

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF COLORADO; STATE OF RHODE ISLAND; STATE OF CALIFORNIA; STATE OF MINNESOTA; STATE OF WASHINGTON; STATE OF ARIZONA; STATE OF CONNECTICUT; STATE OF DELAWARE; DISTRICT OF COLUMBIA; STATE OF HAWAI'I; STATE OF ILLINOIS; OFFICE OF THE GOVERNOR *ex rel.* Andy Beshear, in his official capacity as Governor of the COMMONWEALTH OF KENTUCKY; STATE OF MAINE; STATE OF MARYLAND; COMMONWEALTH OF MASSACHUSETTS; STATE OF MICHIGAN; STATE OF NEVADA; STATE OF NEW JERSEY; STATE OF NEW MEXICO; STATE OF NEW YORK; STATE OF NORTH CAROLINA; STATE OF OREGON; JOSH SHAPIRO, in his official capacity as Governor of the COMMONWEALTH OF PENNSYLVANIA; and STATE OF WISCONSIN,

Plaintiffs,

v.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES; ROBERT F. KENNEDY, JR., in his official capacity as Secretary of Health and Human Services,

Defendants.

Case No. 1:25-cv-00121

**MOTION FOR PRELIMINARY
INJUNCTION**

MOTION FOR PRELIMINARY INJUNCTION

TABLE OF CONTENTS

Introduction.....	1
Background.....	3
I. Congress Appropriated Critical Funds Strengthening Public Health Programs to Address Emerging Threats and Increase Preparedness.	3
II. Consistent With Congress’s Intent, HHS Utilized the Appropriations to Fund Wide-Ranging Public Health Programs Beyond COVID-19 and the Pandemic.	5
III. HHS and Congress Continued to Make These Public Health Programs and Funds Available After the End of the Pandemic.	8
IV. HHS Abruptly Decided to Terminate \$11 Billion for Public Health Programs Funded by Appropriations From COVID-19 Related Laws.	9
V. Plaintiff States Have Suffered and Will Suffer Substantial Harm.	12
Legal Standard	19
Argument	20
I. This Court Has Jurisdiction over Plaintiff States’ Claims.	20
A. Plaintiff States Have Standing to Assert Their Claims.	20
B. The Tucker Act Does Not Apply to the Claims in the Complaint.	21
II. Plaintiff States Have Established a Likelihood of Success on the Merits.	23
A. HHS’s Public Health Funding Decision and Its Implementation Constitutes Final Agency Action Subject to Judicial Review.	23
B. The Challenged Actions Are Contrary to Law.	25
C. The Challenged Actions Are Arbitrary and Capricious.	30
D. The Challenged Actions Violates the Separation of Powers.	34
III. Plaintiff States Will Be Irreparably Harmed Absent a Preliminary Injunction.	37
IV. The Public Interest and the Balance of Equities Strongly Favor Entry of a Preliminary Injunction.	39
V. Requested Relief.	41
Conclusion	42
Index of Exhibits.....	48

INTRODUCTION

On March 24, with no advance notice or warning, the U.S. Department of Health and Human Services (“HHS”) unlawfully decided that numerous health programs and appropriations responsible for \$11 billion of critical federal financial assistance were “no longer necessary” because the “COVID-19 pandemic is over” (the “Public Health Funding Decision”). HHS explained that it would “no longer waste billions of taxpayer dollars responding to a non-existent pandemic that Americans moved on from years ago.” Nathaniel Weixel, *Trump Administration Revokes State and Local Health Funding*, The Hill (Mar. 26, 2025), <https://thehill.com/policy/healthcare/5216704-trump-administration-revokes-state-local-health-funding/>. It was as if HHS was not even aware of the programs that it cut. In fact, these programs address a wide range of urgent public health needs, such as identifying, tracking, and addressing infectious diseases; ensuring access to immunizations; fortifying emergency preparedness; providing mental health and substance abuse services; and modernizing critical public health infrastructure. Despite the critical importance of these programs and funding, HHS terminated them with the stroke of a pen and for the flimsiest of reasons.¹

HHS’s decision has caused immediate chaos and irreparable harm for Plaintiff States and their local health jurisdictions. Key public health programs and initiatives will have to be dissolved or disbanded because the Plaintiff States do not have the wherewithal to run these programs with alternate funding midcycle—in some cases, HHS’s decision cuts more than 10% of the agency budget, *e.g.*, Ex. 24, Gresczyk Decl. ¶ 41. Large numbers of public health employees and contractors have been, or may soon be, terminated. These programs and

¹ An index of exhibits is located at the end of this motion, beginning on page 48. Because the first 44 exhibits are identical to the TRO, Plaintiff States have not refiled those exhibits.

initiatives address urgent ongoing and emerging public health needs of Plaintiff States, including preventing collapse of the health system in the face of emerging threats like measles and H5N1 (avian influenza).

Both the Public Health Funding Decision and its implementation through termination notices are contrary to law and in excess of statutory authority. HHS has been unable to point to any statutory authority allowing the agency to determine that \$11 billion in critical public health funding and associated programs are “no longer necessary” because the pandemic ended. This is especially so where Congress: (1) expressly identified funds and programs in the COVID-19 appropriations laws that would no longer be available after the end of the public health emergency; and (2) *after* the public health emergency ended, reviewed all of the COVID-19 appropriations laws, rescinded \$27 billion of funds that were no longer necessary, but left in place *all* the programs and funding at issue. This legislative action demonstrates clearly that Congress did not delegate authority such broad authority to HHS. To compound this error, HHS then unlawfully applied “for cause” terminations that, as a matter of law, do not apply here. *See, e.g.*, 42 U.S.C. § 300x-55(a) (allowing “for cause” terminations only for “material failure” to comply with the agreement).

HHS’s actions are also arbitrary and capricious. HHS failed to provide a rational explanation and merely assumed, with no factual support, that all appropriations in COVID-19 related laws were only intended for use during the pandemic. HHS failed to undertake any individualized assessments, including any analysis of the public health uses and benefits of these formula funds, grants, and cooperative agreements (collectively, “public health funding”) or why they are no longer necessary. HHS failed to explain the agency’s sudden determination that these programs and public health funding were no longer necessary based on the end of the

pandemic—which occurred almost two years ago—when HHS has consistently and repeatedly recognized the continued need for this funding until a few days prior. HHS failed to consider the substantial reliance interests and the tremendously harmful impact of immediately terminating, with no warning, billions of dollars in public health funds. Simply put, the Administrative Procedure Act (“APA”) prohibits exactly this kind of erratic decision-making. Plaintiff States are highly likely to succeed on the merits.

Finally, HHS’s actions violate the Constitution. The Constitution makes clear that, “[a]bsent congressional authorization, the Administration may not redistribute or withhold properly appropriated funds in order to effectuate its own policy goals.” *City & Cnty. of S.F. v. Trump*, 897 F.3d 1225, 1235 (9th Cir. 2018). Here, HHS has unilaterally decided that billions of dollars of congressionally appropriated funds are “no longer necessary” without any lawful authority. Consequently, HHS has violated separation-of-powers principles.

Pursuant to Federal Rule of Civil Procedure 65(d), Plaintiff States move for a preliminary injunction to avoid the grave harm to their public health systems and massive layoffs that will be inflicted without relief from the Court. Plaintiff States request an injunction that enjoins Defendants from enforcing or implementing the Public Health Funding Decision for Plaintiff States and their local health jurisdictions.

BACKGROUND

I. Congress Appropriated Critical Funds Strengthening Public Health Programs to Address Emerging Threats and Increase Preparedness.

During the COVID-19 pandemic, Congress enacted numerous major appropriations laws to strengthen public health programs and to respond to the nationwide health crisis and economic devastation, place the nation on a path to recovery once the pandemic had ended, and ensure that

the nation was better prepared for future public health threats. These programs and appropriations laws included:

- Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (“2020 Supplemental Act”), Pub. L. No. 116-123, 134 Stat. 146 (2020) (\$8 billion);
- Families First Coronavirus Response Act, Pub. L. No. 116-127, 134 Stat. 178 (2020) (\$15 billion);
- The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), Pub. L. No. 116-136, 134 Stat. 281 (2020) (\$2.1 trillion);
- Paycheck Protection Program and Health Care Enhancement Act (“Paycheck Protection Act”), Pub. L. No. 116-139, 134 Stat. 620 (2020) (\$483 billion);
- The Coronavirus Response and Relief Supplemental Appropriations Act (“2021 Supplemental Act”), 2021 (Div. M of the Consolidated Appropriations Act, 2021), Pub. L. No. 116-260, 134 Stat. 1182 (2020) (\$900 billion); and
- The American Rescue Plan Act of 2021 (“ARPA”) Pub. L. No. 117-2, 135 Stat. 4 (2021) (\$1.9 trillion).

In addition to directing funds toward amelioration of the immediate effects of the COVID-19 emergency, these wide-ranging appropriations sought to address challenges facing American society in COVID-19’s wake, including gaps in the public health system. These critical public health investments were not tied to the duration of the public health emergency.

For example, ARPA contains many investments in public health that were not limited to the COVID-19 public health emergency and could be expected to extend to other pathogens or future emergencies, including funding for genome sequencing and surveillance; data modernization and forecasting; and public health workforce development. ARPA, §§ 2402, 2404, 2501, 135 Stat. at 41-42. ARPA also included funds to supplement state vaccination programs and efforts, including \$1 billion to “strengthen vaccine confidence in the United States,” and “to improve rates of vaccination throughout the United States.” *Id.* § 2302, 135 Stat. at 39. Congress likewise appropriated \$3 billion dollars in block grants to support state

governments' efforts to promote mental health and prevent substance abuse to be spent over the course of five years. *Id.* §§ 2701-2702, 135 Stat. at 45.

Similarly, in the CARES Act and the 2020 Supplemental Act, Congress appropriated \$1.5 billion and \$950 million, respectively, for HHS to administer grant-in-aid programs with States and local jurisdictions to carry out surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities. CARES Act, Title VIII, 134 Stat. at 554; 2020 Supplemental Act, Title III, 134 Stat. at 147.

These examples are but a small subset of Congress's wide-ranging public health investments made during the COVID-19 pandemic. None of this important funding was limited to the duration of the COVID-19 public health emergency.

In contrast, where Congress intended to limit the application of programs or appropriations in COVID-19 related laws, it did so expressly within these statutes. *See, e.g.*, ARPA § 9401, 135 Stat. at 127 ("during the emergency period . . . and the 1-year period immediately following the end of such emergency period"); *id.* § 9811(hh), 135 Stat. at 210-11 ("ends on the last day of the first quarter that begins one year after the last day of the emergency period"); CARES Act § 1109(h), 134 Stat. at 306 ("until the date on which the national emergency . . . expires").

II. Consistent With Congress's Intent, HHS Utilized the Appropriations to Fund Wide-Ranging Public Health Programs Beyond COVID-19 and the Pandemic.

HHS utilized these appropriations, as Congress intended, to administer grant-in-aid programs that provide wide-ranging grants and cooperative agreements to States and their local jurisdictions, many of which are the subject of this action. Some of this public health funding involved additional funding to existing programs while others represented new programs.

For example, long before the 2020 public health emergency, the Centers for Disease Control and Prevention ("CDC") established the Epidemiology and Laboratory Capacity for

Prevention and Control of Emerging Infectious Diseases (“ELC”) Cooperative Agreement as a mechanism to fund the nation’s state and local health departments to detect, prevent, and respond to infectious disease outbreaks. *See, e.g.*, Ex. 21, Kalyanaraman Decl. ¶ 22; Ex. 13, Orefice Decl. ¶ 8; Ex. 4, Ferrer Decl. ¶ 7. These agreements have funded local responses to pathogen threats like H1N1, Zika, and Ebola. The program provides financial and technical resources to: (1) strengthen epidemiologic capacity; (2) enhance laboratory capacity; (3) improve health information systems; and (4) enhance collaboration among epidemiology, laboratory, and information systems components of public health departments. *See, e.g.*, Ex. 10, Bookman Decl. ¶ 62; Ex. 15, Clark Decl. ¶ 10; Ex. 13, Orefice Decl. ¶ 13; Ex. 3, Fanelli Decl. ¶ 22; Ex. 7, Philip Decl. ¶¶ 20-21, 33. During the 2020 public health emergency, the CDC used the ELC funding mechanism to provide supplemental support to the States and their local health jurisdictions. *See, e.g.*, Ex. 10, Bookman Decl. ¶ 64; Ex. 13, Orefice, ¶ 9; Ex. 3, Fanelli Decl. ¶ 22; Ex. 7, Philip Decl. ¶¶ 20-21, 33; Ex. 9, Saruwatari Decl. ¶¶ 37-38.

In California, Sacramento County is a subgrantee of the California Department of Public Health’s ELC grant and uses grant monies of nearly \$60 million to investigate outbreaks of foodborne diseases, COVID-19, mpox, and any other yet to be identified communicable diseases. Ex. 5, Kasirye Decl. ¶ 25. Riverside County likewise uses its ELC funding in the amount of \$101 million in part to implement and conduct wastewater surveillance to detect the early presence of COVID, mpox, and other communicable diseases. Ex. 9, Saruwatari Decl. ¶¶ 39, 51.

The Immunization and Vaccines for Children program is another long-standing CDC program to which new appropriations were added. These appropriations provide funds to support broad-based distribution, access, and vaccine coverage. Ex. 10, Bookman Decl. ¶ 40; Ex. 3,

Fanelli Decl. ¶ 10. These resources supported the COVID-19 vaccine program, and in 2023 the CDC issued guidance recognizing that COVID-19 vaccination was increasingly integrated into the administration of other routine vaccinations. Ex. 38, Campagna Decl. ¶ 23; Ex. 3, Fanelli Decl. ¶ 10.

Through the National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and Underserved, Including Racial and Ethnic Minority Populations and Rural Communities, the CDC provided funding to expand state and local health departments' capacity to better serve the most vulnerable and underserved communities, including establishing new state and local partnerships. Ex. 34, Drum 1 Decl. ¶ 7; Ex. 3, Fanelli Decl. ¶ 40; Ex. 7, Philip Decl. ¶ 50; Ex. 9, Saruwatari Decl. ¶ 6. For example, in Rhode Island, the grant allowed for new partnerships with Block Island, its designated rural community. Ex. 38, Campagna Decl. ¶ 17. In California, the City and County of San Francisco uses its over \$4.6 million grant approved through May 30, 2026, to identify and serve especially marginalized communities that are underrepresented in routine public health surveys or services delivery, and to educate residents about infectious disease prevention (including COVID-19) and the opioid epidemic. Ex. 7, Philip Decl. ¶¶ 51-52, 55.

HHS's Substance Abuse and Mental Health Services Administration ("SAMHSA") administers a longstanding program to provide annual block grants—the Substance Abuse Prevention and Treatment Block Grant and the Community Mental Health Services Block Grant—for each State to address mental health and substance abuse. 42 U.S.C.A. § 300x(a). Ex. 26, Adelman Decl. ¶ 9; Ex. 6, Perez Decl. ¶¶ 9-10. Block grants are a common method of providing federal funding to state and local governments to assist them in addressing broad purposes, such as public health, that generally provide recipients with more control over the use

of the funds. Through ARPA, Congress added \$3 billion in additional funds to these block grants to be expended within five years to address mental health and substance use crises. ARPA, §§ 2701-2702, 135 Stat. at 45. These funds are critical to address the currently ongoing mental health crisis caused by COVID disruptions, particularly affecting our youth. Ex. 41, Kirschbaum Decl. ¶¶ 30-33.

Again, these are just a few of the voluminous examples of how the public health funding provided by HHS to Plaintiff States and their local health jurisdictions extends far beyond the end of the pandemic and to diseases beyond COVID-19. *See* Exs. 1-48.

III. HHS and Congress Continued to Make These Public Health Programs and Funds Available After the End of the Pandemic.

Since the declared end of the COVID-19 public health emergency in May 2023, HHS has consistently recognized that the public health program and funds at issue remain authorized by Congress. HHS was aware of, and expressly approved, the continued use of this funding for Plaintiff States' public health program activities, including substance use disorder prevention and treatment and mental health services, improvements to infectious disease monitoring and response, and modernizing and improving critical public health infrastructure. *See, e.g.*, Ex. 13, Orefice Decl. ¶ 10; Ex. 6, Perez Decl. ¶¶ 40-50; Ex. 27, Baston Decl. ¶ 18. In fact, HHS granted numerous extensions to the performance period of many grants issued to Plaintiff States and their local health jurisdictions, some of which were scheduled to end as late as June 2027. *See, e.g.*, Ex. 24, Gresczyk Decl. ¶¶ 11, 22; Ex. 32, Morne Decl. ¶ 19; Ex. 3, Fanelli Decl. ¶¶ 13, 21, 41; Ex. 9, Saruwatari Decl. ¶¶ 61, 83; Ex. 4, Ferrer Decl. ¶ 9; Ex. 7, Philip Decl. ¶ 57. HHS likewise issued guidance for how these funds could be used beyond the COVID-19 pandemic. Ex. 3, Fanelli Decl. ¶¶ 10, 22, 48.

Congress similarly has taken legislative action indicating that these programs and funds were to remain available after the end of the pandemic. In June 2023, after the end of the COVID-19 public health emergency, Congress canceled \$27 billion in appropriations through the Fiscal Responsibility of Act of 2023, Pub. L. 118–5, Div. B (June 3, 2023). Through this Act, Congress went through the COVID-19 related laws and rescinded certain funds that it determined were no longer necessary. *Id.* at Div. B Sec. 1-81. These rescissions included funds that had been appropriated under, among other laws, the 2020 Supplemental Act, Pub. L. No. 116-123, the Families First Coronavirus Response Act, Pub. L. No. 116-127, the CARES Act, Pub. L. No. 116-136, the Paycheck Protection Act, Pub. L. No. 116-139, the 2021 Supplemental Act, Pub. L. No. 116-260, and ARPA, Pub. L. No. 117-2. *Id.* Congress specifically chose not to rescind the funding at issue in this case. Thus, *after* the pandemic ended, Congress reviewed the funding in COVID-19 related laws, identified funds to be rescinded, but determined not to revoke the public health funding at issue here.

IV. HHS Abruptly Decided to Terminate \$11 Billion for Public Health Programs Funded by Appropriations From COVID-19 Related Laws.

On March 24, 2025, HHS abruptly, with no advance notice or warning, changed its position and implemented a policy based on a unilateral determination that critical public health programs and funding to States are no longer necessary because the pandemic is over. To explain its Public Health Funding Decision, HHS asserted: “The COVID-19 pandemic is over, and HHS will no longer waste billions of taxpayer dollars responding to a non-existent pandemic that Americans moved on from years ago.” Nathaniel Weixel, *Trump Administration Revokes State and Local Health Funding*, The Hill (Mar. 26, 2025), <https://thehill.com/policy/healthcare/5216704-trump-administration-revokes-state-local-health-funding/>.

HHS implemented this Public Health Funding Decision through coordinated mass notices across numerous programs and agencies, reflecting the same basic features:

- The Public Health Funding Decision was implemented through termination notices all issued at roughly the same time (March 24-25, 2025).
- Plaintiff States received no advanced warning.
- The sole stated basis for each termination was that the funding was being terminated “for cause.”
- Defendants relied upon the same conclusory, boilerplate explanation: “The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.”
- Defendants did not provide any individualized assessment or explanation as to why the funding was no longer necessary or why the agency had suddenly changed its longstanding position that the end of the pandemic did not limit the availability of this public health funding.
- The Public Health Funding Decision was implemented effective immediately with no assessment or explanation accounting for reliance interests.

See, e.g., Ex. 40, Fehrenbach Decl. Attach. A-E; Ex. 41, Kirschbaum Decl. Attach. C-D; Ex. 27, Baston Decl. Attach. D, F, H, J.

Specifically, without any advanced notice or warning, starting on March 24, 2025, the CDC sent Plaintiffs termination notices (generally through amended Notices of Awards) to implement the Public Health Funding Decision. These notices each state in relevant part²:

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.

² Plaintiff States received numerous terminations across programs and some of the notices have minor, non-substantive variations from this text.

See, e.g., Ex. 40, Fehrenbach Decl. Attach. A at 5.

Other than this boilerplate language, the CDC terminations provided no other information or explanation as to why the funding was terminated. *E.g.*, Ex. 10, Bookman Decl. ¶ 36; Ex. 7, Philip Decl. ¶ 59; Ex. 15, Clark Decl. ¶ 15. Additionally, prior to termination, the CDC had not provided notice to Plaintiff States that the grants were being administered in an unsatisfactory manner. *E.g.*, Ex. 3, Fanelli Decl. ¶¶ 19, 45; Ex. 8, Rudman Decl. ¶ 18; Ex. 7, Philip Decl. ¶¶ 31, 43; Ex. 9, Saruwatari Decl. ¶¶ 30, 67; Ex. 5, Kasirye Decl. ¶¶ 14, 18, 23; Ex. 34, Drum 1 Decl. ¶ 20; Ex. 32, Morne Decl. ¶ 21. And contrary to the CDC's stated rationale, many of the terminated grants supported important public health efforts beyond responding to COVID-19, such as research labs investigating a multi-state foodborne listeria outbreak, Ex. 21, Kalyanaraman Decl. ¶ 27; preparation for potential outbreaks of avian influenza and other infectious diseases, Ex. 24, Gresczyk Decl. ¶ 45; Ex. 4, Ferrer Decl. ¶¶ 7, 20; Ex. 7, Philip Decl. ¶ 46; Ex. 89, Rudman Decl. ¶¶ 37, 43, 54; and dispatching Community Health Workers to support communities impacted by major disasters, Ex. 25, Williams-Devane Decl. ¶ 27.

Similarly, without any advance notice, on March 24, 2025, SAMHSA implemented the Public Health Funding Decision through notices terminating block grants effective immediately. *E.g.*, Ex. 6, Perez Decl. ¶ 11; Ex. 41, Kirschbaum Decl. Attach. C at 1. These notices also cited the end of the pandemic as the basis for termination; did not cite any authority for these terminations other than the President's Executive Order 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative; and did not provide an opportunity for a hearing. *Id.* A few days later, SAMHSA sent the following "superseding" notices:

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.

E.g., Ex. 6, Perez Decl. ¶ 12; Ex. 41, Kirschbaum Decl. Attach. D at 1.

Like the CDC terminations, the SAMHSA notices failed to provide any details, factual information, or explanation for the terminations other than this boilerplate language. *E.g.*, Ex. 17, Rollinson Decl. ¶ 12; Ex. 6, Perez Decl. ¶ 12. As with the CDC terminations, SAMHSA had not provided Plaintiff States with any notice that the terminated grants were being administered in an unsatisfactory manner. *E.g.*, Ex. 11, Maurice Decl. ¶ 20; Ex. 6, Perez Decl. ¶ 12. And again, contrary to Defendants’ stated rationale, the terminated SAMHSA grants supported critical mental health and substance abuse treatment programs that surpass the end of the COVID-19 pandemic, including: bolstering the 988 Suicide and Crisis Lifeline system, Ex. 26, Adelman Decl. ¶ 14; providing Naloxone to prevent overdoses, Ex. 41, Kirschbaum Decl. ¶ 33; expanding access to behavioral health services in rural areas, Ex. 28, Boukus Decl. ¶ 5; serving foster youth with co-occurring substance use and mental health needs, Ex. 6, Perez Decl. ¶ 40; behavioral health crisis intervention training and programs for law enforcement and other first responders, *id.* ¶ 41; and training and technical assistance to crisis counselors to serve persons and populations affected by natural disasters, *id.* ¶ 50.

V. Plaintiff States Have Suffered and Will Suffer Substantial Harm.

Plaintiff States and their local health jurisdictions rely on the terminated federal financial assistance to provide critical aspects of their public health programs. The Plaintiff States

incorporated the now-terminated funds into approved budgets for the 2024-2025 fiscal year, and in some cases the 2025-2026 fiscal year. *See, e.g.*, Ex. 6, Perez Decl. ¶ 29; Ex. 11, Maurice Decl. ¶¶ 48, 64; Ex. 27, Baston Decl. ¶ 24. With the terminated funds cut off midcycle, the Plaintiff States will not be able to find alternate funding to sustain many of their public health programs and services. *See, e.g.*, Ex. 4, Ferrer Decl. ¶ 13; Ex. 6, Perez Decl. ¶ 30; Ex. 8, Rudman Decl. ¶ 57; Ex. 10, Bookman Decl. ¶ 21; Ex. 25, Williams-Devane Decl. ¶¶ 5, 7; Ex. 24, Gresczyk Decl. ¶ 46. The result of HHS’s illegal actions will be that Plaintiff States’ residents will lose access to critical health care programs and services and Plaintiff States’ abilities to respond to health crises will be severely compromised—ultimately leading to increased morbidity and mortality. Plaintiff States’ public health programs are crippled in three important ways: (1) impairment of Plaintiffs’ larger public health missions due to the immediate and unexpected elimination of \$11 billion in public health funding, including through the abrupt and involuntary layoffs of a highly trained workforce; (2) elimination of critical health care services, many of which are for Plaintiffs’ most vulnerable residents; and (3) the cessation of important public health infrastructure projects. Representative examples from each category are given below.

First, HHS’s illegal actions undermine Plaintiff States’ abilities to fulfill their mission of protecting public health by combatting the spread of contagious disease, preventing substance abuse, and expanding access to mental health treatment. *E.g.*, Ex. 15, Clark Decl. ¶ 17; Ex. 40, Fehrenbach Decl. ¶ 11; Ex. 41, Kirschbaum Decl. ¶ 3; Ex. 6, Perez Decl. ¶¶ 4-7; Ex. 3, Fanelli Decl. ¶ 48. Plaintiff States have relied on this promised funding to carry out their duty to “guard and protect” the “safety and the health of the people.” *Jacobson v. Massachusetts*, 197 U.S. 11, 38 (1905). Already, the Public Health Funding Decision has interrupted vital healthcare services for vulnerable populations, including children, residents of nursing homes, and individuals who

had been receiving treatment for mental health and/or substance use disorders. It has impeded planning, caused wasted resources as Plaintiff States and their local health jurisdictions attempt to mitigate potential impacts, and has unnecessarily interrupted important public health work. Without this critical public health funding, Plaintiff States will be unable to provide essential public health services for residents, be unable to pay critical public health employees, unable to satisfy obligations to public and private health partners, and unable to carry out important government business.

The Public Health Funding Decision is forcing Plaintiff States to terminate or furlough vital public health staff whose salaries are funded entirely or partially through illegally terminated funding. The Minnesota Department of Health expects this will require it to layoff approximately 200 employees, or 12% of its staff. Ex. 24, Gresczyk Decl. ¶ 41. Washington also expects to lose 200 employees, including 150 full-time employees responsible for planning and responding to communicable disease cases and outbreaks and related laboratory testing and disease surveillance. Ex. 40, Fehrenbach Decl. ¶¶ 5, 8-9. Colorado will lose all but one of the employees in its Immunization Program. Decl. 10, Bookman Decl. ¶ 53. In Delaware, the termination of a community health worker grant will end support for “33.5 [Community Health Worker] positions across six organizations, including federally qualified health centers and community-based organizations.” Ex. 14, Manning Decl. ¶ 25. Rhode Island will have to dismantle its Project Firstline team, which would stop the state’s Department of Health from providing infection control education to healthcare facilities to prevent outbreaks. Ex. 39, Goulette Decl. ¶ 34. And the City and County of San Francisco’s Communicable Disease Program will lose half of its front-line staff, which will cause delays in information dissemination and outbreak detection related to bird flu and other diseases. Ex. 7, Philip Decl.

¶¶ 13, 46. More generally, the staff cuts will impact a wide range of critical roles, including epidemiologists, research scientists, registered nurses, community health workers, programmatic staff, and more. Ex. 14, Manning Decl. ¶ 31; Ex. 10, Bookman Decl. ¶ 20; Ex. 3, Fanelli Decl. ¶ 38; Ex. 8, Rudman Decl. ¶¶ 23, 26, 31-37, 44, 54; Ex. 7, Philip Decl. ¶¶ 12-13, 30, 42, 46, 54; Ex. 9, Saruwatari Decl. ¶¶ 49-50, 53, 56, 59-60, 80-81, 108; Ex. 4, Ferrer Decl. ¶¶ 17, 19; Ex. 5, Kasirye Decl. ¶¶ 20, 26; Ex. 24, Gresczyk Decl. ¶ 41. All told, HHS's illegal actions will result in massive layoffs of health care workers who provide critical health care services to Plaintiff States' residents. It will likely take Plaintiff States and their local health jurisdictions years to recruit and retain highly trained staff to recover from the losses caused by HHS's decision to mass terminate this critical funding with no warning. *See, e.g.*, Ex. 40, Fehrenbach Decl. ¶ 16; Ex. 24, Gresczyk Decl. ¶ 41.

Second, the Public Health Funding Decision will eliminate a wide range of health care services provided by Plaintiff States. The termination of a wide swath of mental health care grants, for example, will inflict substantial harm on Plaintiff States' vulnerable communities who rely on the services these grants support. *See, e.g.*, Ex. 41, Kirschbaum Decl. ¶¶ 12, 31, 39. The SAMHSA grant terminations will deprive individuals suffering from mental health crises, including suicidal ideation, of potentially life-saving care. For instance, the termination of the Connecticut Department of Mental Health and Addiction Services' SAMHSA grants will eliminate "housing and employment supports, regional suicide advisory boards, harm reduction, perinatal screening, early-stage treatments, and increased access to medication assisted treatment." Ex. 12, Navaretta Decl. ¶¶ 16, 29. And in Illinois, the termination of mental health block grants will mean that providers will be unable to provide services through Illinois' "mobile crisis response units that assist people at risk of suicide." Ex. 17, Rollinson Decl. ¶ 16. The

termination of New Mexico's mental health care block grants will mean as many as fifty-four providers will lose funding to provide critical behavioral and mental health services to upwards of 64,000 people. Ex. 28, Boukus Decl. ¶ 14. New Jersey will be forced to halt funding that supports approximately 45 direct care treatment and preventative programs, which will place patients' lives at significant risk. Ex. 26, Adelman Decl. ¶ 7. Coloradans will have significantly reduced access to life-saving naloxone which is used to reduce/prevent death from opioid overdose. Ex. 11, Maurice Decl. ¶ 34. And in California, substance use disorder prevention and early intervention services for youth could be terminated in at least 18 of its counties, resulting in increased substance use among youth and adolescents. Ex. 6, Perez Decl. ¶ 61.

The effect is not limited to mental health services and will affect services across Plaintiff States' public health programs. Washington's Department of Health has already had to cancel its Care-A-Van mobile health clinics that provide health care, including vaccinations and health education, to historically underserved communities. The program prioritizes rural areas, BIPOC communities, immigrants and refugees, unhoused populations, children and schools, and other vulnerable populations. Ex. 40, Fehrenbach Decl. ¶ 21. Without this program, these communities bear increased exposure to contagious diseases and negative health consequences. *Id.* at ¶ 27. The termination of Delaware's community health worker program, mentioned above, will destabilize the delivery of vital health services and erode trust in healthcare systems in vulnerable communities. Ex. 14, Manning Decl. ¶ 31. In Minnesota, the terminations caused a local public health agency to immediately cease work supporting vaccination clinics and education. The affected local agencies in Minnesota serve its most vulnerable communities and work in settings such as schools, public housing locations, and jails. Ex. 24, Gresczyk Decl. ¶¶ 43, 47. California's Immunization and Vaccines for Children program will no longer be able

to provide important vaccines, including vaccines for measles, influenza, and COVID-19 to approximately 4.5 million children, roughly half of California's youth population. Ex. 3, Fanelli Decl. ¶ 17. In Los Angeles County, most of the staff on the public health department's infectious diseases outbreak team will be terminated as a result of the funding loss, meaning the County will not be able to respond in a timely manner to outbreaks in jails, shelters, assisted living facilities and worksites. Ex. 4, Ferrer Decl. ¶ 7. And Connecticut will not be able to maintain its Family Bridge Program, which funds visits from healthcare practitioners for new mothers. Ex. 13, Orefice Decl. ¶ 37.

Finally, the Public Health Funding Decision imperils Plaintiff States' public health infrastructure projects. Plaintiff States and their local health jurisdictions have long relied on the CDC's ELC support for infectious disease programs and projects. *E.g.*, Ex. 32, Morne Decl. ¶ 9; Ex. 3, Fanelli Decl. ¶¶ 20-38; Ex. 2, Cutler Decl. ¶¶ 4-13; Ex. 4, Ferrer Decl. ¶ 7. During the COVID-19 Pandemic, the CDC awarded additional ELC grants. Ex. 32, Morne Decl. ¶ 9; Ex. 3, Fanelli Decl. ¶ 22; Ex. 4, Ferrer Decl. ¶ 9. While these funds were initially awarded to help with the ongoing pandemic, the CDC recognized that most states lacked the necessary disease surveillance and laboratory infrastructure, so it encouraged and allowed states to invest these funds in strengthening these capacities. *E.g.*, Ex. 3, Fanelli Decl. ¶¶ 22-23, 32; Ex. 4, Ferrer Decl. ¶¶ 7, 9; Ex. 13, Orefice Decl. ¶¶ 8-10; Ex. 32, Morne Decl. ¶ 22. These grants provide significant sums of money. Illinois, for example, stands to lose \$380 million. Ex. 15, Clark Decl. ¶ 11.

Without additional funds, Plaintiff States will lose investments in updating aging data management systems and aging laboratories. Ex. 15, Clark Decl. ¶¶ 10, 17 (updating electronic disease surveillance system and \$14 million laboratory remodeling project); Ex. 40, Fehrenbach

Decl. ¶ 13 (investing more than \$12 million in laboratory information management system); Ex. 13, Orefice Decl. ¶ 20 (“tens of millions of dollars spent to date [in updating data systems] will be wasted”); Ex. 3, Fanelli Decl. ¶¶ 28-30 (developing and maintaining new software surveillance system to ensure comprehensive statewide data reporting and analysis and more timely response to disease trends); Ex. 27, Baston Decl. ¶ 24 (New Jersey will not be able to keep its Communicable Disease Reporting and Surveillance System operational past June 2025); Ex. 45, Fink Decl. ¶¶ 15-17 (Hawai’i’s inability to complete critically needed upgrades to two health information systems “will result in a tremendous waste of government resources”). Planned projects will go unrealized. Connecticut, for example, will lose its planned electronic birth and death registry and an upgrade that would enable real time data exchanges with CDC systems. Ex. 13, Orefice Decl. ¶¶ 21-22. And, of course, ongoing projects will be adversely impacted, such as New York’s Health Electronic Response Data System, which monitors various health care providers’ bed capacity to ensure continued ability to access care. Ex. 32, Morne Decl. ¶ 26.

Investments in localized public health resources, a crucial piece of public health infrastructure, would also be eliminated. For example, Rhode Island uses CDC funding to invest in 14 “Health Equity Zones,” which help communities address the unique local health issues. Terminating these funds “threatens to reverse progress made in building local public health infrastructure and improving response capabilities.” Ex. 38. Campagna Decl. ¶¶ 17, 19. Riverside County, California will lose members of its non-data surveillance team, which serves as a liaison between the county’s public health department and hospitals, skilled nursing facilities, schools, and workplaces, further impacting disease investigation and mitigation capabilities. Ex. 9, Saruwatari Decl. ¶ 50.

In sum, HHS’s illegal actions will have a devastating effect across Plaintiff States’ public health programs. Ex. 32, Morne ¶ 24 (“These impacts will be long-lasting, cutting across all communities – geographically and demographically – and will be deeply felt by all New Yorkers for generations to come.”); Ex. 3, Fanelli Decl. ¶ 49 (“[T]he unexpected termination leaves California unprepared for future pandemics and risks exacerbating the spread of otherwise preventable disease.”). From the wide-ranging budget implications of the sudden and unexpected elimination of \$11 billion in funding, to the elimination of services, to the shuttering of public health infrastructure projects, it is hard to overstate the harm that Plaintiff States and their residents are about to suffer.

LEGAL STANDARD

In order to issue a preliminary injunction, “[t]he district court must consider ‘the movant’s likelihood of success on the merits; whether and to what extent the movant will suffer irreparable harm in the absence of preliminary injunctive relief; the balance of relative hardships [and equities]; and the effect, if any, that either a preliminary injunction or the absence of one will have on the public interest.’” *U.S. Ghost Adventures, LLC v. Miss Lizzie’s Coffee LLC*, 121 F.4th 339, 347 (1st Cir. 2024) (quoting *Ryan v. U.S. Immigration and Customs Enforcement*, 974 F.3d 9, 18 (1st Cir. 2020)); see also *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008). The final two factors—the balance of equities and the public interest—“merge when the Government is the opposing party.” *Nken v. Holder*, 556 U.S. 418, 435 (2009). “Likelihood of success is the main bearing wall of the four-factor framework.” *Ross-Simons of Warwick, Inc. v. Baccarat, Inc.*, 102 F.3d 12, 16 (1st Cir. 1996). However, a “district court is required only to make an estimation of likelihood of success and ‘need not predict the eventual outcome on the merits with absolute assurance.’” *Corp. Techs., Inc. v. Harnett*, 731 F.3d 6, 10 (1st Cir. 2013).

Finally, the Administrative Procedure Act provides authority for a reviewing court to “issue all necessary and appropriate process to postpone the effective date of an agency action or to preserve status or rights pending conclusion of the review proceedings.” 5 U.S.C. § 705.

ARGUMENT

I. This Court Has Jurisdiction over Plaintiff States’ Claims.

A. Plaintiff States Have Standing to Assert Their Claims.

Plaintiff States have standing to challenge the terminations because they will suffer an “injury in fact” that is “fairly traceable” to the terminations and “may be redressed by” a judicial order enjoining its implementation. *McBreairty v. Miller*, 93 F.4th 513, 518 (1st Cir. 2024). “[T]o establish standing, a plaintiff must show (i) that he suffered an injury in fact that is concrete, particularized, and actual or imminent; (ii) that the injury was likely caused by the defendant; and (iii) that the injury would likely be redressed by judicial relief.” *TransUnion LLC v. Ramirez*, 594 U.S. 413, 423 (2021). Plaintiff States “los[ing] out on federal funds . . . is a sufficiently concrete and imminent injury to satisfy Article III.” *Dep’t of Com. v. New York*, 588 U.S. 752, 767 (2019).

The on-the-ground impacts from these program cuts and loss in federal funding reinforce that concrete harm. As thoroughly detailed in Background Section V, Plaintiff States not only stand to lose grants worth billions of dollars, but the losses will severely impact public health programs and initiatives and cause the termination of large numbers of public health employees or contractors. The loss of these public health officials, infrastructure, and programs will have repercussions for many years to come.

Finally, traceability and redressability are easily satisfied. Defendants are the sole cause of the harms. *See In re Evenflo Co., Inc., Marketing, Sales Practices and Prods. Liab. Litig.*, 54

F.4th 28, 34 (1st Cir. 2022). If the Public Health Funding Decision and its implementation were vacated and set aside, that would redress the injury caused by Defendants.

B. The Tucker Act Does Not Apply to the Claims in the Complaint.

Defendants argued in their motion for reconsideration that the Court of Federal Claims has exclusive jurisdiction under the Tucker Act as a breach of contract claim. Defendants’ argument contravenes the general rule that district courts have jurisdiction over challenges to final agency action under § 702 of the APA, even when a remedial order “may result in the disbursement of funds.” *Bowen v. Massachusetts*, 487 U.S. 879, 910 (1988); *Linea Area Nacional de Chile S.A. v. Meissner*, 65 F.3d 1034, 1042 (2d Cir. 1995) (citing *Bowen* in rejecting argument that agency’s refusal to allow reimbursement under statutory entitlement was a claim for money damages that was outside the scope of the APA’s waiver of sovereign immunity under § 702). Where, as here, states seek prospective relief and challenge agency actions—here the Public Health Funding Decision and its implementation—as arbitrary, capricious, and contrary to regulatory, statutory and constitutional law, district courts have jurisdiction. *Bowen*, 487 U.S. at 905; *Linea Area Nacional de Chile S.A.*, 65 F.3d at 1039, 1043. This challenge to the Public Health Funding Decision does not arise from the breach of a contractual obligation and does not belong in the Court of Federal Claims.

Nor would there be any merit to Defendants’ assertion that the claims involve “money damages” and thus fall outside the APA’s waiver of sovereign immunity under 5 U.S.C. § 702. As in *Bowen*, Plaintiff States do not seek compensatory relief for past harms. 487 U.S. at 895. Put another way, Plaintiff States are not seeking money as a substitute for a suffered loss, rather they are seeking “the very thing to which [they were] entitled.” *Id.*; see also *Dep’t of the Army v. Blue Fox, Inc.*, 525 U.S. 255, 262 (1999). They seek a specific equitable, prospective remedy—setting aside the agency actions to cut critical public health programs as “no longer necessary”

by eliminating congressionally appropriated funds. *See* Am. Compl. at 44. It does not matter that this equitable relief may later result in the payment of money: “The fact that a judicial remedy may require one party to pay money to another is not a sufficient reason to characterize the relief as ‘money damages.’” *Bowen*, 487 U.S. at 893.

This case is distinguishable from *U.S. Dep’t of Educ. v. California*, No. 24A910, --- S. Ct. ---, 2025 WL 1008354 (April 4, 2025). As stated before, Plaintiff States are not seeking monetary damages. Rather, as in *Bowen*, the Plaintiff States are seeking purely prospective relief under the APA regarding their ongoing financial relationship with the federal government. Plaintiff States do not seek “orders ‘to enforce a contractual obligation to pay money.’” *Id.* at *1 (citing *Great-West Life & Annuity Ins. Co. v. Knudson*, 534 U.S. 204, 212 (2002)). Instead, Plaintiff States seek to enforce statutory and regulatory rights that are distinct from any contractual obligation or other obligation arising from the terms or conditions of any individual grant. Indeed, *Bowen* recognized that one specific types of review that Congress authorized through sovereign immunity waiver in § 702 was to obtain specific relief for issuing arising from the “administration of Federal grant-in-aid programs.” *Id.* at 898.

The relief sought in the complaint reflects that distinction. Plaintiff States asks the Court to vacate and set aside the agency-wide Public Health Funding Decision and its implementation, and implementing actions, as well as a declaration that the Public Health Funding Decision and its implementation violated the APA and the Constitution. Am. Compl. at 44. In short, State Plaintiffs seek to vacate Defendants’ determination that dozens of different programs and associated funding should be cut or eliminated as “no longer necessary” due to the end of the pandemic. Reversal of that precursor final agency action from which all of the individual terminations flowed is relief traditionally available under the APA—it is not a request for

compensatory damages. *See Maine Community Health Options v. United States*, 590 U.S. 296, 326-27 (2020) (noting that federal district court jurisdiction is more appropriate than the Court of Federal Claims where plaintiffs seek prospective declaratory and injunctive relief to clarify future obligations, as well as “managing the relationships between States and the Federal government that occur over time”). For that reason, the Court of Federal Claims has rejected jurisdiction over claims regarding prospective relief for cooperative agreements and block grants, similar to the ones Plaintiff States bring here. *Cf. Am. Near E. Refugee Aid v. U.S. Agency for Int’l Dev.*, 703 F. Supp. 3d 126, 133 (D.D.C. 2023) (holding USAID cooperative agreement is not a contract absent tangible benefits to the federal agency); *Lummi Tribe of the Lummi Rsr., Wash. v. United States*, 870 F.3d 1313, 1317–19 (Fed. Cir. 2017) (holding block grant statutes did not mandate damages and therefore the Court of Federal Claims lacks jurisdiction).

At bottom, this case is not about retrospective money damages or enforcing individual contractual obligations to pay money. Instead, Plaintiff States seek review of unlawful agency action based on violations of statute, regulation, and the U.S. Constitution, and they seek purely prospective relief concerning their ongoing relationship with the federal government. This Court, and not the Court of Federal Claims, has jurisdiction for these claims.

II. Plaintiff States Have Established a Likelihood of Success on the Merits.

Plaintiff States have a strong likelihood of success on the merits. As detailed below, HHS’s Public Health Funding Decision and the implementation of that decision violate the APA because this final agency action is contrary to law and arbitrary and capricious.

A. HHS’s Public Health Funding Decision and Its Implementation Constitutes Final Agency Action Subject to Judicial Review.

As a threshold matter, HHS’s Public Health Funding Decision and implementation of that decision constitute final agency action subject to the APA. *See U.S. Army Corps of Eng’rs v.*

Hawkes Co., 578 U.S. 590, 599–600 (2016) (calling for a “‘pragmatic’ approach” in analyzing finality); *Biden v. Texas*, 142 S. Ct. 2528, 2545 (2022) (holding agency memoranda were final agency action, noting that they “bound [agency] staff”). Final agency actions “mark the consummation of the agency’s decision-making process” and are those “by which rights or obligations have been determined, or from which legal consequences will flow.” *Bennett v. Spear*, 520 U.S. 154, 177-78 (1997) (internal citation omitted). The actions here clearly meet both prongs. First, the actions “mark[] the consummation” of Defendants’ decision-making process because they announce the agency’s final decision on the matter. *See, e.g.*, Ex. 40, Fehrenbach Decl. Attach. A at 5; Ex. 41, Kirschbaum Decl. Attach. C. Second, the actions have clear legal consequences: the immediate loss of funding. *See, e.g.*, Ex. 40, Fehrenbach Decl. Attach. A at 5; Ex. 41, Kirschbaum Decl. Attach. C. Moreover, Plaintiff States are permitted to bring this challenge in a single action. *New York v. Trump*, --- F.4th ----, 2025 WL 914788, at *13 (1st Cir. Mar. 26, 2025) (“[W]e are not aware of any supporting authority for the proposition that the APA bars a plaintiff from challenging a number of discrete final agency actions all at once.”).

Nor are these actions part of the narrow class of agency actions that are “committed to agency discretion by law” and unreviewable in federal court. *See* 5 U.S.C. § 701(a)(2). Where, as here, there are applicable statutory or regulatory standards that cabin agency discretion, there are “meaningful standard[s] by which to judge the [agency]’s action,” and the actions are reviewable. *Dep’t of Com. v. New York*, 588 U.S. 752, 772 (2019). Whether Defendants had statutory or constitutional authority to issue and implement the Public Health Funding Decision involves the exact type of statutory and constitutional question that courts address on a daily basis. Likewise, Defendants themselves claim to have applied a “for cause” standard based in

statute and regulation. Evaluating “for cause” terminations “involve[s] the type of legal analysis that courts routinely perform,” not unreviewable agency discretion. *Pol’y & Rsch., LLC v. United States Dep’t of Health & Hum. Servs.*, 313 F. Supp. 3d 62, 83 (D.D.C. 2018). In sum, HHS’s Public Health Funding Decision and its implementation are final agency action subject to review under the APA.

B. The Challenged Actions Are Contrary to Law.

Plaintiff States are likely to succeed on the merits of their claims that the Public Health Funding Decision and its implementation are contrary to law. *See* Am. Compl. Counts I-III. First, HHS lacked statutory authority to mass terminate programs and funding based on its unilateral determination that these congressionally appropriated funds are “no longer necessary.” Second, HHS compounded this error, and acted contrary to law, by terminating “for cause.” There is no dispute that Plaintiffs have complied with the terms and conditions of their awards. Ex. 3, Fanelli Decl. ¶ 45; Ex. 23, Hertel, ¶ 7. As a matter of law, neither the relevant statute nor regulation allow termination “for cause” based end of the pandemic nearly two years ago.

Public Health Funding Decision. At the outset, HHS’s Public Health Funding Decision to mass terminate these programs and funds as “no longer necessary” based on the end of the pandemic nearly two years ago is contrary to law and in excess of statutory authority. When Congress appropriated these funds for grant-in-aid programs, it did so with specific purposes and instructions. None of the appropriations provisions at issue grant HHS authority or discretion to cut off programs or funding based on the agency’s unilateral determination that all appropriations in COVID-related laws are “no longer necessary” at the end of the pandemic, especially on a random day with no advance warning.

To the contrary, where Congress sought to tie programs and funding in these laws to the end of the pandemic, it did so expressly. *See, e.g.,* ARPA § 9401, 135 Stat. at 127 (“during the

emergency period . . . and the 1-year period immediately following the end of such emergency period”); *id.* § 9811(hh), 135 Stat. at 210-11 (“ends on the last day of the first quarter that begins one year after the last day of the emergency period”); CARES Act § 1109(h), 134 Stat. at 306 (“until the date on which the national emergency . . . expires”). And when Congress reviewed each of the COVID-related appropriations laws *after* the end of the pandemic, Congress rescinded \$27 billion of appropriations as no longer necessary but determined not to revoke *any* of the funding at issue. Indeed, even in circumstances where funds were unobligated at the time of the Fiscal Responsibility Act, Congress still determined that many of these programs and funds remained necessary. *See, e.g.*, Fiscal Responsibility Act, Div. B, § 2(3) (rescinding certain unobligated funds “with the exception of \$2,127,000,000 and—(A) any funds that were transferred and merged with the Covered Countermeasure Process Fund”). Thus, when directly addressing the question at issue, Congress determined that the end of the pandemic did not mean that the programs and appropriated funds were no longer necessary. Most importantly, Congress in no way delegated authority to HHS to make such a monumental decision affecting the states’ ability to address critical public health needs. *See West Virginia v. EPA*, 597 U.S. 697, 724-25 (2022) (considering history of Congressional action on a subject in discerning the scope of authority delegated to the agency and citing cases).

At a minimum, whether the agency had discretion to mass terminate more than \$10 billion dollars in appropriated public health funding as “no longer necessary” falls under the major questions doctrine. This doctrine focuses on a simple question: “whether Congress in fact meant to confer the power the agency has asserted.” *West Virginia v. EPA*, 597 U.S. 697, 721 (2022). As the Supreme Court has repeatedly held, “[w]e expect Congress to speak clearly when authorizing an agency to exercise powers of vast economic and political significance.” *Alabama*

Ass’n of Realtors v. Dep’t of Health & Hum. Servs., 594 U.S. 758, 764, (2021) (cleaned up). And “[w]e presume that Congress intends to make major policy decisions itself, not leave those decisions to agencies.” *West Virginia v. EPA*, 597 U.S. at 723; *see also King v. Burwell*, 576 U.S. 473, 486 (2015) (holding the availability of tax credits was a question of deep “economic and political significance” and not one delegated to the agency). Where the Constitution grants Congress the power to control appropriations, including through rescission, and it has exercised that authority, courts require Congress to speak clearly when authorizing an executive agency not to spend vast sums of appropriated funds as “no longer necessary,” especially in the critical public health arena. Because Congress did not “speak clearly” to authorize HHS’s actions here, HHS acted in excess of statutory authority.

In sum, because Congress did not grant HHS the authority it has claimed, and certainly did not speak clearly to authorize such significant action, the agency’s decision is contrary to law and in excess of statutory authority.

SAMHSA. HHS also acted illegally when it implemented the Public Health Funding Decision. With respect to SAMHSA, Defendants acted contrary to law and in excess of statutory authority by departing from the statutory requirements governing the program, including 42 U.S.C. § 300x-55. Pursuant to 42 U.S.C. § 300x-55(a), the Secretary may “terminate the grant for cause” only “if the Secretary determines that a State has materially failed to comply with the agreements or other conditions required for the receipt of a grant.” *Id.* But Defendants have never asserted that any grantee materially failed to comply with agreements or other required conditions. *E.g.*, Ex. 41, Kirschbaum Decl. ¶ 42; Ex. 6, Perez Decl. ¶ 12. Instead, the terminations notices state: “The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.” *E.g.*, Ex. 6, Perez

Decl. ¶ 11; Ex. 41, Kirschbaum Decl. Attach. D. Moreover, Defendants acted contrary to law because 42 U.S.C. § 300x-55(e) requires: “*Before* taking action against a State . . . , the Secretary shall provide to the State involved adequate notice and an opportunity for a hearing.” 42 U.S.C. § 300x-55(e) (emphasis added). But Defendants provided no notice or opportunity for a hearing *before* immediately taking action to terminate the grants. *See, e.g.*, Ex. 41, Kirschbaum Decl. Attach. C. Similarly, 42 U.S.C. § 300x-55(g) bars HHS from withholding any funds unless it has first “conducted an investigation concerning whether the State has expended payments under the program involved in accordance with the agreements required under the program.” 42 U.S.C. § 300x-55(g). For at least these three reasons, HHS acted unlawfully in implementing the Public Health Funding Decision by ignoring the statutory requirements governing the block grant program. 42 U.S.C. § 300x-55.

CDC. Similarly, with respect to the CDC, Defendants claim to have terminated this public health funding “for cause” based on “HHS regulations”—they cite none, but refer, presumably, to 45 C.F.R. § 75.372(a)(2). *See, e.g.*, Ex. 40, Fehrenbach Decl. Attach. A at 5. But there is nothing in that regulation’s text, history, or subsequent interpretation to support the notion that the “end of the pandemic” nearly two years ago could provide a lawful basis for the Public Health Funding Decision.

When HHS has examined what “for cause” means in the past, it has explained that it generally involves a failure to comply with terms and conditions. *R.I. Substance Abuse Task Force Ass’n*, DAB No. 1642 (1998), 1998 WL 42538 at *1 (H.H.S. January 15, 1998) (“When a grantee has materially failed to comply with the terms and conditions of the grant, [the Public Health Service] may . . . terminate the grant for cause.”); *Child Care Ass’n of Wichita/Sedgwick Cnty.*, DAB No. 308 (1982), 1982 WL 189587 at *2 (H.H.S. June 8, 1982) (“‘For cause’ means a

grantee has materially failed to comply with the terms of the grant.”). This is consistent with the standard application of “for cause” terminations in statute and regulation. *See, e.g.*, 42 U.S.C. § 300x-55(a); 10 C.F.R § 600.25 (allowing “for cause” award termination on the basis of noncompliance or debarment).

The federal government has likewise understood this “for cause” regulation to be substantially the same as the “failure to comply.” The Office of Management and Budget (“OMB”) eliminated the “for cause” regulation from the Official Guidance for Grants and Agreement specifically because it concluded that the “for cause” provision “is not substantially different than the” provision allowing termination for failure to comply with terms and conditions. OMB, Guidance for Grants and Agreements, 85 Fed. Reg. 49506,49508 (Aug. 13, 2020). HHS has, in turn, indicated it will adopt the Official Guidance and eliminate “for cause” entirely from its regulations. HHS, Health and Human Services Adoption of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 89 Fed. Reg. 80055, 80055 (Oct. 2, 2024) (effective October 2025). In other words, HHS is following OMB’s Official Guidance and eliminating the “for cause” regulation because it is substantially *duplicative* of the “failure to comply” regulation.

Even OMB’s 2014 commentary, which appears to draw some distinction between “for cause” and “failure to comply,” is no help to HHS. There, OMB suggested its regulation could apply to outside events that “require” the awards to be terminated. OMB, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule, 78 Fed. Reg. 78590, 78599 (Dec. 26, 2013). The examples provided involved changes in governing law, such as changes in “congressional mandates” or “appropriated amounts,” that may *require* termination. *Id.* But here, the foreseeable end of the pandemic nearly

two years ago does not “require” termination when the relevant appropriations statutes extend funding to purposes beyond the pandemic and in no way “require” terminating the funding at the end of the pandemic. Indeed, *after* the pandemic ended, Congress reviewed all the COVID-9 related laws, identified \$27 billion in funds to be rescinded, but determined not to rescind any of the public health funding at issue here. Accordingly, the Public Health Funding Decision has no valid basis in statute or regulation.

Simply put, HHS had no legal basis for its actions because of the end of the pandemic nearly two years ago. Defendants acted contrary to law and in excess of statutory authority.

C. The Challenged Actions Are Arbitrary and Capricious.

An agency action is arbitrary or capricious where it is not “reasonable and reasonably explained.” *FCC v. Prometheus Radio Project*, 592 U.S. 414, 423 (2021). An agency must provide “a satisfactory explanation for its action[,] including a rational connection between the facts found and the choice made.” *Motor Vehicle Mfrs. Ass’n of the U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983) (internal citation omitted). Further, an agency action is arbitrary and capricious if the agency has “relied on factors which Congress has not intended it to consider, entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before the agency, or is so implausible that it could not be ascribed to a difference in view or the product of agency expertise.” *Id.*

Here, Plaintiff States will likely prevail on their claim that the Public Health Funding Decision and its implementation are arbitrary and capricious, for at least five independently sufficient reasons.

First, Defendants did not provide a rational basis for the Public Health Funding Decision. As noted above, Defendants were required to provide a reasoned explanation, “including a rational connection between the facts found and the choice made.” *State Farm*, 463 U.S. at 43.

Defendants instead relied on nearly identical conclusory, boilerplate language stating the same explanation (with slight variation): now that the pandemic is over, the grants or cooperative agreements are no longer necessary. *See* Background Section IV. Defendants assume without explanation that all funding related to COVID-19 appropriations was only intended for use during the pandemic stage. Defendants point to no facts supporting this assumption and no reasoned analysis of the specific statutory appropriations or grants at issue. In fact, Congress directed many of the appropriations beyond the pandemic to other pathogens or future emergencies, for example to expand and sustain a public health workforce, for genome sequencing and surveillance, and for data modernization and forecasting. ARPA, §§ 2402, 2404, 2501, 135 Stat. at 41-42; *see also* Background Section I.

Moreover, where Congress intended to limit programs or appropriations to the end of the pandemic, it did so directly in the COVID-19 laws. *See supra* p.5 (listing examples). “[W]here Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion.” *Russello v. United States*, 464 U.S. 16, 23 (1983). Furthermore, in June 2023, *after* the end of the pandemic, Congress passed the Fiscal Responsibility of Act of 2023. Pub. Law 118-5 (June 3, 2023). Through this Act, Congress went through the COVID-19 appropriations and rescinded \$27 billion of appropriations that it deemed no longer necessary after the pandemic was over. *Id.* Div. B, Title I. Yet, Congress chose to keep all the appropriations at issue, notwithstanding that the COVID-19 national emergency had ended. Defendants failed to consider or provide any explanation as to these inconsistencies and appear simply to desire to overrule Congress’ spending judgment and authority.

Second, and relatedly, Defendants’ actions are arbitrary and capricious because they conducted no individualized assessment and failed to acknowledge the public health purposes for which the grants actually have been and are being used, much less an explanation of why those uses are no longer necessary. Defendants thus “entirely failed to consider an important aspect of the problem.” *State Farm*, 463 U.S. at 43. When the purported basis for termination is that funds or programs are “no longer necessary,” an important consideration requires an individualized assessment of the uses and benefits of the funding to determine whether it is no longer necessary. But Defendants wholly ignored this key aspect of the analysis and simply terminated any program funding that happened to be funded by a COVID-related appropriation.

Third, Defendants’ actions are arbitrary and capricious because they provided no reasoned explanation (or even acknowledgment) as to how the agency suddenly changed its position and determined that the public health funding is no longer necessary based on the end of the COVID-19 pandemic nearly two years ago. Since the pandemic ended nearly two years ago, and up until a few days ago, Defendants consistently took the opposite position that these programs and public health funding were necessary beyond the pandemic stage. “[T]he requirement that an agency provide reasoned explanation for its action would ordinarily demand that it display awareness that it *is* changing position. An agency may not, for example, depart from a prior policy *sub silentio*...” *FCC v. Fox Television Stations, Inc.*, 556 U.S. 502, 515 (2009). “And of course the agency must show that there are good reasons for the new policy.” *Id.*; *see also Smiley v. Citibank (S. Dakota), N.A.*, 517 U.S. 735, 742 (1996) (“[s]udden and unexplained change” may be arbitrary and capricious). Here, Defendants failed to acknowledge the sudden change in position and failed to explain the good reasons for the new policy.

Fourth, Defendants’ actions are arbitrary and capricious because they failed to take into consideration the substantial reliance interests of the Plaintiff States and the tremendously harmful impact of the Public Health Funding Decision and its implementation. “When an agency changes course, . . . it must be cognizant that longstanding policies may have engendered serious reliance interests that must be taken into account.” *Dep’t of Homeland Sec. v. Regents of the Univ. of California*, 591 U.S. 1, 30 (2020) (internal quotation marks and citation omitted); *see also Fox Television Stations*, 556 U.S. at 515 (holding it “would be arbitrary or capricious to ignore” when a “prior policy has engendered serious reliance interests”); *Nat’l Council of Nonprofits v. Office of Mgmt. and Budget*, No. 25-239 (LLA), --- F. Supp. 3d ---, 2025 WL 368852, at *11 (D.D.C. Feb. 3, 2025) (concluding that a freeze on federal funds implicates reliance interests that “are all too real”).

Here, Plaintiff States and their local health jurisdictions have relied on the availability of billions of dollars from these grant-in-aid programs for key aspects of their public health programs and initiatives. They had no reason to suspect that HHS would suddenly and immediately change position. The harm from this abrupt change is drastic. As explained fully in Background Section V, critical public health programs and initiatives will have to be cut, large numbers of public health employees and contractors will have to be terminated, and all these cuts will result in substantial repercussions for public health in Plaintiff States for many years. Yet, Defendants arbitrarily and capriciously failed to consider any of these reliance interests.

Fifth, Defendants’ actions are arbitrary and capricious because, as explained more fully in Section II, HHS arbitrarily and without explanation applied “for cause” termination provisions based on the end of the COVID-19 pandemic nearly two years ago. This application is contrary to statute and regulation because Defendants have never asserted any failure on the part of

Plaintiff States to comply with the terms and conditions of funding. Defendants further fail to provide a rational explanation as to why the end of the pandemic requires termination, given that the applicable appropriations statutes extend beyond the pandemic and do not limit funding to the duration of the pandemic, HHS's prior longstanding position was that the end of the pandemic did not require termination, and Congress's decision to leave these funds available when it rescinded *other* COVID-19 funds as no longer necessary.

In sum, Defendants have not explained their actions, have not engaged in reasoned decision-making, failed to consider important aspects of the problem, and failed to consider significant reliance interests. Defendants' actions are thus arbitrary and capricious. 5 U.S.C. § 706(2)(A).

D. The Challenged Actions Violates the Separation of Powers.

Finally, the Plaintiff States are likely to succeed on the merits of their claim that Defendants' Public Health Funding Decision and its implementation contravene separation-of-powers principles. The President's authority to act, "[n]o matter the context," "necessarily 'stem[s] either from an act of Congress or from the Constitution itself.'" *Trump v. United States*, 603 U.S. 593, 607 (2024) (quoting *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579, 585 (1952)). As set out by the tripartite framework set out in Justice Jackson's seminal concurring opinion in *Youngstown*, Defendants are operating at its "lowest ebb," because no constitutional or statutory provision authorizes the Executive to cut a vast swath of funding appropriated by Congress. Instead, the Executive has taken measures that are incompatible with the express will of Congress related to public health appropriations. *See supra* pp. 3-5, 8-9; *Aids Vaccine Advoc. Coal. v. U.S. Dep't of State*, No. CV 25-00400 (AHA), 2025 WL 752378, at *14 (D.D.C. Mar. 10, 2025), *appeal filed*, No. 25-5098 (D.C. Cir. Apr. 2, 2025) (Congress had expressly appropriated foreign aid funds for specified purposes).

The Constitution does not authorize the Executive Branch’s conduct here. The Constitution makes clear that, “[a]bsent congressional authorization, the Administration may not redistribute or withhold properly appropriated funds in order to effectuate its own policy goals.” *City & Cnty. of S.F. v. Trump*, 897 F.3d 1225, 1235 (9th Cir. 2018). That principle follows from Congress’s authority over spending: the Constitution “exclusively grants the power of the purse to Congress, not the President,” and that spending power is “directly linked to [Congress’s] power to legislate.” *Id.* at 1231-32; *see* U.S. Const. art. I, §9, cl. 7 (Appropriations Clause); U.S. Const. art. I, §8, cl. 1 (Spending Clause). Thus, the Constitution vests Congress with the “exclusive power to Congress to impose conditions on federal grants,” *id.* at 1231, and limits the President’s role in lawmaking to proposing laws he thinks wise and vetoing those he thinks unwise. *See INS v. Chadha*, 462 U.S. 919, 951 (1983) (describing “single, finely wrought and exclusively considered[] procedure” for enacting legislation); U.S. Const. art. I, §7, cls. 2, 3. Indeed, rather than allow the Executive to unilaterally modify duly enacted laws, the Constitution imposes on the President a duty to “take care that the laws be faithfully executed.” U.S. Const. art. II, §3. The Constitution declines to grant the Executive “unilateral authority to refuse to spend” vast swaths of duly authorized and appropriated funding. *See City & Cnty. of S.F.*, 897 F.3d at 1231 (quoting *In re Aiken County*, 725 F.3d 225, 261 n.1 (D.C. Cir. 2013)); *see also Clinton v. City of New York*, 524 U.S. 417, 438 (1998) (“There is no provision in the Constitution that authorizes the President to enact, to amend, or to repeal statutes.”); *New York v. Trump*, No. 25-CV-39-JJM-PAS, 2025 WL 715621, at *1 (D.R.I. Mar. 6, 2025), *denying stay pending appeal*, 2025 WL 914788 (1st Cir. Mar. 26, 2025) (“Federal agencies and departments can spend, award, or suspend money based only on the power Congress has given to them—they have no other spending power.”).

As discussed above, no statute authorizes the Executive's actions here. Instead, Congress consistently appropriated critical funds strengthening public health programs. *See supra* pp. 3-5. This so even after the declared state of emergency, where Congress made clear that these funds were to remain available. *See supra* pp. 8-9. Accordingly, the public health funds were duly authorized and appropriated by Congress, and the Defendants may not refuse to spend it en masse.

Congress has further asserted its spending power by establishing a comprehensive statutory regime that governs when and how the Executive Branch can decline to spend duly appropriated funds through the Congressional Budget and Impoundment Control Act of 1974, 2 U.S.C. § 681 et seq. ("ICA"). The ICA sets forth the procedure by which the Executive may propose either rescission (i.e., cancellation) of appropriated funding or deferral (i.e., delay) of obligation of such funding. *Id.* §§ 683, 684(b). Rather than enabling unilateral Executive action, the ICA requires that the President must "propose[]" any rescission to Congress (which Congress must then affirmatively approve) and may not defer funding for the policy reasons defendants explicitly invoke here. *Id.* §§ 683, 684(a). Yet here, Defendants seek to rescind funds Congress has appropriated and have not followed the ICA procedures.

Accordingly, no statute authorizes the Executive to implement the Public Health Funding Decision, which has the effect of preventing the expenditure of vast swaths of appropriated funding.

Because the public health grant terminations are not authorized by the Constitution or by statute, the President's authority is at "its lowest ebb." *See City & Cnty. of S.F.*, 897 F.3d at 1233 (quoting *Youngstown*, 343 U.S. at 637 (Jackson, J., concurring)); *see also Aids Vaccine Advoc.*

Coal., 2025 WL 752378, at *15. The Plaintiff States are likely to succeed on their claim that the Public Health Funding Decision and its implementation violate separation-of-powers principles.

III. Plaintiff States Will Be Irreparably Harmed Absent a Preliminary Injunction.

The Public Health Funding Decision and its implementation have irreparably harmed, and will continue to irreparably harm, Plaintiff States. Preliminary relief is necessary to avoid such harm and protect the equities and public interest. *See, e.g., Rio Grande Cmty. Health Ctr., Inc. v. Rullan*, 397 F.3d 56, 76 (1st Cir. 2005) (asking if challengers would suffer “irreparable harm” because injuries “cannot adequately be compensated for either by a later-issued permanent injunction, after a full adjudication on the merits, or by a later-issued damages remedy”). “District courts have broad discretion to evaluate the irreparability of alleged harm and to make determinations regarding the propriety of injunctive relief.” *K-Mart Corp. v. Oriental Plaza, Inc.*, 875 F.2d 907, 915 (1st Cir. 1989) (cleaned up).

The Court may find irreparable harm because, contrary to the mission of public health agencies, the Public Health Funding Decision and its implementation threaten grave harm to public health and safety. *See Cigar Masters Providence, Inc. v. Omni Rhode Island, LLC*, No. CV 16-471-WES, 2017 WL 4081899, at *14 (D.R.I. Sept. 14, 2017) (“Threats to public health and safety constitute irreparable harm that will support an injunction.”); *Sierra Club v. U.S. Dep’t of Agric., Rural Utilities Serv.*, 841 F. Supp. 2d 349, 358 (D.D.C. 2012) (threats to public health establish irreparable harm); *Valle del Sol Inc. v. Whiting*, 732 F.3d 1006, 1029 (9th Cir. 2013) (finding irreparable harm where “organizational plaintiffs have shown ongoing harms to their organizational missions”). Again, as detailed in Background Section V and 48 accompanying declarations, Exs. 1-48, there can be no doubt that the Public Health Funding Decision is causing serious and irreparable harm to Plaintiff States’ public health programs, their local health jurisdictions, and the health and safety of their residents.

The simple fact is that Plaintiff States do not have the resources to make up for the sudden loss in funding. See, e.g., Ex. 4, Ferrer Decl. ¶ 13; Ex. 6, Perez Decl. ¶ 30; Ex. 8, Rudman Decl. ¶ 57; Ex. 10, Bookman Decl. ¶ 21; Ex. 25, Williams-Devane Decl. ¶¶ 5, 7; Ex. 24, Gresczyk Decl. ¶ 46. This has left Plaintiff States with no choice but to begin shuttering programs and laying off personnel. Critically, because the staff cuts that Plaintiff States are already making include highly trained and specialized employees who will be difficult to hire back, this loss of staff itself is irreparable harm. *Id.* ¶ 31; Ex. 10, Bookman Decl. ¶ 20; Ex. 3, Fanelli Decl. ¶ 38; Ex. 8, Rudman Decl. ¶¶ 23, 26, 31-37, 44, 54; Ex. 7, Philip Decl. ¶¶ 12-13, 42, 46, 54; Ex. 9, Saruwatari Decl. ¶¶ 49-50, 53, 56, 59-60, 80-81, 108; Ex. 4, Ferrer Decl. ¶¶ 17, 19; Ex. 5, Kasirye Decl. ¶ 26; Ex. 24, Gresczyk Decl. ¶ 41.

In addition to cutting staff, Plaintiff States have already begun ending important public health programs. Washington’s Department of Health has already been forced to end its mobile health clinics. Ex. 40, Fehrenbach Decl. ¶ 21. And Minnesota has already ordered a local health agency to cease its work on vaccination clinics. Ex. 24, Gresczyk Decl. ¶¶ 43, 47. Life-saving mental health and substance abuse programs will disappear. See, e.g., Ex. 6, Perez Decl. ¶ 61; Ex. 17, Rollinson Decl. ¶ 16; Ex. 28, Boukus Decl. ¶ 14; Ex. 41, Kirschbaum Decl. ¶¶ 12, 31, 39. Simply put, the Public Health Funding Decision is causing substantial immediate irreparable harm. Plaintiff States are not interested in money damages, which will not compensate for the harms to their public health programs from Defendants’ unlawful actions.

Moreover, even recoverable costs, “may constitute irreparable harm . . . where the loss threatens the very existence” of an organization or programs. *Packard Elevator v. ICC*, 782 F. 2d 112, 115 (8th Cir. 1986); see *Am. Ass’n of Colleges for Tchr. Educ. v. McMahon*, No. 1:25-CV-00702-JRR, --- F. Supp. 3d ---, 2025 WL 833917, at *23 (D. Md. Mar. 17, 2025) (holding that

the immediate termination of grants affecting the existence of programs and the livelihoods of individuals within those programs constituted irreparable harm); *California v. U.S. Dep’t of Educ.*, No. CV 25-10548-MJJ, --- F. Supp. 3d ---, 2025 WL 760825, at *4 (D. Mass. Mar. 10, 2025) (same). The Public Health Funding Decision existentially threatens key programs and initiatives with Plaintiff States’ public health agencies, and ultimately, will worsen public health outcomes by inhibiting public health agencies’ critical duties such as combatting the spread of contagious disease, preventing substance abuse, and ensuring access to mental health treatment. *See, e.g.*, Ex 3, Fanelli Decl., ¶¶ 33, 47, 49; Ex. 6, Perez Decl. ¶¶ 9-10, 62.

Finally, as explained in Background Section V, Defendants’ illegal action have caused—and will continue to cause—substantial operational burdens for Plaintiff States’ institutions. *See City & Cnty. of S.F. v. USCIS*, 408 F. Supp. 3d 1057, 1123 (N.D. Cal. 2019) (recognizing “burdens on . . . ongoing operations” for public entities, including administrative costs caused by changes in federal policy, constitute irreparable harm); *Tennessee v. Dep’t of Educ.*, 104 F.4th 577, 613 (6th Cir. 2024) (same). The Public Health Funding Decision has resulted in chaos across Plaintiff States’ institutions, particularly because the funding loss was immediate. *See generally* Ex. 16, Ige Decl. ¶¶ 7, 21. Plaintiff States have already spent, and will continue to spend, substantial administrative costs trying to address to these unlawful actions. None of these costs are recoverable from the United States.

IV. The Public Interest and the Balance of Equities Strongly Favor Entry of a Preliminary Injunction.

The equities and public interest also favor preliminary relief. *See, e.g., Does 1-6 v. Mills*, 16 F.4th 20, 37 (1st Cir. 2021) (the balance of equities and the public interest “merge when the [g]overnment is the opposing party”). Plaintiff States have a substantial interest in the successful operation of their public health systems. *Jacobson*, 197 U.S. at 38 (“The safety and the health of

the people . . . are, in the first instance, for [the State] to guard and protect.”). Plaintiff States have detailed the devastating consequences the Public Health Funding Decision, and the many ways that the terminations implementing the Public Health Funding Decision will impair the functioning of key public health programs and initiatives. *See* Background Section V. Given the abrupt terminations, Plaintiff States cannot make up for the lost funding and will have to take immediate action to curtail their public health programs and undergo massive layoffs of highly trained employees and contractors. *See, e.g.,* Ex. 6, Perez Decl. ¶¶ 30, 61; Ex. 10, Bookman Decl. ¶ 21; Ex. 24, Gresczyk Decl. ¶ 41. As a result, the equities and public interest strongly favor preliminary relief.

This is especially so because Plaintiff States have also established a likelihood of success on the merits. *See supra* Sections II and III. Plaintiff States have shown that the Public Health Funding Decision and its implementation violated the APA, statutory authority, and the Constitution in myriad ways. The “extremely high likelihood of success on the merits” shows that preliminary relief “would serve the public interest.” *League of Women Voters of U.S. v. Newby*, 838 F.3d 1, 12 (D.C. Cir. 2016). Relatedly, “the public has an important interest in making sure government agencies follow the law.” *Neighborhood Ass’n of the Back Bay, Inc. v. Fed. Transit Admin.*, 407 F. Supp. 2d 323, 343 (D. Mass. 2005); *see also League of Women Voters*, 838 F.3d at 12 (same). Courts routinely observe that “there is generally no public interest in the perpetuation of unlawful agency action.” *Planned Parenthood of N.Y.C., Inc. v. HHS*, 337 F. Supp. 3d 308, 343 (S.D.N.Y. 2018) (quoting *League of Women Voters*, 838 F.3d at 12). There is a strong public interest in enjoining HHS’s unlawful actions. *See, e.g., Me. Forest Prods. Council v. Cormier*, 586 F. Supp. 3d 22, 64 (D. Maine 2022). Thus, in addition to the public

interest in avoiding public health harms, the public also has an interest in ensuring HHS follows the law.

On the other side of the ledger, the federal government faces no “harm from an injunction that merely ends an unlawful practice or reads a statute as required.” *R.I.L.-R v. Johnson*, 80 F. Supp. 3d 164, 191 (D.D.C. 2015) (quoting *Rodriguez v. Robbins*, 715 F.3d 1127, 1145 (9th Cir. 2013)); see also *Planned Parenthood of N.Y.C., Inc.*, 337 F. Supp. 3d at 343. Because the Public Health Funding Decision is unlawful, Defendants have no cognizable interest in its implementation.

The public interest and the equities clearly favor Plaintiff States.

V. Requested Relief.

Plaintiff States respectfully request that the Court enter a preliminary injunction that:

- (1) enjoins Defendants from implementing or enforcing through any means the Public Health Funding Decision;
- (3) enjoins Defendants from reinstituting the Public Health Funding Decision based on the same or similar reasons;
- (4) is applicable only with respect to Plaintiff States, including their local health jurisdictions, and any bona fide fiscal agents of Plaintiff States or their local health jurisdictions;
- (5) requires Defendants to provide written notice of the order within 24 hours to all Defendants and agencies, and their employees, contractors, and grantees;
- (6) requires Defendants to provide a status report within 24 hours, documenting the actions that they have taken to comply with this order, including a copy of the notice and an explanation as to whom the notice was sent.

CONCLUSION

For these reasons, Plaintiff States respectfully request a preliminary injunction order as this case proceeds.

Respectfully submitted,

PHILIP J. WEISER
Attorney General of Colorado

By: /s/ David Moskowitz
David Moskowitz*
Deputy Solicitor General
Sam Wolter*
Assistant Attorney General
1300 Broadway, #10
Denver, CO 80203
(720) 508-6000
David.Moskowitz@coag.gov
Samuel.Wolter@coag.gov

Counsel for the State of Colorado

ROB BONTA
Attorney General of California

By: /s/ Crystal Adams
Neli Palma*
Senior Assistant Attorney General
Crystal Adams*
Anna Rich**
Deputy Attorneys General
1300 I Street
Sacramento, CA 95814
(916) 210-7522

Counsel for the State of California

PETER F. NERONHA
Attorney General of Rhode Island

By: /s/ Sarah W. Rice
Sarah W. Rice (RI Bar No. 10465)
Deputy Chief, Public Protection Bureau
Assistant Attorney General
Keith Hoffmann (RI Bar No. 9874)
Chief of Policy
Assistant Attorney General
Julia Harvey (RI Bar No. 10529)
Special Assistant Attorney General
150 South Main Street
Providence, RI 02903
(401) 274-4400, Ext. 2054
srice@riag.ri.gov
khoffmann@riag.ri.gov
jharvey@riag.ri.gov

Counsel for the State of Rhode Island

KEITH ELLISON
Attorney General of Minnesota

By: /s/ Brian S. Carter
Brian S. Carter*
Jennifer Moreau*
Assistant Attorneys General
445 Minnesota Street, Suite 1400
St. Paul, Minnesota, 55101
(651) 300-7403
Brian.Carter@ag.state.mn.us
Jennifer.Moreau@ag.state.mn.us

Counsel for the State of Minnesota

NICHOLAS W. BROWN
Attorney General of Washington

By: s/ Ellen Range
Ellen Range*
Assistant Attorney General
Office of the Washington State Attorney
General
7141 Cleanwater Drive SW
P.O. Box 40111
Olympia, WA 98504-0111
(360) 709-6470
Ellen.Range@atg.wa.gov

Cristina Sepe*
Deputy Solicitor General
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100
(360) 753-6200
Cristina.Sepe@atg.wa.gov

Counsel for the State of Washington

WILLIAM TONG
Attorney General of Connecticut

/s/ Andrew Ammirati
Andrew Ammirati*
Assistant Attorney General
165 Capitol Avenue
Hartford, CT 06106
Phone: (860) 808 5090
Andrew.Ammirati@ct.gov

Counsel for the State of Connecticut

KRISTIN K. MAYES
Attorney General of Arizona

By: /s/ Mary M. Curtin
Mary M. Curtin*
Senior Litigation Counsel
Arizona Attorney General's Office
2005 North Central Avenue
Phoenix, Arizona 85004
(602) 542-3333
Mary.Curtin@azag.gov

Counsel for the State of Arizona

KATHLEEN JENNINGS
Attorney General of Delaware

By: /s/ Vanessa L. Kassab
Ian R. Liston**
Director of Impact Litigation
Vanessa L. Kassab**
Deputy Attorney General
Delaware Department of Justice
820 N. French Street
Wilmington, DE 19801
(302) 683-8899
vanessa.kassab@delaware.gov

Counsel for the State of Delaware

BRIAN L. SCHWALB

Attorney General for the District of
Columbia

/s/ Samantha Miyahara Hall

Samantha Miyahara Hall*

Assistant Attorney General

Public Advocacy Division

Office of the Attorney General for the
District of Columbia

400 Sixth Street, N.W.

Washington, D.C. 20001

(202) 788-2081

Samantha.hall@dc.gov

Counsel for the District of Columbia

KWAME RAOUL

Attorney General of Illinois

By: /s/ John Hazinski

John Hazinski*

Assistant Attorney General

Office of the Illinois Attorney General

115 S. LaSalle St.

Chicago, IL 60603

(773) 590-6944

john.hazinski@ilag.gov

Counsel for the State of Illinois

ANNE E. LOPEZ

Attorney General of Hawai'i

By: /s/ Kaliko 'onālani D. Fernandes

David D. Day*

Special Assistant to the Attorney General

Kaliko 'onālani D. Fernandes*

Solicitor General

425 Queen Street

Honolulu, HI 96813

(808) 586-1360

kaliko.d.fernandes@hawaii.gov

Counsel for the State of Hawai'i

OFFICE OF THE GOVERNOR *ex rel.*

ANDY BESHEAR

in his official capacity as Governor of the
Commonwealth of Kentucky

/s/ Travis Mayo

S. Travis Mayo*

General Counsel

Taylor Payne*

Chief Deputy General Counsel

Laura C. Tipton*

Deputy General Counsel

Kentucky Office of the Governor

700 Capitol Avenue, Suite 106

Frankfort, KY 40601

(502) 564-2611

travis.mayo@ky.gov

taylor.payne@ky.gov

laurac.tipton@ky.gov

Counsel for the Office of the Governor

AARON M. FREY

Attorney General of Maine

By: /s/ Margaret Machaiek

Margaret Machaiek*

Assistant Attorney General

Office of the Attorney General

6 State House Station

Augusta, ME 04333-0006

Tel.: 207-626-8800

Fax: 207-287-3145

Counsel for the State of Maine

ANDREA JOY CAMPBELL

Attorney General of Massachusetts

By: /s/ Katherine B. Dirks

Katherine B. Dirks*

Chief State Trial Counsel

Phoebe Lockhart*

Assistant Attorney General

1 Ashburton Pl.

Boston, MA 02108

(617.963.2277)

katherine.dirks@mass.gov

phoebe.lockhart@mass.gov

*Counsel for the Commonwealth of
Massachusetts*

ANTHONY G. BROWN

Attorney General of Maryland

By: /s/ James C. Luh

James C. Luh*

Senior Assistant Attorney General

Office of the Attorney General

200 Saint Paul Place, 20th Floor

Baltimore, Maryland 21202

410-576-6411

jluh@oag.state.md.us

Counsel for the State of Maryland

DANA NESSEL

Attorney General of Michigan

By: /s/ Jennifer M. Jackson

Jennifer M. Jackson (P67126)*

Carl Hammaker (P81203)*

Assistant Attorneys General

Michigan Department of Attorney General

Attorneys for State of Michigan

525 W. Ottawa St.

Lansing, MI 48933-1067

517.335.7573

jacksonj5@michigan.gov

hammakerc@michigan.gov

Counsel for the State of Michigan

AARON D. FORD

Attorney General of Nevada

By: /s/ Heidi Parry Stern

Heidi Parry Stern (Bar. No. 8873)*

Solicitor General

Office of the Nevada Attorney General

1 State of Nevada Way, Ste. 100

Las Vegas, NV 89119

HStern@ag.nv.gov

Counsel for the State of Nevada

RAÚL TORREZ

Attorney General of New Mexico

By: /s/ Anjana Samant

Anjana Samant*

Deputy Counsel

New Mexico Department of Justice

408 Galisteo Street

Santa Fe, New Mexico 87501

asamant@nm DOJ.gov

(505) 270-4332

Counsel for the State of New Mexico

MATTHEW J. PLATKIN

Attorney General of New Jersey

/s/ Jessica L. Palmer

Jessica L. Palmer*

Anaïs Gonzales*

Deputy Attorneys General

Office of the Attorney General

124 Halsey Street, 5th Floor

Newark, NJ 07101

(609) 696-4607

Jessica.Palmer@law.njoag.gov

Anaïs.Gonzales@law.njoag.gov

Counsel for the State of New Jersey

LETITIA JAMES

Attorney General of New York

By: /s/ Rabia Muqaddam

Rabia Muqaddam*

Special Counsel for Federal Initiatives

Gina Bull*

Assistant Attorney General

28 Liberty St.

New York, NY 10005

(929) 638-0447 rabia.muqaddam@ag.ny.gov

gina.bull@ag.ny.gov

Counsel for the State of New York

JEFF JACKSON

Attorney General of North Carolina

By /s/ Daniel P. Mosteller

Daniel P. Mosteller*

Associate Deputy Attorney General

Laura Howard

Chief Deputy Attorney General

North Carolina Department of Justice

PO Box 629

Raleigh, NC 27602

919-716-6026

dmosteller@ncdoj.gov

Counsel for State of North Carolina

JOSH SHAPIRO

in his official capacity as Governor of the
Commonwealth of Pennsylvania

Jennifer Selber

General Counsel

/s/ Aimee D. Thomson

Aimee D. Thomson*

Jonathan D. Koltash*

Deputy General Counsel

Pennsylvania Office of the Governor

30 N. 3rd St., Suite 200

Harrisburg, PA 17101

(223) 234-4986

aimeethomson@pa.gov

jokoltash@pa.gov

Counsel for Governor Josh Shapiro

**Admitted pro hac vice*

***Pending pro hac vice applications to be filed*

DAN RAYFIELD

Attorney General of Oregon

By: /s/ Deanna J. Chang

Deanna J. Chang*

Senior Assistant Attorney General

100 SW Market Street

Portland, OR 97201

(971) 673-1880

Deanna.J.Chang@doj.oregon.gov

Counsel for the State of Oregon

JOSHUA L. KAUL

Attorney General of Wisconsin

By: /s/ Lynn K. Lodahl

Lynn K. Lodahl*

Assistant Attorney General

17 West Main Street

Post Office Box 7857

Madison, Wisconsin 53707-7857

(608) 264-6219

lodahlk@doj.state.wi.us

Counsel for the State of Wisconsin

INDEX OF EXHIBITS

Exhibit	State	Declarant Name	Declarant Title
1	Arizona	Sjolander, Sheila	Deputy Director of Health Services, Arizona Dept. of Health Services
2	California	Cutler, Dr. Blayne	CEO, Public Health Foundation Enterprises
3	California	Fanelli, Susan	Chief Deputy Director of Health Quality and Emergency Response, California Dept. of Health
4	California	Ferrer, Dr. Barbara	Director, Los Angeles County Dept. of Public Health
5	California	Kasirye, Dr. Olivia	Public Officer for the County of Sacramento
6	California	Perez, Marlies	Division Chief of the Community Services Division of Behavioral Health, California Department of Healthcare Services
7	California	Philip, Dr. Susan	Health Officer for the City and County of San Francisco; Director of the Population Health Division of the San Francisco Dept. of Health
8	California	Rudman, Dr. Susan	County of Santa Clara Deputy Health Officer; Director of the Infectious Disease and Response Branch of the Public Health Dept.
9	California	Saruwatari, Kimberly	Riverside County Director of the Dept. of Public Health
10	Colorado	Bookman, Scott	Senior Director of Public Health Readiness and Response, Colorado Dept. of Public Health and Environment
11	Colorado	Maurice, Monique	Chief Financial Officer, Colorado Behavioral Health Administration
12	Connecticut	Navarretta, Nancy	Commissioner, Department of Mental Health and Addiction Services
13	Connecticut	Orefice, Adelita	Deputy Commissioner and Acting Chief Operating Officer, State of Connecticut Dept. of Public Health

14	Delaware	Manning, Josette D.	Cabinet Secretary, Delaware Dept. of Health and Social Services
15	Illinois	Clark, Heidi	Division Chief, Division of Infectious Diseases, Illinois Dept. of Public Health
16	Illinois	Ige, Dr. Olusimbo	Commissioner, Chicago Dept. of Public Health
17	Illinois	Rollinson, Ryan	Chief of Staff, Division of Mental Health, Illinois Dept. of Human Services
18	Kentucky	Friedlander, Eric	Secretary, Kentucky Cabinet for Health and Family Services
19	Massachusetts	Doyle, Brooke	Commissioner, Massachusetts Dept. of Mental Health
20	Massachusetts	Sullivan, Eileen	Chief Operating Officer, Massachusetts Dept. of Public Health
21	Maryland	Kalyanaraman, Dr. Nilesh	Deputy Director for Public Health Services, Maryland Dept. of Health
22	Maine	Gagne-Holmes, Sara	Commissioner, State of Maine Dept. of Health and Human Services
23	Michigan	Hertel, Elizabeth	Director, Michigan Dept. of Health and Human Services
24	Minnesota	Gresczyk, Melissa	Chief Operating Officer and Assistant Commissioner for Health Operations, Minnesota Dept. of Health
25	North Carolina	Williams-Devane, Dr. ClarLynda	Chief Deputy Secretary and Deputy Secretary for Operational Excellence, North Carolina Dept. of Health and Human Services
26	New Jersey	Adelman, Sarah	Commissioner, New Jersey Dept. of Human Services
27	New Jersey	Baston, Dr. Kaitlan	Commissioner, New Jersey Dept. of Health
28	New Mexico	Boukas, Nicholas	Director of the Behavioral Health Services Division, New Mexico Health Care Authority
29	New Mexico	DeBlassie, Gina	Cabinet Secretary, New Mexico Dept. of Health

30	New Mexico	Garcia, Susan	Director of the Office of Health Equity, New Mexico Dept. of Health
31	New Mexico	Romero, Andrea	Immunization Program Section Manager, New Mexico Dept. of Health
32	New York	Morne, Johanne	Executive Deputy Commissioner, New York State Dept. of Health
33	New York	Morse, Dr. Michelle E.	Acting Commissioner and Chief Medical Officer of the New York City Dept. of Health and Mental Hygiene
34	Oregon	Drum, Danna (Drum 1)	Interim Deputy Director of the Public Health Division, Oregon Health Authority
35	Oregon	Drum, Danna (Drum 2)	Interim Deputy Director of the Public Health Division, Oregon Health Authority
36	Oregon	Jones, Christa	Deputy Director of Service Delivery, Behavioral Health Division, Oregon Health Authority
37	Oregon	Sutton, Dr. Melissa	Medical Director, Respiratory Viral Pathogens and Epidemiology and Laboratory Capacity Project Director, Oregon Health Authority
38	Rhode Island	Campagna, Kristine	Associate Director for Community and Health Equity
39	Rhode Island	Goulette, Christine	Associate Director, Division of Emergency Preparedness and Infectious Disease, Rhode Island Dept. of Health
40	Washington	Fehrenbach-Marosfalvy, Lacy	Chief of Prevention, Safety, and Health, Washington Dept. of Health
41	Washington	Kirschbaum, Teesha	Director, Division of Behavioral Health and Recovery, Washington Health Care Authority
42	Wisconsin	Grejner-Brzezinska, Dorota	Vice Chancellor for Research, University of Wisconsin-Madison
43	Wisconsin	Standridge, Debra	Deputy Secretary, Wisconsin Dept. of Health Services
44	Pennsylvania	Rodack, Kristen	Executive Deputy Secretary, Pennsylvania Dept. of Health

45	Hawai'i	Fink, Kenny	Director of Health, Hawai'i Dept. of Health
46	Minnesota	Steinmetz, Teresa	Assistant Commissioner of the Behavioral Health Administration, Minnesota Dept. of Human Services
47	Arizona	Randall, Alisa	Mental Health Commissioner for the State of Arizona; Assistant Deputy Director of Clinical Operations, Arizona Health Care Cost Containment System Administration
48	Rhode Island	Martin, Thomas G.	Director of the Division of Behavioral Healthcare, Rhode Island Dept. of Behavioral Healthcare, Developmental Disabilities & Hospitals

CERTIFICATE OF SERVICE

I hereby certify that, on April 8, 2025, I filed the foregoing document through this Court's Electronic Case Filing (ECF) system, thereby serving it upon all registered users in accordance with Federal Rule of Civil Procedure 5(b)(2)(E) and Local Rules Gen 304.

/s/ David Moskowitz
Deputy Solicitor General

DECLARATION OF KENNETH S. FINK, MD, MGA, MPH

I, Kenneth S. Fink, declare as follows:

1. I am a resident of the State of Hawai‘i. 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 State of Hawai‘i Department of Health (“HDOH”), as the Director of Health.

3. As Director of Health, I am responsible for leading the administration of HDOH programs designed to protect, preserve, care for, and improve the physical and mental health of the people of Hawai‘i in accordance with its mission to protect and improve the health and environment for all people in Hawai‘i.

4. HDOH recently received seven (7) award terminations from the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention (“CDC”) and the Substance Abuse and Mental Health Services Administration (“SAMHSA”). The total amount of the awards related to COVID funds is \$228,228,238, and the remaining unspent amount of those funds as of the date of the termination notices is approximately \$89,807,136.

5. All termination notices state that the grants were purportedly terminated “for cause” based on the end of the COVID pandemic, rather than failure of HDOH to follow the terms or conditions of the grants.

6. Two termination notices were received by HDOH on March 25, 2025 from CDC after business hours at 1:16 AM and 1:13 AM HST for the following awards:

- CDC-RFA-IP19-1901 Immunization and Vaccines for Children, Federal Award Identification Number (“FAIN”) NH23IP922614; and
- Hawaii’s Epidemiology and Laboratory Capacity for Infectious Diseases (“ELC”), Enhancing Epidemiology, Laboratory, and Health Information Systems Capacity, FAIN NU50CK000553.

7. Two termination notices were received by HDOH on March 25, 2025, after business hours at 1:12 AM and 1:19 AM HST for the following awards:

- National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and Underserved, Including Racial and Ethnic Minority Populations and Rural Communities, FAIN NH75OT000069; and
- Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) Public Law 116-136 Public Health Service Act 42 U.S.C. 301(a), FAIN NU58DP007016.

8. Three termination notices were received by HDOH on March 24, 2025, from SAMHSA for the following awards:

- One-time funding authorized by Public Law 117-2, the American Rescue Plan Act of 2021 (“ARPA”), to provide additional funds to support states through Block Grants, to address the effects of the COVID-19 pandemic for Americans with mental illness and substance use disorders, FAIN B08TI083943;
- Block Grants for Community Mental Health Services, FAIN B09SM085353; and
- Block Grants for Community Mental Health Services, FAIN B09SM085881.

9. All seven awards are collectively referred to as the “Federal Grants.” All termination notices from CDC identically stated: “[t]he 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.” The termination notices from SAMHSA contained similar language. True and correct copies of the revised Notice of Award and termination notices from CDC and the emailed termination notices from SAMHSA are attached as Exhibit A.

10. The Federal Grants were awarded to the HDOH between the years 2019 and 2021 from CDC and SAMHSA with periods of performance to end in different dates in 2025 through 2027. The Notice of Award for each of the Federal Grants sets forth the terms and conditions of the grant award.

11. Since the beginning of each Federal Grant’s performance period, HDOH has used the Federal Grants’ awarded funds in a manner consistent with CDC’s and SAMHSA’s statements regarding the nature of the grant and HDOH’s grant application.

12. As indicated above, on March 24 and 25, 2025, without any prior notice or indication, CDC and SAMHSA informed HDOH that its respective Federal Grants were being terminated immediately.

13. HDOH relied and acted upon its expectation and understanding that CDC and SAMHSA would fulfill their commitments to provide the Federal Grants they had awarded to HDOH.

14. The Federal Grants fund over 70 contracts for data infrastructure and modernization, community support services, substance abuse prevention services, public health staff, and HDOH capital improvements and equipment for state labs on O’ahu and on Kaua’i. Many of these contracts will have to be terminated if there is insufficient funding. This includes

new systems which have been partially implemented. If these modernization projects are not completed, millions of dollars will have been wasted.

15. For example, COVID-19 funds from the Epidemiology and Laboratory Capacity and Immunizations and Vaccines for Children cooperative agreements have been used not just to stand up immediate COVID-19 response (testing, contact tracing, vaccination) early in the pandemic, but also to address vulnerabilities in public health response capacity that were exposed by the pandemic. When the pandemic started, the Hawai‘i Immunization Registry had been non-functional for over a year due to needed technical upgrades. COVID-19 funds were used to quickly get the legacy system working again in time for COVID-19 vaccine roll-out, but it was apparent that a comprehensive modernization of the system was sorely needed. Staff were manually entering hundreds of forms weekly for provider enrollment and reporting, and large healthcare systems had no batch lookup option so could only access records for their patients one at a time. Similarly, the Hawai‘i Electronic Disease Surveillance System (“EDSS”), which was used to receive disease case reports and manage disease investigation workflows, had its capacity exceeded at points during the pandemic. At one point during the Omicron variant surge, the system was overwhelmed by the volume of laboratory test reports and was unable to provide accurate case counts to populate DOH’s public-facing dashboard. It took two weeks for DOH informatics staff to rapidly develop a workaround and get accurate case counts flowing again to the dashboard. This was just one of many examples of how the existing system was not fully meeting public health emergency response needs.

16. Because of the time required to assess information system needs, develop requirements, and procure and implement modernized systems, a large portion of ongoing COVID-19 fund expenditures were still being directed to these core infrastructure projects,

including procurement and implementation of modernized EDSS and immunization information systems (“IIS”) for the State, as well as to support personnel with the skills needed to implement these systems. Supplemental COVID-19 funds provided an opportunity to make the long overdue investments needed to improve our health department’s efficiency, effectiveness, and capacity to effectively respond to current and future disease threats. A temporary increase in funding was needed in order to implement new information systems, not only to pay for development and implementation of new systems, but also because legacy systems must be maintained during the implementation period of a new system. At the time DOH received notification of termination of these funds, funds had already been committed and over 75% of the work had already been completed to implement a new IIS. Over a year of work had already been invested in EDSS system design and development, including a dedicated full time staff person to manage the project and hundreds of hours of staff time on the part of over 10 DOH programs to provide input on requirements for the new system. The request for proposals for the new EDSS had recently closed, evaluation of bids had been completed, and the evaluation committee was ready to issue instructions for a best and final offer.

17. Abrupt termination of the funds for these projects will result in a tremendous waste of government resources if the systems being developed cannot be implemented as planned. This puts the HDOH in a worse position than simply going back to a pre-COVID state. The legacy information systems have been maintained only at a bare minimum level in anticipation of a switch to a new system. If replacement systems are not implemented, it is unclear how much additional cost would be involved to improve the older systems enough to continue to meet core needs or whether “patchwork” upgrades would even be sufficient to maintain functionality of these systems. Without a functional EDSS, HDOH would be unable to

detect or respond to diseases such as measles, meningitis, dengue or others that require immediate public health action to prevent spread. Without a functional IIS, providers and members of the public would not be able to access documentation of immunizations received, which could lead to inappropriate patient care and an increase in occurrence of diseases that could have been prevented through immunization.

18. In addition, the Federal Grants fund eighty-six (86) HDOH employees, ranging from Infection Preventionists, Microbiologists, and Data Scientists to Information Specialists and Procurement and Supply Specialists, at a cost of approximately \$527,600 per month. Alternative funding will need to be immediately identified to support these positions. For several positions, there was a planned and orderly process to establish civil service position equivalents so that grant funded employees could eventually apply for and potentially move to State-funded positions when the Federal Grants ended. However, the premature terminations will not allow for sufficient time to complete the process of reorganization and establishing of these civil service positions. Even for other civil service positions already established, the lack of notice did not provide sufficient time for impacted employees to apply for and potentially be hired for suitable civil service positions, a process that ordinarily takes between three to six months.

19. Prior to the grant award terminations on March 24 and 25, 2025, CDC and SAMHSA had never provided HDOH with notice, written or otherwise, that the Federal Grants administered by HDOH were in any way unsatisfactory.

20. The termination of the Federal Grants will cause immediate harm to the State, including harming the State's ability to adequately prevent, monitor, and respond to public health crises, causing the loss of HDOH jobs, and resulting in a waste of government resources if

projects dependent on the Federal Grants have to be abandoned.

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 April 1, 2025, at Honolulu, Hawai'i.



KENNETH S. FINK, MD, MGA, MPH

**Recipient Information****1. Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St
State Department of Health-DUP
Honolulu, HI 96813-2416
808-586-8050

2. Congressional District of Recipient

01

3. Payment System Identifier (ID)

1996000449A9

4. Employer Identification Number (EIN)

996000449

5. Data Universal Numbering System (DUNS)

809935679

6. Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

7. Project Director or Principal Investigator

Dr. Sarah Kemble
State Epidemiologist
sarah.kemble@doh.hawaii.gov
808-587-6313

8. Authorized Official

Dr. Elizabeth Char
Libby.char@doh.hawaii.gov
808-586-4403

Federal Agency Information

CDC Office of Financial Resources

9. Awarding Agency Contact Information

Percy Jernigan
ibj7@cdc.gov
770.488.2811

10. Program Official Contact Information

Amanda LaScala
Program Officer
mzq6@cdc.gov
111-111-1111

Federal Award Information**11. Award Number**

6 NH23IP922614-05-08

12. Unique Federal Award Identification Number (FAIN)

NH23IP922614

13. Statutory Authority

Sections 317, 317(k)(2) of the Public Health Service Act (42 U.S.C. Sections 247b, 247b(k)(2) and 247c), as amended.

14. Federal Award Project Title

CDC-RFA-IP19-1901 Immunization and Vaccines for Children

15. Assistance Listing Number

93.268

16. Assistance Listing Program Title

Immunization Cooperative Agreements

17. Award Action Type

Administrative Action

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 07/01/2023 - **End Date** 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action \$0.00

20a. Direct Cost Amount \$0.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$23,480,116.00

22. Offset \$2,919,679.00

23. Total Amount of Federal Funds Obligated this budget period \$8,931,178.00

24. Total Approved Cost Sharing or Matching, where applicable \$0.00

25. Total Federal and Non-Federal Approved this Budget Period \$8,931,178.00

26. Period of Performance Start Date 07/01/2019 - **End Date** 03/24/2025

27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Period of Performance \$73,843,031.00

28. Authorized Treatment of Program Income

ADDITIONAL COSTS

29. Grants Management Officer - Signature

Percy Jernigan

30. Remarks

"Department Authority"



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH23IP922614-05-08

FAIN# NH23IP922614

Federal Award Date: 03/24/2025

Recipient Information**Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St
State Department of Health-DUP
Honolulu, HI 96813-2416
808-586-8050

Congressional District of Recipient

01

Payment Account Number and Type

1996000449A9

Employer Identification Number (EIN) Data

996000449

Universal Numbering System (DUNS)

809935679

Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

31. Assistance Type

Cooperative Agreement

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$5,684,012.00
b. Fringe Benefits	\$3,410,638.00
c. Total Personnel Costs	\$9,094,650.00
d. Equipment	\$391,700.00
e. Supplies	\$299,451.00
f. Travel	\$181,742.00
g. Construction	\$0.00
h. Other	\$1,236,704.00
i. Contractual	\$21,692,097.00
j. TOTAL DIRECT COSTS	\$32,896,344.00
k. INDIRECT COSTS	\$2,434,629.00
l. TOTAL APPROVED BUDGET	\$35,330,973.00
m. Federal Share	\$35,330,973.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	ASSISTANCE LISTING	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-9390FG3	20NH23IP922614C3	IP	41.51	93.268	\$0.00	75-2024-0943
1-9390GKL	20NH23IP922614C5	IP	41.51	93.268	\$0.00	75-2124-0943
1-9390GUU	20NH23IP922614UDSPC5	IP	41.51	93.268	\$0.00	75-2124-0943
1-9390GWA	20NH23IP922614C6	IP	41.51	93.268	\$0.00	75-X-0943
2-9390K9M	20NH23IP922614IISC6	IP	41.51	93.268	\$0.00	75-X-0943
2-9390K9M	20NH23IP922614UDSPC5	IP	41.51	93.268	\$0.00	75-X-0943



DEPARTMENT OF HEALTH AND HUMAN SERVICES Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH23IP922614-05-08

FAIN# NH23IP922614

Federal Award Date: 03/24/2025

Direct Assistance

BUDGET CATEGORIES	PREVIOUS AMOUNT (A)	AMOUNT THIS ACTION (B)	TOTAL (A + B)
Personnel	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$0.00	\$0.00
Equipment	\$0.00	\$0.00	\$0.00
Supplies	\$0.00	\$0.00	\$0.00
Contractual	\$0.00	\$0.00	\$0.00
Construction	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00

AWARD ATTACHMENTS

HAWAII DEPARTMENT OF HEALTH

6 NH23IP922614-05-08

1. term and condtions

TERMS AND CONDITIONS OF AWARD

Termination: The purpose of this amendment is to terminate the use of any remaining COVID-19 funding associated with this award. The termination of this funding 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 use of funding under the listed document number(s) is effective as of the date set out in your Notice of Award.

Impacted document numbers are included on page 2 of this Notice of Award (NoA).

No additional activities can be conducted, and no additional costs may be incurred, as it relates to these funds. Unobligated award balances of COVID-19 funding will be de-obligated by CDC. Award activities under other funding may continue consistent with the terms and conditions of the award.

Final Federal Financial Report (FFR, SF-425): Within 30 days please submit final FFR’s for impacted document numbers. 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.

All other terms and conditions of this award remain in effect.

**Recipient Information****1. Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St
State Department of Health-DUP
Honolulu, HI 96813-2416
808-586-8050

2. Congressional District of Recipient
01**3. Payment System Identifier (ID)**
1996000449A4**4. Employer Identification Number (EIN)**
996000449**5. Data Universal Numbering System (DUNS)**
809935679**6. Recipient's Unique Entity Identifier (UEI)**
LFVFLBD6XZB5**7. Project Director or Principal Investigator**

Dr. Sarah Kemble
State Epidemiologist
sarah.kemble@doh.hawaii.gov
808-587-6313

8. Authorized Official

Ms. Janis Morita
janis.morita@doh.hawaii.gov
808-586-4550

Federal Agency Information

CDC Office of Financial Resources

9. Awarding Agency Contact Information

Percy Jernigan
ibj7@cdc.gov
770.488.2811

10. Program Official Contact Information

Josephine OMallan
Program Officer
jeo9@cdc.gov
678-296-0022

Federal Award Information**11. Award Number**

6 NU50CK000553-05-11

12. Unique Federal Award Identification Number (FAIN)

NU50CK000553

13. Statutory Authority

301(A)AND317(K)(2)PHS42USC241(A)247B(K)2

14. Federal Award Project Title

Hawaii's Epidemiology and Laboratory Capacity for Infectious Diseases (ELC), Enhancing Epidemiology, Laboratory, and Health Information Systems Capacity

15. Assistance Listing Number

93.323

16. Assistance Listing Program Title

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

17. Award Action Type

Administrative Action

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 08/01/2023 - **End Date** 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action \$0.00

20a. Direct Cost Amount \$0.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$16,317,624.00

22. Offset \$1,076,310.00

23. Total Amount of Federal Funds Obligated this budget period \$5,795,013.00

24. Total Approved Cost Sharing or Matching, where applicable \$0.00

25. Total Federal and Non-Federal Approved this Budget Period \$5,795,013.00

26. Period of Performance Start Date 08/01/2019 - **End Date** 03/24/2025

27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Period of Performance \$219,931,084.91

28. Authorized Treatment of Program Income

ADDITIONAL COSTS

29. Grants Management Officer - Signature

Percy Jernigan

30. Remarks

Department Authority



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 6 NU50CK000553-05-11

FAIN# NU50CK000553

Federal Award Date: 03/24/2025

Recipient Information**Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St
State Department of Health-DUP
Honolulu, HI 96813-2416
808-586-8050

Congressional District of Recipient

01

Payment Account Number and Type

1996000449A4

Employer Identification Number (EIN) Data

996000449

Universal Numbering System (DUNS)

809935679

Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

31. Assistance Type

Cooperative Agreement

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$3,213,569.00
b. Fringe Benefits	\$1,941,481.00
c. Total Personnel Costs	\$5,155,050.00
d. Equipment	\$2,991,351.00
e. Supplies	\$4,082,120.00
f. Travel	\$111,290.00
g. Construction	\$0.00
h. Other	\$2,208,912.00
i. Contractual	\$7,506,110.00
j. TOTAL DIRECT COSTS	\$22,054,833.00
k. INDIRECT COSTS	\$1,134,114.00
l. TOTAL APPROVED BUDGET	\$23,188,947.00
m. Federal Share	\$23,188,947.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	ASSISTANCE LISTING	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
0-9390F7F	19NU50CK000553C4	CK	41.51	93.323	\$0.00	75-X-0140
4-9390MVT	19NU50CK000553SHP2C5	CK	41.51	93.323	\$0.00	75-2124-0943
0-9390ESY	19NU50CK000553CV	CK	41.51	93.323	\$0.00	75-2022-0943
1-9390GKT	19NU50CK000553EDEXC5	CK	41.51	93.323	\$0.00	75-2122-0140



DEPARTMENT OF HEALTH AND HUMAN SERVICES Notice of Award

Centers for Disease Control and Prevention

Award# 6 NU50CK000553-05-11

FAIN# NU50CK000553

Federal Award Date: 03/24/2025

Direct Assistance

BUDGET CATEGORIES	PREVIOUS AMOUNT (A)	AMOUNT THIS ACTION (B)	TOTAL (A + B)
Personnel	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$0.00	\$0.00
Equipment	\$0.00	\$0.00	\$0.00
Supplies	\$0.00	\$0.00	\$0.00
Contractual	\$0.00	\$0.00	\$0.00
Construction	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00

AWARD ATTACHMENTS

HAWAII DEPARTMENT OF HEALTH

6 NU50CK000553-05-11

1. REVISED: TERMS AND CONDITIONS

TERMS AND CONDITIONS OF AWARD

Termination: The purpose of this amendment is to terminate the use of any remaining COVID-19 funding associated with this award. The termination of this funding 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 use of funding under the listed document number(s) is effective as of the date set out in your Notice of Award.

Impacted document numbers are included on page 2 of this Notice of Award (NoA).

No additional activities can be conducted, and no additional costs may be incurred, as it relates to these funds. Unobligated award balances of COVID-19 funding will be de-obligated by CDC. Award activities under other funding may continue consistent with the terms and conditions of the award.

Final Federal Financial Report (FFR, SF-425): Within 30 days please submit final FFR’s for impacted document numbers. 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.

All other terms and conditions of this award remain in effect.



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH75OT000069-01-03

FAIN# NH75OT000069

Federal Award Date: 03/24/2025

Recipient Information**1. Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St Rm 441
Disease Outbreak Control
Honolulu, HI 96813-2416
808-586-8050

2. Congressional District of Recipient
01**3. Payment System Identifier (ID)**

1996000449A4

4. Employer Identification Number (EIN)

996000449

5. Data Universal Numbering System (DUNS)

809935679

6. Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

7. Project Director or Principal Investigator

Ms. Katherine Inoue
CDPHPD Health Policy Communication and
Planning Office Supervisor
katherine.inoue@doh.hawaii.gov

8. Authorized Official

Ms. Lola Hiroko Irvin
Principal Investigator
lola.irvin@doh.hawaii.gov
808-586-4481

Federal Agency Information

CDC Office of Financial Resources

9. Awarding Agency Contact Information

Mr. Derick Wheeler, II
Grants Management Specialist
tie2@cdc.gov
678-475-4972

10. Program Official Contact Information

Christie Chadwell
Program Officer
lwg1@cdc.gov
404-498-5502

Federal Award Information**11. Award Number**

6 NH75OT000069-01-03

12. Unique Federal Award Identification Number (FAIN)

NH75OT000069

13. Statutory Authority

317(K)(2) OF PHSA 42USC 247B(K)(2)

14. Federal Award Project Title

National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and
Underserved, Including Racial and Ethnic Minority Populations and Rural Communities

15. Assistance Listing Number

93.391

16. Assistance Listing Program Title

Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public
Health or Healthcare Crises

17. Award Action Type

Terminate

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date** 06/01/2021 - **End Date** 03/24/2025**20. Total Amount of Federal Funds Obligated by this Action** \$0.00

20a. Direct Cost Amount \$0.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$0.00**22. Offset** \$0.00**23. Total Amount of Federal Funds Obligated this budget period** \$24,512,230.00**24. Total Approved Cost Sharing or Matching, where applicable** \$0.00**25. Total Federal and Non-Federal Approved this Budget Period** \$24,512,230.00**26. Period of Performance Start Date** 06/01/2021 - **End Date** 03/24/2025**27. Total Amount of the Federal Award including Approved
Cost Sharing or Matching this Period of Performance** \$24,512,230.00**28. Authorized Treatment of Program Income**

ADDITIONAL COSTS

29. Grants Management Officer - Signature

Mrs. Erica Stewart
Team Lead, Grants Management Officer

30. Remarks

Department Authority



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH75OT000069-01-03

FAIN# NH75OT000069

Federal Award Date: 03/24/2025

Recipient Information**Recipient Name**

HAWAII DEPARTMENT OF HEALTH
1250 Punchbowl St Rm 441
Disease Outbreak Control
Honolulu, HI 96813-2416
808-586-8050

Congressional District of Recipient

01

Payment Account Number and Type

1996000449A4

Employer Identification Number (EIN) Data

996000449

Universal Numbering System (DUNS)

809935679

Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

31. Assistance Type

Project Grant

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$1,964,716.00
b. Fringe Benefits	\$1,033,276.00
c. Total Personnel Costs	\$2,997,992.00
d. Equipment	\$1,150,000.00
e. Supplies	\$216,480.00
f. Travel	\$12,438.00
g. Construction	\$0.00
h. Other	\$262,486.00
i. Contractual	\$19,213,276.00
j. TOTAL DIRECT COSTS	\$23,852,672.00
k. INDIRECT COSTS	\$659,558.00
l. TOTAL APPROVED BUDGET	\$24,512,230.00
m. Federal Share	\$24,512,230.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	ASSISTANCE LISTING	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-9390H06	21NH75OT000069C5	OT	41.51	93.391	\$0.00	75-2122-0140



DEPARTMENT OF HEALTH AND HUMAN SERVICES Notice of Award

Centers for Disease Control and Prevention

Award# 6 NH75OT000069-01-03

FAIN# NH75OT000069

Federal Award Date: 03/24/2025

Direct Assistance

BUDGET CATEGORIES	PREVIOUS AMOUNT (A)	AMOUNT THIS ACTION (B)	TOTAL (A + B)
Personnel	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$0.00	\$0.00
Equipment	\$0.00	\$0.00	\$0.00
Supplies	\$0.00	\$0.00	\$0.00
Contractual	\$0.00	\$0.00	\$0.00
Construction	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00

AWARD ATTACHMENTS

HAWAII DEPARTMENT OF HEALTH

6 NH75OT000069-01-03

1. Terms

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



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Notice of Award

Award# 6 NU58DP007016-03-03

FAIN# NU58DP007016

Federal Award Date: 03/24/2025

Recipient Information

1. Recipient Name

HAWAII DEPARTMENT OF HEALTH
1250 PUNCHBOWL ST
Hawaii Department of Health-DUP
HONOLULU, HI 96813-2416
808-586-8050

2. Congressional District of Recipient
01

3. Payment System Identifier (ID)
1996000449A4

4. Employer Identification Number (EIN)
996000449

5. Data Universal Numbering System (DUNS)
809935679

6. Recipient's Unique Entity Identifier (UEI)
LFVFLBD6XZB5

7. Project Director or Principal Investigator

Ms. Heidi Hansen-Smith
Public Health Program Manager EM-05
heidi.hansen-smith@doh.hawaii.gov
808-586-4795

8. Authorized Official

Ms. Lola Hiroko Irvin
Principal Investigator
lola.irvin@doh.hawaii.gov
808-586-4481

Federal Agency Information

CDC Office of Financial Resources

9. Awarding Agency Contact Information

Natasha Jones
Grants Management Officer
mgz2@cdc.gov
770-488-1649

10. Program Official Contact Information

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

Federal Award Information

11. Award Number

6 NU58DP007016-03-03

12. Unique Federal Award Identification Number (FAIN)

NU58DP007016

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

Community Health Workers for COVID Response and Resilient Communities (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

19. Budget Period Start Date 08/31/2023 - **End Date** 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action \$0.00

20a. Direct Cost Amount \$0.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$0.00

22. Offset \$0.00

23. Total Amount of Federal Funds Obligated this budget period \$2,289,855.00

24. Total Approved Cost Sharing or Matching, where applicable \$0.00

25. Total Federal and Non-Federal Approved this Budget Period \$2,289,855.00

26. Period of Performance Start Date 08/31/2021 - **End Date** 03/24/2025

27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Period of Performance \$6,869,565.00

28. Authorized Treatment of Program Income

ADDITIONAL COSTS

29. Grants Management Officer - Signature

Ms. Tajsha LaShore

30. Remarks

Department Authority



DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Disease Control and Prevention

Notice of Award

Award# 6 NU58DP007016-03-03
FAIN# NU58DP007016
Federal Award Date: 03/24/2025

Recipient Information

Recipient Name

HAWAII DEPARTMENT OF HEALTH
1250 PUNCHBOWL ST
Hawaii Department of Health-DUP
HONOLULU, HI 96813-2416
808-586-8050

Congressional District of Recipient

01

Payment Account Number and Type

1996000449A4

Employer Identification Number (EIN) Data

996000449

Universal Numbering System (DUNS)

809935679

Recipient's Unique Entity Identifier (UEI)

LFVFLBD6XZB5

31. Assistance Type

Project Grant

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$375,852.00
b. Fringe Benefits	\$197,736.00
c. Total Personnel Costs	\$573,588.00
d. Equipment	\$0.00
e. Supplies	\$1,200.00
f. Travel	\$18,641.00
g. Construction	\$0.00
h. Other	\$6,700.00
i. Contractual	\$1,563,537.00
j. TOTAL DIRECT COSTS	\$2,163,666.00
k. INDIRECT COSTS	\$126,189.00
l. TOTAL APPROVED BUDGET	\$2,289,855.00
m. Federal Share	\$2,289,855.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	ASSISTANCE LISTING	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-9390H3H	21NU58DP007016C3	DP	41.51	93.495	\$0.00	75-2024-0943
2-9390H3H	21NU58DP007016C3	DP	41.51	93.495	\$0.00	75-2024-0943
3-9390H3H	21NU58DP007016C3	DP	41.51	93.495	\$0.00	75-2024-0943

AWARD ATTACHMENTS

HAWAII DEPARTMENT OF HEALTH

6 NU58DP007016-03-03

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

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 11:38 AM
To: Valera, John <john.valera@doh.hawaii.gov>; Mersereau, Edward <edward.mersereau@doh.hawaii.gov>
Cc: Mitchell, Theresa M. (SAMHSA/CSAT) <Theresa.Mitchell@SAMHSA.hhs.gov>; wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov <eracorrespondence@od.nih.gov>
Subject: [EXTERNAL] B08TI083943: 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: c19c81b8-7eac-4fd1-9b80-2cc100104b8c]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 11:50 AM
To: Tsuji, Marian E. <Marian.Tsuji@doh.hawaii.gov>; Tsuji, Marian E. <Marian.Tsuji@doh.hawaii.gov>
Cc: christopher.mckinney@samhsa.hhs.gov; wendy.pang@samhsa.hhs.gov;
eracorrespondence@od.nih.gov
Subject: [EXTERNAL] B09SM085353: 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 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.

[[Correspondence Token: ea7ff60b-6e0c-4ef1-b120-526367a5b861]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>

Sent: Monday, March 24, 2025 11:50 AM

To: Tsuji, Marian E. <Marian.Tsuji@doh.hawaii.gov>; Tsuji, Marian E. <Marian.Tsuji@doh.hawaii.gov>

Cc: christopher.mckinney@samhsa.hhs.gov; wendy.pang@samhsa.hhs.gov; eracorrespondence@od.nih.gov

Subject: [EXTERNAL] B09SM085881: 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 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.

[[Correspondence Token: 8d6ac5f9-b9aa-4669-87b4-22e5ff5aa74e]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

**UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND**

STATE OF COLORADO, ET AL.,

Plaintiffs,

v.

U.S. DEPARTMENT OF HEALTH
AND HUMAN SERVICES; ROBERT
F. KENNEDY, JR., in his official
capacity as Secretary of Health and
Human Services,

Defendants.

Case No. 1:25-cv-00121

DECLARATION OF TERESA STEINMETZ

I, Teresa Steinmetz, hereby declare as follows:

1. I am the Assistant Commissioner of the Behavioral Health Administration at the Minnesota Department of Human Services ("DHS"). I have served in this position since September of 2024. I previously served as the director of the Bureau of Prevention, Treatment and Recovery in the Wisconsin Department of Health Services.

2. In my current role at DHS, I oversee programs and policies that serve people who have mental health or substance use disorder diagnoses. DHS's Behavioral Health Administration works to integrate substance use disorder and mental health with physical health care, to promote successful treatments, and to serve people close to their communities, families, and other supports.

3. I make this declaration in my official capacity. I am a resident of the state of Minnesota, am over the age of 18, and have personal knowledge of the matters set forth below or have knowledge of the matters based on information and records gathered by DHS staff. If called as a witness, I could and would testify competently to the matters set forth herein.

4. DHS administers the Substance Abuse Prevention and Treatment Block Grant (“SABG”) and the Community Mental Health Services Block Grant (“MHBG”) in Minnesota. These are federal block grants awarded to states through the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (“SAMHSA”) based on a non-competitive formula mandated by federal law. The SABG’s objective is to help plan, implement, and evaluate activities that prevent and treat substance abuse. The MHBG’s objective is to support the states in carrying out plans for providing comprehensive community mental health services.

5. DHS recently received termination notices from SAMHSA for six SABG and MHBG grants. The total original award for these grants was \$77,657,558. Of that amount, \$27,495,006.60 remained outstanding at the time SAMHSA stated the grants were terminated, meaning DHS has yet to receive that amount from SAMHSA.

6. SAMHSA sent the initial termination notices on March 24, 2025. The notices used identical language stating that the grants were terminated as of that date because they were “no longer necessary” after the end of the “national emergency concerning the COVID-19 pandemic.” DHS received a second round of termination notices from SAMHSA regarding the grants on March 28, 2025. These notices again stated

that the terminations were effective March 24, 2025. The March 28, 2025 notices stated that the grants were terminated under 42 U.S.C. § 300x-55 because the state had “materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved.” The termination notices, however, stated that the “cause” for termination of the grants was the end of the COVID-19 pandemic, rather than any claimed failure of DHS to follow the terms or conditions of the grants. Descriptions of each award and the effects of these terminations follow.

SABG Grant # B08TI084589

7. This grant was awarded as supplemental SABG funding under the American Rescue Plan Act of 2021 (“ARPA”). The total amount of the grant was \$671,803. The funding period for the grant was September 1, 2021, through September 30, 2025.

8. Funds under the grant could be used to expand dedicated COVID-19 testing and mitigation resources for people with mental health and substance use disorders.

9. As set out in its grant proposal, DHS intended to use the grant to help residential behavioral health treatment providers: conduct COVID-19 testing for staff and residents; purchase COVID-19 mitigation supplies such as sanitizer, gloves, and masks; and recruit and retain staff. This was to ensure that critical residential behavioral health treatment services would continue to be available while limiting the spread of COVID-19. SAMHSA subsequently approved use of the funding to support services to the homeless population, which DHS was working to execute at the time the grant was terminated.

10. The original conditions and requirements of the grant are set forth in the August 10, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit A.

11. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

12. The need for COVID-19 testing and mitigation supplies in residential treatment programs declined prior to any of these grant funds being expended. As of March 24, 2025, DHS was in the process of reallocating the funds to provide mitigation supplies to people with substance use disorders residing in temporary encampments, shelters, and similar locations. These supplies are important to ensure persons without housing who have a substance use disorder have access to resources to prevent COVID-19 infection.

13. As of March 24, 2025, all \$671,803 of the grant funds remained outstanding ahead of the September 30, 2025 scheduled end date.

14. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

15. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated due to the end of the COVID-19 pandemic. A true and correct copy of the grant award termination notice is attached as Exhibit B.

16. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit C.

SABG Grant #B08TI083949

17. This grant was also awarded as supplemental SABG funding under ARPA. The total amount of the grant was \$19,510,440. The funding period for the grant was September 1, 2021, through September 30, 2025.

18. Funds under the grant could be used to support state priorities under the SABG. The state was required to plan for and expend the money according to federal law governing the SABG, which required expending not less than twenty percent of the allocation on substance use disorder primary prevention services for individuals who do not require treatment for substance abuse.

19. As set out in its grant proposal, DHS intended to use the grant to address certain gaps in primary prevention of substance abuse by enhancing the state's primary prevention infrastructure through increased community-level primary prevention grants for black, indigenous, people of color ("BIPOC") communities. DHS also intended to use the grant to enhance substance use disorder and mental health services for women and women with dependent children. It further intended to use the funds on a school-linked behavioral health grant program to provide early identification and intervention for students with mental health and substance use disorder needs and to build the capacity of schools to support students with mental health and substance use disorder needs in the classroom. And it intended to use the money to address the opioid addiction and overdose epidemic in

Minnesota. Finally, it intended to use these funds on a pilot program monitoring and evaluating the effect on treatment outcomes of individuals in substance use disorder recovery using specific computer and telephone applications to assist them in the recovery process.

20. The original conditions and requirements of the grant are set forth in the May 17, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit D.

21. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

22. DHS entered into contracts with subgrantees to provide the services and complete the activities outlined in the DHS workplan approved by SAMHSA. These subgrantees continue to be reliant on these funds to provide important services to people with substance use issues.

23. As of March 24, 2025, \$10,390,859.74 of the grant funds remained outstanding ahead of the September 30, 2025 scheduled end date.

24. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

25. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated. A true and correct copy of the grant award termination notice is attached as Exhibit E.

26. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit F.

SABG Grant #B08TI083504

27. This grant was awarded as supplemental SABG funding under the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (“CRRSA”). The total amount of the grant was \$22,591,036. The original funding period for the grant was March 15, 2021, through March 14, 2023. On November 15, 2022, SAMHSA extended the funding period to March 14, 2024, and on April 18, 2024, SAMHSA extended it again to March 14, 2025.

28. Funds under the grant could be used to: promote effective planning, monitoring, and oversight of efforts to deliver substance use disorder prevention, intervention, treatment, and recovery services; promote support for providers; maximize efficiency by leveraging the current infrastructure and capacity; and address local substances use disorder related needs during the COVID pandemic.

29. As set out in its grant proposal, DHS intended to use the grant to fund many of the same or similar programs and goals to those described in Paragraph 19.

30. The original conditions and requirements of the grant are set forth in the March 11, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit G.

31. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

32. As of March 24, 2025, \$417,900.06 of the grant remained outstanding. While the grant period closed prior to March 24, 2025, grantees have 90 days after the date of expiration to request reimbursement for costs incurred prior to the expiration. DHS attempted to obtain reimbursement for such expenses after the March 24, 2025 termination and was denied. DHS intended to use those funds to reimburse subgrantees for services and activities completed on or prior to March 14, 2025, as outlined in the DHS workplan approved by SAMHSA.

33. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

34. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated. A true and correct copy of the grant award termination notice is attached as Exhibit H.

35. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit I.

MHBG Grant # B09SM085892

36. This grant was awarded as supplemental MHBG funding under ARPA. The total amount of the grant was \$744,097. The funding period for the grant was September 1, 2021, through September 30, 2025.

37. Funds under the grant could be used to expand dedicated COVID-19 testing and mitigation resources for people with mental health and substance use disorders.

38. As set out in its grant proposal, DHS intended to use the grant to help residential behavioral health treatment providers: conduct COVID-19 testing for staff and residents; purchase COVID-19 mitigation supplies such as sanitizer, gloves, and masks; and recruit and retain staff. This was to ensure that critical residential behavioral health treatment services would continue to be available while limiting the spread of COVID-19. SAMHSA subsequently approved use of the funding to support services to the homeless population, which DHS was working to execute at the time the grant was terminated.

39. The original conditions and requirements of the grant are set forth in the August 10, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit J.

40. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

41. DHS expended \$379,489 in state fiscal years 2022 and 2023 to fund two psychiatric residential treatment facilities' efforts to complete the activities in paragraph 38. The need for COVID-19 testing and mitigation supplies in residential treatment programs declined before DHS expended the remaining grant funds. As of March 24, 2025, DHS was in the process of reallocating the funds to provide mitigation supplies to people with serious mental illnesses or severe emotional disturbances residing in temporary encampments, shelters, and similar locations. These supplies are important to ensure persons without housing who have serious mental illnesses or severe emotional disturbances have access to resources to prevent COVID-19 infection.

42. As of March 24, 2025, \$364,608 of the grant funds remained outstanding ahead of the September 30, 2025, scheduled end date.

43. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

44. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated. A true and correct copy of the grant award termination notice is attached as Exhibit K.

45. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit L.

MHBG Grant # B09SM085364

46. This grant was also awarded as supplemental MHBG funding under ARPA. The total amount of the grant was \$21,622,115. The funding period for the grant was September 1, 2021, through September 30, 2025.

47. Funds under the grant could be used to support state priorities under the MHBG. The state was required to plan for and expend the money according to federal law governing the MHBG and spend at least ten percent of the MHBG allocation on first-episode psychosis or early serious mental illness programs. SAMHSA also encouraged states to focus on support of a behavioral health crisis continuum.

48. As set out in its grant proposal, DHS intended to use the grant to fund mental health crisis services such as 24/7 crisis phone lines and mobile crisis response teams. DHS also intended to improve First Episode Psychosis Services via, among other things, providing additional training. It further intended to spend the grant money on American Indian mental health services. It also intended to use the money on the school-linked behavioral health grant program. Finally, it intended to fund several projects to address identified needs and gaps in mental health recovery and support services.

49. The original conditions and requirements of the grant are set forth in the May 17, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit M.

50. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

51. DHS entered into contracts with subgrantees to provide the services and complete the activities outlined in the DHS workplan approved by SAMHSA. These subgrantees continue to be reliant on these funds to provide important services to people with mental health issues.

52. As of March 24, 2025, \$12,376,753.38 of the grant funds remained outstanding ahead of the September 30, 2025 scheduled end date.

53. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

54. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated. A true and correct copy of the grant award termination notice is attached as Exhibit N.

55. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit O.

MHBG Grant # B09SM083980

56. This grant was awarded as supplemental MHBG funding under the CRRSA. The total amount of the grant was \$12,518,067. The original funding period for the grant was March 15, 2021, through March 14, 2023. On November 4, 2022, SAMHSA extended the funding period to March 14, 2024, and on April 3, 2024, SAMHSA extended it again to March 14, 2025.

57. Funds under the grant could be used to prevent, prepare for, and respond to serious mental illness and serious emotional disturbance needs and gaps due to the COVID-19 pandemic.

58. As set out in its grant proposal, DHS intended to use the grant to fund many of the same or similar programs and goals to those described in Paragraph 48. In addition, DHS intended to use the funds on cultural and ethnic minority infrastructure grants, various programs supporting individuals living with mental illnesses, workforce development and trainings for providers of mental health services, and addressing equity-related gaps in the mental health system.

59. The original conditions and requirements of the grant are set forth in the March 11, 2021 Notice of Award. A true and correct copy of that Notice of Award is attached as Exhibit P.

60. Since 2021, DHS has used the grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, its terms and conditions, and DHS's approved grant workplan.

61. As of March 24, 2025, \$3,273,082.43 remained outstanding. While the grant period closed prior to March 24, 2025, grantees have 90 days after the date of expiration to request reimbursement for costs incurred prior to the expiration. DHS attempted to obtain reimbursement for such expenses after the March 24, 2025 termination and was denied. DHS intended to use those funds to reimburse subgrantees for services and activities completed prior to March 15, 2025, as outlined in the DHS workplan approved by SAMHSA.

62. Since its award in 2021 and prior to March 24, 2025, DHS had not received any notice from SAMHSA, written or otherwise, that it failed to comply with any terms or conditions of the grant or that its performance related to the grant was in any way unsatisfactory.

63. On March 24, 2025, without any notice or prior indication, SAMHSA informed DHS that the grant was terminated. A true and correct copy of the grant award termination notice is attached as Exhibit Q.

64. On March 28, 2025, SAMHSA sent a second notice regarding this grant, reiterating that the grant was terminated effective March 24, 2025. A true and correct copy of this second notice is attached as Exhibit R.

Impact of Grant Terminations

65. Termination of these grants will require DHS to terminate 51 contracts with providers that are exclusively funded by these grants. An additional 34 contracts that are funded in part by the terminated grant funds will need to be amended to reduce services as a result of the loss of the grant funding. The services that will need to be cut completely or reduced if funding is not immediately restored are explained below.

66. **Warmlines** – Terminated funding is used for confidential, non-emergency phone services (1200 calls/month) staffed by peers with lived experience who provide emotional support, connection, and resources to individuals experiencing mental health challenges before they escalate to crisis.

67. **Tribal Nations and Urban Indian Organizations** – Terminated funding will disrupt crucial support for historical and collective trauma healing. Grants fund vital

services including crisis intervention following traumatic events like suicides and overdoses, telehealth therapy that overcame significant trust barriers, psychiatric medication management for vulnerable youth, self-care support for traditional healers, emergency housing and basic necessities for unsheltered individuals, and transportation assistance that enables access to all these services. Without these culturally responsive programs, Native community members who already face significant barriers to care will lose access to mental health support, medication management, emergency resources, and transportation services, likely resulting in deteriorating mental health outcomes, increased crises, and deepened health disparities in communities still recovering from both historical trauma and pandemic impacts.

68. **Mobile Crisis** – Terminated funding was for growth and expansion of mobile crisis services; these mental health response teams are available 24/7 and travel to individuals experiencing mental health crises wherever they are located. These teams consist of mental health professionals and practitioners who provide immediate assessment, intervention, and stabilization services in homes, schools, or community settings rather than requiring individuals to go to an emergency room or clinic.

69. **School-Based Early Substance Use Disorder Intervention** – Terminated funding supported school-based providers to identify and support students showing early signs of substance use, providing targeted assessment, counseling, and referrals to prevent progression to addiction.

70. **Substance Use Disorder Primary Prevention for BIPOC Communities** – Contracts support regional providers to develop and implement substance use disorder

primary prevention to reduce alcohol, nicotine, and other drug use in youth from Black, Indigenous, and people of color communities.

71. **School Based Mental Health Evidence-Based Practice Training** – Consultation and coordination for School-Linked Behavioral Health Evidence-Based Practices.

72. **First Episode Psychosis (“FEP”)** – One FEP team will experience a reduction in funding and all funding was terminated for the vendor contract for critical team-specific and needs-specific training and onboarding, technical assistance, and data collection services for FEP teams, degrading their ability to provide evidence-based interventions to young people experiencing early psychosis and potentially leading to poorer clinical outcomes for this vulnerable population.

73. **Women’s Culturally Responsive Recovery Services** – Terminated contracts supported the development and implementation of culturally-specific community outreach, curriculum development, training, peer support, and services for women, mothers, and families struggling with substance use disorder.

74. **Opioid Substance Use Disorder Funding** – Termination of the grants will cut funding used to expand and enhance the continuum of care for opioid-related substance use disorders.

75. These unexpected grant terminations will result in immediate termination of services and supports provided to individuals with complex mental health and substance use needs. Abruptly stopping services to this vulnerable population could result in increased crises, suicides, and deaths from overdose not to mention an overall decline in

individuals' recovery. Discharge from behavioral health treatment and supports requires transition planning, and immediate termination can be detrimental.

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: April 7, 2025



Teresa Steinmetz

EXHIBIT A

**Recipient Information****1. Recipient Name**

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier**7. Project Director or Principal Investigator**

Gertrude Matemba-Mutasa

Gertrude.Matemba-Mutasa@state.mn.us

8. Authorized Official

Gertrude.Matemba-Mutasa@state.mn.us

Federal Agency Information**9. Awarding Agency Contact Information**

Wendy Pang
Grants Management Specialist
Center for Substance Abuse Treatment
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Donna Belcher-Barber
Project Officer
Center for Substance Abuse Treatment
donna.belcher-barber@samhsa.hhs.gov
(240) 276-2409

Federal Award Information**11. Award Number**

1B08TI084589-01

12. Unique Federal Award Identification Number (FAIN)

B08TI084589

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$671,803

20 a. Direct Cost Amount \$671,803

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$671,803

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$671,803

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$671,803

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

Issue Date: 08/10/2021

Center for Substance Abuse Treatment

Award Number: 1B08TI084589-01
FAIN: B08TI084589-01
Contact Person: Gertrude Matemba-Mutasa

Program: Substance Abuse Prevention & Treatment Block Grant

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

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 \$671,803 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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 – 1B08TI084589-01

FEDERAL FUNDS APPROVED: \$671,803

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$671,803

CUMULATIVE AWARDS TO DATE: \$671,803

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1416007162B
5

Document 21B3MNSAP

Number: TC6

Fiscal Year: 2021

IC	CAN	01
SU	C96D212	\$671,803

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI084589-01

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.

SECTION III – TERMS AND CONDITIONS – 1B08TI084589-01

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 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 Room 5527 Washington, DC 20201

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

Donna Belcher-Barber, Program Official

Phone: (240) 276-2409 **Email:** donna.belcher-barber@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT B

From: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>
Sent: Tuesday, March 25, 2025 7:12 AM
To: Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>
Subject: FW: B08TI084589: Termination Notice for COVID-19 Grant Funding

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Kendralyn Dike, MPH
Public Health Advisor
Substance Abuse and Mental Health Services Administration
United States Department of Health and Human Services
Cell: (202) 779-1593

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 5:39 PM
To: Gertrude.Matemba-Mutasa@state.mn.us; Gertrude.Matemba-Mutasa@state.mn.us
Cc: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B08TI084589: 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: dbe2c400-eaea-42fe-8422-d7c968ad761e]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT C

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 11:51 AM
To: Gertrude.Matemba-Mutasa@state.mn.us; Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>
Cc: kendralyn.dike@samhsa.hhs.gov; wendy.pang@samhsa.hhs.gov; eracorrespondence@od.nih.gov
Subject: B08TI084589: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

You don't often get email from wendy.pang@samhsa.hhs.gov. [Learn why this is important](#)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: 2c0987fb-bbbb-4748-adfd-1476e1978fde]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT D



Recipient Information

1. Recipient Name

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

Gertrude Matemba-Mutasa

Gertrude.Matemba-Mutasa@state.mn.us

8. Authorized Official

Gertrude.Matemba-Mutasa@state.mn.us

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Management Specialist
Center for Substance Abuse Treatment
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Donna Belcher-Barber
Project Officer
Center for Substance Abuse Treatment
donna.belcher-barber@samhsa.hhs.gov
(240) 276-2409

Federal Award Information

11. Award Number

1B08TI083949-01

12. Unique Federal Award Identification Number (FAIN)

B08TI083949

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025

20. Total Amount of Federal Funds Obligated by this Action \$19,510,440

20 a. Direct Cost Amount \$19,510,440

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$19,510,440

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$19,510,440

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$19,510,440

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



SABG

Issue Date: 05/17/2021

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

Center for Substance Abuse Treatment

Award Number: 1B08TI083949-01

FAIN: B08TI083949-01

Contact Person: Gertrude Matemba-Mutasa

Program: Substance Abuse Prevention & Treatment Block Grant

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

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 \$19,510,440 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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 – 1B08TI083949-01

FEDERAL FUNDS APPROVED: \$19,510,440

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$19,510,440

CUMULATIVE AWARDS TO DATE: \$19,510,440

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1416007162B
5

Document 21B1MNSAP

Number: TC6

Fiscal Year: 2021

IC	CAN	01
TI	C96D570	\$19,510,440

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI083949-01

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.

SECTION III – TERMS AND CONDITIONS – 1B08TI083949-01

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 Room 5527 Washington, DC 20201

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

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:

Donna Belcher-Barber, Program Official

Phone: (240) 276-2409 **Email:** donna.belcher-barber@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT E

From: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>
Sent: Tuesday, March 25, 2025 7:07 AM
To: Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>
Subject: FW: B08TI083949: Termination Notice for COVID-19 Grant Funding

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Kendralyn Dike, MPH
Public Health Advisor
Substance Abuse and Mental Health Services Administration
United States Department of Health and Human Services
Cell: (202) 779-1593

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 5:39 PM
To: Gertrude.Matemba-Mutasa@state.mn.us; Gertrude.Matemba-Mutasa@state.mn.us
Cc: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B08TI083949: 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: 4490fbcf-3987-434e-bcd6-6dbfad574ca5]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT F

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 11:51 AM
To: Gertrude.Matemba-Mutasa@state.mn.us; Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>
Cc: kendralyn.dike@samhsa.hhs.gov; wendy.pang@samhsa.hhs.gov; eracorrespondence@od.nih.gov
Subject: B08TI083949: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

You don't often get email from wendy.pang@samhsa.hhs.gov. [Learn why this is important](#)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: a38c667d-142d-4cf4-8e77-af78adfcce0c]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT G

**Recipient Information****1. Recipient Name**

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier**7. Project Director or Principal Investigator**

Gertrude Matemba-Mutasa

Gertrude.Matemba-Mutasa@state.mn.us

8. Authorized Official

Gertrude.Matemba-Mutasa@state.mn.us

Federal Agency Information**9. Awarding Agency Contact Information**

Wendy Pang
Grants Management Specialist
Center for Substance Abuse Treatment
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Anna De Jong

Center for Substance Abuse Treatment
Anna.deJong@samhsa.hhs.gov
240-276-1866

Federal Award Information**11. Award Number**

1B08TI083504-01

12. Unique Federal Award Identification Number (FAIN)

B08TI083504

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 03/15/2021 – End Date 03/14/2023**

20. Total Amount of Federal Funds Obligated by this Action \$22,591,036

20 a. Direct Cost Amount \$22,591,036

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$22,591,036

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$22,591,036

26. Project Period Start Date 03/15/2021 – End Date 03/14/2023

27. Total Amount of the Federal Award including Approved Cost \$22,591,036

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



SABG

Issue Date: 03/11/2021

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

Center for Substance Abuse Treatment

Award Number: 1B08TI083504-01

FAIN: B08TI083504-01

Contact Person: Gertrude Matemba-Mutasa

Program: Substance Abuse Prevention & Treatment Block Grant

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

Award Period: 03/15/2021 – 03/14/2023

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$22,591,036 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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 – 1B08TI083504-01

FEDERAL FUNDS APPROVED: \$22,591,036

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$22,591,036

CUMULATIVE AWARDS TO DATE: \$22,591,036

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1416007162B
5

Document 21B1MNSAP

Number: TC5

Fiscal Year: 2021

IC	CAN	01
TI	C96D480	\$22,591,036

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI083504-01

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.

SECTION III – TERMS AND CONDITIONS – 1B08TI083504-01

REMARKS

Correspondence Notice

Please Note: A letter from Acting Assistant Secretary for Mental Health and

Substance Use, Tom Coderre, will be sent via eRA Commons.

STANDARD TERMS AND CONDITIONS

SABG FY21 COVID emergency funding

Remarks:

This Notice of Award (NoA) provides COVID emergency relief funding for the Substance Abuse Prevention and Treatment (SABG) Block Grant Program, in accordance with the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260]. The awarded funds must be used for activities consistent with the SABG program requirements.

A proposal of the state's spending plan must be submitted by April 5, 2021 via the Web Block Grant Application System (WebBGAS). 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 March 14, 2023. However, SAMHSA will consider extensions to this period of funding upon request.

3) 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)).

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 Room 5527 Washington, DC 20201

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

Anna De Jong, Program Official

Phone: 240-276-1866 **Email:** Anna.deJong@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT H

From: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>
Sent: Tuesday, March 25, 2025 7:10 AM
To: Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>
Subject: FW: B08TI083504: Termination Notice for COVID-19 Grant Funding

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Kendralyn Dike, MPH
Public Health Advisor
Substance Abuse and Mental Health Services Administration
United States Department of Health and Human Services
Cell: (202) 779-1593

From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 5:55 PM
To: eric.grumdahl@state.mn.us; Gertrude.Matemba-Mutasa@state.mn.us
Cc: Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B08TI083504: 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: a4b14766-fb93-4a29-88bf-e1fe1f85862f]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT I

From: Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 12:18 PM
To: Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>; Dike, Kendralyn (SAMHSA/CSAT) <Kendralyn.Dike@samhsa.hhs.gov>; Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>
Cc: eracorrespondence@od.nih.gov
Subject: B08TI083504: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: 4fd4ddda-7e76-47c3-8df1-cd0d688b5cad]] -- Do not delete or change this line. --

Please 'Reply All' and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT J

**Recipient Information****1. Recipient Name**

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier**7. Project Director or Principal Investigator**

Jodi Harpstead

8. Authorized Official**Federal Agency Information****9. Awarding Agency Contact Information**

Wendy Pang
Grants Management Specialist
Center for Mental Health Services
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Jim Kretz

Center for Mental Health Services
Jim.Kretz@samhsa.hhs.gov
240-276-1755

Federal Award Information**11. Award Number**

1B09SM085892-01

12. Unique Federal Award Identification Number (FAIN)

B09SM085892

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$744,097

20 a. Direct Cost Amount \$744,097

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$744,097

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$744,097

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$744,097

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

Issue Date: 08/10/2021

Center for Mental Health Services

Award Number: 1B09SM085892-01

FAIN: B09SM085892-01

Contact Person: Jodi Harpstead

Program: Block Grants for Community Mental Health Services

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

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 \$744,097 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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

SECTION I – AWARD DATA – 1B09SM085892-01

FEDERAL FUNDS APPROVED: \$744,097

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$744,097

CUMULATIVE AWARDS TO DATE: \$744,097

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958

EIN: 1416007162B
5

Document 21B3MNCM

Number: HSC6

Fiscal Year: 2021

IC	CAN	01
SU	C96D210	\$744,097

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM085892-01

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.

SECTION III – TERMS AND CONDITIONS – 1B09SM085892-01

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 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 Room 5527 Washington, DC 20201

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

Jim Kretz, Program Official

Phone: 240-276-1755 **Email:** Jim.Kretz@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT K

From: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>
Sent: Tuesday, March 25, 2025 9:13 AM
To: Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>; Schels, Johanna X (DHS) <johanna.schels@state.mn.us>; Koegler, Keith A (DHS) <Keith.Koegler@state.mn.us>
Subject: FW: B09SM085892: Termination Notice for COVID-19 Grant Funding

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Hi Tim,
I'm forwarding a notice #1 that was sent out to the commissioners last evening.

Please let me know if the commissioner's name/email address is correct. I'm just making sure it wasn't sent to the wrong individual.

Also send me any questions and concerns. We are processing the notice and collecting questions from states. We will be in touch very soon with additional information.

Thank you,
Shivleen

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 5:50 PM
To: Gertrude.Matemba-Mutasa@state.mn.us
Cc: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B09SM085892: 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 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.

[[Correspondence Token: f19484ef-d92a-409e-88af-c191b3f14590]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT L

From: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 12:35 PM
To: Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>; Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>; Schels, Johanna X (DHS) <johanna.schels@state.mn.us>; Koegler, Keith A (DHS) <Keith.Koegler@state.mn.us>; Irber, Kari J (DHS) <kari.irber@state.mn.us>
Subject: FW: B09SM085892: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

FYI

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 1:06 PM
To: commissioner.dhs@state.mn.us
Cc: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B09SM085892: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: 586e288e-a716-44e5-ba49-3dbfac4912d1]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT M

**Recipient Information****1. Recipient Name**

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier**7. Project Director or Principal Investigator**

Jodi Harpstead

8. Authorized Official**Federal Agency Information****9. Awarding Agency Contact Information**

Wendy Pang
Grants Management Specialist
Center for Mental Health Services
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Jim Kretz

Center for Mental Health Services
Jim.Kretz@samhsa.hhs.gov
240-276-1755

Federal Award Information**11. Award Number**

1B09SM085364-01

12. Unique Federal Award Identification Number (FAIN)

B09SM085364

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$21,622,115

20 a. Direct Cost Amount \$21,622,115

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$21,622,115

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$21,622,115

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$21,622,115

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

Issue Date: 05/17/2021

Center for Mental Health Services

Award Number: 1B09SM085364-01

FAIN: B09SM085364-01

Contact Person: Jodi Harpstead

Program: Block Grants for Community Mental Health Services

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

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 \$21,622,115 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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

SECTION I – AWARD DATA – 1B09SM085364-01

FEDERAL FUNDS APPROVED: \$21,622,115

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$21,622,115

CUMULATIVE AWARDS TO DATE: \$21,622,115

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958

EIN: 1416007162B
5

Document 21B1MNCM

Number: HSC6

Fiscal Year: 2021

IC	CAN	01
SM	C96D540	\$21,622,115

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM085364-01

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.

SECTION III – TERMS AND CONDITIONS – 1B09SM085364-01

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

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:

Jim Kretz, Program Official

Phone: 240-276-1755 **Email:** Jim.Kretz@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT N

From: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>
Sent: Tuesday, March 25, 2025 9:14 AM
To: Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>; Koegler, Keith A (DHS) <Keith.Koegler@state.mn.us>; Schels, Johanna X (DHS) <johanna.schels@state.mn.us>
Subject: FW: B09SM085364: Termination Notice for COVID-19 Grant Funding

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Hi Tim,
I'm forwarding a notice #2 that was sent out to the commissioners last evening.

Please let me know if the commissioner's name/email address is correct. I'm just making sure it wasn't sent to the wrong individual.

Also send me any questions and concerns. We are processing the notice and collecting questions from states. We will be in touch very soon with additional information.

Thank you,
Shivleen

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 5:50 PM
To: Gertrude.Matemba-Mutasa@state.mn.us
Cc: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B09SM085364: 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 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.

[[Correspondence Token: 4e26ff0e-7db3-4a27-beb9-0e1b4f94f2a5]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT O

From: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 12:35 PM
To: Steinmetz, Teresa (She/Her/Hers) (DHS) <Teresa.Steinmetz@state.mn.us>; Pilcher, Timothy E (DHS) <Tim.Pilcher@state.mn.us>; Schels, Johanna X (DHS) <johanna.schels@state.mn.us>; Koegler, Keith A (DHS) <Keith.Koegler@state.mn.us>; Irber, Kari J (DHS) <kari.irber@state.mn.us>
Subject: FW: B09SM085364: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

FYI

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 1:06 PM
To: commissioner.dhs@state.mn.us
Cc: Dhaliwal, Shivleen (SAMHSA/CMHS) <Shivleen.Dhaliwal@samhsa.hhs.gov>; Pang, Wendy (SAMHSA/OFR) <Wendy.Pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov
Subject: B09SM085364: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: 454e4864-781d-42b5-82de-5ffe4163842e]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT P



Recipient Information

1. Recipient Name

HUMAN SERVICES, MINNESOTA
DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

2. Congressional District of Recipient

04

3. Payment System Identifier (ID)

1416007162B5

4. Employer Identification Number (EIN)

416007162

5. Data Universal Numbering System (DUNS)

803894203

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

Jodi Harpstead

8. Authorized Official

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Management Specialist
Center for Mental Health Services
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Jim Kretz

Center for Mental Health Services
Jim.Kretz@samhsa.hhs.gov
240-276-1755

Federal Award Information

11. Award Number

1B09SM083980-01

12. Unique Federal Award Identification Number (FAIN)

B09SM083980

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 03/15/2021 – End Date 03/14/2023

20. Total Amount of Federal Funds Obligated by this Action \$12,518,067

20 a. Direct Cost Amount \$12,518,067

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$12,518,067

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$12,518,067

26. Project Period Start Date 03/15/2021 – End Date 03/14/2023

27. Total Amount of the Federal Award including Approved Cost \$12,518,067

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

Issue Date: 03/11/2021

Center for Mental Health Services

Award Number: 1B09SM083980-01

FAIN: B09SM083980-01

Contact Person: Jodi Harpstead

Program: Block Grants for Community Mental Health Services

HUMAN SERVICES, MINNESOTA DEPARTMENT OF
540 CEDAR ST

SAINT PAUL, MN 55164

Award Period: 03/15/2021 – 03/14/2023

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$12,518,067 (see “Award Calculation” in Section I) to HUMAN SERVICES, MINNESOTA DEPARTMENT OF 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

SECTION I – AWARD DATA – 1B09SM083980-01

FEDERAL FUNDS APPROVED: \$12,518,067

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$12,518,067

CUMULATIVE AWARDS TO DATE: \$12,518,067

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958
EIN: 1416007162B
5
Document 21B1MNCM
Number: HSC5
Fiscal Year: 2021

IC	CAN	01
SM	C96D450	\$12,518,067

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM083980-01

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.

SECTION III – TERMS AND CONDITIONS – 1B09SM083980-01

REMARKS

Correspondence Notice

Please Note: A letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre, will be sent via eRA Commons.

STANDARD TERMS AND CONDITIONS

MHBG FY2021 COVID emergency funding

Remarks:

This Notice of Award (NoA) provides COVID emergency relief funding for the Community Mental Health Services (MHBG) Block Grant Program, in accordance with the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260]. The awarded funds must be used for activities consistent with the MHBG program requirements.

A proposal of the state's spending plan must be submitted by April 5, 2021 via the Web Block Grant Application System (WebBGAS). 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 March 14, 2023. However, SAMHSA will consider extensions to this period of funding upon request.

4) 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)).

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) Crisis Services 5% set-aside

The Consolidated Appropriations Act, 2021 and the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260] requires states to set-aside not less than 5 percent of their total MHBG allocation amount for each fiscal year to support evidence-based crisis care programs addressing the needs of individuals with serious mental illnesses and children with serious mental and emotional disturbances. The set- aside must be used to fund some or all of a set of core crisis care elements including: centrally deployed 24/7 mobile crisis units, short-term residential crisis stabilization beds, evidence-based protocols for delivering services to individuals with suicide risk, and regional or State-wide crisis call centers coordinating in real time.

8) 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.

9) 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.

10) 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.

11) 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]

12) 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

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).

13) 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>.

14) 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.

15) 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.

16) 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>.

17) 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 COVID emergency relief 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 (PPO) 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:

Jim Kretz, Program Official

Phone: 240-276-1755 **Email:** Jim.Kretz@samhsa.hhs.gov

Wendy Pang, Grants Specialist

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

EXHIBIT Q

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Monday, March 24, 2025 4:49:58 PM
To: Grumdahl, Eric I (He/Him/His) (DHS) <eric.grumdahl@state.mn.us>; Grumdahl, Eric I (He/Him/His) (DHS) <eric.grumdahl@state.mn.us>
Cc: shivleen.dhaliwal@samhsa.hhs.gov <shivleen.dhaliwal@samhsa.hhs.gov>; wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>; eracorrespondence@od.nih.gov <eracorrespondence@od.nih.gov>
Subject: B09SM083980: Termination Notice for COVID-19 Grant Funding

You don't often get email from katrina.morgan@samhsa.hhs.gov. [Learn why this is important](#)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

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.

[[Correspondence Token: 7dd41a16-e0b0-436e-9805-0dd495d75f1b]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

EXHIBIT R

From: katrina.morgan@samhsa.hhs.gov <katrina.morgan@samhsa.hhs.gov>
Sent: Friday, March 28, 2025 12:06 PM
To: Grumdahl, Eric I (He/Him/His) (DHS) <eric.grumdahl@state.mn.us>; MN_DHS_Commissioner DHS, . (DHS) <commissioner.dhs@state.mn.us>
Cc: shivleen.dhaliwal@samhsa.hhs.gov; wendy.pang@samhsa.hhs.gov; eracorrespondence@od.nih.gov
Subject: B09SM083980: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

Some people who received this message don't often get email from katrina.morgan@samhsa.hhs.gov. [Learn why this is important](#)

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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.

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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: 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

[[Correspondence Token: 34494058-ff77-4e83-97f4-c4250e190ad8]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete eracorrespondence@nih.gov from the list of recipients or change the subject line.

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: B08T1083927.

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. On March 31, 2025, AHCCCS received NOAs terminating the SABG ARPA and SABG TAM awards. True and correct copies of the March 31, 2025 Notices of Award are attached hereto as **Exhibit K** (SABG ARPA) and **Exhibit L** (SABG TAM).

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.



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****1. Recipient Name**

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

PHOENIX, AZ 85034

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**

Kristen Challacombe

8. Authorized Official**Federal Agency Information****9. Awarding Agency Contact Information**

Wendy Pang
Grants Management Specialist
Center for Mental Health Services
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Kent Forde

Center for Mental Health Services
kent.forde@samhsa.hhs.gov
240-276-2096

Federal Award Information**11. Award Number**

1B09SM085862-01

12. Unique Federal Award Identification Number (FAIN)

B09SM085862

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$1,350,017

20 a. Direct Cost Amount \$1,350,017

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$1,350,017

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$1,350,017

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$1,350,017

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

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

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 21B3AZCMH

Number: SC6

Fiscal Year: 2021

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

PCC: CMHS / OC: 4115

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.

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 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 Room 5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email: 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 <jennifer.gonzales@azahcccs.gov>

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" <alisa.randall@azahcccs.gov>, Jennifer Gonzales <jennifer.gonzales@azahcccs.gov>

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

Jennifer Gonzales <Jennifer.Gonzales@azahcccs.gov>

Tue, Mar 25, 2025 at 1:32 PM

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

Cc: "alisa.randall@azahcccs.gov" <alisa.randall@azahcccs.gov>, Nereyda Ramirez <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 Facebook | Twitter |
YouTube Watch: Meet Arizona's Innovative
Medicaid Program!

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

Tue, Mar 25, 2025 at 1:48 PM

To: Jennifer Gonzales <Jennifer.Gonzales@azahcccs.gov>

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

Yes, that is correct.

From: Jennifer Gonzales <Jennifer.Gonzales@azahcccs.gov>

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

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

Cc: alisa.randall@azahcccs.gov <alisa.randall@azahcccs.gov>; Nereyda Ramirez <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

Jennifer Gonzales <Jennifer.Gonzales@azahcccs.gov>

Tue, Mar 25, 2025 at 1:49 PM

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

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

Thank you Hassan.

[Quoted text hidden]

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



Department of Health and Human Services
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse Treatment

FAIN# B08TI084568
Federal Award Date
08/10/2021

Recipient Information

1. Recipient Name

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

PHOENIX, AZ 85034

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

Kristen Challacombe

8. Authorized Official

Kristen.Challacombe@azahcccs.gov

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Management Specialist
Center for Substance Abuse Treatment
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Theresa Mitchell

Center for Substance Abuse Treatment
Theresa.Mitchell@samhsa.hhs.gov
240-276-1365

Federal Award Information

11. Award Number

1B08TI084568-01

12. Unique Federal Award Identification Number (FAIN)

B08TI084568

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025

20. Total Amount of Federal Funds Obligated by this Action \$1,392,949

20 a. Direct Cost Amount \$1,392,949

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$1,392,949

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$1,392,949

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$1,392,949

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

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 21B3AZSAP

Number: TC6

Fiscal Year: 2021

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

PCC: SAPT / OC: 4115

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.

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 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 Room 5527 Washington, DC 20201

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

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 <nereyda.ramirez@azahcccs.gov>

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 <nereyda.ramirez@azahcccs.gov>

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

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



From: wendy.pang@samhsa.hhs.gov <wendy.pang@samhsa.hhs.gov>

Sent: Monday, March 24, 2025, 5:39 PM

To: Kristen.Challacombe@azahcccs.gov

Cc: Mitchell, Theresa M. (SAMHSA/CSAT) <Theresa.Mitchell@SAMHSA.hhs.gov>; Pang, Wendy (SAMHSA/OFR)

4373

<Wendy.Pang@samhsa.hhs.gov>; 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](#) 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](#)

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

4374

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****1. Recipient Name**

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

PHOENIX, AZ 85034

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**
Kristen Challacombe**8. Authorized Official****Federal Agency Information****9. Awarding Agency Contact Information**
Wendy Pang
Grants Management Specialist
Center for Mental Health Services
wendy.pang@samhsa.hhs.gov
(240) 276-1419**10. Program Official Contact Information**
Kent Forde

Center for Mental Health Services
kent.forde@samhsa.hhs.gov
240-276-2096

Federal Award Information**11. Award Number**

1B09SM085335-01

12. Unique Federal Award Identification Number (FAIN)

B09SM085335

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$39,229,067

20 a. Direct Cost Amount \$39,229,067

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$39,229,067

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$39,229,067

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

**27. Total Amount of the Federal Award including Approved Cost
Sharing or Matching this Project Period** \$39,229,067

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

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

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 21B2AZCMH

Number: SC6

Fiscal Year: 2021

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

PCC: CMHS / OC: 4115

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.

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

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 **Fax:** (240) 276-1430

EXHIBIT F

**Recipient Information****1. Recipient Name**

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

PHOENIX, AZ 85034

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**
Kristen Challacombe**8. Authorized Official**

Kristen.Challacombe@azahcccs.gov

Federal Agency Information**9. Awarding Agency Contact Information**
Wendy Pang
Grants Management Specialist
Center for Substance Abuse Treatment
wendy.pang@samhsa.hhs.gov
(240) 276-1419**10. Program Official Contact Information**
Theresa Mitchell

Center for Substance Abuse Treatment
Theresa.Mitchell@samhsa.hhs.gov
240-276-1365

Federal Award Information**11. Award Number**

1B08TI083927-01

12. Unique Federal Award Identification Number (FAIN)

B08TI083927

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025****20. Total Amount of Federal Funds Obligated by this Action** \$32,725,106

20 a. Direct Cost Amount \$32,725,106

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset**

23. Total Amount of Federal Funds Obligated this budget period \$32,725,106

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$32,725,106

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

**27. Total Amount of the Federal Award including Approved Cost
Sharing or Matching this Project Period** \$32,725,106

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

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



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

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

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 21B1AZSAP

Number: TC6

Fiscal Year: 2021

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

PCC: SAPT / OC: 4115

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.

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 Room 5527 Washington, DC 20201

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

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

19. Budget Period Start Date 08/31/2021 - **End Date** 08/30/2022

20. Total Amount of Federal Funds Obligated by this Action \$2,000,000.00

20a. Direct Cost Amount \$2,000,000.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$0.00

22. Offset \$0.00

23. Total Amount of Federal Funds Obligated this budget period \$0.00

24. Total Approved Cost Sharing or Matching, where applicable \$0.00

25. Total Federal and Non-Federal Approved this Budget Period \$2,000,000.00

26. Project Period Start Date 08/31/2021 - **End Date** 08/30/2024

27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period 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



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 1 NU58DP006992-01-00

FAIN# NU58DP006992

Federal Award Date: 08/23/2021

Recipient Information**Recipient Name**

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

Congressional District of Recipient

07

Payment Account Number and Type

1866004791X7

Employer Identification Number (EIN) Data

866004791

Universal Numbering System (DUNS)

805346798

Recipient's Unique Entity Identifier

Not Available

31. Assistance Type

Project Grant

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$339,869.00
b. Fringe Benefits	\$135,948.00
c. Total Personnel Costs	\$475,817.00
d. Equipment	\$0.00
e. Supplies	\$20,238.00
f. Travel	\$4,520.00
g. Construction	\$0.00
h. Other	\$21,245.00
i. Contractual	\$1,478,180.00
j. TOTAL DIRECT COSTS	\$2,000,000.00
k. INDIRECT COSTS	\$0.00
l. TOTAL APPROVED BUDGET	\$2,000,000.00
m. Federal Share	\$2,000,000.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
I-9390H3H	21NU58DP006992C3	DP	41.51	\$2,000,000.00	75-2024-0943

AWARD ATTACHMENTS

Health Care Cost Containment System, Arizona

1 NU58DP006992-01-00

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:

NOFO Component	Amount
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 (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

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

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

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

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

19. Budget Period Start Date 08/31/2023 - **End Date** 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action \$0.00

20a. Direct Cost Amount \$0.00

20b. Indirect Cost Amount \$0.00

21. Authorized Carryover \$0.00

22. Offset \$0.00

23. Total Amount of Federal Funds Obligated this budget period \$2,000,000.00

24. Total Approved Cost Sharing or Matching, where applicable \$0.00

25. Total Federal and Non-Federal Approved this Budget Period \$2,000,000.00

26. Period of Performance Start Date 08/31/2021 - **End Date** 03/24/2025

**27. Total Amount of the Federal Award including Approved
Cost Sharing or Matching this Period of Performance** \$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



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Notice of Award

Centers for Disease Control and Prevention

Award# 6 NU58DP006992-03-05

FAIN# NU58DP006992

Federal Award Date: 03/24/2025

Recipient Information**Recipient Name**

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

Congressional District of Recipient

07

Payment Account Number and Type

1866004791X7

Employer Identification Number (EIN) Data

866004791

Universal Numbering System (DUNS)

805346798

Recipient's Unique Entity Identifier (UEI)

LJGVPF5ULHJ3

31. Assistance Type

Project Grant

32. Type of Award

Other

33. Approved Budget

(Excludes Direct Assistance)

I. Financial Assistance from the Federal Awarding Agency Only

II. Total project costs including grant funds and all other financial participation

a. Salaries and Wages	\$321,000.00
b. Fringe Benefits	\$128,400.00
c. Total Personnel Costs	\$449,400.00
d. Equipment	\$0.00
e. Supplies	\$5,000.00
f. Travel	\$34,132.00
g. Construction	\$0.00
h. Other	\$49,949.00
i. Contractual	\$1,461,519.00
j. TOTAL DIRECT COSTS	\$2,000,000.00
k. INDIRECT COSTS	\$0.00
l. TOTAL APPROVED BUDGET	\$2,000,000.00
m. Federal Share	\$2,000,000.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes

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

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



Recipient Information

1. Recipient Name

ARIZONA HEALTH CARE COST
CONTAINMENT SYSTEM
801 E JEFFERSON ST
PHOENIX, AZ 85034

2. Congressional District of Recipient

03

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

LJGVPF5ULHJ3

7. Project Director or Principal Investigator

Alisa Randall

alisa.randall@azahcccs.gov

8. Authorized Official

Alisa Randall
alisa.randall@azahcccs.gov

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Specialist
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Hassan Sabree
Program Official
Hassan.Sabree@samhsa.hhs.gov
240-276-1044

Federal Award Information

11. Award Number

6B09SM085335-01M002

12. Unique Federal Award Identification Number (FAIN)

B09SM085335

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

\$0

20 a. Direct Cost Amount

\$0

20 b. Indirect Cost Amount

\$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

\$0

24. Total Approved Cost Sharing or Matching, where applicable

\$0

25. Total Federal and Non-Federal Approved this Budget Period

\$0

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

\$39,229,067

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Katrina Morgan

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



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

Issue Date: 03/28/2025

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 Part 96 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

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

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.

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, katrina.morgan@samhsa.hhs.gov, and 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. 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



1995 / Notices

1813

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.

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

1995 / Notices

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	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



Recipient Information

1. Recipient Name

ARIZONA HEALTH CARE COST
CONTAINMENT SYSTEM
801 E JEFFERSON ST
PHOENIX, AZ 85034

2. Congressional District of Recipient

03

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

LJGVPF5ULHJ3

7. Project Director or Principal Investigator

Alisa Randall

alisa.randall@azahcccs.gov

8. Authorized Official

Alisa Randall

alisa.randall@azahcccs.gov

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Specialist
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Hassan Sabree
Program Official
Hassan.Sabree@samhsa.hhs.gov
240-276-1044

Federal Award Information

11. Award Number

6B09SM085862-01M002

12. Unique Federal Award Identification Number (FAIN)

B09SM085862

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

\$0

20 a. Direct Cost Amount

\$0

20 b. Indirect Cost Amount

\$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

\$0

24. Total Approved Cost Sharing or Matching, where applicable

\$0

25. Total Federal and Non-Federal Approved this Budget Period

\$0

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

\$1,350,017

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Katrina Morgan

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



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

Issue Date: 03/28/2025

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 Part 96 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

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

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.

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, katrina.morgan@samhsa.hhs.gov, and 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. 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



1995 / Notices

1813

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.

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

1995 / Notices

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	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 K



Recipient Information

1. Recipient Name

ARIZONA HEALTH CARE COST
CONTAINMENT SYSTEM
801 E JEFFERSON ST
PHOENIX, AZ 85034

2. Congressional District of Recipient

03

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

LJGVPF5ULHJ3

7. Project Director or Principal Investigator

EmmaLee Hefton

emma.hefton@azahcccs.gov

8. Authorized Official

Alisa Randell
alisa.randell@azahcccs.gov

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Specialist
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Theresa Mitchell
Program Official
Theresa.Mitchell@samhsa.hhs.gov
240-276-1365

Federal Award Information

11. Award Number

6B08TI083927-01M001

12. Unique Federal Award Identification Number (FAIN)

B08TI083927

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

\$0

20 a. Direct Cost Amount

\$0

20 b. Indirect Cost Amount

\$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

\$0

24. Total Approved Cost Sharing or Matching, where applicable

\$0

25. Total Federal and Non-Federal Approved this Budget Period

\$0

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

\$32,725,106

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Wendy Pang

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



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

Issue Date: 03/28/2025

Center for Substance Abuse Treatment

Award Number: 6B08TI083927-01M001

FAIN: B08TI083927-01

Contact Person: EmmaLee Hefton

Program: Substance Abuse Prevention & Treatment Block Grant

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 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,
Wendy Pang
Grants Management Officer
Division of Grants Management
wendy.pang@samhsa.hhs.gov
See additional information below

SECTION I – AWARD DATA – 6B08TI083927-01M001

FEDERAL FUNDS APPROVED: \$32,725,106

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$0

CUMULATIVE AWARDS TO DATE: \$32,725,106

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1866004791X7

Document Number: 21B1AZSAPTC6

Fiscal Year: 2021

IC	CAN	01
TI	C96D570	\$0

PCC: SAPT / **OC:** 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 6B08TI083927-01M001

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.

SECTION III – TERMS AND CONDITIONS – 6B08TI083927-01M001

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, katrina.morgan@samhsa.hhs.gov, and 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. 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



1995 / Notices

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.

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

1995 / Notices

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	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:

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 L



Recipient Information

1. Recipient Name

ARIZONA HEALTH CARE COST
CONTAINMENT SYSTEM
801 E JEFFERSON ST
PHOENIX, AZ 85034

2. Congressional District of Recipient

03

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

LJGVPF5ULHJ3

7. Project Director or Principal Investigator

EmmaLee Hefton

emma.hefton@azahcccs.gov

8. Authorized Official

Alisa Randell
alisa.randell@azahcccs.gov

Federal Agency Information

9. Awarding Agency Contact Information

Wendy Pang
Grants Specialist
wendy.pang@samhsa.hhs.gov
(240) 276-1419

10. Program Official Contact Information

Theresa Mitchell
Program Official
Theresa.Mitchell@samhsa.hhs.gov
240-276-1365

Federal Award Information

11. Award Number

6B08TI084568-01M001

12. Unique Federal Award Identification Number (FAIN)

B08TI084568

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

\$0

20 a. Direct Cost Amount

\$0

20 b. Indirect Cost Amount

\$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

\$0

24. Total Approved Cost Sharing or Matching, where applicable

\$0

25. Total Federal and Non-Federal Approved this Budget Period

\$0

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

\$1,392,949

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Wendy Pang

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



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

Issue Date: 03/28/2025

Center for Substance Abuse Treatment

Award Number: 6B08TI084568-01M001
FAIN: B08TI084568-01
Contact Person: EmmaLee Hefton

Program: Substance Abuse Prevention & Treatment Block Grant

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 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,
Wendy Pang
Grants Management Officer
Division of Grants Management
wendy.pang@samhsa.hhs.gov
See additional information below

SECTION I – AWARD DATA – 6B08TI084568-01M001

FEDERAL FUNDS APPROVED: \$1,392,949

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$0

CUMULATIVE AWARDS TO DATE: \$1,392,949

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959
EIN: 1866004791X7
Document Number: 21B3AZSAPTC6
Fiscal Year: 2021

IC	CAN	01
TI	C96D212	\$0

PCC: SAPT / **OC:** 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 6B08TI084568-01M001

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.

SECTION III – TERMS AND CONDITIONS – 6B08TI084568-01M001

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, katrina.morgan@samhsa.hhs.gov, and 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. 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



1995 / Notices

1813

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.

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

1995 / Notices

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:

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

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF COLORADO, et al.,

Plaintiffs,

v.

U.S. DEPARTMENT OF HEALTH AND HUMAN
SERVICES, et al.,

Defendants.

1:25-cv-00121

DECLARATION OF THOMAS G. MARTIN

I, Thomas G. Martin, declare as follows:

1. I am a resident of the State of Rhode Island. 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 Rhode Island Department of Behavioral Healthcare, Developmental Disabilities & Hospitals (“BHDDH”) as Director of the Division of Behavioral Healthcare.

3. As Director of the Division of Behavioral Healthcare, I am responsible for the Division of Behavioral Healthcare at BHDDH. The Division is responsible for over 250 contracts with federal funding of approximately \$50,000,000.00 dollars. Our responsibilities are to provide planning, oversight and monitoring for the Mental Health, Substance Use and Prevention and Recovery services for the state of Rhode Island.

4. In 2021, the Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (“SAMHSA”) awarded the state of Rhode Island funds under the Substance Abuse Prevention and Treatment Block Grant and Community Mental Health Block Grant programs, pursuant to the American Rescue Plan Act of 2021 (“ARPA”). BHDDH was awarded two block grants with a total value of \$11,453,580. Funding for each grant was contingent upon the submission of a plan to utilize these dollars. Each plan was due thirty days (30) after receiving the notice of award. BHDDH submitted these plans within the requisite thirty (30) days to SAMHSA, which SAMHSA accepted. The terminations were based on the end of the COVID-19 pandemic, rather than a failure of BHDDH to follow the terms of conditions of the grants.

5. Notably, the Division of Behavioral Healthcare does not rely on general revenue to support programmatic efforts and initiatives. Therefore, The Division of Behavioral Healthcare within BHDDH is heavily reliant on grant funding, like these terminated grants, to support the behavioral health programs and services offered by many community providers. Further, the Division of Behavioral Healthcare is unable to support any of these terminated grants with the use of state funding.

ARPA Community Mental Health Block Grant

6. The notice of award for the Community Mental Health Block Grant was issued on May 17, 2021, setting forth the terms and conditions of the grant award. The grant period began on September 1, 2021 and was to be completed on September 30, 2025. The total amount for the Community Mental Health Block Grant was \$5,302,664.

7. A true and correct copy of the notice of award is attached as **Exhibit A**.

8. As set out in its grant proposal, and in accordance with SAMHSA guidance, BHDDH intended to use the Community Mental Health Block Grant to fund initiatives to provide community mental health programs and services, such as crisis services, additional trainings, enhancements to existing block grant contracts, civil court commitment and first episode psychosis.¹

9. Since the issuance of this award, BHDDH has used the Community Mental Health Block Grant in a manner consistent with SAMHSA's statements regarding the nature of the grant and BHDDH's grant application.

¹ Substance Abuse and Mental Health Services Administration, Community Mental Health Services Block Grant, <https://www.samhsa.gov/grants/block-grants/mhbg> (Last Accessed April 7, 2025).

10. This grant has been used to provide services for underinsured and uninsured individuals. This includes emergency respite for behavioral health disorders, specialized programs for youth and young adults with serious mental illness, and transportation services for people leaving correctional settings to bring them to recovery housing and appointments following discharge.

11. As of March 24, 2025, BHDDH had \$2,472,518.16 in remaining funds on the ARPA Community Mental Health Block Grant program.

12. These remaining funds were intended to support a variety of programs including emergency psychiatric respite services for individuals who are experiencing a behavioral health crisis or who are experiencing behavioral health-related challenges in daily life that create risk to that individual, such that they are not able to live in the community without on-site supports. These emergency respite beds offer 24-hour observation and crisis support by mental health professionals, until a person is stabilized and able to be connected to community-based services. In addition, we are also unable to fund the 988 data platform, which is a dispatch and discharge planning technology designed to help individuals receive timely access to services.

13. The Division of Behavioral Healthcare has managed this grant in accordance with the rules and regulations set forth in the grant. All submission of data and information has been timely.

14. On March 24, 2025, without any prior notice or indication, SAMHSA informed BHDDH that the ARPA Community Mental Health Block Grant was terminated, effective as of March 24, 2025. The notice was sent to an outdated contact who no longer works at BHDDH and was subsequently forwarded to current BHDDH staff on March 25, 2025.

15. A true and correct copy of the termination notice is attached as **Exhibit B**. A true and correct copy of the amended award notice reflecting the March 24, 2025 termination date is attached as **Exhibit C**.

16. The termination notice offered the following reason for the termination, “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.”

17. On March 28, 2025, BHDDH staff received an email stating, “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.” A true and correct copy of the March 28, 2025 correspondence is attached as **Exhibit D**.

18. BHDDH relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide the Community Mental Health Block Grant it had awarded to BHDDH. BHDDH relies on this funding to serve the uninsured and underinsured with behavioral health needs.

19. Further, these funds were used to support two BHDDH agency staff members whose positions will be eliminated if alternative funding is not identified.

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

ARPA Substance Abuse Prevention and Treatment Block Grant

21. The notice of award for the Substance Abuse Prevention and Treatment Block Grant was issued on May 17, 2021, setting forth the terms and conditions of the grant award. The grant period began on September 1, 2021 and was to be completed on September 30, 2025. The total amount for the Substance Abuse Prevention and Treatment Block Grant was \$6,150,916.

22. A true and correct copy of the notice of award is attached as **Exhibit E**.

23. As set out in its grant proposal, and in accordance with guidance, BHDDH intended to use the Substance Abuse Prevention and Treatment Block Grant to fund initiatives to prevent and treat substance use.² The Division of Behavioral Healthcare utilized these dollars to provide for unfunded service gaps in our system.

24. Since the issuance of this award, BHDDH has used the Substance Abuse Prevention and Treatment Block Grant in a manner consistent with SAMHSA's statements regarding the nature of the grant and BHDDH's grant application.

25. This grant has been used to provide services for underinsured and uninsured individuals who are at risk for or experience substance use disorder. This includes housing supports and transportation services for people formerly incarcerated, to help them access community services.

² Substance Abuse and Mental Health Services Administration, Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG), <https://www.samhsa.gov/grants/block-grants/subg> (Last Accessed April 7, 2025).

26. As of March 24, 2025, BHDDH had \$296,193.31 in remaining funds on the ARPA Substance Use Prevention and Treatment Grant.

27. These remaining funds were intended, in part, to fund rental assistance programs for individuals in treatment for co-occurring substance use and mental health disorders. Housing is a serious barrier to success in treatment for substance use disorder. The provision of \$150,000 in rental assistance would have supported the treatment, stability, and overall health of individuals. These rental assistance programs were soon to be implemented when BHDDH received the termination notice, and our community partners that were to receive funding for these programs had already hired staff and expensed other resources to stand up these programs.

28. BHDDH has no alternative funding available to support these rental assistance programs. Therefore, these programs will be terminated.

29. BHDDH has managed this grant in accordance with the rules and regulations set forth in the grant. All submission of data and information has been timely.

30. On March 24, 2025, without any prior notice or indication, SAMHSA informed BHDDH that the ARPA Substance Abuse Prevention and Treatment Block Grant was terminated, effective as of March 24, 2025. The notice was sent to an outdated contact who no longer works at BHDDH and was subsequently forwarded to current BHDDH staff on March 25, 2025.

31. A true and correct copy of the termination notice is attached as **Exhibit F**. A true and correct copy of the amended award notice reflecting the March 24, 2025 termination date is attached as **Exhibit G**.

32. The termination notice offered the following reason for the termination, "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.”

33. On March 28, 2025, BHDDH staff received an email stating, “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.” A true and correct copy of the March 28, 2025 correspondence is attached as **Exhibit H**.

34. BHDDH relied and acted upon its expectation and understanding that HHS would fulfill its commitment to provide the Substance Abuse Prevention and Treatment Block Grant it had awarded to BHDDH. BHDDH relies on this funding to serve uninsured and underinsured individuals who are at risk for or experience substance use disorder. Programs, such as those that would have provided rental assistance, have had their funding terminated.

35. Further, these funds were used to support two BHDDH agency staff members whose positions will be eliminated if alternative funding is not identified.

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

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 April 8, 2025, at Providence, Rhode Island.

Handwritten signature of Thomas G. Martin and the date 4/8/2025.

Thomas G. Martin
Director, Division of Behavioral Health
R.I. Department of Behavioral Healthcare,
Developmental Disabilities & Hospitals

EXHIBIT A

**Recipient Information****1. Recipient Name**DEPARTMENT OF BEHAVIORAL
HEALTHCARE DEVELOPMENTAL
DISABILITIES AND HOSPITALS**2. Congressional District of Recipient****3. Payment System Identifier (ID)****4. Employer Identification Number (EIN)****5. Data Universal Numbering System (DUNS)****6. Recipient's Unique Entity Identifier****7. Project Director or Principal Investigator****8. Authorized Official****Federal Award Information****11. Award Number**

1B09SM085342-01

12. Unique Federal Award Identification Number (FAIN)

B09SM085342

13. Statutory Authority

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025****20. Total Amount of Federal Funds Obligated by this Action** \$5,302,664

20 a. Direct Cost Amount \$5,302,664

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset****23. Total Amount of Federal Funds Obligated this budget period** \$5,302,664**24. Total Approved Cost Sharing or Matching, where applicable** \$0**25. Total Federal and Non-Federal Approved this Budget Period** \$5,302,664**26. Project Period Start Date 09/01/2021 – End Date 09/30/2025****27. Total Amount of the Federal Award including Approved Cost** \$5,302,664

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature**Federal Agency Information****9. Awarding Agency Contact Information****10. Program Official Contact Information****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



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

Issue Date: 05/17/2021

Center for Mental Health Services

Award Number: 1B09SM085342-01

FAIN: B09SM085342-01

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

DEPARTMENT OF BEHAVIORAL HEALTHCARE DEVELOPMENTAL
DISABILITIES AND HOSPITALS
14 HARRINGTON RD

CRANSTON, RI 02920

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 \$5,302,664 (see "Award Calculation" in Section I) to DEPARTMENT OF BEHAVIORAL HEALTHCARE DEVELOPMENTAL DISABILITIES AND HOSPITALS 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,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – 1B09SM085342-01

FEDERAL FUNDS APPROVED: \$5,302,664

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$5,302,664

CUMULATIVE AWARDS TO DATE: \$5,302,664

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958

EIN: 1056000522A

6

Document 21B1RICMH

Number: SC6

Fiscal Year: 2021

IC	CAN	01
SM	C96D540	\$5,302,664

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B09SM085342-01

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.

SECTION III – TERMS AND CONDITIONS – 1B09SM085342-01

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

[REDACTED]

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:

[REDACTED]



EXHIBIT B

From: [REDACTED]
Sent: Tuesday, March 25, 2025 9:14 AM
To: [REDACTED]; [REDACTED]
Subject: FW: B09SM085342: Termination Notice for COVID-19 Grant Funding
Importance: High

Good morning,

OFR sent the email below to a person previously listed as Rhode Island's SMHA Commissioner in eRA Commons.

While we do not have additional information to share at this time, please send me any questions you may have, and I will send them to our leadership.

Thank you,

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

From: [REDACTED]
Sent: Monday, March 24, 2025 5:50 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: B09SM085342: 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 and Mental Health Services Administration (SAMHSA) awarded several pandemic-related grants including the funded [Coronavirus Preparedness and Response Supplemental Appropriations Act \[congress.gov\]](#), 2020 (H.R.6074) (CRRSA) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan \[congress.gov\]](#) (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 \[congress.gov\]](#) 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 \(4\) \[ecfr.gov\]](#), 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: a27dce94-bfdf-43d2-b823-edae0731ce44]] -- Do not delete or change this line. -- Please "Reply All" and do NOT delete [REDACTED] from the list of recipients or change the subject line.

EXHIBIT C



Recipient Information

1. Recipient Name

RI DEPT. OF BEHAVIORAL HEALTHCARE
DEVEL

2. Congressional District of Recipient

3. Payment System Identifier (ID)

4. Employer Identification Number (EIN)

5. Data Universal Numbering System (DUNS)

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

8. Authorized Official

Federal Agency Information

9. Awarding Agency Contact Information

10. Program Official Contact Information

Federal Award Information

11. Award Number

6B09SM085342-01M001

12. Unique Federal Award Identification Number (FAIN)

B09SM085342

13. Statutory Authority

Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

20 a. Direct Cost Amount

20 b. Indirect Cost Amount

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

24. Total Approved Cost Sharing or Matching, where applicable

25. Total Federal and Non-Federal Approved this Budget Period

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

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: 03/28/2025

Center for Mental Health Services

Award Number: 6B09SM085342-01M001

FAIN: B09SM085342-01

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

[REDACTED]

[REDACTED]

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 RI DEPT. OF BEHAVIORAL HEALTHCARE DEVEL 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,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – 6B09SM085342-01M001

FEDERAL FUNDS APPROVED: \$5,302,664

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$0

CUMULATIVE AWARDS TO DATE: \$5,302,664

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958

EIN: 1056000522A6

Document Number: 21B1RICMHSC6

Fiscal Year: 2021

IC	CAN	01
SM	C96D540	\$0

PCC: CMHS / **OC:** 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 6B09SM085342-01M001

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:

[REDACTED]

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:

[REDACTED]

SECTION III – TERMS AND CONDITIONS – 6B09SM085342-01M001**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 [REDACTED]

and [REDACTED]. 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: [REDACTED]. 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



1995 / Notices

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.

[REDACTED]
[REDACTED]
Dated: March 2, 1995. [REDACTED]

[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:

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.

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

1995 / Notices

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. [REDACTED]

[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 [REDACTED]

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: [REDACTED]

FOR FURTHER INFORMATION CONTACT: [REDACTED]

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.

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	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:

[Redacted]

[Redacted]

EXHIBIT D

From: [REDACTED]
Sent: Friday, March 28, 2025 1:06 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: B09SM085342: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

This Message Is From an External Sender

This message came from outside your organization.

Report Suspicious

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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 \[congress.gov\]](#) (CRRSA) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan \[congress.gov\]](#) (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 \[uscode.house.gov\]](#) 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.

In accordance with [45 CFR 96.30 \(4\) \[ecfr.gov\]](#), 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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: [REDACTED]. 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

[[Correspondence Token: bf13f839-1259-4e8e-9da5-f273635484f2]] -- Do not delete or change this line. --
Please "Reply All" and do NOT delete [REDACTED] from the list of recipients or change the
subject line.

EXHIBIT E

Department of Health and Human Services
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse TreatmentNot a Federal Award
FAIN# B08TI083965
Federal Award Date
05/17/2021

Recipient Information

1. Recipient Name

DEPARTMENT OF BEHAVIORAL
HEALTHCARE DEVELOPMENTAL
DISABILITIES AND HOSPITALS

2. Congressional District of Recipient

3. Payment System Identifier (ID)

4. Employer Identification Number (EIN)

5. Data Universal Numbering System (DUNS)

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

8. Authorized Official

Federal Agency Information

9. Awarding Agency Contact Information

10. Program Official Contact Information

Federal Award Information

11. Award Number

1B08TI083965-01

12. Unique Federal Award Identification Number (FAIN)

B08TI083965

13. Statutory Authority

Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025

20. Total Amount of Federal Funds Obligated by this Action \$6,150,916

20 a. Direct Cost Amount \$6,150,916

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$6,150,916

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$6,150,916

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$6,150,916

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

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



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

Issue Date: 05/17/2021

Center for Substance Abuse Treatment

Award Number: 1B08TI083965-01

FAIN: B08TI083965-01

Contact Person: [REDACTED]

Program: Substance Abuse Prevention & Treatment Block Grant

DEPARTMENT OF BEHAVIORAL HEALTHCARE DEVELOPMENTAL
DISABILITIES AND HOSPITALS

[REDACTED]

[REDACTED]

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 \$6,150,916 (see "Award Calculation" in Section I) to DEPARTMENT OF BEHAVIORAL HEALTHCARE DEVELOPMENTAL DISABILITIES AND HOSPITALS 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,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – 1B08TI083965-01

FEDERAL FUNDS APPROVED: \$6,150,916

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$6,150,916

CUMULATIVE AWARDS TO DATE: \$6,150,916

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1056000522G

Document Number: 21B1RISAPT C6

Fiscal Year: 2021

IC	CAN	01
TI	C96D570	\$6,150,916

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI083965-01

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 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:

SECTION III – TERMS AND CONDITIONS – 1B08TI083965-01

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, [REDACTED]

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:

[REDACTED]
[REDACTED]
[REDACTED]

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

[REDACTED]

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:

[REDACTED]

[REDACTED]

EXHIBIT F

From: [REDACTED]
To: [REDACTED]
Cc: [REDACTED]
Subject: B08TI083965: Termination Notice for COVID-19 Grant Funding
Date: Monday, March 24, 2025 5:39:32 PM

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: a4e66397-297a-427d-8106-6e41feb06145]] -- Do not delete or change this line. --

Please "Reply All" and do NOT delete [REDACTED] from the list of recipients or change the subject line.

EXHIBIT G



Recipient Information

1. Recipient Name

RI DEPT. OF BEHAVIORAL HEALTHCARE
DEVEL

2. Congressional District of Recipient

3. Payment System Identifier (ID)

4. Employer Identification Number (EIN)

5. Data Universal Numbering System (DUNS)

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

8. Authorized Official

Federal Agency Information

9. Awarding Agency Contact Information

10. Program Official Contact Information

Federal Award Information

11. Award Number

6B08TI083965-01M001

12. Unique Federal Award Identification Number (FAIN)

B08TI083965

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 09/01/2021 – End Date 03/24/2025

20. Total Amount of Federal Funds Obligated by this Action

20 a. Direct Cost Amount

20 b. Indirect Cost Amount

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

24. Total Approved Cost Sharing or Matching, where applicable

25. Total Federal and Non-Federal Approved this Budget Period

26. Project Period Start Date 09/01/2021 – End Date 03/24/2025

27. Total Amount of the Federal Award including Approved Cost

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

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.



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

Notice of Award

Issue Date: 03/28/2025

Center for Substance Abuse Treatment

Award Number: 6B08TI083965-01M001

FAIN: B08TI083965-01

Contact Person: [REDACTED]

Program: Substance Abuse Prevention & Treatment Block Grant

RI DEPT. OF BEHAVIORAL HEALTHCARE DEVEL

[REDACTED]

[REDACTED]

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 RI DEPT. OF BEHAVIORAL HEALTHCARE DEVEL 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,

[REDACTED]

SECTION I – AWARD DATA – 6B08TI083965-01M001

FEDERAL FUNDS APPROVED: \$6,150,916

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$0

CUMULATIVE AWARDS TO DATE: \$6,150,916

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959

EIN: 1056000522G2

Document Number: 21B1RISAPTC6

Fiscal Year: 2021

IC	CAN	01
TI	C96D570	\$0

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 6B08TI083965-01M001

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:

[REDACTED]

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:

[REDACTED]

SECTION III – TERMS AND CONDITIONS – 6B08TI083965-01M001

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 [REDACTED]

and [REDACTED]. 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: [REDACTED]. 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



1995 / Notices

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.

[REDACTED]

Dated: March 2, 1995.

[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:

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.

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

1995 / Notices

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. [REDACTED]

[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 [REDACTED]

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: [REDACTED]

FOR FURTHER INFORMATION CONTACT: [REDACTED]

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.

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:

[REDACTED]

[REDACTED]

EXHIBIT H

From: [REDACTED]
Sent: Friday, March 28, 2025 12:51 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: B08TI083965: Block Grant Termination Notice for COVID-19 Awards (CRRSA and ARP)

This Message Is From an External Sender

This message came from outside your organization.

Report Suspicious

Dear Single State Authority Director and State Mental Health Commissioner,

You received notification on March 24, 2025, that your award was being terminated. This notice replaces and supersedes the previous notice.

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 \[congress.gov\]](#) (CRRSA) which provided funds to respond to the coronavirus outbreak and the [American Rescue Plan \[congress.gov\]](#) (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 \[uscode.house.gov\]](#) 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.

In accordance with [45 CFR 96.30 \(4\) \[ecfr.gov\]](#), 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.

Opportunity for Hearing:

Per the enclosed hearing procedures, 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 to: [REDACTED] 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

[[Correspondence Token: 8fb8d4c2-2e27-4b5a-95d2-f177fe7be4c8]] -- Do not delete or change this line. --
Please "Reply All" and do NOT delete [REDACTED] from the list of recipients or change the
subject line.