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**CANCER PREVENTION AND CONTROL PROGRAMS FOR
STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS**

State Project/Program: NC BREAST AND CERVICAL CANCER CONTROL PROGRAM

**U. S. Department of Health and Human Services
Centers for Disease Control and Prevention**

Federal Authorization: Sections 1501, 1502 & 1507 of the Public Health Service Act

State Authorization: Senate Bill 305 House DRH70086-LN-39A

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

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SFY 2021 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 DHSR Grant Subrecipients will be available by mid-October at the following web address: <https://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 2019-2021)”. Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except “[Non-Governmental Audit Confirmation Reports \(State Fiscal Years 2020-2022\)](#)”.

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.

Auditors may request documentation of monitoring visits by the State Agencies.

This compliance supplement must be used in conjunction with the OMB 2021 Compliance Supplement which will be issued in the summer. This includes “Part 3 - Compliance

Requirements,” for the types that apply, “Part 6 - Internal Control,” and “Part 4 - Agency Program” requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

I. PROGRAM OBJECTIVES

In the United States, breast cancer is the second most commonly diagnosed cancer in women. It is the leading cause of cancer death in Hispanic women and the second most common cause of cancer death among white, black, and Asian/Pacific Islander and American Indian/Alaska Native women. Between 2012 and 2016, the U.S. incidence of breast cancer was 127.5 per 100,000 women and the mortality was 20.6 per 100,000 women. In 2019, an estimated 268,600 new cases of invasive breast cancer are expected to be diagnosed among U.S. women, as well as an estimated 62,930 additional cases of in situ breast cancer. In 2019, approximately 41,760 U.S. women are expected to die from breast cancer. Only lung cancer accounts for more cancer deaths (American Cancer Society Cancer Facts and Figures, 2019). In North Carolina, an estimated 8,967 new female breast cancer cases will be diagnosed in 2019, resulting in 1,467 deaths.

Cervical cancer, once the leading cause of death for women in the U.S., has significantly decreased in incidence and mortality since the Pap Test was introduced in 1948. Between 2012 and 2016, the incidence of cervical cancer was 7.3 per 100,000 women and the mortality was 2.3 per 100,000 women in the U.S. While cervical cancer incidence and mortality continue to decrease, both are considerably higher among Hispanic and non-Hispanic Black women. In 2019, an estimated 13,1700 new cases are expected to be diagnosed, with an estimated 4,250 women were expected to die from cervical cancer (American Cancer Society Cancer Facts and Figures 2019). In North Carolina, an estimated 409 cervical cancer cases will be diagnosed in 2019, resulting in 128 deaths.

The most recent available data (SAHIE 2016) shows 135,742 women eligible for breast cancer screening and diagnostic follow-up and 300,966 women eligible for cervical cancer screening and diagnostic follow-up in North Carolina.

The North Carolina Breast and Cervical Cancer Control Program (NC BCCCP) began in North Carolina in 1992 and continues to provide services to underserved North Carolina women. Funding is received through a competitive grant from the Centers for Disease Control and Prevention (CDC). This program was the first chronic disease screening program funded in the United States.

The NC BCCCP is a screening program and does not provide funds for treatment. However, women enrolled in NC BCCCP and provided with at least one screening and/or diagnostic service prior to diagnosis may be eligible to receive Breast and Cervical Cancer Medicaid (BCCM) to cover acute treatment services for breast and cervical cancers and eligible precancerous breast and cervical findings and for reconstruction surgeries.

This program will promote effective screening strategies, for breast and cervical cancer, in an effort to reduce incidence and mortality rates in North Carolina. The program will place special emphasis on reaching low income, uninsured, underinsured and minority women. NC BCCCP seeks to (1) increase breast and cervical cancer screening and follow-up; (2) improve knowledge, attitudes, and practices of breast and cervical cancer; (3) improve breast and cervical cancer clinical detection practices and procedures; and (4) monitor the determinants of breast and cervical cancer incidence and mortality.

II. PROGRAM PROCEDURES

Funding for the NC BCCCP is through the U. S. Health and Human Services, Centers for Disease Control and Prevention, Funding Opportunity Number CDC-RFA-DP17-1701, Award # NU58 DP006281 and State Appropriations through Senate Bill 305, House DRH70086-LN-39A. The project title is Cancer Prevention and Control Program for State, Territorial & Tribal Organizations. Recipients of funding can include Local Health Departments (LHD), community care networks, hospitals, and community health centers. The project period runs for five years, from June 30, 2017 to June 29, 2022. This grant encompasses three separate programs, the National Comprehensive Cancer Control Program, the National Breast and Cervical Cancer Early Detection Program, and the National Program of Cancer Registries. NC BCCCP has a match requirement of one dollar for every three dollars spent in federal funds. Sub recipients have no cost sharing or matching requirements under the programs. NC BCCCP is charged with implementing activities to positively impact the population of the project region by (1) providing overall and preventive cancer education; (2) identifying and sharing cancer resources and/or assistance information; (3) fortifying persons and associates to better handle a cancer diagnosis when it occurs; and (4) providing cancer screenings for low-income, uninsured, and uninsured.

The priority population for federally-funded NC BCCCP mammography services is women between the ages of 50 and 64 who are low-income (below 250% of federal poverty level), who have not been screened in the past year. The priority population for State-funded NC BCCCP mammography services is women between the ages of 40 and 64 who are low-income (below 250% of federal poverty level), who have not been screened in the past year. The priority population for federally-funded NC BCCCP cervical cancer screening services is women between the ages of 40 and 64 who are low-income (below 250% of federal poverty level), who have never been screened or not been screened in the past five years. The priority population for state-funded NC BCCCP cervical cancer screening services is women between the ages of 21 and 64 who are low-income (below 250% of federal poverty level), who have never been screened or not been screened in the past five years. Another priority population is women of ethnic minorities, and women who are uninsured or underinsured. CDC mandates special emphasis is placed on recruiting minorities due to significantly higher incidence and mortality rates from breast and cervical cancer in comparison to the Caucasian population in NC. Ultimately, this will result in decreasing cancer rates and mortality among the focus population.

III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency, noted as “Y,” on the “Matrix of Compliance Requirements” located in Part 2 of the OMB 2021 Compliance Supplement; however, the State Agency may have added the Type and this is noted by “Y.” If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by “N.”

If the Matrix indicates “Y,” the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2021 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the “Matrix” in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	Y	Y	N	Y	Y	N	Y	Y	Y

A. Activities Allowed or Unallowed

CDC funds must be used for:

- Staff salaries, wages and fringe benefits
- Provision of direct health care services
- Educational and promotional materials
- Education of community leaders, health care professionals and decision makers
- Convening interested groups
- Participant incentives
- Program related telephone and mailing costs
- Printing
- Office supplies
- Travel in State

CDC funds cannot be used for:

- Capital expenditures
- To supplant funds from federal or State sources
- To support or engage in any effort to participate in political activities or lobbying
- Payment of non-program related debts, fines or penalties
- Contributions to a contingency fund
- Membership fees
- Interest or other financial payments
- Travel and meals in excess of the health department or current North Carolina State rates
- Any expenditure that may create a conflict of interest or a perception of impropriety

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. Basic Considerations, Indirect Costs, Direct Costs, Allowable Costs, and Unallowable Costs may be found in the 2 CFR Part 200.

E. Eligibility

Women 21-75 years of age with gross incomes that are $\leq 250\%$ of the federal poverty level, according to the Federal Poverty Guidelines, and who are uninsured or underinsured, may be eligible for breast and cervical services, subject to the limitations and exceptions listed below.

- a. Women enrolled in Medicare (Part B) and/or Medicaid programs are not eligible for program-funded services.
- b. Women receiving Family Planning (Title X) services are not eligible for NC BCCCP-funded services that are available through Title X funding.

Eligible women ages 21-39 with an undiagnosed breast or cervical abnormality may receive NC BCCCP funded diagnostic services if no other source of healthcare reimbursement is available.

Breast Services: At least 75% of all initial mammograms provided through BCCCP using federal funds must be for women ages 50-64; no more than 25% may be provided for symptomatic women under the age of 50.

- a. **Symptomatic women under the age of 50:** NC BCCCP funds can be used to reimburse for Clinical Breast Exams (CBE) for symptomatic women under the age of 50. If the findings of the CBE are considered to be abnormal, including a discrete mass, nipple discharge, and skin or nipple changes, a woman can be provided a diagnostic mammogram or referred to a surgical consult.
- b. **Screening women ages 40 to 49:** NC BCCCP funds may be used to provide a clinical breast exam. If the CBE is abnormal, follow-up may be provided but certain restrictions apply. If the CBE is normal, the woman is not eligible for a screening mammogram through NC BCCCP using federal funds until she is age 50. Programs receiving NC BCCCP State funds may use those funds to provide screening mammograms for women age 40-49 and 65-75.
- c. **Asymptomatic women under the age of 40:** NC BCCCP funds can be used to screen asymptomatic women under the age of 40, if they are considered to be at

high risk (e.g., women who have a personal history of breast cancer or first degree relative with pre-menopausal breast cancer) for breast cancer.

Cervical Services: At least 20% of all enrolled women screened for cervical cancer will meet the definition of never screened (greater than 10 years).

F. Equipment and Real Property Management

Prior approval is required from the program for any equipment, computer purchases, and disposition of the equipment in accordance with state laws and procedures.

H. Period of Performance

Funds are available from June 30, 2019 through June 29, 2020.

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 to federal agency codifications of the grants management common rule accessible on the Internet 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 North Carolina Procurement 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).

Non-federal entities are prohibited from contracting with or making sub awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

L. Reporting

LHDs request monthly reimbursements through NC's Aid-to-County Database system. Contractors must submit monthly Contract Expenditure Reports (CER) for reimbursement. Both LHDs and Contractors must adhere to stipulations specified within their contractual agreements. Federal mandates must be followed along with performance measures and scope of work agreed upon by both the entity and State of NC.

M. Subrecipient Monitoring

Sub recipient monitoring is conducted throughout the year to assess programmatic risk for LHDs and Contractors receiving federal BCCCP funding. The Office of Local Health Services is responsible for assessing fiscal risk status for LHDs. Monitoring reports are sent to the LHDs and kept on file by the program. This is a requirement in 2 CFR Part 200. Providers who choose to contract services are obligated to ensure these entities adhere to the guidance and mandates specified in their contractual agreements.

N. Special Tests and Provisions

CONFLICT OF INTEREST AND CERTIFICATION REGARDING NO OVERDUE TAXES

Compliance Requirement – 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) 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.