

Attachment 8A

Explanatory Note for Department of Health & Human Services Report February 1, 2010

Office of the Secretary (OS)

The OS appropriations include: General Departmental Management; Office of the National Coordinator for Health Information Technology (ONC HIT); and Public Health and Social Services Emergency (IT Security). General Department Management funds used to administer and oversee the projects/activities receiving funding under Division A of the American Recovery and Reinvestment Act of 2009 (ARRA) are not reported.

NEPA reviews for OS ARRA funding are completed. The spend plans for ONC HIT and the IT Security were reviewed in accordance with Health and Human Services (HHS) National Environmental Policy Act (NEPA) procedures and determined to be categorically excluded from further NEPA review.

The IT Security program reports 1 NEPA action for 24 projects, while the ONC HIT reflects 1 NEPA action for 1 program which includes 3 ARRA funded projects awarded by HHS agencies with funding transferred from ONC.

Additionally a portion of the appropriation for Comparative Effectiveness Research from Agency for Healthcare Research and Quality (AHRQ) was transferred to Office of the Secretary and categorically excluded from further review. AHRQ will report on the NEPA work associated with those funds in its ARRA Section 1609(c) report.

ONC HIT: On the report ending this period, the total obligations reported on the Section 1609 (c) report reflect contracts awarded by Office for Civil Rights and AHRQ: \$652,721.50 in ARRA funds obligated by OCR for two contracts related to privacy and security initiatives and \$307,591 obligated by AHRQ for strategic planning related to the Health IT Research Center initiative. \$20M of ONC's ARRA appropriation was transferred to National Institute of Standards and Technology in September 2009 and is not being reported by HHS.

No ONC grants awards have been made at this time. Objective reviews for the first cycle of Health Information Technology Extension program grants and the State Health Information Exchange program were conducted in November 2009, but awards have not yet been made to grantees. All NEPA actions have been completed.

During this reporting period, Funding Opportunity Announcements (FOA) were released for several additional ONC programs:

- A FOA for cycle 2 of the Health Information Technology Extension program (\$693M) was released in November 2009; preliminary applications were due December 22, 2009 and full applications are due January 29, 2010.

- A FOA for Beacon Community Cooperative Agreements (\$225M) was released in December 2009 requesting letters of intent by January 8, 2010; applications are due February 1, 2010.
- ONC released a FOA for Strategic Health IT Advanced Research Projects (\$60M); Letters of Intent are due January 8, 2010 and applications are due January 25, 2010.
- Under its priority program Information Technology Professionals in Health Care (\$119M), ONC released several FOAs during this reporting period:
 - Curriculum Development Centers – Letters of Intent are due January 4, 2010 and applications are due January 14, 2010;
 - Community College Consortia – Letters of intent are due January 6, 2010 and applications are due January 22, 2010;
 - University-Based Training – Letters of intent are due January 8, 2010 and applications are due January 25, 2010; and
 - Competency Examinations – Letters of intent are due January 8, 2010 and applications due January 25, 2010;

NEPA work will commence when the completed applications are available.

IT Security: Obligated funds for this period are reported in the Section 1609(c) report and reflect 24 activities (contracts and purchase orders) for this CE in support of the following initiatives:

1. Security Incident Response & Coordination
2. Operating Division (OPDIV) Security Engineering and Technical Staff Support
3. Enterprise-wide Security Situational Awareness
4. Endpoint (Desktop Computer) Protection, Internet Content Web Security Filtering, and Data Loss Prevention
5. Enhanced OPDIV Security Architecture, Engineering, and Implementation

Administration for Children & Families

The Administration for Children & Families has two ARRA Programs: Child Care and Development Block Grants (spreadsheet page 2 row 1) and Children and Family Services Program (spreadsheet page 2 rows 2-7).

Child Care and Development Block Grant total represents the 315 awards issued to date. One CE was prepared for the grants. \$1,987,198,137 has been obligated through December 31, 2009.

Children and Family Services Program includes; Head Start Cost of Living Adjustments/Quality Improvement (COLA/QI), Head Start Expansion, and Early Head Start Expansion awards have been issued to existing Head Start grantees. These programs allow for construction and major renovations; therefore, Categorical Exclusions (CEs) are not applicable. Under the ACF's Programmatic Environmental Assessment (PEA) for Head Start and Early Head Start programs, applicants are required to prepare an Environmental Report. The original grants were awarded in previous years under ACF's established PEA, prior to the ARRA requirement to track the dates for each NEPA action. The NEPA status for these actions is reflected as "Done" with an aggregate completion date of 31 December 2008. Additional awards are anticipated and awards to new grantees will undergo additional NEPA review and reporting. Current activities include:

- **Head Start Expansion Program** (row 2) has issued an additional 108 awards to existing grantees this reporting cycle for a total of 327 awards issued to date;
- **Early Head Start Expansion awards** (row 3). The estimate of 600 anticipated Early Head Start Expansion awards to existing grantees has been updated on the 12/31/09 report to reflect 506 actual awards issued to date.
- **Head Start Cost of Living Adjustment (COLA) and Quality Improvement (QI) Actions** (row 4) has issued 1,701 awards to existing grantees.
- **Community Services Block Grant Program** (rows 5 and 6) the mandatory awards were increased by 2 awards for a total 105. The number of discretionary awards was adjusted to 47 discretionary awards (originally estimated at 96 awards). This program was reviewed and categorically excluded in accordance with HHS NEPA procedures.
- **Strengthening Communities Fund Grant Program** (row 7) reflects 2 additional awards bringing the total to 84 awards. This program was reviewed and categorically excluded in accordance with HHS NEPA procedures.

Administration on Aging (AoA)

AoA received \$100 million in funding for the Aging Services Programs for a total of 358 awards. All of this funding has been obligated for projects and activities for three types of ARRA projects: Congregate Nutrition Services; Home Delivered Nutrition Services; and Nutrition Services for Native Americans.

- Congregate Nutrition Services (row 1) included 56 awards totaling \$65 million to provide meals and related nutrition services for seniors who are homebound;
- Home-Delivered Nutrition Services (row 2) included 56 awards totaling \$32 million; and

- Nutrition Services for Native Americans (row 3): included 246 awards totaling \$3 million to provide meals and related nutrition services for American Indian, Alaskan Native and Native Hawaiian elders.

AoA is pending the receipt of an additional \$32.5 million from the Center for Disease Control and Prevention ARRA Prevention and Wellness funding for the Chronic Disease Self Management Program (CDSMP) and a grant announcement was issued on December 16, 2009 seeking applications. The CDSMP emphasizes the patient's role in managing their illness, and consists of workshops that are conducted once a week for two and a half hours over six weeks. CDSMP funding is expected to be distributed to up to 56 States and Territories, one Center for Medicaid and Medicare Services (CMS) Quality Improvement Organization and two technical resource centers – through competitive grants. This program has been reviewed and a CE is determined to be the appropriate level of NEPA review and actions for this pending appropriation will be reported at the end of the next reporting period (March 31, 2010).

Agency for Healthcare Research & Quality (AHRQ)

Under ARRA HHS was appropriated \$1.1 billion for comparative effectiveness research, of which \$300 million is for the Agency for Healthcare Research and Quality (AHRQ), \$400 million is for the National Institutes of Health (NIH), and \$400 million is for the Comparative Effectiveness Research (CER) program that was allocated at the discretion of the Secretary.

Information is provided on a single CE for \$300,000,000 for the implementation plan for AHRQ's Comparative Effectiveness Research (CER) program and a single CE for \$400,000,000 is for the CER program allocated by the Secretary. The \$400,000,000 appropriated to the NIH is reported separately by NIH. Total obligations as of the end of the fourth quarter for AHRQ and OS, combined, were \$54,410,007.

The AHRQ and the OS, CER programs have been reviewed and a CE is determined to be the appropriate level of NEPA review.

AHRQ – Comparative Effectiveness Research

Since the last report of ARRA NEPA status and progress was submitted, AHRQ has obligated an additional \$46 million bringing AHRQ's total ARRA obligations to \$52,801,975. The additional \$46 million in obligations were contracts to support AHRQ's Evidence-based Practice Centers (EPC) Program. The EPCs are 14 institutions that critically examine existing scientific evidence on a clinical topic and summarize what is known and not known from the current science base. The work of the EPCs will focus on both evidence synthesis and evidence gap identification. The comparative effectiveness reviews will contribute to the identification of comparative effectiveness research needs and knowledge gaps. Identification of evidence gaps has been a component of evidence syntheses conducted through AHRQ's EPC program – the expectation is that researchers steeped in the literature relevant to a research question

gain an important perspective on areas where evidence is needed and what study designs are most appropriate.

Office of the Secretary – Comparative Effectiveness Research

Since the last report of ARRA NEPA status and progress was submitted, the OS Comparative Effectiveness Research Spend Plan was approved and sent to Congress on October 30, 2009. Since the submission of the spend plan, no additional funds have been obligated. The total in OS CER obligations remains at \$1,608,032. This program has been reviewed and a CE is determined to be the appropriate level of NEPA review.

During this reporting period, the OS CER program has executed the following 11 Intra-Departmental Delegations of Authorities (IDDA) to HHS's Operating and Staff Divisions (see below). Each IDDA is related to a project number outlined on the OS CER Spend Plan. Although the IDDA's below have been executed and the NEPA work is completed, no funds have been obligated in this reporting period.

- OS/ASPE (Project - B3) \$30,500,000
- OS/ASPE/CMS (Project - A4) \$19,00,000
- OS/ASPE (Administrative Costs) \$750,000
- CDC (Project - A8) \$20,000,000
- CMS (Project - A1) \$35,000,000
- CMS (Project - A2) \$19,500,000
- CMS (Administrative Costs) \$370,000
- FDA (Project - A10) \$20,000,000
- FDA (Administrative Costs) \$1,120,000
- OS/Office of Disability/ASPE (Project - C7) \$7,000,000
- OS/Office of Disability (Administrative Costs) \$90,000

Centers for Disease Control & Prevention (CDC)

The CDC has 3 NEPA actions for the \$1,000,000,000 appropriations for Prevention and Wellness Fund: Section 317 Immunizations Program, Healthcare Associated Infections (HAI) and Communities Putting Prevention to Work. The spending and implementation plans for these activities have been reviewed and the projects and activities have been found to be categorically excluded from further NEPA review in accordance with HHS NEPA procedures. CDC has obligated \$28 million since the last report to Congress for a total of \$221,841,626.

During this reporting period, \$10,000,000 was transferred to the Center for Medicare and Medicaid Services (CMS) and is reported under the CMS report. An additional transfer of funds to AoA is pending. CDC has completed NEPA review for their portions of the funds and AoA and CMS will conduct independent NEPA review for their portions.

The activities receiving Division A ARRA funds include: 64 immunization programs that include all 50 states, Washington DC, 5 urban areas, the U.S. Territories, and selected

Pacific Island nations (spreadsheet page 2 row 1); and programs to reduce preventable Healthcare Associated Infections through State health department efforts, including leveraging the National Healthcare Safety Network to support the dissemination of HHS evidence-based practices within hospitals (spreadsheet page 2 row 2).

This reports includes an update to the Existing Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) awards funded for CFDA 93.717, Healthcare Associated Infections (HAI). Previously it was reported that this project had 52 activities associated with it. This was an error in reporting and has been changed in this report to reflect 51 activities (see row 2).

Per guidance from CEQ, the Communities Putting Prevention to Work (CPPW) line item on Page 2 of the previous report has been removed because of a funds transfer that is still pending from HHS. CDC will receive \$650 million, via transfer, from ARRA under the Prevention and Wellness Fund for a multi-facet approach to reducing chronic diseases entitled “Communities Putting Prevention to Work.” With this funding, CDC will obligate \$605 million (TAFS #75-0910-0942). Remaining funds will provide funding, via Inter-Departmental Delegation of Authority (IDDA) to the following agencies/offices:

- Administration on Aging = \$32.5 million (TAFS #75-0910-0942)
- HHS Office of Public Health and Sciences = \$10 million (TAFS #75-0910-0942)
- HHS Office of the Assistant Secretary for Planning and Evaluation = \$1.5 million (TAFS #75-0910-0942)

CDC will also receive additional ARRA funding this fiscal year from:

- HHS Office of the National Coordinator = \$30.6 million (TAFS #TBD)
- Agency for Healthcare Quality = \$40 million (TAFS #TBD)

Once funds are received, CDC will begin reporting.

Centers for Medicaid and Medicare Services (CMS)

Under ARRA, CMS has made 55 funding awards to 43 states for the improvement of State Survey Agency inspection capability for Ambulatory Surgical Centers. CMS made 12 funding awards in FY09 and 43 to date in FY10. The intent of this program is to make funds available for State-level implementation of healthcare associated infection (HAI) reduction strategies. The funds will also be used to enhance HAI prevention activities and increase oversight and accreditation at the state level. The total appropriation available is \$10,000,000. The total obligation as of December 31, 2009 is \$8,303,966 to a total of 43 states (see CMS ARRA Financial Reports for more information).

CMS has completed its NEOA work for these activities with a categorical exclusion.

Health Resources and Services Administration (HRSA)

HRSA has 2.5 Billion dollars in ARRA appropriations of which just over 2 billion have been obligated through December 31, 2009. Several Projects have updates as noted below:

Demand for Services (rows 1-2)

The grants are provided for the purpose of providing health care services and were Categorically Excluded from further review under the National Environmental Policy Act. One additional Increased Demand for Services grant was awarded during the last quarter, bringing the number of awards to 1131 (row 1).

Health Center Cluster Programs (rows 3-5)

Eight projects under the Health Center Cluster program involved alteration and renovations and did not fall under a Categorical Exclusion (row 4). After review of the proposed scopes, these projects are listed under one Programmatic Environmental Assessment. Seven projects are approved. One project is pending approval, with restricted funding until Section 106 clearance has been completed.

Health Information Technology (row 13)

Twenty seven additional Health Information Technology Initiative grants were awarded, bringing the total number of awards to 53. This program was determined to be Categorically Excluded from further review under the National Environmental Policy Act.

New Health Care Services (rows 14 – 17)

Four new programs were awarded funding during the last quarter for the purpose of providing training and health care services and were determined to be Categorically Excluded from further review under NEPA.

- State Primary Care Offices: 45 Grants (row 14)
- Health Careers Opportunity Program: 2 grants (row 15)
- Nursing Workforce Diversity Program: 3 grants (row 16)
- Centers for Excellence: 2 Grants (row 17)

Capital Improvement Grant Awards (rows 18-83)

Environmental and historic preservation reviews have been completed for 89 percent of the Capital Improvement Grant Award projects. During the course of project scope review and approval, it was determined that some projects were originally incorrectly classified, and other project scopes underwent revision, requiring reclassification. The following adjustments are noted to the overall grants awarded on June 6, 2009:

1. The total number of reported alterations, repairs, and renovation of health center projects increased from 1132 to 1146 (rows 21-25) due to thirteen construction projects being reclassified as alteration, renovation, repair projects after grantees clarified the scope of their projects during the review process. The status of the pending Environmental Assessments (row 22):
 - Two grantees are in the process of revising project scopes.

- Two grantees are in the process of preparing Draft EA documentation to submit to HRSA.
 - Four draft EA's were recently submitted, are currently under review, and are anticipated to be completed by the next reporting period.
2. The total number of reported construction and expansion of health center projects, decreased from 400 to 386 due to thirteen construction projects being reclassified as alteration, renovation, repair projects after grantees clarified the scope of their projects during the review process (rows 18-20; rows 26-83). The number of Individual Environmental Assessments decreased by fifty after grantees clarified the scope of their projects during the review process, allowing those projects to fall under HRSA's Programmatic EA. The status of the pending Environmental Assessments:
- Six grantees are revising project scopes.
 - Eighty-two grantees are in the process of preparing required Draft EA documentation to submit to HRSA.
 - Twelve EA's are in the final stages of a FONSI determination.
 - Forty-one draft EA's were recently submitted, are currently under review, and are anticipated to be completed by the next reporting period.

Federal Investment Program (rows 84-85)

On December 9, 2009, 108 Federal Investment Program projects were approved. Thirty-two projects were listed under a Programmatic Environmental Assessment. Eleven projects under the Programmatic Environmental Assessment are approved, and 21 projects are pending, with restricted funding pending Section 106 clearance. An additional 76 new projects (row 85) are pending; the grantees are in the process of gathering historical preservation and environmental documentation to meet conditions of award.

Indian Health Service (IHS)

The 'Indian Health Facilities' and the 'Indian Health Services' report includes the number of funded projects that were obligated by contracts, Memorandum of Agreements (MOA)s, Indian Sanitation Facilities Act (Public Law 86-121) agreements, or other authorized obligating agreements through December 31, 2009.

Since the last reporting cycle 44 NEPA actions have been completed for a total of 546. The number of pending projects has been reduced from 140 to 125. These projects are on schedule and in various stages of the routine work order processing system (including NEPA review and concurrent design, materials procurement and regulatory permitting etc.) prior to actual construction. Unless there are extraordinary or exceptional circumstances, most of these 'pending' projects are being processed as CEs, while 3 projects may require EAs.

Indian Health Facilities

The ‘Indian Health Facilities’ appropriations include maintenance and improvement projects, repair and renovation projects, acquisition of medical equipment and CT scanners, and sanitation projects.

- There are 62 pending actions that remain pending from the previous cycle. These remain pending due to the tribal agreements and the tribal consultation process. The IHS is targeting completion of the majority of these actions within the next 90 days.
- Seven projects have been withdrawn. Three of the seven withdrawn projects were reported in the last report (row 310). Four additional projects have been withdrawn during this reporting cycle (rows 254, 270, 289, and 308).
- Maintenance and Improvement Projects (rows 1- 301): A total of 293 CEs and 1 EAs have been completed. No changes during this reporting cycle.
- Equipment (rows 302-321): There are 185 CEs are completed. There are 24 CEs that remain pending from the previous report.
- Health Facilities Construction (rows 322 and 323): Both projects have completed their NEPA and other environmental requirements and are not expected to change in future reports. Sanitation Projects (rows 329 – 393): All 64 CEs have been completed. Of these projects 3 sanitation projects are jointly funded with EPA ARRA funds and 16 sanitation projects are funded with EPA ARRA funds only; however IHS is reporting on all these projects. EPA ARRA funds are included within the IHS Facilities obligations for projects and activities report.

Indian Health Services

The ‘Indian Health Services’ appropriations includes 63 categorically excluded activities, mostly acquisition, related to Health information technology (HIT) Electronic Health Record Development & Deployment, Telehealth and Network Infrastructure and Project Management, Transparency. The health information technology projects documentation is completed but have not been signed.

- Health Information Technology (rows 324-328): No change from the previous report. While 63 CEs remain pending all documents were completed but could not be signed by the end of the reporting period .

National Institutes of Health (NIH)

The NIH has the following appropriations under ARRA: (1) Building and Facilities; (2) National Center for Research Resources Extramural Construction (NCRR) /Shared Instrumentation; and (3) Office of the Director, Scientific Research.

A portion of the appropriation for “Comparative Effectiveness Research” from AHRQ has been transferred to NIH and used the Office of the Director Treasury Appropriation Fund Symbol, 75-0845 and is reported with the Office of the Director, Scientific Research program.

Building and Facilities (rows 1-16): currently has 16 projects/activities with 13 categorical exclusions (CE) (one is pending and 12 are completed), one completed environmental assessment (EA) and one Master Plan completed Environmental Impact Statements (EISs) which covers two projects (row 15-16). Individual rows 15 and 16 remain blank so the EIS is not counted multiple times. One project remains pending (row 10) awaiting a letter from the Maryland State Historic Preservation Officer.

NCRR (Extramural Construction/Shared Instrumentation) (rows 17-18): specializes in extramural grants and grantees are authorized to conduct initial environmental reviews which have resulted in 126 CEs and 3 EAs. The 3 pending projects are waiting on final confirmation from the grantees and NCRR. After confirmation of acceptance the EAs will be coordinated with the NIH and completed prior to construction grants being dispersed.

Office of Director, Scientific Research (rows 19-44): These appropriations are made available to the various Institutes and Centers through grants which may be intramural or extramural research and are usually determined to be CE. Appropriations to Office of Director for Comparative Effectiveness Research include 22 projects which have been incorporated into the Office of Director line item. Those projects/activities with approved spend plans have completed NEPA reviews. Those pending spend plan approvals will be reviewed for extraordinary circumstances. Extraordinary circumstances, such as, major construction or a high containment laboratory, or controversial issues would require additional environmental review under an EA or EIS. Currently, there have been 1,348 activities under the Office of Director resulting in CEs.

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