

General CDC Guidance for Use of Federal Funds to Provide Incentives to Support COVID-19 Response

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Background

Recognizing that the use of incentives can sometimes be a useful tool to start, expedite, or complete approved activities, CDC supports, in certain circumstances, the use of federal funds to offer incentives that support the COVID-19 response. This may include incentives for COVID-19 testing as well as vaccination efforts.

The use of CDC funds for incentives requires prior approval by CDC. This offers the agency an opportunity to consider the proposed request; its alignment with the funding purpose, authority, and related grant regulations; and its connection to the stated need. This review process can mitigate any potential misuse or abuse and ensures accountability for taxpayer dollars.

This document provides a general overview of CDC guidelines; each funding program has specific guidance that should be followed accordingly. See the table at the end of the document for links to specific program guidance.

General Guidelines

- Recipients must submit proposed incentive plans to their project officers for review and approval consistent with the guidance issued for the respective awards. Proposals must address the following elements for CDC to determine allowability under the specific award.
 - Describe the proposed incentive in detail, such as discounts, gift cards, or other tangible items. Specify both the amount of individual incentives and the expected total cost of the incentive effort.
 - Describe the projected impact of these incentives. How will the incentives increase participation generally, and why they are expected to encourage a specific population? Is there evidence to suggest the desired result will be achieved by using the proposed incentive? Will the incentives be targeted and tailored to otherwise hard-to-reach communities?
 - Define the qualifications to receive an incentive. The incentive plan needs to include what the individuals who will receive the incentive must accomplish to receive it. Include considerations to ensure equity within the specific community(ies).
 - Stipulate that no known federal, state, or other legal barriers exist.
 - Describe the method of tracking the storage and distribution of the incentives, including the safeguards that will be in place to prevent misuse or abuse.
 - Explain how unused incentives will be managed. For example, the monetary balance of any unused gift cards must be refunded to the grant. Health departments are responsible for the disposition of any unused cards.

- Incentive plans must be reviewed and approved by
 - Program project officers,
 - Division leadership,
 - Office of Grants Services to ensure it complies with grants management policies, and
 - Office of General Counsel as necessary.



- Following CDC review, CDC will notify recipients regarding the outcome of the review.
- Recipients must comply with appropriate jurisdictional and other potential federal restrictions or requirements related to the provision of the incentives.
- Incentives are not and should not be portrayed as an endorsement by HHS or CDC of any company, or its goods, services, or policies, associated or affiliated with the incentive. For example, when an incentive is funded by a CDC grant, a generic gift card would more clearly separate the incentive from appearing to be an endorsement versus a card that be used only at a specific commercial outlet. To the extent practicable given the proposed incentive, recipients should clearly articulate this lack of endorsement.
- CDC will file approved incentive plans in GrantSolutions as part of recipients’ official grant records.

General Incentives Overview of Four CDC-Funded Programs

<i>These are broad notes; refer to individual funding sources for specific details.</i>	<u>Immunizations</u> <u>All IP19-1901 COVID-19 supplements</u> <i>(except Addendum to COVID-19 Vaccination Supplement 4 [May 2021])</i>	<u>Epidemiology and Laboratory Capacity (ELC) CK19-1904</u> (may also be available under ELC core funding)	<u>Crisis Response TP18-1802 (2020 Funding Only)</u>	<u>Tribal Support OT20-2004</u>
Are incentives allowable?	Yes, for emphasis on high-risk, underserved populations and for ensuring equitable access	Yes	Yes (Not under 2021 funding for workforce development)	Yes
Prior CDC approval required?	Yes (use provided template)	Yes (use provided template)	Yes (no formal template)	Yes (no formal template)
Maximum value of incentives?	\$100*	No specific limits; value must be justified in plan	No specific limits; value must be justified in plan	Approximately \$50
Examples of allowable incentives	Generic gift cards; store vouchers; fare cards for transportation; and gas cards.			
Examples of unallowable incentives	Cash; lottery tickets or games of chance; alcohol; drugs; entertainment expenses; food; commemorative or promotional items; and gift cards that may appear to endorse a vendor.			

*Update: IP19-1901 COVID-19 vaccination incentive maximum value changed from \$25 to \$100 per White House initiative.