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HEALTHY START INITIATIVE

State Project/Program: HEALTHY START BABY LOVE PLUS COMMUNITIES

U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Federal Authorization: PHS Title III, Section 301, 42USC241 P.L. 104-208
SSA Title V, Section 502 (A) 42 USC702 P.L. 107 - 116

State Authorization: N/A

**N. C. Department of Health and Human Services
Division of Public Health**

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N. C. DHHS Confirmation Reports:

SFY 2019 audit confirmation reports for payments made to Counties, Local Management Entities (LMEs), Managed Care Organizations (MCOs), Boards of Education, Councils of Government, District Health Departments and DHHS Grant Subrecipients will be available by mid-October at the following web address: <http://www.ncdhhs.gov/about/administrative-offices/office-controller/audit-confirmation-reports>. At this site, click on the link entitled “Audit Confirmation Reports (State Fiscal Year 2018-2019).” Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except select “[Non-Governmental Audit Confirmation Reports \(State Fiscal Years 2017-2019\).](#)”

The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the Supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

I. PROGRAM OBJECTIVES

The purpose of the North Carolina Baby Love Plus Program (NC BLP) is to improve birth outcomes and the health of women of childbearing age through strengthening the perinatal systems of care, building family resilience, promoting quality services, and increasing community capacity to address perinatal disparity. North Carolina’s Pregnancy Care Management program will provide case management services to pregnant participants as an in-kind contribution to the NC BLP program. Pregnancy Care Management participants with at least one risk factor will be referred to the NC BLP program for interconception care coordination.

This complement of services will give each pregnant woman with medical and psychosocial risk factors the opportunity to have a Pregnancy Medical Home and/or a Pregnancy Care Manager (OBCM) to

assist with coordination of her care. A Family Outreach Worker (FOW) will conduct outreach and educate women and men about preconception health, health promotion and related issues. This same individual will carry out efforts to support program participant retention in NC Baby Love Plus services as well as the perinatal health system of care. The FOW will also conduct health promotion and support group sessions using evidence based curriculum and a tool kit. For women who decline the opportunity for care management services during pregnancy, following delivery and prior to the close of the 60-day postpartum period, a screening is completed, and if appropriate, a referral is made to a Family Care Coordinator who provides case management services to her during the two-year interconceptional period. Case management and group education and support sessions will be offered to fathers/male partners of NC BLP program participants with a focus on self-sufficiency. Additional information is located in the Project Abstract found at program sites and the State program office.

II. PROGRAM PROCEDURES

The Health Resources and Services Administration (HRSA)/Maternal and Child Health Bureau (MCHB) Healthy Start program aims to reduce disparities in infant mortality and adverse perinatal outcomes by:

- 1) improving women's health
- 2) promoting quality services,
- 3) strengthening family resilience,
- 4) achieving collective impact, and
- 5) increasing accountability through quality improvement, performance monitoring, and evaluation

Healthy Start (HS) grants are awarded through a competitive application process every 5 years and upon receipt by the NC Department of Health and Human Services/Division of Public Health (DPH) are distributed through Request for Applications (RFA) process to communities with rates of infant mortality at least 1½ times the U.S. national average and high rates for other adverse perinatal outcomes (e.g., low birth weight, preterm birth, maternal morbidity and mortality) in order to address the needs of high-risk women and their families before, during, and after pregnancy. Applications are evaluated by a team of reviewers and selection is based on highest ranking scores. Contracts between DPH and successful applicants are generated detailing funding amount, scope of work, and performance expectation. Programmatic and financial reports are submitted monthly by contractors and site visits are performed at least once annually for monitoring of program benchmarks and adherence to contract guidelines. Renewed annual funding is based on successful progress toward meeting grant deliverables associated with improving adverse perinatal outcomes. Overall, Healthy Start seeks to improve health outcomes and reduce racial and ethnic disparities in perinatal health by using community-based approaches to service delivery, and to increase access to comprehensive health and social services for women, infants and their families. Healthy Start services begin in the prenatal period and follow the woman and child through two years after the end of the pregnancy.

Currently, NC BLP is operational in 6 counties serving 2 regions, Eastern NC and the Triad. While each of the programs is tailored to serve a specific region, they collectively serve pregnant and parenting families through: Outreach primarily to women of childbearing age to increase their access to and knowledge of available services; Health Education and Training for women of childbearing age and fathers/male partners to increase knowledge and impact behavior change; Interconceptional Care Coordination to enhance efforts to better match a pregnant family's needs with the services provided; Interconceptional Care Coordination/Case Management to focus on women's health promotion; Local Action Networks, to increase community and agency coordination and collaboration to build programs that reflect the needs and values of the community; and participation in the Community Action

Network, a statewide collaboration of interdisciplinary professionals and community members working together to develop the strategies necessary to attack the causes of infant mortality and improve overall family health. Additional information is contained in the Project Abstract found at the program sites and the state program office.

Since 1997, the Women's and Children's Health Section-Women's Health Branch (WCHS/WHB) has been the home of three federally funded Healthy Start programs - NC Eastern Baby Love Plus (1997), Northeastern Baby Love Plus (1999), and Triad Baby Love Plus (1999) which served 14 counties. The purpose of this program was to improve perinatal health outcomes and reduce racial and ethnic disparities by using innovative, community and evidence based approaches to service delivery. These efforts facilitated access to comprehensive health and social services for women, infants, and their families. In September 2014, the Women's Health Branch received funding for a four year and nine-month period (September 2014 – May 2019) for a restructured NC Baby Love Plus program that will serve the six counties of Edgecombe, Forsyth, Guilford, Halifax, Nash and Pitt.

Pregnancy Care Management services are designed to assess a medically high risk pregnant mother's needs, design an individualized care plan and refer her to clinical, mental and behavioral health, nutritional counseling and other services available locally. Interconceptional Care Coordination/Case Management services focus on the reduction of psychosocial, medical and environmental factors that impact the health and well-being of women for two years after delivery. Examples of factors addressed include previous poor birth outcome, history of perinatal depression, chronic conditions including obesity, substance use during pregnancy, and intimate partner violence. The NC BLP program will also provide case management and group education and support sessions on a variety of health and wellness and parenting topics using evidence based curriculum and a tool kit to fathers/male partners of NC BLP program participants. Statewide and Local Action Networks are formed to increase community and agency coordination and collaboration to build programs that reflect the needs and values of the community; and a Community Planning Process in the belief that communities themselves can best develop the strategies necessary to attack the causes of infant mortality. Additional information is contained in the Project Abstract found at the program sites and the State program office. The NC Baby Love Plus Program is administered by the Perinatal Health Unit, Women's Health Branch.

III. COMPLIANCE REQUIREMENTS

A. ACTIVITIES ALLOWED OR UNALLOWED

Contractors, which include local health departments and private, non-profit organizations, are to complete activities as noted on their contract addenda/scope of work. Each scope of work is different based upon the needs of the specific area served. See individual contract scopes of work for more information.

B. ALLOWABLE COSTS/COST PRINCIPLES

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the cost principles described in the N. C. Administrative Code at 09 NCAC 03M .0201.

C. CASH MANAGEMENT

This is a requirement in the Title 2 Code of Federal Regulations, Chapter I, Chapter II, Part 200 federal supplement. However, the State retains responsibility for this requirement and thus chooses not to pass it along to any of its subrecipients.

E. ELIGIBILITY

Per the federal Healthy Start grant application, the restructured NC Baby Love Plus program will serve families (with specific emphasis on African American and American Indian women of child bearing age) in these six counties: Edgecombe, Forsyth, Guilford, Halifax, Nash and Pitt. This includes women of childbearing age (mainly 15-44 years), children under age 2, fathers/male partners and their families.

Healthy Start Baby Love Plus agencies shall impose no charges on clients for services.

F. EQUIPMENT AND REAL PROPERTY MANAGEMENT

Equipment must be accounted for in accordance with the North Carolina Department of State Treasurer Policies Manual, Chapter 20, Fixed Assets Policy.

Title to equipment costing in excess of \$2,500.00 acquired by the Contractor with funds from this contract shall vest in the contractor, subject to the following conditions:

1. The Contractor shall use the equipment in the project or program for which it was acquired as long as needed. When equipment is no longer needed for the original project or program or if operations are discontinued, the Contractor shall contact the Department of Health and Human Services, Division of Public Health, for written instructions regarding disposition of equipment.
2. When acquiring replacement equipment, the Contractor may use the equipment to be replaced as trade-in against replacement equipment or may sell said equipment and use the proceeds to offset the costs of replacement equipment subject to written approval of the Division of Public Health.
3. For equipment costing in excess of \$2,500.00, equipment controls and procedures shall include at a minimum the following:
 - a) Detailed equipment records shall be maintained which accurately include the:
 - i. Description and location of the equipment, serial number, acquisition date/cost, useful life and depreciation rate;
 - ii. Source/percentage of funding for purchase and restrictions as to use or disposition
 - iii. Disposition data, which includes date of disposal and sales price or method used to determine fair market value.
 - b) Equipment shall be assigned a control number in the accounting records and shall be tagged individually with a permanent identification number.
 - c) Biennially, a physical inventory of equipment shall be taken and results compared to accounting and fixed asset records. Any discrepancy shall immediately be brought to the attention of management and the governing board.
 - d) A control system shall be in place to ensure adequate safeguards to prevent loss, damage, or theft of equipment and shall provide for full documentation and investigation of any loss or theft.
 - e) Adequate maintenance procedures shall be implemented to ensure that equipment is maintained in good condition.
 - f) Procedures shall be implemented which ensure that adequate insurance coverage is maintained on all equipment. A review of coverage amounts shall be conducted on a periodic basis, preferably at least annually.
4. The Contractor shall ensure all subcontractors are notified of their responsibility to comply with the equipment conditions specified in this section.

5. Prior written approval from Department must be obtained before purchasing equipment valued over \$2,500.00. Institutions of higher education, hospitals and other non-profit organizations shall use procurement procedures that conform to applicable federal law and regulations and standards identified in Title 2 Code of Federal Regulations, Chapter I, Chapter II, Part 200. All non-federal entities shall follow federal laws and implementing regulations applicable to procurements, as noted in Title 2 Code of Federal Regulations, Chapter I, Chapter II, Part 200.

H. PERIOD OF PERFORMANCE

This is a requirement in the Title 2 Code of Federal Regulations, Chapter I, Chapter II, Part 200 federal supplement. However, the State retains responsibility for this requirement and thus chooses not to pass it along to any of its subrecipients.

I. PROCUREMENT AND SUSPENSION AND DEBARMENT

All grantees that expend federal funds (received either directly from a federal agency or passed through the N. C. Department of Health and Human Services) are required to conform with federal agency codifications of the grants management common rule accessible on the Internet at https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl.

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the procurement standards described in the North Carolina General Statutes and the North Carolina Administrative Code, which are identified in the State of North Carolina Agency Purchasing Manual accessible on the Internet at [http://www.pandc.nc.gov/documents/Procurement_Manual_5\)8\)2013_interactive.pdf](http://www.pandc.nc.gov/documents/Procurement_Manual_5)8)2013_interactive.pdf).

Nongovernmental subrecipients shall maintain written Procurement policies that are followed in procuring the goods and services required to administer the program.

J. PROGRAM INCOME

Revenue generated must be used within the program.

L. REPORTING

Financial Reporting

Monthly expenditure reports (DHHS 2481) are required to be completed for payment. The Contractor shall submit to the Division a monthly reimbursement request and, upon approval by the Division, receive payment within 30 days. The original expenditure report, DHHS 2481, shall be submitted to the Division Contract Administrator. The Contractor shall have up to thirty (30) days from last day of contract for close out, completion and submission of the final monthly expenditure report related to this contract period. If this contract is terminated, the Contractor is required to complete a final accounting report and to return any unearned funds to the Division within 60 days of the contract termination date. In addition, local health departments are required to submit quarterly expenditure reports to the program. All payments are contingent upon fund availability.

Performance Reporting

Local health departments and community-based contractors submit program participant information (forms sent via password protected email attachments) to the NC Baby Love Plus Program once a month for entry into the NC BLP database. In addition, all entities who receive NC Baby Love Plus funds are required to submit biannual program reports and participant records are viewed during an onsite monitoring visit at least once a year.

M. SUBRECIPIENT MONITORING

Local health departments and other entities frequently contract with other agencies to provide allowable services. Unless services are obtained on other than fee for service contracts, the auditor does not need to audit for this requirement. (Reference Section C(1)(c and d) of the Consolidated Agreement between the local health department and the Division of Public Health).

N. SPECIAL TESTS AND PROVISIONS

Conflict of Interest and Certification Regarding No Overdue Tax Debts

All non-State entities (except those entities subject to the audit and other reporting requirements of the Local Government Commission) that receive, use or expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are subject to the financial reporting requirements of G. S. 143C-6-23 for fiscal years beginning on or after July 1, 2007. These requirements include the submission of a Notarized Conflict of Interest Policy (see G. S. 143C-6-23(b)) and a written statement (if applicable) completed by the grantee's board of directors or other governing body that the entity does not have any overdue tax debts as defined by G. S. 105-243.1 at the federal, State or local level (see G. S. 143C-6-23(c)). All non-State entities that provide State funding to a non-State entity (except any non-State entity subject to the audit and other reporting requirements of the Local Government Commission) must hold the sub grantee accountable for the legal and appropriate expenditure of those State grant funds.

Audit Objective – Determine whether the grantee has adopted and has on file, a conflict of interest policy, before receiving and disbursing State funds.

Suggested Audit Procedures:

1. Ascertain that the grantee has a conflict of interest policy.
2. Check the policy and verify through board minutes that the policy was adopted before the grantee received and disbursed State funds.