reduce services for SUD prevention, treatment, and recovery services because the additional funding allowed contractors and subrecipients to increase the volume of all of these necessary services, especially in rural and tribal areas.

64. Prior to the grant award termination on March 24, 2025, SAMHSA had never provided AHCCCS with notice, written or otherwise, that the SABG ARPA grant administered by AHCCCS was in any way unsatisfactory.

65. Since September 2021, AHCCCS has used the SABG ARPA grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant and AHCCCS's grant application.

### **CDC Community Health Workers for Public Health Response and Resilient**

#### **Communities Grant**

66. On May 24, 2021, the Department of Health and Human Services, Center for Disease Control and Prevention (CDC) invited applications for the Community Health Workers for Public Health Response and Resilient Communities (CCR) grant.

67. The CCR grant initiative funded more trained community health workers (CHWs) in the communities that have been most affected by COVID-19. CHWs are frontline public health workers and trusted members of the communities they serve.

68. As set out in its grant proposal, AHCCCS intended to integrate CHWs into organizations and care teams and strengthening relevant CHW knowledge, roles, and skills to prepare them to successfully engage with existing state and/or local public health-led actions to manage COVID-19 among priority populations. Priority populations were those with increased

prevalence of COVID-19 and are disproportionately impacted by long-standing health disparities related to sociodemographic characteristics, geographic regions, and economic strata. The funds awarded to Arizona focused on the tribal communities.

69. AHCCCS submitted a proposal to CDC on July 30, 2021 explaining how AHCCCS intended to spend these CCR funds and was awarded \$32,725,106.

70. On August 23, 2021, CDC produced a Notice of Award setting forth the terms and conditions of the CCR grant award. A true and correct copy of the August 23, 2021 Notice of Award and its attachments is attached as **Exhibit G**. The CCR award was assigned a Unique Federal Award Identification Number: NU58DP006992. The August 23, 2021 NOA incorporates by reference the CDC's General Terms and Conditions for Non-Research Grants and Cooperative Agreements ("Terms and Conditions"), which provide that termination of the grant by the CDC is permitted (1) if a recipient or subrecipient "fails to comply with the terms and conditions" of the award, (2) "for cause," (3) upon mutual agreement of the recipient and CDC, or (4) by the recipient, upon written notification to the CDC setting forth the reasons for termination, effective date, and portion to be terminated. The Terms and Conditions further provide that "if the Federal awarding agency or pass-through entity determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the HHS awarding agency or pass-through entity may terminate the Federal award in its entirety."

71. On July 22, 2024, the CDC granted AHCCCS a no cost extension of the grant period, until August 30, 2025.

72. Since August 2021, AHCCCS has used the CCR grant funds in a manner fully consistent with CDC's statements regarding the nature of the grant and AHCCCS's grant application.

73. AHCCCS CCR funding went to intergovernmental agreements between, AHCCCS and the Arizona Advisory Council on Indian Health Care (AACIHC) with six different tribal CHR programs and Northern Arizona University (NAU).

74. As of March 24, 2025, AHCCCS still had \$1,798,588.14 available to expend under the CCR award, through August 30, 2025. The Federal awards awarded to AHCCCS are cost reimbursement models. AHCCCS and its subrecipients must incur expenditures and then request reimbursement. AHCCCS Division Business and Finance draws down the funds from the Payment management system (PMS) when contractors' expenditure reports/CERs are approved for payment.

75. AHCCCS has complied with required financial and programmatic reports on a timely basis. AHCCCS ARPA awards were within the award period thus there was not a requirement or need for extension request or approvals. SAMHSA verbally advised, in a March monthly meeting, that all ARPA award balances were being monitored at the Federal level. The SABG team meets monthly with SAMHSA Grant Project Officers (GPOs) and provides programmatic and financial updates of the grant including on ARPA and TAM. During the March 12, 2025 meeting, the AHCCCS SABG Administrator advised SAMHSA GPOs that SABG ARPA drawdown will be higher than it currently appeared due to the time it takes to invoice and draw down, particularly with provider invoicing under the ACC-RBHA with the highest allocation and number of subrecipients. AHCCCS advised that they were working to true up with our partners on outstanding invoices, reallocate funds as needed, and funds were projected to be fully spent by

September 30, 2025. AHCCCS also advised that the SABG TAM expenditure was being processed and planned to be fully spent. SAMHSA GPO stated that it would be important for all funding to be utilized.

76. On March 24, 2025, without any prior notice or indication, CDC informed AHCCCS that its CCR award was being terminated effective March 24, 2025. A true and correct copy of the grant award termination communication is attached as **Exhibit H**.

77. CDC stated “[t]hese grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements.”

78. This termination notification was irregular because it was sent after the close of business on March 24, 2025, despite stating it was effective as of March 24, 2025. This lack of notice during working hours prevented AHCCCS from being able to provide notice to vendors and subrecipients to stop work until after the award was terminated, potentially incurring additional expenses under the award that cannot be reimbursed after the termination effective date. In addition, the termination communication lacked information regarding appeal rights or extension request processes. Most concerning, is that the termination communication stated, “[t]he related Payment Management System accounts will be restricted from drawdown going further.” In addition, this grant termination only provided for a 30-day reconciliation period, when the standard reconciliation timeline is 120 days to allow for states to submit expenses already incurred before the termination date.

79. AHCCCS relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide CDC CCR funding it had awarded to AHCCCS. Without advance notice to AHCCCS that this award would be terminated, vendors and subrecipients of the awards

from AHCCCS will be unable to find alternate funding sources for these projects. This means that staff who were paid out of these awards, construction projects in process, and development of tools, websites and hotlines in process and yet to launch have all ended without any ability to find continued funding to support them.

80. The CDC's termination of this funding will force every tribal grant partner (Hopi Tribe, Hualapai Tribe, Salt River Pima Maricopa Indian Community, Gila River Health Care, White Mountain Apache Tribe, and the Cocopah Indian Tribe) and the evaluation team from Northern Arizona University to eliminate employees. In addition, the sub-recipient process with sovereign nations requires additional layers of administrative processing, which may cause already incurred costs to go un-reimbursed.

81. Prior to the grant award termination on March 24, 2025, CDC had never provided AHCCCS with notice, written or otherwise, that the CCR grant administered by AHCCCS was in any way unsatisfactory.

82. Since September 2021, AHCCCS has used the CCR grant funds in a manner fully consistent with CDC's statements regarding the nature of the grant and AHCCCS's grant application.

83. On March 28, 2025, AHCCCS received NOAs terminating the MHBG ARPA and MHBG TAM awards. True and correct copies of the March 28, 2025 Notices of Award are attached hereto as **Exhibit I** (MHBG ARPA) and **Exhibit J** (MHBG TAM).

84. As of the date of this Declaration, AHCCCS has not received any formal NOA terminating its SABG ARPA or SABG TAM awards.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct.

Executed on March 31, 2025, at Phoenix, Arizona.

*Randall*

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Alisa Randall  
Assistant Deputy Director of Clinical Operations,  
Arizona Health Care Cost Containment System  
Administration  
State of Arizona Mental Health Commissioner

# **EXHIBIT A**



Recipient Information	Federal Award Information																								
<p><b>1. Recipient Name</b>            HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA            801 E JEFFERSON ST MD 5700             PHOENIX, AZ 85034</p> <p><b>2. Congressional District of Recipient</b>            07</p> <p><b>3. Payment System Identifier (ID)</b>            1866004791X7</p> <p><b>4. Employer Identification Number (EIN)</b>            866004791</p> <p><b>5. Data Universal Numbering System (DUNS)</b>            805346798</p> <p><b>6. Recipient's Unique Entity Identifier</b></p> <p><b>7. Project Director or Principal Investigator</b>            Kristen Challacombe</p> <p><b>8. Authorized Official</b></p>	<p><b>11. Award Number</b>            1B09SM085862-01</p> <p><b>12. Unique Federal Award Identification Number (FAIN)</b>            B09SM085862</p> <p><b>13. Statutory Authority</b>            Subparts I&amp;III,B,Title XIX,PHS Act/45 CFR Part96</p> <p><b>14. Federal Award Project Title</b>            Block Grants for Community Mental Health Services</p> <p><b>15. Assistance Listing Number</b>            93.958</p> <p><b>16. Assistance Listing Program Title</b>            Block Grants for Community Mental Health Services</p> <p><b>17. Award Action Type</b>            New Competing</p> <p><b>18. Is the Award R&amp;D?</b>            No</p>																								
	<p><b>Summary Federal Award Financial Information</b></p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #d9e1f2;"><b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right;">\$1,350,017</td> </tr> <tr> <td>    20 a. Direct Cost Amount</td> <td style="text-align: right;">\$1,350,017</td> </tr> <tr> <td>    20 b. Indirect Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td><b>22. Offset</b></td> <td></td> </tr> <tr> <td><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right;">\$1,350,017</td> </tr> <tr> <td><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right;">\$1,350,017</td> </tr> <tr> <td colspan="2" style="text-align: center;">-----</td> </tr> <tr> <td colspan="2" style="background-color: #d9e1f2;"><b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right;">\$1,350,017</td> </tr> </table>	<b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$1,350,017	20 a. Direct Cost Amount	\$1,350,017	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$1,350,017	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$1,350,017	-----		<b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$1,350,017
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<p><b>Federal Agency Information</b></p> <p><b>9. Awarding Agency Contact Information</b>            Wendy Pang            Grants Management Specialist            Center for Mental Health Services            wendy.pang@samhsa.hhs.gov            (240) 276-1419</p> <p><b>10. Program Official Contact Information</b>            Kent Forde             Center for Mental Health Services            kent.forde@samhsa.hhs.gov            240-276-2096</p>	<p><b>28. Authorized Treatment of Program Income</b>            Additional Costs</p> <p><b>29. Grants Management Officer - Signature</b>            Odessa Crocker</p>																								

**30. Remarks**  
 Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.



MHBG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Notice of Award

**Issue Date:** 08/10/2021

Center for Mental Health Services

**Award Number:** 1B09SM085862-01

**FAIN:** B09SM085862-01

**Contact Person:** Kristen Challacombe

**Program:** Block Grants for Community Mental Health Services

HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA  
801 E JEFFERSON ST MD 5700

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$1,350,017 (see “Award Calculation” in Section I) to HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Odessa Crocker  
Grants Management Officer  
Division of Grants Management

See additional information below

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**SECTION I – AWARD DATA – 1B09SM085862-01**

**FEDERAL FUNDS APPROVED:** \$1,350,017  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$1,350,017  
**CUMULATIVE AWARDS TO DATE:** \$1,350,017  
**UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.958  
**EIN:** 1866004791X  
7  
**Document Number:** 21B3AZCMH SC6  
**Fiscal Year:** 2021

IC	CAN	01
SU	C96D210	\$1,350,017

**PCC: CMHS / OC: 4115**

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM085862-01**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 1B09SM085862-01****STANDARD TERMS AND CONDITIONS****MHBG FY2021 ARP Mitigation**

**Remarks:**

This Notice of Award (NoA) provides one-time funding made available by the American Rescue Plan Act of 2021, in accordance with H.R. 1319 – American Rescue Plan Act of 2021 the ARPA Act, 2021 [P.L. 117-2], available at <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf>.

This funding is available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds will provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

**Required Plan Submission:**

**Due by October 1, 2021. COVID-19 Response Workplan and Overview**

States must submit separate plans for expending these funds for both MHBG and SABG. States must explain the types of activities, including expenditures. Provide a detailed plan on how the state plan to implement COVID-19 testing and mitigation activities within the public mental health and or substance abuse system.

**Due by October 1, 2021. COVID-19 Response Budget and Budget Justification**

States must submit a budget and a budget justification capturing all expenses, including costs for administration at the state level and a plan to distribute it to providers, and subsequent reasons for the expenses in narrative format.

Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, upload the document (Microsoft Word or pdf) using the tab into the State Information Section, Chief Executive Officer’s Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority. Please title this document “COVID Mitigation Funding Plan 2021(MH)” for MHBG and “COVID Mitigation Funding Plan 2021 (SA)” for SABG.”

States must upload separate proposals based on Mental Health Block Grant and Substance Abuse Block Grant guidance into the WebBGAS system. Upon submission, SAMHSA will review the proposal to ensure it is complete and responsive. Proposals must be submitted to WebBGAS by Friday, October 1, 2021.

**Standard Terms of Award:**

**1) Acceptance of the Terms of an Award**

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

**2) Official Form Designee**

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the MHBG Program Officer

must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

### **3) Availability of Funds**

Funds provided under this grant must be obligated and expended by September 30, 2025.

### **4) Fiscal and administrative requirements**

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

***Fiscal control and accounting procedures*** - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

Financial settlement - The State must repay to the Department amounts found after audit resolution to have been expended improperly. In the event that repayment is not made voluntarily, the Department will undertake recovery.

### **5) Flow-down of requirements to sub-recipients**

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351 75.353, Sub-recipient monitoring and management.

### **6) Executive Pay**

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

### **7) Marijuana Restriction**

SAMHSA grant funds may not be used to purchase, prescribe, or provide marijuana or treatment using marijuana. See, e.g., 45 C.F.R. 75.300(a)

(requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana).

## **8) Anti-discrimination**

You must administer your project in compliance with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin, disability, age and, in some circumstances, religion, conscience, and sex (including gender identity, sexual orientation, and pregnancy). This includes taking reasonable steps to provide meaningful access to persons with limited English proficiency and providing programs that are accessible to and usable by persons with disabilities. The HHS Office for Civil Rights provides guidance on complying with civil rights laws enforced by HHS. See <https://www.hhs.gov/civil-rights/for-providers/provider-obligations/index.html> and <https://www.hhs.gov/civil-rights/for-individuals/nondiscrimination/index.html>.

- You must take reasonable steps to ensure that your project provides meaningful access to persons with limited English proficiency. For guidance on meeting your legal obligation to take reasonable steps to ensure meaningful access to your programs or activities by limited English proficient individuals, see <https://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/fact-sheet-guidance/index.html> and <https://www.lep.gov>.
- For information on your specific legal obligations for serving qualified individuals with disabilities, including providing program access, reasonable modifications, and taking appropriate steps to provide effective communication, see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>.
- HHS funded health and education programs must be administered in an environment free of sexual harassment, see <https://www.hhs.gov/civil-rights/for-individuals/sex-discrimination/index.html>.
- For guidance on administering your project in compliance with applicable federal religious nondiscrimination laws and applicable federal conscience protection and associated anti-discrimination laws, see <https://www.hhs.gov/conscience/conscience-protections/index.html> and <https://www.hhs.gov/conscience/religious-freedom/index.html>.

## **9) System for Award Management (SAM)**

### **This award is subject to requirement set forth in 2 CFR 25.110**

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. This requirement flows down to subrecipients and contractors under awards or subawards. SAM website: [System for Award Management \(SAM\)](#)

## **10) Federal Financial Accountability and Transparency Act (FFATA)**

## **Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170**

The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006.

Unless you are exempt, you must report each action that obligates \$25,000 or more in Federal funds. The FFATA Subaward Reporting System (FSRS) is the reporting tool federal prime awardees (i.e. prime contractors and prime grants recipients) must use to capture and report subaward and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements. Prime contract awardees must report against sub-contracts awarded. Prime grant awardees will report against sub-grants awarded. The sub-award information you enter in FSRS will display on [USASpending.gov](https://USASpending.gov) associated with the prime award. This furthers federal spending transparency.

You must report each obligating action to <http://www.fsrs.gov>

### **11) Mandatory Disclosures**

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General  
ATTN: Mandatory Grant Disclosures, Intake Coordinator 330 Independence  
Avenue,  
SW, Cohen Building Room5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or  
email: [MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

### **12) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in

effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

### **13) Drug-Free Workplace Requirements**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

### **14) Lobbying**

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

### **15) Accessibility Provisions**

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

### **16) Audits**

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

## **Reporting Requirements:**

### **Annual Report**

Reporting on the ARPA funding is required. After the end of each fiscal year, a FY annual report is required on December 31, until the funds expire, and states must upload a narrative report including activities and expenditures. States must prepare and submit their respective reports utilizing WebBGAS. Your assigned MHBG Program Official will provide further guidance and additional submission information.

Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of MHBG grants.

### **Federal Financial Report (FFR)**

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

**Staff Contacts:**

Kent Forde, Program Official

**Phone:** 240-276-2096 **Email:** kent.forde@samhsa.hhs.gov

Wendy Pang, Grants Specialist

**Phone:** (240) 276-1419 **Email:** wendy.pang@samhsa.hhs.gov **Fax:** (240) 276-1430

# **EXHIBIT B**



Jennifer Gonzales &lt;jennifer.gonzales@azahcccs.gov&gt;

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**Termination of MHBG COVID Funding**

5 messages

**Sabree, Hassan (SAMHSA/CMHS)** <Hassan.Sabree@samhsa.hhs.gov>

Tue, Mar 25, 2025 at 1:29 PM

To: "alisa.randall@azahcccs.gov" &lt;alisa.randall@azahcccs.gov&gt;, Jennifer Gonzales &lt;jennifer.gonzales@azahcccs.gov&gt;

As mentioned earlier, here's the notification that was sent out. Please let me know if you have any questions. Thanks.

*Dear Single State Authority Director and State Mental Health Commissioner,*

*During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded [Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 \(H.R.6074\) \(CRRSA\)](#) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan \(ARP\) Act of 2021\(H.R. 1319\)](#) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.*

*On April 10, 2023, President Biden signed [PL 188-3](#) terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending **this grant is being terminated effective March 24, 2025**. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.*

*In accordance with [45 CFR 96.30 \(4\)](#), block grant award recipients are required to provide a Financial Status Report (FFR) within 90 days of the close of the applicable statutory grant period. Recipients must liquidate all obligations incurred under an award after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, Federal Financial Report (FFR). Reimbursements after termination are allowable if it results from obligations which were properly incurred before the effective date of this termination.*

*Recipients are expected to complete all work immediately and the reconciliation/liquidation process no later than 90-days after the award period end date.*

*The related Payment Management System accounts will be restricted from drawdown going further. Additional information will be provided in the revised Notice of Award that will be issued to initiate the award period end date.*

**Hassan Sabree**

Public Health Advisor

SAMHSA/DSCSD

5600 Fishers Lane, Room 14E26D

Rockville, MD 20857

Phone: (240) 276-1044

Fax: (240) 276-2560

E-mail: [hassan.sabree@samhsa.hhs.gov](mailto:hassan.sabree@samhsa.hhs.gov)

---

**Jennifer Gonzales** <[Jennifer.Gonzales@azahcccs.gov](mailto:Jennifer.Gonzales@azahcccs.gov)>

Tue, Mar 25, 2025 at 1:32 PM

To: "Sabree, Hassan (SAMHSA/CMHS)" <[Hassan.Sabree@samhsa.hhs.gov](mailto:Hassan.Sabree@samhsa.hhs.gov)>

Cc: "alisa.randall@azahcccs.gov" <[alisa.randall@azahcccs.gov](mailto:alisa.randall@azahcccs.gov)>, Nereyda Ramirez <[nereyda.ramirez@azahcccs.gov](mailto:nereyda.ramirez@azahcccs.gov)>

Good Afternoon Hassan,

Thank you for this email, I also wanted to confirm from our conversation, this includes our ARPA funding under MHBG, correct?

[Quoted text hidden]

--



**Jennifer Gonzales**  
**Grants Administrator- MHBG & PATH**  
**AHCCCS**

801 E. Jefferson St  
 Phoenix, AZ, 85034

O: 602-417-4933

website: [www.azahcccs.gov](http://www.azahcccs.gov) Facebook | Twitter |

YouTube Watch: Meet Arizona's Innovative  
 Medicaid Program!

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**Sabree, Hassan (SAMHSA/CMHS)** <[Hassan.Sabree@samhsa.hhs.gov](mailto:Hassan.Sabree@samhsa.hhs.gov)>

Tue, Mar 25, 2025 at 1:48 PM

To: Jennifer Gonzales <[Jennifer.Gonzales@azahcccs.gov](mailto:Jennifer.Gonzales@azahcccs.gov)>

Cc: "alisa.randall@azahcccs.gov" <[alisa.randall@azahcccs.gov](mailto:alisa.randall@azahcccs.gov)>, Nereyda Ramirez <[nereyda.ramirez@azahcccs.gov](mailto:nereyda.ramirez@azahcccs.gov)>

Yes, that is correct.

---

**From:** Jennifer Gonzales <[Jennifer.Gonzales@azahcccs.gov](mailto:Jennifer.Gonzales@azahcccs.gov)>

**Sent:** Tuesday, March 25, 2025 4:32 PM

**To:** Sabree, Hassan (SAMHSA/CMHS) <[Hassan.Sabree@samhsa.hhs.gov](mailto:Hassan.Sabree@samhsa.hhs.gov)>

**Cc:** [alisa.randall@azahcccs.gov](mailto:alisa.randall@azahcccs.gov) <[alisa.randall@azahcccs.gov](mailto:alisa.randall@azahcccs.gov)>; Nereyda Ramirez <[nereyda.ramirez@azahcccs.gov](mailto:nereyda.ramirez@azahcccs.gov)>

**Subject:** Re: Termination of MHBG COVID Funding

[Quoted text hidden]

NOTICE: This e-mail and any attachments to it may contain information that is PRIVILEGED and CONFIDENTIAL under State and Federal law and is intended only for the use of the specific individual(s) to whom it is addressed. This information may only be used or disclosed in accordance with law, and you may be subject to penalties under law for improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the person named above by reply e-mail, and then delete the one you received

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**Jennifer Gonzales** <[Jennifer.Gonzales@azahcccs.gov](mailto:Jennifer.Gonzales@azahcccs.gov)>

Tue, Mar 25, 2025 at 1:49 PM

To: "Sabree, Hassan (SAMHSA/CMHS)" <[Hassan.Sabree@samhsa.hhs.gov](mailto:Hassan.Sabree@samhsa.hhs.gov)>

Cc: "alisa.randall@azahcccs.gov" <[alisa.randall@azahcccs.gov](mailto:alisa.randall@azahcccs.gov)>, Nereyda Ramirez <[nereyda.ramirez@azahcccs.gov](mailto:nereyda.ramirez@azahcccs.gov)>

Thank you Hassan.

[Quoted text hidden]

3/27/25, 4:47 PM

State of Arizona Mail - Termination of MHBG COVID Funding

**Jennifer Gonzales** <Jennifer.Gonzales@azahcccs.gov>

Tue, Mar 25, 2025 at 1:51 PM

To: Nicole Fries <nicole.fries@azahcccs.gov>

Cc: Nereyda Ramirez <nereyda.ramirez@azahcccs.gov>, Alisa Randall <alisa.randall@azahcccs.gov>

Good Afternoon,

Confirmation email that MHBG TAM and ARPA have been terminated effective 3/24/25.

Thanks,

[Quoted text hidden]

# **EXHIBIT C**



<b>Recipient Information</b>	<b>Federal Award Information</b>																										
<p><b>1. Recipient Name</b>            HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA            801 E JEFFERSON ST MD 5700             PHOENIX, AZ 85034</p> <p><b>2. Congressional District of Recipient</b>            07</p> <p><b>3. Payment System Identifier (ID)</b>            1866004791X7</p> <p><b>4. Employer Identification Number (EIN)</b>            866004791</p> <p><b>5. Data Universal Numbering System (DUNS)</b>            805346798</p> <p><b>6. Recipient's Unique Entity Identifier</b></p> <p><b>7. Project Director or Principal Investigator</b>            Kristen Challacombe</p> <p><b>8. Authorized Official</b>             Kristen.Challacombe@azahcccs.gov</p>	<p><b>11. Award Number</b>            1B08TI084568-01</p> <p><b>12. Unique Federal Award Identification Number (FAIN)</b>            B08TI084568</p> <p><b>13. Statutory Authority</b>            Subparts II&amp;III,B,Title XIX,PHS Act/45 CFR Part96</p> <p><b>14. Federal Award Project Title</b>            Substance Abuse Prevention &amp; Treatment Block Grant</p> <p><b>15. Assistance Listing Number</b>            93.959</p> <p><b>16. Assistance Listing Program Title</b>            Block Grants for Prevention and Treatment of Substance Abuse</p> <p><b>17. Award Action Type</b>            New Competing</p> <p><b>18. Is the Award R&amp;D?</b>            No</p>																										
<p><b>Federal Agency Information</b></p> <p><b>9. Awarding Agency Contact Information</b>            Wendy Pang            Grants Management Specialist            Center for Substance Abuse Treatment            wendy.pang@samhsa.hhs.gov            (240) 276-1419</p> <p><b>10. Program Official Contact Information</b>            Theresa Mitchell             Center for Substance Abuse Treatment            Theresa.Mitchell@samhsa.hhs.gov            240-276-1365</p>	<table border="1" style="width:100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr style="background-color: #e1eef6;"> <th colspan="2" style="text-align: center; padding: 5px;"><b>Summary Federal Award Financial Information</b></th> </tr> </thead> <tbody> <tr style="background-color: #e1eef6;"> <td colspan="2" style="padding: 5px;"><b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td style="padding: 5px;"><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right; padding: 5px;">\$1,392,949</td> </tr> <tr> <td style="padding: 5px;">    20 a. Direct Cost Amount</td> <td style="text-align: right; padding: 5px;">\$1,392,949</td> </tr> <tr> <td style="padding: 5px;">    20 b. Indirect Cost Amount</td> <td style="text-align: right; padding: 5px;">\$0</td> </tr> <tr> <td style="padding: 5px;"><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td style="padding: 5px;"><b>22. Offset</b></td> <td></td> </tr> <tr> <td style="padding: 5px;"><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right; padding: 5px;">\$1,392,949</td> </tr> <tr> <td style="padding: 5px;"><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right; padding: 5px;">\$0</td> </tr> <tr> <td style="padding: 5px;"><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right; padding: 5px;">\$1,392,949</td> </tr> <tr> <td colspan="2" style="padding: 5px;">-----</td> </tr> <tr style="background-color: #e1eef6;"> <td colspan="2" style="padding: 5px;"><b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td style="padding: 5px;"><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right; padding: 5px;">\$1,392,949</td> </tr> </tbody> </table> <p><b>28. Authorized Treatment of Program Income</b>            Additional Costs</p> <p><b>29. Grants Management Officer - Signature</b>            Odessa Crocker</p>	<b>Summary Federal Award Financial Information</b>		<b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$1,392,949	20 a. Direct Cost Amount	\$1,392,949	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$1,392,949	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$1,392,949	-----		<b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$1,392,949
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<b>30. Remarks</b>																											
Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.																											



SABG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Notice of Award

**Issue Date:** 08/10/2021

Center for Substance Abuse Treatment

**Award Number:** 1B08TI084568-01  
**FAIN:** B08TI084568-01  
**Contact Person:** Kristen Challacombe

**Program:** Substance Abuse Prevention & Treatment Block Grant

HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA  
801 E JEFFERSON ST MD 5700

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$1,392,949 (see “Award Calculation” in Section I) to HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Odessa Crocker  
Grants Management Officer  
Division of Grants Management

See additional information below

---

**SECTION I – AWARD DATA – 1B08TI084568-01**

**FEDERAL FUNDS APPROVED:** \$1,392,949  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$1,392,949  
**CUMULATIVE AWARDS TO DATE:** \$1,392,949  
**UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.959  
**EIN:** 1866004791X  
7  
**Document Number:** 21B3AZSAP TC6  
**Fiscal Year:** 2021

IC	CAN	01
SU	C96D212	\$1,392,949

**PCC: SAPT / OC: 4115**

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI084568-01**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 1B08TI084568-01****STANDARD TERMS AND CONDITIONS****SABG FY2021 ARP Mitigation**

**Remarks:**

This Notice of Award (NoA) provides one-time funding made available by the American Rescue Plan Act of 2021, in accordance with H.R. 1319 – American Rescue Plan Act of 2021 the ARPA Act, 2021 [P.L. 117-2], available at <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf>.

This funding is available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds will provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

**Required Plan Submission:**

**Due by October 1, 2021. COVID-19 Response Workplan and Overview**

States must submit separate plans for expending these funds for both MHBG and SABG. States must explain the types of activities, including expenditures. Provide a detailed plan on how the state plan to implement COVID-19 testing and mitigation activities within the public mental health and or substance abuse system.

**Due by October 1, 2021. COVID-19 Response Budget and Budget Justification**

States must submit a budget and a budget justification capturing all expenses, including costs for administration at the state level and a plan to distribute it to providers, and subsequent reasons for the expenses in narrative format.

Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, upload the document (Microsoft Word or pdf) using the tab into the State Information Section, Chief Executive Officer’s Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority. Please title this document “COVID Mitigation Funding Plan 2021(MH)” for MHBG and “COVID Mitigation Funding Plan 2021 (SA)” for SABG.”

States must upload separate proposals based on Mental Health Block Grant and Substance Abuse Block Grant guidance into the WebBGAS system. Upon submission, SAMHSA will review the proposal to ensure it is complete and responsive. Proposals must be submitted to WebBGAS by Friday, October 1, 2021.

**Standard Terms of Award:**

**1) Acceptance of the Terms of an Award**

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

**2) Official Form Designee**

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the SABG Program Officer

must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

### **3) Availability of Funds**

Funds provided under this grant must be obligated and expended by September 30, 2025.

### **4) Fiscal and administrative requirements**

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

***Fiscal control and accounting procedures*** - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

**Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.**

**Financial settlement - The State must repay to the Department amounts found after audit resolution to have been expended improperly. In the event that repayment is not made voluntarily, the Department will undertake recovery.**

### **5) Flow-down of requirements to sub-recipients**

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351 75.353, Sub-recipient monitoring and management.

### **6) Executive Pay**

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

### **7) Marijuana Restriction**

SAMHSA grant funds may not be used to purchase, prescribe, or provide

marijuana or treatment using marijuana. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana).

## **8) Anti-discrimination**

You must administer your project in compliance with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin, disability, age and, in some circumstances, religion, conscience, and sex (including gender identity, sexual orientation, and pregnancy). This includes taking reasonable steps to provide meaningful access to persons with limited English proficiency and providing programs that are accessible to and usable by persons with disabilities. The HHS Office for Civil Rights provides guidance on complying with civil rights laws enforced by HHS. See <https://www.hhs.gov/civil-rights/for-providers/provider-obligations/index.html> and <https://www.hhs.gov/civil-rights/for-individuals/nondiscrimination/index.html>.

- You must take reasonable steps to ensure that your project provides meaningful access to persons with limited English proficiency. For guidance on meeting your legal obligation to take reasonable steps to ensure meaningful access to your programs or activities by limited English proficient individuals, see <https://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/fact-sheet-guidance/index.html> and <https://www.lep.gov>.
- For information on your specific legal obligations for serving qualified individuals with disabilities, including providing program access, reasonable modifications, and taking appropriate steps to provide effective communication, see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>.
- HHS funded health and education programs must be administered in an environment free of sexual harassment, see <https://www.hhs.gov/civil-rights/for-individuals/sex-discrimination/index.html>.
- For guidance on administering your project in compliance with applicable federal religious nondiscrimination laws and applicable federal conscience protection and associated anti-discrimination laws, see <https://www.hhs.gov/conscience/conscience-protections/index.html> and <https://www.hhs.gov/conscience/religious-freedom/index.html>.

## **9) System for Award Management (SAM)**

### **This award is subject to requirement set forth in 2 CFR 25.110**

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. This requirement flows down to subrecipients and contractors under awards or subawards. SAM website: [System for Award Management \(SAM\)](#)

## **10) Federal Financial Accountability and Transparency Act (FFATA)**

### **Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170**

The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006.

Unless you are exempt, you must report each action that obligates \$25,000 or more in Federal funds. The FFATA Subaward Reporting System (FSRS) is the reporting tool federal prime awardees (i.e. prime contractors and prime grants recipients) must use to capture and report subaward and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements. Prime contract awardees must report against sub-contracts awarded. Prime grant awardees will report against sub-grants awarded. The sub-award information you enter in FSRS will display on [USASpending.gov](https://USASpending.gov) associated with the prime award. This furthers federal spending transparency.

You must report each obligating action to <http://www.fsr.gov>

## **11) Mandatory Disclosures**

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator 330 Independence Avenue,

SW, Cohen Building Room 5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email: [MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

## **12) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in

effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

### **13) Drug-Free Workplace Requirements**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

### **14) Lobbying**

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

### **15) Accessibility Provisions**

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

## **16) Audits**

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

### **Reporting Requirements:**

#### **Annual Report**

Reporting on the ARPA funding is required. After the end of each fiscal year, a FY annual report is required on December 31, until the funds expire, and states must upload a narrative report including activities and expenditures. States must prepare and submit their respective reports utilizing WebBGAS. Your assigned SABG Program Official will provide further guidance and additional submission information.

Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of SABG grants.

#### **Federal Financial Report (FFR)**

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report (FFR)*. After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

**Staff Contacts:**

Theresa Mitchell, Program Official

**Phone:** 240-276-1365 **Email:** Theresa.Mitchell@samhsa.hhs.gov **Fax:** 240-276-2700

Wendy Pang, Grants Specialist

**Phone:** (240) 276-1419 **Email:** wendy.pang@samhsa.hhs.gov **Fax:** (240) 276-1430

# **EXHIBIT D**



Nereyda Ramirez &lt;nereyda.ramirez@azahcccs.gov&gt;

**RE: B08TI084568: Termination Notice for COVID-19 Grant Funding - AZ**

1 message

**Mitchell, Theresa M. (SAMHSA/CSAT)** <Theresa.Mitchell@samhsa.hhs.gov>

Tue, Mar 25, 2025 at 8:59 AM

To: Nereyda Ramirez &lt;nereyda.ramirez@azahcccs.gov&gt;

Cc: "andrea.lustfield@azahcccs.gov" &lt;andrea.lustfield@azahcccs.gov&gt;, "emma.hefton@azahcccs.gov" &lt;emma.hefton@azahcccs.gov&gt;, Kristen Challacombe &lt;kristen.challacombe@azahcccs.gov&gt;, Alisa Randall &lt;alisa.randall@azahcccs.gov&gt;, "Mitchell, Theresa M. (SAMHSA/CSAT)" &lt;Theresa.Mitchell@samhsa.hhs.gov&gt;

Good Morning,

The communication was generated from Office of Financial Resources (OFR). For any clarifications, please direct your questions to that office. I was assisting by forwarding the communication to the correct persons at AZAHCCCS to ensure AZ received the information. My knowledge is limited at this time. Please read the communication carefully.

Thank You.

*Respectfully,  
Theresa*

Theresa Mitchell Hampton, DrPH, M.Ed., L.C.P.C.

Public Health Advisor | State Project Officer | FAC-COR II

Division of States and Community Systems (DSCS)

Center for Substance Abuse Treatment (CSAT)

Substance Abuse and Mental Health Services Administration (SAMHSA)

U.S. Department of Health and Human Services (DHHS)

☎: (240) 276-1365

**From:** Nereyda Ramirez <nereyda.ramirez@azahcccs.gov>**Sent:** Tuesday, March 25, 2025, 11:43 AM**To:** Mitchell, Theresa M. (SAMHSA/CSAT) <Theresa.Mitchell@SAMHSA.hhs.gov>**Cc:** andrea.lustfield@azahcccs.gov; emma.hefton@azahcccs.gov; Kristen Challacombe <kristen.challacombe@azahcccs.gov>; Alisa Randall <alisa.randall@azahcccs.gov>**Subject:** Re: B08TI084568: Termination Notice for COVID-19 Grant Funding - AZ

Good morning Dr. Mitchell,

For clarification on email received 03/24/25, the termination only applies to the Testing and Mitigation funds awarded to AHCCCS on 08/10/2021 for, project period 09/01/2021-09/30/2025. Please see below, listing our covid related funds awarded to AHCCCS, and confirm that the only grant impacted is the one in red.

SUBG CRRSSA: B08TI084568 **\$37,892,228** 03/15/2021-03/14/2025 - **AHCCCS spent 100%**

SUBG ARPA - B08TI083927 **\$32,725,106** 09/01/2021-09/30/2025 - AHCCCS actively spending and this email would not apply

**SUBG TAM (Testing and Mitigation) B08TI084568 \$1,392,949, 09/01/2021-09/30/2025 -**

Thanks,

Neddy

On Tue, Mar 25, 2025, at 4:24 AM Mitchell, Theresa M. (SAMHSA/CSAT) <Theresa.Mitchell@samhsa.hhs.gov> wrote:

Good Morning,

Sharing this information for your awareness.

*Respectfully,  
Theresa*

Theresa Mitchell Hampton, DrPH, M.Ed., L.C.P.C.  
Public Health Advisor | State Project Officer | FAC-COR II  
Division of States and Community Systems (DSCS)  
Center for Substance Abuse Treatment (CSAT)  
Substance Abuse and Mental Health Services Administration (SAMHSA)  
U.S. Department of Health and Human Services (DHHS)

📞: (240) 276•1365



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**From:** [wendy.pang@samhsa.hhs.gov](mailto:wendy.pang@samhsa.hhs.gov) <[wendy.pang@samhsa.hhs.gov](mailto:wendy.pang@samhsa.hhs.gov)>  
**Sent:** Monday, March 24, 2025, 5:39 PM  
**To:** [Kristen.Challacombe@azahcccs.gov](mailto:Kristen.Challacombe@azahcccs.gov)  
**Cc:** Mitchell, Theresa M. (SAMHSA/CSAT) <[Theresa.Mitchell@SAMHSA.hhs.gov](mailto:Theresa.Mitchell@SAMHSA.hhs.gov)>; Pang, Wendy (SAMHSA/OFR)

<[Wendy.Pang@samhsa.hhs.gov](mailto:Wendy.Pang@samhsa.hhs.gov)>; [eracorrespondence@od.nih.gov](mailto:eracorrespondence@od.nih.gov)

**Subject:** B08TI084568: Termination Notice for COVID-19 Grant Funding

Dear Single State Authority Director and State Mental Health Commissioner,

During the COVID-19 pandemic, the Substance Abuse Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded [Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 \(H.R.6074\) \(CRRSA\)](#) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan \(ARP\) Act of 2021\(H.R. 1319\)](#) which provided additional relief to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.

On April 10, 2023, President Biden signed [PL 188-3](#) terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending **this grant is being terminated effective March 24, 2025**. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.

In accordance with [45 CFR 96.30 \(4\)](#), block grant award recipients are required to provide a Financial Status Report (FFR) within 90 days of the close of the applicable statutory grant period. Recipients must liquidate all obligations incurred under an award after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, Federal Financial Report (FFR). Reimbursements after termination are allowable if it results from obligations which were properly incurred before the effective date of this termination.

Recipients are expected to complete all work immediately and the reconciliation/liquidation process no later than 90-days after the award period end date.

The related Payment Management System accounts will be restricted from drawdown going further. Additional information will be provided in the revised Notice of Award that will be issued to initiate the award period end date.

[[Correspondence Token: a33c71a8-aba9-40c2-b487-2ba4de47b063]] -- Do not delete or change this line. -- Please "Reply All" and do NOT delete [eracorrespondence@nih.gov](mailto:eracorrespondence@nih.gov) from the list of recipients or change the subject line.

--



**Nereyda (Neddy), Ramirez**

**Deputy Assistant Director for Grants**

AHCCCS

801 East Jefferson

Phoenix, AZ 85034

602-364-4718

[www.azahcccs.gov](http://www.azahcccs.gov)

NOTICE: This e-mail and any attachments to it may contain information that is PRIVILEGED and CONFIDENTIAL under State and Federal law and is intended only for the use of the specific individual(s) to whom it is addressed. This information may only be used or disclosed in accordance with law, and you may be subject to penalties under law for

3/27/25, 5:10 PM

State of Arizona Mail - RE: B08T1084568: Termination Notice for COVID-19 Grant Funding - AZ

improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the person named above by reply e-mail, and then delete the one you received

# **EXHIBIT E**



Recipient Information	Federal Award Information																								
<p><b>1. Recipient Name</b>            HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA            801 E JEFFERSON ST MD 5700             PHOENIX, AZ 85034</p> <p><b>2. Congressional District of Recipient</b>            07</p> <p><b>3. Payment System Identifier (ID)</b>            1866004791X7</p> <p><b>4. Employer Identification Number (EIN)</b>            866004791</p> <p><b>5. Data Universal Numbering System (DUNS)</b>            805346798</p> <p><b>6. Recipient's Unique Entity Identifier</b></p> <p><b>7. Project Director or Principal Investigator</b>            Kristen Challacombe</p> <p><b>8. Authorized Official</b></p>	<p><b>11. Award Number</b>            1B09SM085335-01</p> <p><b>12. Unique Federal Award Identification Number (FAIN)</b>            B09SM085335</p> <p><b>13. Statutory Authority</b>            Subparts I&amp;III,B,Title XIX,PHS Act/45 CFR Part96</p> <p><b>14. Federal Award Project Title</b>            Block Grants for Community Mental Health Services</p> <p><b>15. Assistance Listing Number</b>            93.958</p> <p><b>16. Assistance Listing Program Title</b>            Block Grants for Community Mental Health Services</p> <p><b>17. Award Action Type</b>            New Competing</p> <p><b>18. Is the Award R&amp;D?</b>            No</p>																								
	<p><b>Summary Federal Award Financial Information</b></p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #e1eef6;"><b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right;">\$39,229,067</td> </tr> <tr> <td style="padding-left: 20px;">20 a. Direct Cost Amount</td> <td style="text-align: right;">\$39,229,067</td> </tr> <tr> <td style="padding-left: 20px;">20 b. Indirect Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td><b>22. Offset</b></td> <td></td> </tr> <tr> <td><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right;">\$39,229,067</td> </tr> <tr> <td><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right;">\$39,229,067</td> </tr> <tr> <td colspan="2" style="text-align: center;">-----</td> </tr> <tr> <td colspan="2" style="background-color: #e1eef6;"><b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right;">\$39,229,067</td> </tr> </table>	<b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$39,229,067	20 a. Direct Cost Amount	\$39,229,067	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$39,229,067	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$39,229,067	-----		<b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$39,229,067
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<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$39,229,067																								
<p><b>Federal Agency Information</b></p> <p><b>9. Awarding Agency Contact Information</b>            Wendy Pang            Grants Management Specialist            Center for Mental Health Services            wendy.pang@samhsa.hhs.gov            (240) 276-1419</p> <p><b>10. Program Official Contact Information</b>            Kent Forde             Center for Mental Health Services            kent.forde@samhsa.hhs.gov            240-276-2096</p>	<p><b>28. Authorized Treatment of Program Income</b>            Additional Costs</p> <p><b>29. Grants Management Officer - Signature</b>            Odessa Crocker</p>																								
<p><b>30. Remarks</b>            Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.</p>																									



MHBG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Notice of Award

**Issue Date:** 05/17/2021

Center for Mental Health Services

**Award Number:** 1B09SM085335-01

**FAIN:** B09SM085335-01

**Contact Person:** Kristen Challacombe

**Program:** Block Grants for Community Mental Health Services

HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA  
801 E JEFFERSON ST MD 5700

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$39,229,067 (see “Award Calculation” in Section I) to HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Odessa Crocker  
Grants Management Officer  
Division of Grants Management

See additional information below

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**SECTION I – AWARD DATA – 1B09SM085335-01**

**FEDERAL FUNDS APPROVED:** \$39,229,067  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$39,229,067  
**CUMULATIVE AWARDS TO DATE:** \$39,229,067  
**UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.958  
**EIN:** 1866004791X  
7  
**Document Number:** 21B2AZCMH SC6  
**Fiscal Year:** 2021

IC	CAN	01
SM	C96D540	\$39,229,067

**PCC: CMHS / OC: 4115**

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM085335-01**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 1B09SM085335-01****STANDARD TERMS AND CONDITIONS****MHBG FY2021 ARPA funding****Remarks:**

This Notice of Award (NoA) provides American Rescue Plan Act of 2021 (ARPA) funding for the Community Mental Health Services (MHBG) Block Grant Program, in accordance with H.R. 1319 – American Rescue Plan Act of 2021 the ARPA Act, 2021 [P.L. 117-2]. Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the MHBG, as deemed necessary to facilitate a grantee’s response to coronavirus.

A proposal of the state’s spending plan must be submitted by July 2, 2021 via the Web Block Grant Application System (WebBGAS).

Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, grantees are required to upload the Plan document (Microsoft Word or pdf), using the associated tab in the State Information Section, Chief Executive Officer’s Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority [MH]. Please title this document “ARPA Funding Plan 2021-MH”. States must upload separate proposals based on MHBG and SABG guidance into the WebBGAS system.

Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre

### **Standard Terms of Award:**

#### **1) Acceptance of the Terms of an Award**

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a MHBG. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

**Certification Statement:** By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Mental Health Block Grant (MHBG) (Public Health Service Act, Sections 1911-1920 and sections 1941-1957) (42 U.S.C. 300x-1-300x-9 and 300x-51-300x-67, as amended), and other administrative and legal requirements as applicable for the duration of the award.

#### **2) Official Form Designee**

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the MHBG Program Officer must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

#### **3) Availability of Funds**

Funds provided under this grant must be obligated and expended by September 30, 2025.

#### **4) Fiscal and administrative requirements**

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

**Fiscal control and accounting procedures** - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

ARPA funding is being issued under a separate grant award number and has a unique subaccount in the Payment Management System. Accordingly, ARPA funds must be tracked and reported separately from other FY 2021 awarded funds, including COVID-19 Supplemental funding and the Annual Block Grant Allotment.

**Audits** - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

#### **5) Flow-down of requirements to sub-recipients**

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351-75.353, Sub-recipient monitoring and management.

#### **6) Early Serious Mental Illness Set-Aside**

The 21st Century Cures Act, P.L. 114-255 amended Section 1920(c) of the Public Health Service Act (42 U.S.C. 300x 9(c)). States must set-aside not less than 10 percent of their total MHBG allocation amount for each fiscal year to support evidence-based programs that address the needs of individuals with early serious mental illness, including psychotic disorders, regardless of the age of the individual at onset. In lieu of expending 10 percent of the amount, the State receives for a fiscal year, states have the flexibility to expend not less than 20 percent of such amount by the end of the succeeding fiscal year.

#### **7) Executive Pay**

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

#### **8) Marijuana Restriction:**

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

## **9) SAM and DUNS Requirements**

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

### System of Award Management (SAM) and Universal Identifier Requirements

#### A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

#### B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

#### C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient.

Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).

2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:

- a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.

4. Sub-award:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.

5. Sub-recipient means an entity that: a. Receives a sub-award from you under this award; and b. Is accountable to you for the use of the federal funds provided by the sub-award.

## **10) Federal Financial Accountability and Transparency Act (FFATA)**

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation

information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

- iii. A domestic or foreign nonprofit organization;
  - iv. A domestic or foreign for-profit organization;
  - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
2. Executive means officers, managing partners, or any other employees in management positions.
3. Subaward:
- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
  - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).
  - iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.
5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- i. Salary and bonus.
  - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
  - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.
  - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - v. Above-market earnings on deferred compensation which is not tax-qualified. vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

## **11) Mandatory Disclosures**

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information

related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator 330 Independence Avenue, SW, Cohen Building Room 5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email: [MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

### **12) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

### **13) Drug-Free Workplace Requirements**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

### **14) Lobbying**

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the

use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

### **15) Accessibility Provisions**

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

### **16) Audits**

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

### **Reporting Requirements:**

#### **Federal Financial Report (FFR)**

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual

responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

### **Annual Report**

Reporting on the ARPA funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of MHBG grants.

Your assigned MHBG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

### **Staff Contacts:**

Kent Forde, Program Official

**Phone:** 240-276-2096 **Email:** kent.forde@samhsa.hhs.gov

Wendy Pang, Grants Specialist

**Phone:** (240) 276-1419 **Email:** [wendy.pang@samhsa.hhs.gov](mailto:wendy.pang@samhsa.hhs.gov) **Fax:** (240) 276-1430

# **EXHIBIT F**



Recipient Information	Federal Award Information																										
<p><b>1. Recipient Name</b>            HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA            801 E JEFFERSON ST MD 5700             PHOENIX, AZ 85034</p> <p><b>2. Congressional District of Recipient</b>            07</p> <p><b>3. Payment System Identifier (ID)</b>            1866004791X7</p> <p><b>4. Employer Identification Number (EIN)</b>            866004791</p> <p><b>5. Data Universal Numbering System (DUNS)</b>            805346798</p> <p><b>6. Recipient's Unique Entity Identifier</b></p> <p><b>7. Project Director or Principal Investigator</b>            Kristen Challacombe</p> <p><b>8. Authorized Official</b>             Kristen.Challacombe@azahcccs.gov</p>	<p><b>11. Award Number</b>            1B08TI083927-01</p> <p><b>12. Unique Federal Award Identification Number (FAIN)</b>            B08TI083927</p> <p><b>13. Statutory Authority</b>            Subparts II&amp;III,B,Title XIX,PHS Act/45 CFR Part96</p> <p><b>14. Federal Award Project Title</b>            Substance Abuse Prevention &amp; Treatment Block Grant</p> <p><b>15. Assistance Listing Number</b>            93.959</p> <p><b>16. Assistance Listing Program Title</b>            Block Grants for Prevention and Treatment of Substance Abuse</p> <p><b>17. Award Action Type</b>            New Competing</p> <p><b>18. Is the Award R&amp;D?</b>            No</p>																										
<p><b>Federal Agency Information</b></p> <p><b>9. Awarding Agency Contact Information</b>            Wendy Pang            Grants Management Specialist            Center for Substance Abuse Treatment            wendy.pang@samhsa.hhs.gov            (240) 276-1419</p> <p><b>10. Program Official Contact Information</b>            Theresa Mitchell             Center for Substance Abuse Treatment            Theresa.Mitchell@samhsa.hhs.gov            240-276-1365</p>	<table border="1" style="width:100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr style="background-color: #e1eef6;"> <th colspan="2" style="text-align: center; padding: 5px;">Summary Federal Award Financial Information</th> </tr> </thead> <tbody> <tr style="background-color: #e1eef6;"> <td colspan="2" style="padding: 5px;"><b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td style="padding: 5px;"><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right; padding: 5px;">\$32,725,106</td> </tr> <tr> <td style="padding: 5px;">    20 a. Direct Cost Amount</td> <td style="text-align: right; padding: 5px;">\$32,725,106</td> </tr> <tr> <td style="padding: 5px;">    20 b. Indirect Cost Amount</td> <td style="text-align: right; padding: 5px;">\$0</td> </tr> <tr> <td style="padding: 5px;"><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td style="padding: 5px;"><b>22. Offset</b></td> <td></td> </tr> <tr> <td style="padding: 5px;"><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right; padding: 5px;">\$32,725,106</td> </tr> <tr> <td style="padding: 5px;"><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right; padding: 5px;">\$0</td> </tr> <tr> <td style="padding: 5px;"><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right; padding: 5px;">\$32,725,106</td> </tr> <tr> <td colspan="2" style="padding: 5px;">-----</td> </tr> <tr style="background-color: #e1eef6;"> <td colspan="2" style="padding: 5px;"><b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b></td> </tr> <tr> <td style="padding: 5px;"><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right; padding: 5px;">\$32,725,106</td> </tr> </tbody> </table> <p><b>28. Authorized Treatment of Program Income</b>            Additional Costs</p> <p><b>29. Grants Management Officer - Signature</b>            Odessa Crocker</p>	Summary Federal Award Financial Information		<b>19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$32,725,106	20 a. Direct Cost Amount	\$32,725,106	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$32,725,106	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$32,725,106	-----		<b>26. Project Period Start Date 09/01/2021 – End Date 09/30/2025</b>		<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$32,725,106
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SABG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Notice of Award

**Issue Date:** 05/17/2021

Center for Substance Abuse Treatment

**Award Number:** 1B08TI083927-01  
**FAIN:** B08TI083927-01  
**Contact Person:** Kristen Challacombe

**Program:** Substance Abuse Prevention & Treatment Block Grant

HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA  
801 E JEFFERSON ST MD 5700

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$32,725,106 (see “Award Calculation” in Section I) to HEALTH CARE COST CONTAINMENT SYSTEM, ARIZONA in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Odessa Crocker  
Grants Management Officer  
Division of Grants Management

See additional information below

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**SECTION I – AWARD DATA – 1B08TI083927-01**

**FEDERAL FUNDS APPROVED:** \$32,725,106  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$32,725,106  
**CUMULATIVE AWARDS TO DATE:** \$32,725,106  
**UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.959  
**EIN:** 1866004791X  
7  
**Document Number:** 21B1AZSAP TC6  
**Fiscal Year:** 2021

IC	CAN	01
TI	C96D570	\$32,725,106

**PCC: SAPT / OC: 4115**

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI083927-01**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 1B08TI083927-01****STANDARD TERMS AND CONDITIONS****SABG FY2021 ARPA funding****Remarks:**

This Notice of Award (NoA) provides American Rescue Plan Act (ARPA) Supplemental Funding for the Substance Abuse Prevention and Treatment (SABG) Block Grant Program, in accordance with H.R. 1319 - American Rescue Plan Act of 2021. Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the SABG as deemed necessary to facilitate a grantee's response to coronavirus.

A proposal of the state's spending plan must be submitted by July 2, 2021 via the Web Block Grant Application System (WebBGAS). Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, grantees are required to upload the Plan document (Microsoft Word or pdf), using the associated tab in the State Information Section, Chief Executive Officer's Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority [SA]. Please title this document "ARPA Funding Plan 2021-SA" (States must upload separate proposals based on MHBG and SABG guidance into the WebBGAS system.

Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre.

### **Standard Terms of Award:**

#### **1) Acceptance of the Terms of an Award**

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG. Once a recipient accepts an award, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

#### **Certification Statement:**

By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Substance Abuse Prevention and Treatment Block Grant (SABG) (Public Health Service Act, Sections 1921-1935 and sections 1941-1957) (42 U.S.C. 300x-21-300x-35 and 300x-51-300x-67, as amended), and other administrative and legal requirements as applicable for the duration of the award.

#### **2) Availability of Funds**

Funds provided under this grant must be obligated and expended by September 30, 2025.

#### **3) Fiscal and administrative requirements**

This NoA issued is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, as applicable, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

**Fiscal control and accounting procedures** - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

ARPA funding is being issued under a separate grant award number and has a unique subaccount in the Payment Management System. Accordingly, ARPA funds must be tracked and reported separately from other FY 2021 awarded funds, including COVID-19 Supplemental funding and the Annual Block Grant Allotment.

**Audits** - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG.

#### **4) Flow-down of requirements to sub-recipients**

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351-75.353, Sub-recipient monitoring and management.

#### **5) Executive Pay**

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

#### **6) Marijuana Restriction:**

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

## 7) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

### System of Award Management (SAM) and Universal Identifier Requirements

#### A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

#### B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

#### C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
  - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:
  - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.
5. Sub-recipient means an entity that:
  - a. Receives a sub-award from you under this award; and
  - b. Is accountable to you for the use of the federal funds provided by the sub-award.

## 8) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly

compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified. vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

## **9) Mandatory Disclosures**

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator 330 Independence Avenue,  
SW, Cohen Building Room5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email:

[MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

### **10) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

### **11) Drug-Free Workplace Requirements**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

### **12) Lobbying**

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

### **13) Accessibility Provisions**

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see

<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

#### **14) Audits**

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

#### **Reporting Requirements:**

##### **Federal Financial Report (FFR)**

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA

may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

### **Annual Report**

Reporting on the ARPA funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of SABG grants.

Your assigned SABG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

### **Staff Contacts:**

Theresa Mitchell, Program Official

**Phone:** 240-276-1365 **Email:** Theresa.Mitchell@samhsa.hhs.gov **Fax:** 240-276-2700

Wendy Pang, Grants Specialist

**Phone:** (240) 276-1419 **Email:** wendy.pang@samhsa.hhs.gov **Fax:** (240) 276-1430

# **EXHIBIT G**



**Recipient Information**

**1. Recipient Name**

Health Care Cost Containment System, Arizona  
701 E Jefferson St  
Phoenix, AZ 85034-2215  
602-417-4711

**2. Congressional District of Recipient**

07

**3. Payment System Identifier (ID)**

1866004791X7

**4. Employer Identification Number (EIN)**

866004791

**5. Data Universal Numbering System (DUNS)**

805346798

**6. Recipient's Unique Entity Identifier**

**7. Project Director or Principal Investigator**

Kim Russell  
Kim.Russell@aacihc.az.gov  
6025425772

**8. Authorized Official**

Ms. Karen MacLean  
Finance Administrator  
Karen.Maclean@azahcccs.gov  
6024714293

**Federal Agency Information**

CDC Office of Financial Resources

**9. Awarding Agency Contact Information**

Mrs. Rhonda Latimer  
Grants Management Officer  
ITO1@cdc.gov  
7704881647

**10. Program Official Contact Information**

Dr. Monique Young  
Public Health Advisor/Project Officer  
Division of Cancer Prevention and Control  
hza4@cdc.gov  
770-488-3434

**Federal Award Information**

**11. Award Number**

1 NU58DP006992-01-00

**12. Unique Federal Award Identification Number (FAIN)**

NU58DP006992

**13. Statutory Authority**

Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") Public Law 116-136 Public Health Service Act 42 U.S.C. 301(a)

**14. Federal Award Project Title**

AACIHC CDC CCR

**15. Assistance Listing Number**

93.495

**16. Assistance Listing Program Title**

Community Health Workers for Public Health Response and Resilient

**17. Award Action Type**

New

**18. Is the Award R&D?**

No

**Summary Federal Award Financial Information**

<b>19. Budget Period Start Date</b>	08/31/2021	<b>- End Date</b>	08/30/2022
<b>20. Total Amount of Federal Funds Obligated by this Action</b>			\$2,000,000.00
20a. Direct Cost Amount			\$2,000,000.00
20b. Indirect Cost Amount			\$0.00
<b>21. Authorized Carryover</b>			\$0.00
<b>22. Offset</b>			\$0.00
<b>23. Total Amount of Federal Funds Obligated this budget period</b>			\$0.00
<b>24. Total Approved Cost Sharing or Matching, where applicable</b>			\$0.00
<b>25. Total Federal and Non-Federal Approved this Budget Period</b>			\$2,000,000.00
<b>26. Project Period Start Date</b>	08/31/2021	<b>- End Date</b>	08/30/2024
<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>			Not Available

**28. Authorized Treatment of Program Income**

ADDITIONAL COSTS

**29. Grants Management Officer - Signature**

Ms. Stephanie Latham  
Team Lead, Grants Management Officer

**30. Remarks**



Award# 1 NU58DP006992-01-00

FAIN# NU58DP006992

Federal Award Date: 08/23/2021

<b>Recipient Information</b>	
<b>Recipient Name</b>	
Health Care Cost Containment System, Arizona 701 E Jefferson St Phoenix, AZ 85034-2215 602-417-4711	
<b>Congressional District of Recipient</b>	
07	
<b>Payment Account Number and Type</b>	
1866004791X7	
<b>Employer Identification Number (EIN) Data</b>	
866004791	
<b>Universal Numbering System (DUNS)</b>	
805346798	
<b>Recipient's Unique Entity Identifier</b>	
Not Available	
<b>31. Assistance Type</b>	
Project Grant	
<b>32. Type of Award</b>	
Other	

<b>33. Approved Budget</b> (Excludes Direct Assistance)	
I. Financial Assistance from the Federal Awarding Agency Only	
II. Total project costs including grant funds and all other financial participation	
<b>a. Salaries and Wages</b>	\$339,869.00
<b>b. Fringe Benefits</b>	\$135,948.00
<b>c. Total Personnel Costs</b>	\$475,817.00
<b>d. Equipment</b>	\$0.00
<b>e. Supplies</b>	\$20,238.00
<b>f. Travel</b>	\$4,520.00
<b>g. Construction</b>	\$0.00
<b>h. Other</b>	\$21,245.00
<b>i. Contractual</b>	\$1,478,180.00
<b>j. TOTAL DIRECT COSTS</b>	<b>\$2,000,000.00</b>
<b>k. INDIRECT COSTS</b>	<b>\$0.00</b>
<b>l. TOTAL APPROVED BUDGET</b>	<b>\$2,000,000.00</b>
<b>m. Federal Share</b>	<b>\$2,000,000.00</b>
<b>n. Non-Federal Share</b>	<b>\$0.00</b>

<b>34. Accounting Classification Codes</b>					
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-9390H3H	21NU58DP006992C3	DP	41.51	\$2,000,000.00	75-2024-0943

# AWARD ATTACHMENTS

Health Care Cost Containment System, Arizona

1 NU58DP006992-01-00

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1. T&C Health Cost containment

**AWARD INFORMATION**

**Incorporation:** In addition to the federal laws, regulations, policies, and CDC General Terms and Conditions for Non-research awards at <https://www.cdc.gov/grants/federalregulationspolicies/index.html>, the Centers for Disease Control and Prevention (CDC) hereby incorporates Notice of Funding Opportunity (NOFO) number DP21-2109, entitled “Community Health Workers for COVID Response and Resilient Communities (CCR)”, and application dated May 24, 2021, as may be amended, which are hereby made a part of this Non-research award, hereinafter referred to as the Notice of Award (NoA).

**Approved Funding:** Funding in the amount of \$2,000,000 is approved for the Year 1 budget period, which is August 31, 2021 through August 30, 2022. All future year funding will be based on satisfactory programmatic progress and the availability of funds.

The federal award amount is subject to adjustment based on total allowable costs incurred and/or the value of any third-party in-kind contribution when applicable.

Note: Refer to the Payment Information section for Payment Management System (PMS) subaccount information.

**Component/Project Funding:** The NOFO provides for the funding of multiple components under this award. The approved component funding levels for this notice of award are:

<b>NOFO Component</b>	<b>Amount</b>
Component A	\$ 0
Component B	\$ 2,000,000
Component C	\$0

**Coronavirus Disease 2019 (COVID-19) Funds:** A recipient of a grant or cooperative agreement awarded by the Department of Health and Human Services (HHS) with funds made available under the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (P.L. 116-123); the Coronavirus Aid, Relief, and Economic Security Act, 2020 (the “CARES Act”) (P.L. 116-136); the Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); the Consolidated Appropriations Act and the Coronavirus Response and Relief Supplement Appropriations Act, 2021 (P.L. 116-260) and/or the American Rescue Plan of 2021 [P.L. 117-2] agrees, as applicable to the award, to: 1) comply with existing and/or future directives and guidance from the Secretary regarding control of the spread of COVID-19; 2) in consultation and coordination with HHS, provide, commensurate with the condition of the individual, COVID-19 patient care regardless of the individual’s home jurisdiction and/or appropriate public health measures (e.g., social distancing, home isolation); and 3) assist the United States Government in the implementation and enforcement of federal orders related to quarantine and isolation.

In addition, to the extent applicable, Recipient will comply with Section 18115 of the CARES Act, with respect to the reporting to the HHS Secretary of results of tests intended to detect SARS–CoV–2 or to diagnose a possible case of COVID–19. Such reporting shall be in accordance with guidance and direction from HHS and/or CDC. HHS laboratory reporting guidance is posted at: <https://www.hhs.gov/sites/default/files/covid-19-laboratory-data-reporting-guidance.pdf>.

Further, consistent with the full scope of applicable grant regulations (45 C.F.R. 75.322), the purpose of this award, and the underlying funding, the recipient is expected to provide to CDC copies of and/or access to COVID-19 data collected with these funds, including but not limited to data related to COVID-19 testing. CDC will specify in further guidance and directives what is encompassed by this requirement.

This award is contingent upon agreement by the recipient to comply with existing and future guidance from the HHS Secretary regarding control of the spread of COVID-19. In addition, recipient is expected to flow down these terms to any subaward, to the extent applicable to activities set out in such subaward.

**Financial Assistance Mechanism:** Grant

**Budget Revision Requirement:** By September 30, 2021 the recipient must submit a revised budget with a narrative justification. Failure to submit the required information in a timely manner may adversely affect the future funding of this project. If the information cannot be provided by the due date, you are required to contact the GMS/GMO identified in the CDC Staff Contacts section of this notice before the due date. Please address the following:

- Please provide all the elements for the contractors listed under component B as follows:
  - **Name of Contractor**
  - **Method of Selection**
  - **Period of Performance**
  - **Scope of Work**
  - **Method of Accountability**
  - **Itemized Budget and Justification**

**Expanded Authority:** The recipient is permitted the following expanded authority in the administration of the award.

- Carryover of unobligated balances from one budget period to a subsequent budget period. Unobligated funds may be used for purposes within the scope of the project as originally approved. Recipients will report use, or intended use, of unobligated funds in Section 12 “Remarks” of the annual Federal Financial Report. If the GMO determines that some or all of the unobligated funds are not necessary to complete the project, the GMO may restrict the recipient’s authority to automatically carry over unobligated balances in the future, use the balance to reduce or offset CDC funding for a subsequent budget period, or use a combination of these actions.

**FUNDING RESTRICTIONS AND LIMITATIONS**

**Indirect Costs:** The recipient’s indirect costs are approved and based on a de minimis rate of ten (10) percent of modified total direct costs (MTDC) as defined in 45 CFR Part 75.2.

## REPORTING REQUIREMENTS

**Required Disclosures for Federal Awardee Performance and Integrity Information System (FAPIIS):** Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the CDC, with a copy to the HHS Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Subrecipients must disclose, in a timely manner in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the CDC and to the HHS OIG at the following addresses:

CDC, Office of Grants Services  
Rhonda Latimer, Grants Management Officer/Specialist  
Centers for Disease Control and Prevention  
Branch 5  
2939 Flowers Road  
Atlanta GA 30341  
Email: [RDLatimer@cdc.gov](mailto:RDLatimer@cdc.gov) (Include "Mandatory Grant Disclosures" in subject line)

AND

U.S. Department of Health and Human Services  
Office of the Inspector General  
ATTN: Mandatory Grant Disclosures, Intake Coordinator  
330 Independence Avenue, SW  
Cohen Building, Room 5527  
Washington, DC 20201

Fax: (202)-205-0604 (Include "Mandatory Grant Disclosures" in subject line) or  
Email: [MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Recipients must include this mandatory disclosure requirement in all subawards and contracts under this award.

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371. Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 and 376, and 31 U.S.C. 3321).

CDC is required to report any termination of a federal award prior to the end of the period of performance due to material failure to comply with the terms and conditions of this award in the OMB-designated integrity and performance system accessible through SAM (currently FAPIIS). (45 CFR 75.372(b)) CDC must also notify the recipient if the federal award is terminated for failure to comply with the federal statutes, regulations, or terms and conditions of the federal award. (45 CFR 75.373(b))

## PAYMENT INFORMATION

**Payment Management System Subaccount:** Funds awarded in support of approved activities have been obligated in a subaccount in the PMS, herein identified as the "P Account". Funds

must be used in support of approved activities in the NOFO and the approved application.

The grant document number identified on the bottom of Page 1 of the Notice of Award must be known to draw down funds.

## **CDC Staff Contacts**

**Grants Management Specialist:** The GMS is the federal staff member responsible for the day-to-day management of grants and cooperative agreements. The GMS is the primary contact of recipients for business and administrative matters pertinent to grant awards.

**GMS Contact:**

Rhonda Latimer, Grants Management Specialist  
Centers for Disease Control and Prevention  
Branch 5  
2939 Flowers Road  
Atlanta GA 30341  
Telephone: 770-488-1647  
Email: [RDLatimer@cdc.gov](mailto:RDLatimer@cdc.gov)

**Program/Project Officer:** The PO is the federal official responsible for monitoring the programmatic, scientific, and/or technical aspects of grants and cooperative agreements, as well as contributing to the effort of the award under cooperative agreements.

**Programmatic Contact:**

Monique Young, Project Officer  
Centers for Disease Control and Prevention  
National Center for Disease Prevention and Health  
Telephone: 770-488-3434  
Email: [HZA4@cdc.gov](mailto:HZA4@cdc.gov)

**Grants Management Officer:** The GMO is the federal official responsible for the business and other non-programmatic aspects of grant awards. The GMO is the only official authorized to obligate federal funds and is responsible for signing the NoA, including revisions to the NoA that change the terms and conditions. The GMO serves as the counterpart to the business officer of the recipient organization.

**GMO Contact:**

Stephanie Latham, Grants Management Officer  
Centers for Disease Control and Prevention  
Branch 5  
Telephone: 770-488-2197  
Email: [FZV6@cdc.gov](mailto:FZV6@cdc.gov)

# **EXHIBIT H**



**Recipient Information**

**1. Recipient Name**

ARIZONA HEALTH CARE COST  
CONTAINMENT SYSTEM  
701 E Jefferson St  
Phoenix, AZ 85034-2215  
602-417-4711

**2. Congressional District of Recipient**  
07

**3. Payment System Identifier (ID)**  
1866004791X7

**4. Employer Identification Number (EIN)**  
866004791

**5. Data Universal Numbering System (DUNS)**  
805346798

**6. Recipient's Unique Entity Identifier (UEI)**  
LJGVPF5ULHJ3

**7. Project Director or Principal Investigator**

Ashley Lazaro  
Grants Manager  
Ashley.lazaro@aacihc.az.gov  
480-417-9058

**8. Authorized Official**

Ashley Lazaro  
Grants Manager  
Ashley.lazaro@aacihc.az.gov  
480-417-9058

**Federal Agency Information**

CDC Office of Financial Resources

**9. Awarding Agency Contact Information**

Mr. Daniel Jackson  
Grants Management Specialist  
qpz2@cdc.gov  
(678) 475-4577

**10. Program Official Contact Information**

Ms. Perrin Hicks  
Program Officer  
swy2@cdc.gov  
7704880826

**Federal Award Information**

**11. Award Number**

6 NU58DP006992-03-05

**12. Unique Federal Award Identification Number (FAIN)**

NU58DP006992

**13. Statutory Authority**

Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") Public Law 116-136 Public Health Service Act 42 U.S.C. 301(a)

**14. Federal Award Project Title**

AACIHC CDC CCR

**15. Assistance Listing Number**

93.495

**16. Assistance Listing Program Title**

Community Health Workers for Public Health Response and Resilient

**17. Award Action Type**

Terminate

**18. Is the Award R&D?**

No

**Summary Federal Award Financial Information**

<b>19. Budget Period Start Date</b>	08/31/2023	- End Date	03/24/2025
<b>20. Total Amount of Federal Funds Obligated by this Action</b>			\$0.00
20a. Direct Cost Amount			\$0.00
20b. Indirect Cost Amount			\$0.00
<b>21. Authorized Carryover</b>			\$0.00
<b>22. Offset</b>			\$0.00
<b>23. Total Amount of Federal Funds Obligated this budget period</b>			\$2,000,000.00
<b>24. Total Approved Cost Sharing or Matching, where applicable</b>			\$0.00
<b>25. Total Federal and Non-Federal Approved this Budget Period</b>			\$2,000,000.00
<b>26. Period of Performance Start Date</b>	08/31/2021	- End Date	03/24/2025
<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Period of Performance</b>			\$6,000,000.00

**28. Authorized Treatment of Program Income**

ADDITIONAL COSTS

**29. Grants Management Officer - Signature**

Natasha Jones  
Grants Management Officer

**30. Remarks**

Department Authority



<b>Recipient Information</b>
<b>Recipient Name</b> ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM 701 E Jefferson St Phoenix, AZ 85034-2215 602-417-4711
<b>Congressional District of Recipient</b> 07
<b>Payment Account Number and Type</b> 1866004791X7
<b>Employer Identification Number (EIN) Data</b> 866004791
<b>Universal Numbering System (DUNS)</b> 805346798
<b>Recipient's Unique Entity Identifier (UEI)</b> LJGVPF5ULHJ3
<b>31. Assistance Type</b> Project Grant
<b>32. Type of Award</b> Other

<b>33. Approved Budget</b> (Excludes Direct Assistance)	
I. Financial Assistance from the Federal Awarding Agency Only II. Total project costs including grant funds and all other financial participation	
<b>a. Salaries and Wages</b>	\$321,000.00
<b>b. Fringe Benefits</b>	\$128,400.00
<b>c. Total Personnel Costs</b>	\$449,400.00
<b>d. Equipment</b>	\$0.00
<b>e. Supplies</b>	\$5,000.00
<b>f. Travel</b>	\$34,132.00
<b>g. Construction</b>	\$0.00
<b>h. Other</b>	\$49,949.00
<b>i. Contractual</b>	\$1,461,519.00
<b>j. TOTAL DIRECT COSTS</b>	<b>\$2,000,000.00</b>
<b>k. INDIRECT COSTS</b>	<b>\$0.00</b>
<b>l. TOTAL APPROVED BUDGET</b>	<b>\$2,000,000.00</b>
<b>m. Federal Share</b>	<b>\$2,000,000.00</b>
<b>n. Non-Federal Share</b>	<b>\$0.00</b>

<b>34. Accounting Classification Codes</b>							
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	ASSISTANCE LISTING	AMT ACTION	FINANCIAL ASSISTANCE	APPROPRIATION
1-9390H3H	21NU58DP006992C3	DP	41.51	93.495		\$0.00	75-2024-0943
2-9390H3H	21NU58DP006992C3	DP	41.51	93.495		\$0.00	75-2024-0943
3-9390H3H	21NU58DP006992C3	DP	41.51	93.495		\$0.00	75-2024-0943

# AWARD ATTACHMENTS

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

6 NU58DP006992-03-05

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1. Terms and Conditions

## TERMS AND CONDITIONS OF AWARD

**Termination:** The purpose of this amendment is to terminate this award which is funded by COVID-19 supplemental appropriations. The termination of this award is for cause. HHS regulations permit termination if “the non-Federal entity fails to comply with the terms and conditions of the award”, or separately, “for cause.” The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their limited purpose has run out. Termination of this award is effective as of the date set out in your Notice of Award.

No additional activities can be conducted, and no additional costs may be incurred. Unobligated award balances will be de-obligated by CDC.

**Closeout:** In order to facilitate an orderly closeout, we are requesting that you submit all closeout reports identified below within thirty (30) days of the date of this NoA. Submit the documentation as a “Grant Closeout” amendment in GrantSolutions. The reporting timeframe is the full period of performance. Please note, if you fail to submit timely and accurate reports, CDC may also pursue other enforcement actions per 45 CFR Part 75.371.

**Final Performance/Progress Report:** This report should include the information specified in the Notice of Funding Opportunity (NOFO). At a minimum, the report will include the following:

- Statement of progress made toward the achievement of originally stated aims.
- Description of results (positive or negative) considered significant.
- List of publications resulting from the project, with plans, if any, for further publication.

**Final Federal Financial Report (FFR, SF-425):** The FFR should only include those funds authorized and expended during the timeframe covered by the report. The final report must indicate the exact balance of unobligated funds and may not reflect any unliquidated obligations. Should the amount not match with the final expenditures reported to the Payment Management System (PMS), you will be required to update your reports to PMS accordingly.

**Equipment and Supplies - Tangible Personal Property Report (SF-428):** A completed SF-428 detailing all major equipment acquired with a unit acquisition cost of \$10,000 or more. If no equipment was acquired under the award, a negative report is required

# **EXHIBIT I**



<b>Recipient Information</b> <b>1. Recipient Name</b> ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM 801 E JEFFERSON ST PHOENIX, AZ 85034  <b>2. Congressional District of Recipient</b> 03  <b>3. Payment System Identifier (ID)</b> 1866004791X7  <b>4. Employer Identification Number (EIN)</b> 866004791  <b>5. Data Universal Numbering System (DUNS)</b> 805346798  <b>6. Recipient's Unique Entity Identifier</b> LJVVPF5ULHJ3  <b>7. Project Director or Principal Investigator</b> Alisa Randall  alisa.randall@azahcccs.gov  <b>8. Authorized Official</b> Alisa Randall alisa.randall@azahcccs.gov	<b>Federal Award Information</b>  <b>11. Award Number</b> 6B09SM085335-01M002  <b>12. Unique Federal Award Identification Number (FAIN)</b> B09SM085335  <b>13. Statutory Authority</b> Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96  <b>14. Federal Award Project Title</b> Block Grants for Community Mental Health Services  <b>15. Assistance Listing Number</b> 93.958  <b>16. Assistance Listing Program Title</b> Block Grants for Community Mental Health Services  <b>17. Award Action Type</b> Amendment  <b>18. Is the Award R&amp;D?</b> No																										
<b>Federal Agency Information</b> <b>9. Awarding Agency Contact Information</b> Wendy Pang Grants Specialist wendy.pang@samhsa.hhs.gov (240) 276-1419  <b>10. Program Official Contact Information</b> Hassan Sabree Program Official Hassan.Sabree@samhsa.hhs.gov 240-276-1044	<table border="1" style="width: 100%;"> <tr> <th colspan="2" style="text-align: center;">Summary Federal Award Financial Information</th> </tr> <tr> <td><b>19. Budget Period Start Date</b></td> <td>09/01/2021 – End Date 03/24/2025</td> </tr> <tr> <td><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>    20 a. Direct Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>    20 b. Indirect Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td><b>22. Offset</b></td> <td></td> </tr> <tr> <td><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <th colspan="2" style="text-align: center;">-----</th> </tr> <tr> <td><b>26. Project Period Start Date</b></td> <td>09/01/2021 – End Date 03/24/2025</td> </tr> <tr> <td><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right;">\$39,229,067</td> </tr> </table> <b>28. Authorized Treatment of Program Income</b> Additional Costs  <b>29. Grants Management Officer - Signature</b> Katrina Morgan	Summary Federal Award Financial Information		<b>19. Budget Period Start Date</b>	09/01/2021 – End Date 03/24/2025	<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$0	20 a. Direct Cost Amount	\$0	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$0	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$0	-----		<b>26. Project Period Start Date</b>	09/01/2021 – End Date 03/24/2025	<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$39,229,067
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<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$0																										
20 a. Direct Cost Amount	\$0																										
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<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0																										
<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$0																										
-----																											
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<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$39,229,067																										

**30. Remarks**  
 Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award

**Issue Date:** 03/28/2025



MHBG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Center for Mental Health Services

**Award Number:** 6B09SM085335-01M002

**FAIN:** B09SM085335-01

**Contact Person:** Alisa Randall

**Program:** Block Grants for Community Mental Health Services

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
801 E JEFFERSON ST

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 03/24/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$0 (see "Award Calculation" in Section I) to ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Katrina Morgan  
Grants Management Officer  
Division of Grants Management  
katrina.morgan@samhsa.hhs.gov  
See additional information below

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**SECTION I – AWARD DATA – 6B09SM085335-01M002**

**FEDERAL FUNDS APPROVED:** \$39,229,067  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$0  
**CUMULATIVE AWARDS TO DATE:** \$39,229,067  
**UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.958  
**EIN:** 1866004791X7  
**Document Number:** 21B2AZCMHSC6  
**Fiscal Year:** 2021

IC	CAN	01
SM	C96D540	\$0

**PCC:** CMHS / **OC:** 4115

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 6B09SM085335-01M002**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 6B09SM085335-01M002****REMARKS****Termination of CRSSA & ARP Awards - Non-Discretionary****Block Grant Notice of Award (NoA) Terms for Terminating COVID-19 Awards (CRSSA and ARP)**

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants funded by the [Coronavirus Response and Relief Supplemental Appropriations Act](#) (CRRSA) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan](#) (ARP) Act which provided additional relief to address the continued impact of COVID-19.

The termination of this award is for cause. The block grant provisions at [42 U.S.C. 300x-55](#) permit termination if the state has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved. The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their limited purpose has run out. Termination of this award is effective as of 11:59PM EDT, March 24, 2025.

**REPORTING REQUIREMENTS**

In accordance with [45 CFR 96.30 \(4\)](#), block grant award recipients are required to provide a Financial Status Report (FFR) no later than 90 calendar days after March 24, 2025. Recipients must liquidate all obligations incurred under an award no later than 90 calendar days after March 24, 2025, which also coincides with the due date for submission of the FINAL SF-425, Federal Financial Report (FFR). Reimbursements after termination are allowable if the reimbursements result from obligations which were properly incurred on or before March 24, 2025.

Recipients are expected to cease all activities immediately and complete the reconciliation/liquidation process no later than 90 calendar days after the termination effective date. **SAMHSA does not approve extensions to the post-award 90 calendar day reconciliation/liquidation period.**

#### RESTRICTION ON THE DRAWDOWN OF FUNDS

The related Payment Management System account has been restricted from drawing down funding which now requires prior approval from SAMHSA.

#### PAYMENT REQUEST

Reimbursements after termination are allowable for obligations that were properly incurred on or before the effective date of the termination.

To request reimbursement, your organization must email your cognizant Grants Management Specialists (see contact information below) stating the amount requested and certifying in the email that all costs claimed for reimbursement are allowable, allocable, reasonable, and necessary and were incurred on or before the effective date of the termination, in accordance with 45 CFR 96.30 .

All requests for reimbursement must be submitted **no later than 90 calendar days from the effective date of the termination** to [wendy.pang@samhsa.hhs.gov](mailto:wendy.pang@samhsa.hhs.gov), [katrina.morgan@samhsa.hhs.gov](mailto:katrina.morgan@samhsa.hhs.gov), and [SAMHSAgrants@samhsa.hhs.gov](mailto:SAMHSAgrants@samhsa.hhs.gov). If approved, a follow-up email will be sent to you to submit your payment request to PMS only requesting the amount approved in SAMHSA' s email response. Once you submit your payment request to PMS it will be reviewed for accuracy and either approved for drawdown or returned. SAMHSA does not approve extensions to the 90-calendar day post-award reconciliation/liquidation period.

As a reminder, PMS introduced a new mandatory field in the payment request screen at the subaccount level. This field, limited to 1,000 characters, will capture a justification from the grant recipient explaining the purpose of the payment request.

#### **Opportunity for Hearing:**

Block grant recipients may request a hearing to dispute this decision by submitting a written notice to the Substance Abuse and Mental Health Services Administration (SAMHSA) requesting a hearing within 15 calendar days of the date of this Notice of Award to: [SAMHSAgrants@samhsa.hhs.gov](mailto:SAMHSAgrants@samhsa.hhs.gov). The request for a hearing must include a copy of this termination notice and a brief statement of why this decision should not be upheld.

Enclosure



The October 1994 notice required State Medicaid agencies to specify the reimbursement for the administration of the pediatric vaccines, and, if applicable, submit documentation of equal access, due by April 1 of each year, beginning April 1, 1995 (and which is effective July 1, 1995), as part of its obstetrical/pediatric payment rate State Medicaid plan amendment submittal. The notice also stated that if the State Medicaid agency elected to pay the maximum regional amount statewide, it need only specify this in its State plan amendment submittal (no additional documentation would have been needed). However, if the State Medicaid agency elected to vary the vaccine administration fee by geographic areas within the State, the State must list the administration fee, specify the methodology, and provide data for each geographic area where the maximum charges are not applied. Additionally, the notice stated that, because of the October 1, 1994 implementation date, the State plan amendment must have been submitted by December 31, 1994, and have been effective October 1, 1994. For the interim period of October 1, 1994, through March 31, 1995, the notice provided that States may claim Federal matching funds for the costs of administration of vaccines to Medicaid-eligible children using the maximum charges or lower fees established on the basis of the guidance provided in the notice. For this interim State plan amendment, the State would have been required to submit the methodology to document access to immunizations but would not have been required to supply supporting data by which Medicaid beneficiary access to immunizations was assured. Beginning April 1, 1995, documentation of equal access to immunizations would have been required to be included as part of the yearly obstetrical/pediatric State plan amendment submittal in accordance with section 1926 of the Social Security Act.

## II. Rescission of Access Guidelines

As a result of our preliminary review of public comments on the October 1994 notice regarding the documentation of access requirements, we are rescinding the requirement that States use the access guidelines to provide assurances of equal access, pending further evaluation.

Following are some of the problems the commenters identified with the access requirements:

- Difficulties in obtaining current data on the number of children in the general population who have received

immunizations, despite the fact that States have data on the number of Medicaid children who have been immunized.

- Difficulties in obtaining private insurance information only on administration fee reimbursement. It is unlikely that private insurance companies will have a reimbursement rate that only covers the provider's costs for administration of the immunization.

- Difficulties in obtaining useable data currently. These problems stem from the fact that some States have not yet implemented the VFC Program for private providers.

- Difficulties in obtaining VFC Program reimbursement data. Due to the October 1, 1994, implementation date, most of the claims data that would be used to document access in April 1995 would reflect provider participation based on the current reimbursement system rather than reimbursement through the VFC program.

- Difficulties in obtaining reliable and meaningful measures of access. Commenters urged HCFA to develop meaningful measures of access for vaccines and for all other obstetrical and pediatric services.

As a result of the rescission of the access guidelines, States will not be required to provide a methodology or data to document that payment levels are sufficient to enlist enough providers so that immunizations under the State plan are available to Medicaid recipients at least to the extent that those services are available to the general population.

HCFA is forming a workgroup that will examine alternative measures of access to vaccines. After this examination is completed, we will evaluate the various suggestions of the group and formulate specific guidelines for States. These guidelines, along with responses to all other timely public comments on the October 3, 1994, notice, will be published in a final **Federal Register** document.

In accordance with the provisions of Executive Order 12866, this notice has been reviewed by the Office of Management and Budget. (Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program)

Dated: February 5, 1995.

**Bruce C. Vladeck,**

*Administrator, Health Care Financing Administration.*

Dated: March 2, 1995. **Donna E. Shalala,** *Secretary.*

[FR Doc. 95-8646 Filed 4-4-95; 4:13 am]

**BILLING CODE 4120-01-P**

# Substance Abuse and Mental Health Services Administration

## Hearing Procedures for Certain Issues Related to the Substance Abuse Prevention and Treatment and the Community Mental Health Services Block Grant Programs

**AGENCY:** Substance Abuse and Mental Health Services Administration (SAMHSA), HHS.

**ACTION:** Notice.

**SUMMARY:** SAMHSA administers two block grant programs: the Substance Abuse Prevention and Treatment (SAPT) Block Grant Program and the Community Mental Health Services (CMHS) Block Grant Program, both of which are authorized by Title XIX of the Public Health Service (PHS) Act.

Section 1945(e) of the PHS Act provides a State the opportunity for a hearing on certain noncompliance issues relating to the block grants prior to the Secretary taking final action against the State. To the extent that the hearing procedures contained in 45 CFR part 96, subpart E, 42 CFR part 50, subpart D, or 45 CFR part 16 do not apply to the noncompliance issue raised, the guidelines established below for hearings will apply to assist in providing a prompt and orderly hearing. When these procedures are applicable, the State will be provided a copy of the procedures with the notice of noncompliance.

These procedures are currently effective. However, we are inviting comments from the public on the procedures and such comments are to be sent to the information contact person identified immediately below within 60 days from the date of this publication. Comments received will be carefully considered and may cause the procedures to be revised.

**FOR FURTHER INFORMATION CONTACT:**

Richard Kopanda, Acting Executive Officer, SAMHSA, 5600 Fishers Lane, Room 12-105, Rockville, MD 20857,  
Telephone No. (301) 443-3875.

## Hearing Procedures

### *Sec. 1. Limitations on Issues Subject to Review During the Hearing*

The scope of review shall be limited to (a) the facts relevant to the noncompliance at issue, and (b) the necessary interpretations of those facts, any applicable regulations, and other relevant law. The legal validity of any regulations or statutes shall not be subject to review under these procedures.

**18138**

**Federal Register / Vol. 60, No. 68 / Monday, April 10,**

**1995 / Notices**

### *Sec. 2. The Request for a Hearing and the Hearing Official's Response*

(a) The State must submit a written notice to the Substance Abuse and Mental Health Services Administration (SAMHSA) requesting a hearing within 15 days of the date of the notice of noncompliance (which will set forth the reasons for the finding of noncompliance and be accompanied by a copy of these hearing procedures), unless some other time period is agreed to by the parties. The written notice must be sent to (*name and address of person identified in the letter to the State*). The written notice requesting a hearing must include a copy of the notice of noncompliance and a brief statement of why the decision of noncompliance is wrong.

(b) Within ten days after receiving the request for review, SAMHSA will send an acknowledgment, identify the hearing official and advise the State of the next steps.

### *Sec. 3. The Procedures for Development of the Hearing File and Submission of Written Argument*

The procedures for development and the submission of written argument are as follows:

(a) *State's documents and briefs.* Within 30 days after receiving the acknowledgment of the request for a hearing, the State shall submit to the hearing official the following (with a copy of SAMHSA at the address listed in sec. 2):

(1) A written statement, not to exceed 20 double-spaced pages, explaining why the Government's determination of noncompliance is wrong.

(2) A review file containing the documents supporting the State's argument, tabbed and reasonably organized, and accompanied by an index identifying each document. Only essential documents should be submitted to the hearing official.

(b) *SAMHSA's Documents and Brief*. Within 30 days after receiving the State's submission, SAMHSA shall submit to the hearing official the following (with a copy to the State):

(1) A written statement, not exceeding 20 double-spaced pages in length, responding to the State's brief.

(2) A review file containing documents supporting the Government's decision of noncompliance, tabbed and reasonably organized, and accompanied by an index identifying each document. Only essential documents should be submitted to the hearing official.

(c) *The State's Reply Brief*. Within 15 days after receiving SAMHSA's

submission, the State may submit a short reply not to exceed 10 double-spaced pages (with a copy to SAMHSA at the address listed in sec. 2).

*Sec. 4. Opportunity for Oral Presentation*

(a) *Electing Oral Presentation.* Either the Federal Government or the State may request the opportunity for an oral presentation by submitting such a request in writing to the hearing official on or before the date the State is to submit its reply brief under section 3(c). The hearing official will grant the request if the official determines that a genuine and substantial issue of fact has been raised by the material submitted and that the consideration of the issue will benefit from an oral presentation. The hearing official may also upon his or her initiative request an oral presentation by the parties.

(b) *Preliminary Conference.* The hearing official may hold a prehearing conference (usually a telephone conference call) to consider any of the following: Simplifying and clarifying issues; stipulations and admissions; limitations on evidence and witnesses that will be presented at the hearing; time allotted for each witness and the hearing altogether; scheduling the hearing; and any other matter that will assist in the review process. Normally, this conference will be conducted informally. The hearing official may, at his or her discretion, produce a written document summarizing the conference or transcribe the conference, either of which will be made a part of the record.

(c) *Time and Place of Oral Presentation.* The hearing official will attempt to schedule the oral presentation, if granted, within 30 days of the date of the last reply brief. The oral presentation will be held at a time and place determined by the hearing official following consultation with the parties.

(d) *Conduct of the Oral Presentation.*

(1) *General.* The hearing official is responsible for conducting the oral presentation. The hearing official may be assisted by one or more of his or her employees or consultants in conducting the oral presentation and hearing the evidence. While the oral presentation will be kept as informal as possible, the hearing official may take all necessary steps to ensure an orderly proceeding.

(2) *Admission of Evidence.* The formal rules of evidence do not apply and the hearing official will generally admit all testimonial evidence unless it is clearly irrelevant, immaterial, or unduly repetitious. Each party may make an opening and closing statement, may present witnesses as agreed upon in the

prehearing conference or otherwise, and may question the opposing party's witnesses. Since the parties have ample opportunity to prepare the review file, a party may introduce additional documentation during the oral presentation only with the permission of the hearing official. The hearing official may question witnesses directly and take such other steps necessary to ensure an effective and efficient consideration of the evidence, including setting time limitations on direct and cross-examinations.

(3) *Transcripts.* The hearing official may have the oral presentation transcribed and, if so transcribed, the transcript shall be made a part of the record. Either party may request a copy of the transcript and the requesting party shall be responsible for paying for its copy of the transcript.

(e) *Obstruction of Justice or Making of False Statements.* Obstruction of justice or the making of false statements by a witness or any other person may be the basis for a criminal prosecution under 18 U.S.C. 1505, 1001, or related statutes or regulations.

(f) *Post-hearing Procedures.* At his or her discretion, the hearing official may require or permit the parties to submit post-hearing briefs or proposed findings and conclusions. Each party may submit comments on any major prejudicial errors in the transcript.

#### *Sec. 5. Burden of Proof*

In all cases, the Government bears the burden of proving by a preponderance of the evidence that the State has not complied with the relevant provisions of the law. However, if a State is required to expend or otherwise account for money in a particular manner, the State shall have the burden of producing audible records to show how the money was spent or otherwise accounted for or there will be a presumption created that the State did not expend or otherwise account for the funds correctly.

#### *Sec. 6. Ex Parte Communications*

Except for minor or routine administrative and procedural matters, a party shall not communicate with the hearing official or his or her staff on the matter without notice to the other party. All written communications to the hearing official shall simultaneously be submitted to the other party.

#### *Sec. 7. Transmission of Written Communications and Calculation of Deadlines*

(a) Because of the importance of a timely review, all written communications are to be transmitted by facsimile or overnight express mail.

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**1813**

The date of transmission (for facsimile) or the day following mailing (for overnight mail) will be considered the date of receipt.

(b) In counting days, include Saturdays, Sundays, and holidays. However, if a due date falls on a Saturday, Sunday, or Federal holiday, then the due date is the next Federal working day.

#### *Sec. 8. Appointment of and Authority and Responsibilities of Hearing Official*

There shall only be one hearing official appointed to the case and that hearing official shall be appointed by the Administrator of SAMHSA. In addition to any other authority specified in these procedures, the hearing official shall have the authority to issue orders; examine witnesses; take all steps necessary for the conduct of an orderly

copy of the recommendation to the State and SAMHSA.

(b) *Date of Recommendation.* The hearing official will attempt to issue his or her recommendation within 15 days of the date of the oral presentation, the date on which the transcript is received, or the date of the last submission by either party, whichever is later. If there is no oral presentation, the recommendation will normally be issued within 15 days of the date of receipt of the last reply brief. Once issued, the hearing official will immediately communicate the recommendation to each party.

Dated: March 28, 1995. **Nelba Chavez**, *Administrator*.

[FR Doc. 95-8648 Filed 4-7-95; 8:45 am]

**BILLING CODE 4162-20-M**

telephone (202) 708-0050. This is not a toll-free number. Copies of the proposed forms and other available documents submitted to OMB may be obtained from Ms. Weaver.

**SUPPLEMENTARY INFORMATION:** The

Department has submitted the proposals for the collections of information, as described below, to OMB for review, as required by the Paperwork Reduction act (44 U.S.C. Chapter 35).

The Notices list the following information: (1) The title of the information collection proposal; (2) the office of the agency to collect the information; (3) the description of the need for the information and its proposed use; (4) the agency form number, if applicable; (5) what members of the public will be affected by the proposal; (6) an estimate of the total hearing; rule on requests and motions; \_\_\_\_\_ grant extensions of time for good

number of hours needed to prepare the information submission including reasons; dismiss for failure to meet deadlines or other requirements; order the parties to submit relevant information or witnesses; remand a case for further action by the respondent; waive or modify these procedures in a specific case, usually with notice to the parties; reconsider a decision where a party promptly alleges a clear error of fact or law; and to take any other action necessary to resolve disputes in accordance with the objectives of these procedures.

*Sec. 9. Administrative Record*

The administrative record of review consists of the review file including the government's notice and the State's request for a hearing; other submissions by the parties; transcripts or other records of any meetings, conference calls, or oral presentation; evidence submitted at the oral presentation; and orders and other documents issued by the hearing official.

*Sec. 10. Written Recommendation*

(a) *Issuance of Recommendation.* The hearing official shall issue a written recommendation on the case which will be transmitted to the Secretary for a final decision. The written recommendation will set forth the reasons for the recommendation and describe the basis therefore in the record. The hearing official will send a

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. N-95-3910]

## Office of Administration; Notice of Submissions of Proposed Information Collections to OMB

**AGENCY:** Office of Administration, HUD.

**ACTION:** Notices.

**SUMMARY:** The proposed information collection requirements described below have been submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comment on the subject proposals.

**ADDRESSES:** Interested persons are invited to submit comment regarding these proposals. Comments must be received within thirty (30) days from the date of this Notice. Comments should refer to the proposal by name and should be sent to: Joseph F. Lackey, Jr., OMB Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:**

Kay F. Weaver, Reports Management Officer, Department of Housing and Urban Development, 451 7th Street, Southwest, Washington, DC 20410,

number of respondents, frequency of response, and hours of response; (7) whether the proposal is new or an extension, reinstatement, or revision of an information collection requirement; and (8) the names and telephone numbers of an agency official familiar with the proposal and of the OMB Desk Officer for the Department.

**Authority:** Section 3507 of the Paperwork Reduction Act, 44 U.S.C. 3507; Section 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Dated: April 3, 1995.

**David S. Cristy,**

*Acting Director, Information Resources, Management Policy and Management Division.*

## Notice of Submission of Proposed Information Collection to OMB

*Proposal:* Financial Statement.

*Office:* Housing.

*Description Of The Need For The Information And Its Proposed Use:* This form is used by HUD in determining factors involved when compromises are reached with borrowers to lighten the financial burdens in given cases of Title I Home Improvement and Mobile Home Loans.

*Form Number:* HUD-56142.

*Respondents:* Individuals or Households.

*Reporting Burden:*

	Number of respondents	Frequency of response	Hours per response	=	Burden hours
HUD-56142 .....	1,258	1	ponse 1	res	1,258

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

### Staff Contacts:

Hassan Sabree, Program Official

**Phone:** 240-276-1044 **Email:** Hassan.Sabree@samhsa.hhs.gov

Wendy Pang, Grants Specialist

**Phone:** (240) 276-1419 **Email:** wendy.pang@samhsa.hhs.gov **Fax:** (240) 276-1430

# **EXHIBIT J**



<b>Recipient Information</b> <b>1. Recipient Name</b> ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM 801 E JEFFERSON ST PHOENIX, AZ 85034  <b>2. Congressional District of Recipient</b> 03  <b>3. Payment System Identifier (ID)</b> 1866004791X7  <b>4. Employer Identification Number (EIN)</b> 866004791  <b>5. Data Universal Numbering System (DUNS)</b> 805346798  <b>6. Recipient's Unique Entity Identifier</b> LJGVPF5ULHJ3  <b>7. Project Director or Principal Investigator</b> Alisa Randall  alisa.randall@azahcccs.gov  <b>8. Authorized Official</b> Alisa Randall alisa.randall@azahcccs.gov	<b>Federal Award Information</b>  <b>11. Award Number</b> 6B09SM085862-01M002  <b>12. Unique Federal Award Identification Number (FAIN)</b> B09SM085862  <b>13. Statutory Authority</b> Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96  <b>14. Federal Award Project Title</b> Block Grants for Community Mental Health Services  <b>15. Assistance Listing Number</b> 93.958  <b>16. Assistance Listing Program Title</b> Block Grants for Community Mental Health Services  <b>17. Award Action Type</b> Amendment  <b>18. Is the Award R&amp;D?</b> No																										
<b>Federal Agency Information</b> <b>9. Awarding Agency Contact Information</b> Wendy Pang Grants Specialist wendy.pang@samhsa.hhs.gov (240) 276-1419  <b>10. Program Official Contact Information</b> Hassan Sabree Program Official Hassan.Sabree@samhsa.hhs.gov 240-276-1044	<table border="1" style="width: 100%;"> <tr> <th colspan="2" style="text-align: center;">Summary Federal Award Financial Information</th> </tr> <tr> <td><b>19. Budget Period Start Date</b></td> <td>09/01/2021 – <b>End Date</b> 03/24/2025</td> </tr> <tr> <td><b>20. Total Amount of Federal Funds Obligated by this Action</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>    20 a. Direct Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>    20 b. Indirect Cost Amount</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>21. Authorized Carryover</b></td> <td></td> </tr> <tr> <td><b>22. Offset</b></td> <td></td> </tr> <tr> <td><b>23. Total Amount of Federal Funds Obligated this budget period</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>24. Total Approved Cost Sharing or Matching, where applicable</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <td><b>25. Total Federal and Non-Federal Approved this Budget Period</b></td> <td style="text-align: right;">\$0</td> </tr> <tr> <th colspan="2" style="text-align: center;">-----</th> </tr> <tr> <td><b>26. Project Period Start Date</b></td> <td>09/01/2021 – <b>End Date</b> 03/24/2025</td> </tr> <tr> <td><b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b></td> <td style="text-align: right;">\$1,350,017</td> </tr> </table> <b>28. Authorized Treatment of Program Income</b> Additional Costs  <b>29. Grants Management Officer - Signature</b> Katrina Morgan	Summary Federal Award Financial Information		<b>19. Budget Period Start Date</b>	09/01/2021 – <b>End Date</b> 03/24/2025	<b>20. Total Amount of Federal Funds Obligated by this Action</b>	\$0	20 a. Direct Cost Amount	\$0	20 b. Indirect Cost Amount	\$0	<b>21. Authorized Carryover</b>		<b>22. Offset</b>		<b>23. Total Amount of Federal Funds Obligated this budget period</b>	\$0	<b>24. Total Approved Cost Sharing or Matching, where applicable</b>	\$0	<b>25. Total Federal and Non-Federal Approved this Budget Period</b>	\$0	-----		<b>26. Project Period Start Date</b>	09/01/2021 – <b>End Date</b> 03/24/2025	<b>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</b>	\$1,350,017
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**30. Remarks**  
 Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award

**Issue Date:** 03/28/2025



MHBG  
Department of Health and Human Services  
Substance Abuse and Mental Health Services Administration

Center for Mental Health Services

**Award Number:** 6B09SM085862-01M002

**FAIN:** B09SM085862-01

**Contact Person:** Alisa Randall

**Program:** Block Grants for Community Mental Health Services

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
801 E JEFFERSON ST

PHOENIX, AZ 85034

**Award Period:** 09/01/2021 – 03/24/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$0 (see "Award Calculation" in Section I) to ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,  
Katrina Morgan  
Grants Management Officer  
Division of Grants Management  
katrina.morgan@samhsa.hhs.gov  
See additional information below

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**SECTION I – AWARD DATA – 6B09SM085862-01M002**

**FEDERAL FUNDS APPROVED:** \$1,350,017  
**AMOUNT OF THIS ACTION (FEDERAL SHARE):** \$0  
**CUMULATIVE AWARDS TO DATE:** \$1,350,017  
**UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS:** \$0

**Fiscal Information:**

**CFDA Number:** 93.958  
**EIN:** 1866004791X7  
**Document Number:** 21B3AZCMHSC6  
**Fiscal Year:** 2021

IC	CAN	01
SM	C96D210	\$0

**PCC:** CMHS / **OC:** 4115

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**SECTION II – PAYMENT/HOTLINE INFORMATION – 6B09SM085862-01M002**

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

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**SECTION III – TERMS AND CONDITIONS – 6B09SM085862-01M002****REMARKS****Termination of CRSSA & ARP Awards - Non-Discretionary****Block Grant Notice of Award (NoA) Terms for Terminating COVID-19 Awards (CRSSA and ARP)**

During the COVID-19 pandemic, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants funded by the [Coronavirus Response and Relief Supplemental Appropriations Act](#) (CRRSA) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan](#) (ARP) Act which provided additional relief to address the continued impact of COVID-19.

The termination of this award is for cause. The block grant provisions at [42 U.S.C. 300x-55](#) permit termination if the state has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved. The end of the pandemic provides cause to terminate COVID-related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their limited purpose has run out. Termination of this award is effective as of 11:59PM EDT, March 24, 2025.

**REPORTING REQUIREMENTS**

In accordance with [45 CFR 96.30 \(4\)](#), block grant award recipients are required to provide a Financial Status Report (FFR) no later than 90 calendar days after March 24, 2025. Recipients must liquidate all obligations incurred under an award no later than 90 calendar days after March 24, 2025, which also coincides with the due date for submission of the FINAL SF-425, Federal Financial Report (FFR). Reimbursements after termination are allowable if the reimbursements result from obligations which were properly incurred on or before March 24, 2025.

Recipients are expected to cease all activities immediately and complete the reconciliation/liquidation process no later than 90 calendar days after the termination effective date. **SAMHSA does not approve extensions to the post-award 90 calendar day reconciliation/liquidation period.**

#### RESTRICTION ON THE DRAWDOWN OF FUNDS

The related Payment Management System account has been restricted from drawing down funding which now requires prior approval from SAMHSA.

#### PAYMENT REQUEST

Reimbursements after termination are allowable for obligations that were properly incurred on or before the effective date of the termination.

To request reimbursement, your organization must email your cognizant Grants Management Specialists (see contact information below) stating the amount requested and certifying in the email that all costs claimed for reimbursement are allowable, allocable, reasonable, and necessary and were incurred on or before the effective date of the termination, in accordance with 45 CFR 96.30 .

All requests for reimbursement must be submitted **no later than 90 calendar days from the effective date of the termination** to [wendy.pang@samhsa.hhs.gov](mailto:wendy.pang@samhsa.hhs.gov), [katrina.morgan@samhsa.hhs.gov](mailto:katrina.morgan@samhsa.hhs.gov), and [SAMHSAgrants@samhsa.hhs.gov](mailto:SAMHSAgrants@samhsa.hhs.gov). If approved, a follow-up email will be sent to you to submit your payment request to PMS only requesting the amount approved in SAMHSA' s email response. Once you submit your payment request to PMS it will be reviewed for accuracy and either approved for drawdown or returned. SAMHSA does not approve extensions to the 90-calendar day post-award reconciliation/liquidation period.

As a reminder, PMS introduced a new mandatory field in the payment request screen at the subaccount level. This field, limited to 1,000 characters, will capture a justification from the grant recipient explaining the purpose of the payment request.

#### **Opportunity for Hearing:**

Block grant recipients may request a hearing to dispute this decision by submitting a written notice to the Substance Abuse and Mental Health Services Administration (SAMHSA) requesting a hearing within 15 calendar days of the date of this Notice of Award to: [SAMHSAgrants@samhsa.hhs.gov](mailto:SAMHSAgrants@samhsa.hhs.gov). The request for a hearing must include a copy of this termination notice and a brief statement of why this decision should not be upheld.

Enclosure



The October 1994 notice required State Medicaid agencies to specify the reimbursement for the administration of the pediatric vaccines, and, if applicable, submit documentation of equal access, due by April 1 of each year, beginning April 1, 1995 (and which is effective July 1, 1995), as part of its obstetrical/pediatric payment rate State Medicaid plan amendment submittal. The notice also stated that if the State Medicaid agency elected to pay the maximum regional amount statewide, it need only specify this in its State plan amendment submittal (no additional documentation would have been needed). However, if the State Medicaid agency elected to vary the vaccine administration fee by geographic areas within the State, the State must list the administration fee, specify the methodology, and provide data for each geographic area where the maximum charges are not applied. Additionally, the notice stated that, because of the October 1, 1994 implementation date, the State plan amendment must have been submitted by December 31, 1994, and have been effective October 1, 1994. For the interim period of October 1, 1994, through March 31, 1995, the notice provided that States may claim Federal matching funds for the costs of administration of vaccines to Medicaid-eligible children using the maximum charges or lower fees established on the basis of the guidance provided in the notice. For this interim State plan amendment, the State would have been required to submit the methodology to document access to immunizations but would not have been required to supply supporting data by which Medicaid beneficiary access to immunizations was assured. Beginning April 1, 1995, documentation of equal access to immunizations would have been required to be included as part of the yearly obstetrical/pediatric State plan amendment submittal in accordance with section 1926 of the Social Security Act.

## II. Rescission of Access Guidelines

As a result of our preliminary review of public comments on the October 1994 notice regarding the documentation of access requirements, we are rescinding the requirement that States use the access guidelines to provide assurances of equal access, pending further evaluation.

Following are some of the problems the commenters identified with the access requirements:

- Difficulties in obtaining current data on the number of children in the general population who have received

immunizations, despite the fact that States have data on the number of Medicaid children who have been immunized.

- Difficulties in obtaining private insurance information only on administration fee reimbursement. It is unlikely that private insurance companies will have a reimbursement rate that only covers the provider's costs for administration of the immunization.

- Difficulties in obtaining useable data currently. These problems stem from the fact that some States have not yet implemented the VFC Program for private providers.

- Difficulties in obtaining VFC Program reimbursement data. Due to the October 1, 1994, implementation date, most of the claims data that would be used to document access in April 1995 would reflect provider participation based on the current reimbursement system rather than reimbursement through the VFC program.

- Difficulties in obtaining reliable and meaningful measures of access. Commenters urged HCFA to develop meaningful measures of access for vaccines and for all other obstetrical and pediatric services.

As a result of the rescission of the access guidelines, States will not be required to provide a methodology or data to document that payment levels are sufficient to enlist enough providers so that immunizations under the State plan are available to Medicaid recipients at least to the extent that those services are available to the general population.

HCFA is forming a workgroup that will examine alternative measures of access to vaccines. After this examination is completed, we will evaluate the various suggestions of the group and formulate specific guidelines for States. These guidelines, along with responses to all other timely public comments on the October 3, 1994, notice, will be published in a final **Federal Register** document.

In accordance with the provisions of Executive Order 12866, this notice has been reviewed by the Office of Management and Budget. (Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program)

Dated: February 5, 1995.

**Bruce C. Vladeck,**

*Administrator, Health Care Financing Administration.*

Dated: March 2, 1995. **Donna E. Shalala,** *Secretary.*

[FR Doc. 95-8646 Filed 4-4-95; 4:13 am]

**BILLING CODE 4120-01-P**

# Substance Abuse and Mental Health Services Administration

## Hearing Procedures for Certain Issues Related to the Substance Abuse Prevention and Treatment and the Community Mental Health Services Block Grant Programs

**AGENCY:** Substance Abuse and Mental Health Services Administration (SAMHSA), HHS.

**ACTION:** Notice.

**SUMMARY:** SAMHSA administers two block grant programs: the Substance Abuse Prevention and Treatment (SAPT) Block Grant Program and the Community Mental Health Services (CMHS) Block Grant Program, both of which are authorized by Title XIX of the Public Health Service (PHS) Act.

Section 1945(e) of the PHS Act provides a State the opportunity for a hearing on certain noncompliance issues relating to the block grants prior to the Secretary taking final action against the State. To the extent that the hearing procedures contained in 45 CFR part 96, subpart E, 42 CFR part 50, subpart D, or 45 CFR part 16 do not apply to the noncompliance issue raised, the guidelines established below for hearings will apply to assist in providing a prompt and orderly hearing. When these procedures are applicable, the State will be provided a copy of the procedures with the notice of noncompliance.

These procedures are currently effective. However, we are inviting comments from the public on the procedures and such comments are to be sent to the information contact person identified immediately below within 60 days from the date of this publication. Comments received will be carefully considered and may cause the procedures to be revised.

**FOR FURTHER INFORMATION CONTACT:**

Richard Kopanda, Acting Executive Officer, SAMHSA, 5600 Fishers Lane, Room 12-105, Rockville, MD 20857,  
Telephone No. (301) 443-3875.

## Hearing Procedures

### *Sec. 1. Limitations on Issues Subject to Review During the Hearing*

The scope of review shall be limited to (a) the facts relevant to the noncompliance at issue, and (b) the necessary interpretations of those facts, any applicable regulations, and other relevant law. The legal validity of any regulations or statutes shall not be subject to review under these procedures.

**18138**

**Federal Register / Vol. 60, No. 68 / Monday, April 10,**

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### *Sec. 2. The Request for a Hearing and the Hearing Official's Response*

(a) The State must submit a written notice to the Substance Abuse and Mental Health Services Administration (SAMHSA) requesting a hearing within 15 days of the date of the notice of noncompliance (which will set forth the reasons for the finding of noncompliance and be accompanied by a copy of these hearing procedures), unless some other time period is agreed to by the parties. The written notice must be sent to (*name and address of person identified in the letter to the State*). The written notice requesting a hearing must include a copy of the notice of noncompliance and a brief statement of why the decision of noncompliance is wrong.

(b) Within ten days after receiving the request for review, SAMHSA will send an acknowledgment, identify the hearing official and advise the State of the next steps.

### *Sec. 3. The Procedures for Development of the Hearing File and Submission of Written Argument*

The procedures for development and the submission of written argument are as follows:

(a) *State's documents and briefs.* Within 30 days after receiving the acknowledgment of the request for a hearing, the State shall submit to the hearing official the following (with a copy of SAMHSA at the address listed in sec. 2):

(1) A written statement, not to exceed 20 double-spaced pages, explaining why the Government's determination of noncompliance is wrong.

(2) A review file containing the documents supporting the State's argument, tabbed and reasonably organized, and accompanied by an index identifying each document. Only essential documents should be submitted to the hearing official.

(b) *SAMHSA's Documents and Brief*. Within 30 days after receiving the State's submission, SAMHSA shall submit to the hearing official the following (with a copy to the State):

(1) A written statement, not exceeding 20 double-spaced pages in length, responding to the State's brief.

(2) A review file containing documents supporting the Government's decision of noncompliance, tabbed and reasonably organized, and accompanied by an index identifying each document. Only essential documents should be submitted to the hearing official.

(c) *The State's Reply Brief*. Within 15 days after receiving SAMHSA's

submission, the State may submit a short reply not to exceed 10 double-spaced pages (with a copy to SAMHSA at the address listed in sec. 2).

*Sec. 4. Opportunity for Oral Presentation*

(a) *Electing Oral Presentation.* Either the Federal Government or the State may request the opportunity for an oral presentation by submitting such a request in writing to the hearing official on or before the date the State is to submit its reply brief under section 3(c). The hearing official will grant the request if the official determines that a genuine and substantial issue of fact has been raised by the material submitted and that the consideration of the issue will benefit from an oral presentation. The hearing official may also upon his or her initiative request an oral presentation by the parties.

(b) *Preliminary Conference.* The hearing official may hold a prehearing conference (usually a telephone conference call) to consider any of the following: Simplifying and clarifying issues; stipulations and admissions; limitations on evidence and witnesses that will be presented at the hearing; time allotted for each witness and the hearing altogether; scheduling the hearing; and any other matter that will assist in the review process. Normally, this conference will be conducted informally. The hearing official may, at his or her discretion, produce a written document summarizing the conference or transcribe the conference, either of which will be made a part of the record.

(c) *Time and Place of Oral Presentation.* The hearing official will attempt to schedule the oral presentation, if granted, within 30 days of the date of the last reply brief. The oral presentation will be held at a time and place determined by the hearing official following consultation with the parties.

(d) *Conduct of the Oral Presentation.*

(1) *General.* The hearing official is responsible for conducting the oral presentation. The hearing official may be assisted by one or more of his or her employees or consultants in conducting the oral presentation and hearing the evidence. While the oral presentation will be kept as informal as possible, the hearing official may take all necessary steps to ensure an orderly proceeding.

(2) *Admission of Evidence.* The formal rules of evidence do not apply and the hearing official will generally admit all testimonial evidence unless it is clearly irrelevant, immaterial, or unduly repetitious. Each party may make an opening and closing statement, may present witnesses as agreed upon in the

prehearing conference or otherwise, and may question the opposing party's witnesses. Since the parties have ample opportunity to prepare the review file, a party may introduce additional documentation during the oral presentation only with the permission of the hearing official. The hearing official may question witnesses directly and take such other steps necessary to ensure an effective and efficient consideration of the evidence, including setting time limitations on direct and cross-examinations.

(3) *Transcripts.* The hearing official may have the oral presentation transcribed and, if so transcribed, the transcript shall be made a part of the record. Either party may request a copy of the transcript and the requesting party shall be responsible for paying for its copy of the transcript.

(e) *Obstruction of Justice or Making of False Statements.* Obstruction of justice or the making of false statements by a witness or any other person may be the basis for a criminal prosecution under 18 U.S.C. 1505, 1001, or related statutes or regulations.

(f) *Post-hearing Procedures.* At his or her discretion, the hearing official may require or permit the parties to submit post-hearing briefs or proposed findings and conclusions. Each party may submit comments on any major prejudicial errors in the transcript.

#### *Sec. 5. Burden of Proof*

In all cases, the Government bears the burden of proving by a preponderance of the evidence that the State has not complied with the relevant provisions of the law. However, if a State is required to expend or otherwise account for money in a particular manner, the State shall have the burden of producing audible records to show how the money was spent or otherwise accounted for or there will be a presumption created that the State did not expend or otherwise account for the funds correctly.

#### *Sec. 6. Ex Parte Communications*

Except for minor or routine administrative and procedural matters, a party shall not communicate with the hearing official or his or her staff on the matter without notice to the other party. All written communications to the hearing official shall simultaneously be submitted to the other party.

#### *Sec. 7. Transmission of Written Communications and Calculation of Deadlines*

(a) Because of the importance of a timely review, all written communications are to be transmitted by facsimile or overnight express mail.

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The date of transmission (for facsimile) or the day following mailing (for overnight mail) will be considered the date of receipt.

(b) In counting days, include Saturdays, Sundays, and holidays. However, if a due date falls on a Saturday, Sunday, or Federal holiday, then the due date is the next Federal working day.

#### *Sec. 8. Appointment of and Authority and Responsibilities of Hearing Official*

There shall only be one hearing official appointed to the case and that hearing official shall be appointed by the Administrator of SAMHSA. In addition to any other authority specified in these procedures, the hearing official shall have the authority to issue orders; examine witnesses; take all steps necessary for the conduct of an orderly

copy of the recommendation to the State and SAMHSA.

(b) *Date of Recommendation.* The hearing official will attempt to issue his or her recommendation within 15 days of the date of the oral presentation, the date on which the transcript is received, or the date of the last submission by either party, whichever is later. If there is no oral presentation, the recommendation will normally be issued within 15 days of the date of receipt of the last reply brief. Once issued, the hearing official will immediately communicate the recommendation to each party.

Dated: March 28, 1995. **Nelba Chavez**, *Administrator*.

[FR Doc. 95-8648 Filed 4-7-95; 8:45 am]

**BILLING CODE 4162-20-M**

telephone (202) 708-0050. This is not a toll-free number. Copies of the proposed forms and other available documents submitted to OMB may be obtained from Ms. Weaver.

**SUPPLEMENTARY INFORMATION:** The

Department has submitted the proposals for the collections of information, as described below, to OMB for review, as required by the Paperwork Reduction act (44 U.S.C. Chapter 35).

The Notices list the following information: (1) The title of the information collection proposal; (2) the office of the agency to collect the information; (3) the description of the need for the information and its proposed use; (4) the agency form number, if applicable; (5) what members of the public will be affected by the proposal; (6) an estimate of the total hearing; rule on requests and motions; \_\_\_\_\_ grant extensions of time for good

number of hours needed to prepare the information submission including reasons; dismiss for failure to meet deadlines or other requirements; order the parties to submit relevant information or witnesses; remand a case for further action by the respondent; waive or modify these procedures in a specific case, usually with notice to the parties; reconsider a decision where a party promptly alleges a clear error of fact or law; and to take any other action necessary to resolve disputes in accordance with the objectives of these procedures.

*Sec. 9. Administrative Record*

The administrative record of review consists of the review file including the government's notice and the State's request for a hearing; other submissions by the parties; transcripts or other records of any meetings, conference calls, or oral presentation; evidence submitted at the oral presentation; and orders and other documents issued by the hearing official.

*Sec. 10. Written Recommendation*

(a) *Issuance of Recommendation.* The hearing official shall issue a written recommendation on the case which will be transmitted to the Secretary for a final decision. The written recommendation will set forth the reasons for the recommendation and describe the basis therefore in the record. The hearing official will send a

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. N-95-3910]

## Office of Administration; Notice of Submissions of Proposed Information Collections to OMB

**AGENCY:** Office of Administration, HUD.

**ACTION:** Notices.

**SUMMARY:** The proposed information collection requirements described below have been submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act. The Department is soliciting public comment on the subject proposals.

**ADDRESSES:** Interested persons are invited to submit comment regarding these proposals. Comments must be received within thirty (30) days from the date of this Notice. Comments should refer to the proposal by name and should be sent to: Joseph F. Lackey, Jr., OMB Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:**

Kay F. Weaver, Reports Management Officer, Department of Housing and Urban Development, 451 7th Street, Southwest, Washington, DC 20410,

number of respondents, frequency of response, and hours of response; (7) whether the proposal is new or an extension, reinstatement, or revision of an information collection requirement; and (8) the names and telephone numbers of an agency official familiar with the proposal and of the OMB Desk Officer for the Department.

**Authority:** Section 3507 of the Paperwork Reduction Act, 44 U.S.C. 3507; Section 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Dated: April 3, 1995.

**David S. Cristy,**

*Acting Director, Information Resources, Management Policy and Management Division.*

## Notice of Submission of Proposed Information Collection to OMB

*Proposal:* Financial Statement.

*Office:* Housing.

*Description Of The Need For The Information And Its Proposed Use:* This form is used by HUD in determining factors involved when compromises are reached with borrowers to lighten the financial burdens in given cases of Title I Home Improvement and Mobile Home Loans.

*Form Number:* HUD-56142.

*Respondents:* Individuals or Households.

*Reporting Burden:*

	Number of respondents	Frequency of response	Hours per response	=	Burden hours
HUD-56142 .....	1,258	1	ponse 1	res	1,258

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

### Staff Contacts:

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Wendy Pang, Grants Specialist

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