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.

GENERAL INTRODUCTION

The American Recovery and Reinvestment Act of 2009 (Recovery Act), signed into law February 17, 2009, is designed to stimulate economic recovery in various ways, including to strengthen the Nation’s healthcare infrastructure and to reduce healthcare costs through prevention activities. The Recovery Act includes $650 million for evidence-based clinical and community-based prevention and wellness strategies that deliver specific, measurable health outcomes. Of the $650 million appropriated for this initiative (Communities Putting Prevention to Work), $27 million is being used to provide grant support to States and territories to deploy evidence-based chronic disease self-management programs targeted at
older adults with chronic conditions – ARRA-CDSMP. Forty five states and territories were awarded funding, with North Carolina receiving the 4th highest funding amount, just over $1 million over the 2-year funding period.

The North Carolina Division of Aging and Adult Services (DAAS) and the Division of Public Health (DPH) have been working together to expand systems to support the successful implementation and maintenance of Stanford University’s Chronic Disease Self-Management Program (CDSMP) and Diabetes Self-Management Program (DSMP). The Federal ARRA-CDSMP funding is allowing the two divisions, in partnership with the 17 Area Agencies on Aging (AAA), to take CDSMP to scale, making it accessible to seniors throughout the state, and to expand the DSMP to ten AAA regions, where over 50% of the State’s older adults reside.

Our objectives are to: (1) train a total of 3,700 participants in CDSMP and/or DSMP (a minimum of 3,000 will be considered “completers”), and target low-income, minority, and/or rural older adults; (2) work with at least three diverse implementation settings in each of the seventeen AAA regions to deliver the programs; (3) assure that all sites will deliver the program components as intended – taking steps to ensure fidelity and quality; (4) track our processes at the state and regional levels; (5) expand our statewide infrastructure, utilizing AAAs as hubs of regional activities supporting ongoing sustainability and quality assurance; and (6) establish regional committees of diverse and dedicated stakeholders to help shape and support the program implementation.

North Carolina’s experience and commitment to evidence-based programs, particularly CDSMP and DSMP, is evident in the success we have enjoyed. Between October 2007 and April 2011, over 3,000 people have taken part in these programs.

I. PROGRAM OBJECTIVE

To mobilize a statewide campaign to implement and sustain Stanford University’s Chronic Disease Self-Management Program (CDSMP), referred to in North Carolina as the Living Healthy Program, in order to reduce the risk of disease and disability among seniors in North Carolina.

II. PROGRAM PROCEDURES

The Living Healthy (Chronic Disease Self-Management) Program is being implemented through partnerships with 7 Area Agencies on Aging (AAAs). Working with a number of diverse partners in their counties (e.g. County Health Departments, Senior Centers, Hospitals), the AAAs organize multiple Living Healthy workshops which help participants gain better control of their health and manage their chronic conditions in various settings. The workshops target those 60 and older, but are open to family members and caregivers of older adults as well.

All sites will deliver the program components as prescribed by the Living Healthy Program protocols. Living Healthy Program fidelity monitoring protocols have been established and tools finalized for program dissemination. Regional and statewide recordkeeping systems of fidelity monitoring were put in place. Master Trainers and Lay Leaders will be trained in fidelity monitoring protocols and tools.
Living Healthy Program fidelity monitoring protocols and tools are implemented in participating in regions. State and regional partners conduct monthly conference calls to monitor training and program implementation and address any barriers.

III. COMPLIANCE REQUIREMENTS

NOTE: In developing audit procedures for testing the compliance requirements for aging grants, auditors should review the matrix to identify which of the 14 types of compliance requirements (Part 3 of the A-133 Compliance Supplement) are applicable. In addition to the general requirements reflected on the matrix, the following compliance requirements also apply.

A. ACTIVITIES ALLOWED OR UNALLOWED

Participants of the Living Healthy (Chronic Disease Self-Management Program) will participate in workshops offered in community settings such as senior centers, churches, libraries, hospitals, etc. and will receive education to help reduce their risk of disease, injury, and disability.

Subjects covered include:

1. Techniques to deal with problems such as frustration, fatigue, pain and isolation;
2. Appropriate exercise for maintaining and improving strength, flexibility, and endurance;
3. Appropriate use of medications;
4. Communicating effectively with family, friends, and health professionals;
5. Nutrition; and
6. How to evaluate new treatments.

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.

E. ELIGIBILITY

• No age limitation applies to the workshop participants.
• Participants in the program must be from North Carolina.

G. MATCHING, LEVEL OF EFFORT, EARMARKING

No state funding match is required.

H. PERIOD OF AVAILABILITY OF FEDERAL FUNDS

Funding is for the duration of the ARRA CDSMP grant: April 1, 2010 – March 31, 2012.

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 [http://www.whitehouse.gov/omb/grants/chart.aspx](http://www.whitehouse.gov/omb/grants/chart.aspx).

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.doa.state.nc.us/PandC/agpurman.htm#P6_65](http://www.doa.state.nc.us/PandC/agpurman.htm#P6_65).

L. REPORTING

Grantees are required to submit a Request for Reimbursement to the Division of Aging and Adult Services monthly to receive reimbursement. Expenditures are report based on an approved line-item budget for the program.