

**ADDENDUM # 3**  
**September 14, 2016**

**RFA # 1607010255 / Grants Gateway # DOH01-SHCFTP-2016**

**New York State Department of Health**  
**Office of Primary Care and Health Systems Management**

**Request for Applications**

**Statewide Health Care Facility Transformation Program**

**Application Deadline Extension**

As a result of the technical issue described below, the New York State Department of Health has extended the Statewide Health Care Facility Transformation Program RFA submission deadline to **Wednesday, September 28, 2016 at 4:00 PM**. The submission process must be completed by **September 28, 2016 at 4:00 PM** for an application to be considered. Late applications cannot be accepted.

**Completion of Capital Budget in Grants Gateway**

*The following is an explanation of a technical issue applicants have encountered in completion of the Capital Budget in Grants Gateway. Applicants should complete their Capital Budget and associated financial information (Attachment 3) based on the information below.*

**Explanation:**

**1. Capital Budget**

The Capital Budget table was intended to capture all sources of funds supporting total Project Costs, including “Other” or “Match” sources. However, due to a technical issue, the table will only allow the applicant to enter Grant Funds. As a result, the Total column will be the same as the Grant Funds column in this table.

**2. Attachment 3**

Attachment 3, Tab 1 “Project Fund Sources” captures all components of the Capital Budget, including Grant Funds requested, Other Funds, and Total Project costs. Applicants should use this spreadsheet, instead of the Capital Budget table, to report all sources of funding associated with the Project or Projects included in the application.

**ADDENDUM # 2**  
**August 19, 2016**

**RFA # 1607010255 / Grants Gateway # DOH01-SHCFTP-2016**

**New York State Department of Health  
Office of Primary Care and Health Systems  
Management**

**Request for Applications**

**Statewide Health Care Facility Transformation Program**

**Amendment to RFA Section V. Completing the Application,  
A. Application Format/Content (page 18)  
and Grants Gateway Program Specific Questions**

*The following has been updated/modified in the RFA. Strike-through indicates deleted text; underlined/bolded text is new. This change results in the creation of an additional program Specific Question. Unfortunately this cannot be reflected in the online Grants Gateway application. Applicants should submit their response to this question as instructed below.*

**2. Organizational Capacity**

Describe the Eligible Applicant's organization. The description should specifically address the following:

a-g. Remain unchanged.

**h. Proof that the applicant meets the minimum eligibility requirements under Section II. Who May Apply (b). Proof of eligibility includes an uploaded copy of a New York State Operating Certificate for an Article 28, 31, 32, or 36 provider organization, or an uploaded copy of a New York State Medical License for a primary care provider. This upload must be made into the "Grantee Document Folder" in the Forms Menu of your online application in the NYS Grants Gateway.**

**Amendment to RFA Section V. Completing the Application,  
A. Application Format/Content (pages 19 and 20)  
and Grants Gateway Program Specific Questions**

*The following has been updated/modified in the RFA. Strike-through indicates deleted text; underlined/bolded text is new.*

**4. The Project**

Describe the Eligible Project(s). Separate applications must be submitted for non-capital projects or purposes even if they are part of the same overall transformation plan for which an application for a capital project(s) is also being submitted. Include in the description of each Eligible Project how it addresses each of the following:

- a-d. Remain unchanged.
- e. If submitting multiple applications, indicate the rank order of priority for each ~~Project~~ **application**.

**ADDENDUM # 1**  
**July 28, 2016**

**RFA # 1607010255 / Grants Gateway # DOH01-SHCFTP-2016**

**New York State Department of Health**  
**Office of Primary Care and Health Systems Management**  
**Request for Applications**

**Statewide Health Care Facility Transformation Program**

**Applicant Conference**

The New York State Department of Health has announced the date and time of the applicant conference for the Statewide Health Care Facility Transformation Program. An online webinar will take place on **August 8, 2016 at 1:00 PM EST**. Attendance is optional. Registration is required if you choose to attend.

**Registration Instructions**

Topic: Statewide Health Care Facility Transformation Program (SHCFTP) Applicant Webinar  
Date and Time: Monday, August 8, 2016 1:00 pm, Eastern Daylight Time (New York, GMT-04:00)

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To register for the online event  
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1. Go to <https://meetny.webex.com/meetny/onstage/g.php?MTID=e31794d9a38496235b755383458cb4e0c>
2. Click "Register"
3. On the registration form, enter your information and then click "Submit"

Once the host approves your registration, you will receive a confirmation email message with instructions on how to join the event.

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For assistance with this online event  
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Please contact the Department of Health: [healthcarefacilitytransformation@health.ny.gov](mailto:healthcarefacilitytransformation@health.ny.gov)

**RFA # 1607010255 / Grants Gateway # DOH01-SHCFTP-2016**

**New York State Department of Health  
Office of Primary Care and Health Systems  
Management**

**Request for Applications**

**Statewide Health Care Facility Transformation Program**

***KEY DATES***

<b>Release Date:</b>	<b>July 20, 2016</b>
<b>Applicant Conference:</b>	<b>TBD - Early August</b>
<b>Questions Due:</b>	<b>August 10, 2016</b>
<b>Questions, Answers and Updates Posted (on or about):</b>	<b>August 17, 2016</b>
<b>Letter of Interest Due:</b>	<b>August 19, 2016</b>
<b>Applications Due:</b>	<b>September 16, 2016 by 4:00PM EST</b>
<b>Estimated Contract Start Date:</b>	<b>March 1, 2017</b>

**DOH Contact Name & Address:**

Joan Cleary Miron, MPH  
Director, Health Care Facility Transformation Program Implementation Team  
New York State Department of Health Office of Primary Care and Health Systems Management  
1805 Corning Tower  
Albany, NY 12237  
E-mail: [healthcarefacilitytransformation@health.ny.gov](mailto:healthcarefacilitytransformation@health.ny.gov)

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# I. Introduction

The New York State Department of Health (DOH) and the Dormitory Authority of the State of New York (DASNY) announce the availability of funds under the Statewide Health Care Facility Transformation Program (SHCFTP), as established pursuant to Section 2825-d of the Public Health Law (PHL) and Chapter 55 of the Laws of 2016 (enacting S.6404-D/A9004-D), to provide grants to health care providers that primarily support capital projects - but may include non-capital expenses such as debt restructuring - for the purpose of strengthening and protecting continued access to health care services in communities throughout New York State and are associated with a merger, consolidation or significant corporate restructuring activity that is part of an overall transformation plan intended to create a financially sustainable system of care.

A total of up to \$195 million is available under this Request for Applications (RFA) to health care providers that are deemed by the Commissioner to fulfill or will fulfill a health care need for acute inpatient, outpatient, primary, home care or residential health care services in a community. A minimum of \$30 million of this total amount is available for community-based health care providers, which are defined as diagnostic and treatment centers, mental health and alcohol and substance abuse treatment clinics, primary care providers and home care providers. See Section II below for further definitions of Eligible Applicants for the SHCFTP.

In determining awards, priority shall be given to projects that were not funded in whole or part, in response to the RFAs for the Capital Restructuring Financing Program (RFA #1504100252) or the Essential Health Care Provider Support Program (RFA #151016080 and RFA #1510190320). **However, applicants must complete their application in accordance with the purpose and requirements of this Statewide Health Care Facility Transformation Program RFA.**

Projects shall not receive awards under both this RFA and the Kings County Health Care Transformation Program (PHL §2825-a) or the Oneida County Health Care Transformation Program (PHL §2825-b).

To receive funding, the Eligible Applicant must demonstrate how the proposed use of the grant will strengthen and protect continued access to health care services in their community and how the grant is an integral part of a plan ("the Plan") that details the Eligible Applicant's overall approach for achieving a financially sustainable system of care. Elements of the Plan should include:

- i. Steps to be taken to improve the financial condition of the Eligible Applicant.
- ii. Steps to be taken to promote an integrated, patient-centered model of health care delivery and assure the ongoing availability of essential health care services to the people of the community or communities served by the Eligible Applicant from the award of a grant under this RFA until the completion of the Plan.
- iii. An estimate of the costs of carrying out the Plan (other than the Eligible Project as hereafter defined) and the sources of funding for such costs.
- iv. Steps to be taken to engage the community in the development of the Plan.

And, as applicable:

- v. Steps to be taken to create a sustainable system of care through a merger, consolidation, acquisition or other significant restructuring activity and/or the partnership or other

relationship between the Eligible Applicant and a separate health care facility or system(s) (“the Partner”).

vi. The nature of the relationship between the Eligible Applicant and the Partner.

A further objective of the Plan should be that the health care services developed are consistent with Delivery System Reform Incentive Payment (DSRIP) Program principles of improving core population health, patient outcomes and patient experience, as well as incorporate, as part of a sustainable business model, a transition to a payment system which emphasizes cost efficiency and quality outcomes (value) over service volume.

***Applicants are hereby advised that, in accordance with Public Health Law 2825-d and Chapter 55 of the Laws of 2016, awards made under this RFA are determined on a non-competitive basis. Funding will be awarded at the discretion of the Commissioner of Health for purposes described in this RFA. Without limitation to this authorization, the Commissioner of Health may consult with the President of DASNY, DOH professional staff, and any other internal or external experts or local health care constituents as required from time to time at any time in the evaluation of applications received pursuant to this RFA. The decision to award, or not to award, or to award a grant at a funding level that is less than the amount requested by the applicant, is discretionary and cannot be appealed with DOH.***

***As these awards are discretionary, there is no right of appeal and the decision of the Commissioner of Health is final. As such, applicants are advised to put forward their best efforts in thoroughly completing and fulfilling all the requirements of the RFA. While the award is discretionary the criteria listed in PHL 2825-d will be utilized to make the awards.***

***The decision not to fund an application will be communicated by letter. Based on the number of applicants, DOH shall have the sole discretion of whether or not to provide an opportunity for non-successful grantees to request a debriefing to be conducted after the announcement of awards. Comparisons with other grant applications will not be made during a debriefing.***

***DOH’s determination of applicable terms and conditions of award or a denial of a request to change the terms and conditions is discretionary and not subject to appeal.***

## **II. Who May Apply**

The minimum eligibility requirements for entities responding to this RFA have been established in accordance with PHL section 2825-d.

An “Eligible Applicant” must meet all the following criteria to be eligible to receive grant funding under this RFA:

- (a) Applicants must be a legally existing organization and capable of entering into a binding Master Grant Contract (MGC) with DOH.
- (b) Be one of the following types of provider organizations:
  - ☐ General Hospitals licensed under Article 28 of the PHL;
  - ☐ Residential health care facilities licensed under Article 28 of the PHL;



Community-based health care providers which, in accordance with statute and for purposes of this RFA, are defined as:

- ☐ Diagnostic and treatment centers certified or licensed under Article 28 of the PHL;
- ☐ Mental health clinics certified or licensed under Article 31 of the Mental Hygiene Law (MHL);
- ☐ Alcohol and substance abuse treatment clinics certified or licensed under Article 32 of the MHL;
- ☐ Primary care providers;
- ☐ Home care providers certified or licensed under Article 36 of the PHL;

(c) Be deemed by the Commissioner to be a provider that fulfills or will fulfill (as evidenced by the application for this program) a health care need for acute inpatient, outpatient, primary, or residential health care services in a community; and,

(d) Applicants MUST be prequalified, if not exempt, in the New York State Grants Gateway. Please refer to Section IV.M. Vendor Pre-qualification for Not for Profits for details on the steps that must be completed to meet registration and prequalification requirements.

### **III. Project Narrative/Workplan**

A total of up to \$195 million is available under this RFA. Multiple awards will be made, and an Eligible Applicant may choose to submit a single application or multiple applications seeking funding as part of an overall transformation Plan.

**Separate applications must be submitted for non-capital projects or purposes even if they are part of the same overall transformation plan for which an application for a capital project(s) is also being submitted.**

**If an Eligible Applicant submits multiple applications for funding under this RFA, the Eligible Applicant should assign a priority to each application where indicated in the application.**

The DOH and DASNY will review applications to determine the appropriate level of public investment needed for the Eligible Project, and the final amount of each Eligible Applicant's total award will be determined based upon the criteria set forth in Section III-C.

#### **A. Eligible Projects**

An "Eligible Project" must include Eligible Expenses, as defined herein. Projects shall not receive an award under both this RFA and the Kings County Health Care Transformation Program (PHL §2825-a) or the Oneida County Health Care Transformation Program (PHL §2825-b).

#### **B. Eligible and Excluded Expenses and Disallowed Costs**

Expenditures eligible for funding under this solicitation ("Eligible Expenses") are expected to be for capital projects, which may include, but are not limited to:

- The planning or design of the acquisition, construction, demolition, replacement, major repair or renovation of a fixed asset or assets, including the preparation and review of plans and specifications including engineering and other services;
- Construction costs;
- Renovation costs;
- Asset acquisitions;
- Equipment costs; and
- Consultant fees and other expenditures associated with the preparation of Certificate of Need (CON) applications required for the proposed establishment action, construction activity or service expansion (so long as the costs are incurred in connection with original construction and not an ownership transfer).

However, non-capital projects or purposes may also be eligible for funding under this solicitation (“Eligible Expenses”) to the extent that funds are available pursuant to Section 1 of Part F of Chapter 59 of the Laws of 2016. Such non-capital expenditures may include:

- Debt restructuring including costs to reduce, retire or refinance long-term liabilities such as mortgage or bank loans and other liabilities, payments of debt service, and costs for restructuring including professional fees, penalties, and interest;
- General operating expenses directly connected to the Eligible Project for which funding is being sought under this RFA; and
- Non-capital expenses other than those identified as “Excluded Expenses” below.

Excluded Expenses include general operating expenses applicable to day-to-day operations and unconnected to the Eligible Project or Plan for which funding is being sought under this RFA.

**IMPORTANT: To the extent that funds are available for debt restructuring and other non-capital projects or purposes, such funds would be awarded under this RFA pursuant to Section 1 of Part F of Chapter 59 of the Laws of 2016.**

If applicable to the Eligible Project, Eligible Applicants may subcontract components (sub-projects) of the scope of work. Eligible Applicants that plan to subcontract are expected to describe the specific components of the scope of work to be performed through subcontracts (the sub-projects), and to also identify the subcontracting entities in the application. Applicants should note that the Eligible Applicant, if awarded a grant under this RFA, will have overall responsibility for all contract activities, including those performed by subcontractors, and will be the primary contact for the DOH. All subcontractors should be approved by the Department of Health.

Eligible Applicants must include a description and justification for all expenditures included in the Project Budget as well as a discussion of how the expenditure relates to the Eligible Project. Disallowed costs include expenditures identified in the Eligible Project Budget that are Excluded Expenses or are not sufficiently described and/or justified in type or amount by the applicant or are considered to be unrelated to the proposed Eligible Project. If applicable to the Eligible Project, it is understood that design plans and specifications are unlikely to be available at this stage of Project development. However, an Eligible Applicant should be able to describe the project elements and their anticipated costs in sufficient detail for the reviewer to make a judgment on the reasonableness of the anticipated costs and how the Eligible Applicant estimated those costs. Disallowed costs will be excluded from the amount considered as the grant request.

## **C. Evaluation Criteria**

In determining awards for Eligible Projects, the DOH and DASNY shall consider criteria including, but not limited to:

- i. The extent to which the Eligible Project contributes to the integration of patient-centered health care services and the long term sustainability of the Eligible Applicant or preservation of essential health services in the community or communities served by the Eligible Applicant.
- ii. The extent to which the Eligible Project is aligned with Delivery System Reform Incentive Payment (DSRIP) program goals and objectives.
- iii. Consideration of geographic distribution of funds.
- iv. The relationship between the Plan and Eligible Project and an identified community need.
- v. The extent to which the Eligible Applicant has access to alternative funding.
- vi. The extent that the Plan and the Eligible Project further the development of primary care and other outpatient services.
- vii. The extent to which the Plan and the Eligible Project benefit Medicaid enrollees and uninsured individuals.
- viii. The extent to which the Eligible Applicant has engaged the community affected by the proposed Eligible Project and the manner in which community engagement has shaped the Eligible Project.
- ix. The extent to which the Plan and the Eligible Project address potential risk to patient safety and welfare.
- x. The extent to which the Eligible Project meets or exceeds the participation goals for Minority and Women-Owned Business Enterprises (“MWBE”) as set forth in this RFA.
- xi. The extent to which, as part of a sustainable business model, the Plan describes how the Eligible Applicant will transition to a payment system which emphasizes cost efficiency and quality outcomes (value) over service volume.

## **IV. Administrative Requirements**

### **A. Issuing Agency**

This RFA is issued by the New York State DOH, Office of Primary Care and Health Systems Management, Center for Facility Planning, Licensure and Finance. Pursuant to PHL section 2825-d, Statewide Health Care Facility Transformation Program grants may be awarded by the Commissioner of DOH. The DOH is responsible for the requirements specified herein and for the evaluation of all applications.

### **B. Question and Answer Phase**

All substantive questions must be submitted in writing or via email to:

Joan Cleary Miron, MPH

Director, Health Care Facility Transformation Program Implementation Team

New York State Department of Health

Office of Primary Care and Health Systems Management

1805 Corning Tower

Albany, NY 12237

E-mail: [healthcarefacilitytransformation@health.ny.gov](mailto:healthcarefacilitytransformation@health.ny.gov).

To the degree possible, each inquiry should cite the RFA section and paragraph to which it refers. Written questions will be accepted until the date posted on the cover of this RFA. This includes Minority and Women Owned Business Enterprise (MWBE) questions and questions pertaining to the MWBE forms.

Questions of a technical nature can be addressed via e-mail to [healthcarefacilitytransformation@health.ny.gov](mailto:healthcarefacilitytransformation@health.ny.gov). **Questions are of a technical nature if they are limited to how to prepare your application (e.g., uploading attachments) rather than relating to the substance of the application.**

Some helpful links for questions of a technical nature are below. Questions regarding specific opportunities or applications should be directed to the DOH contact listed on the cover of this RFA.

- <http://grantsreform.ny.gov/grantees>
- Grants Reform Videos (includes a document vault tutorial and an application tutorial) on YouTube: <http://www.youtube.com/channel/UCYnWskVc7B3ajjOVfOHL6UA>  
<https://grantsgateway.ny.gov>
- Grants Team Email: [Grantsreform@its.ny.gov](mailto:Grantsreform@its.ny.gov)  
Phone: 518-474-5595  
Hours: Monday thru Friday 8am to 4:30pm  
(Application Completion, Policy, and Registration questions)
- Agate Technical Support Help Desk  
Phone: 1-800-820-1890  
Hours: Monday thru Friday 8am to 8pm  
Email: [helpdesk@agatesoftware.com](mailto:helpdesk@agatesoftware.com)  
(Technical questions)

Prospective applicants should note that all clarifications and exceptions, including those relating to the terms and conditions of the contract, are to be raised prior to the submission of an application.

This RFA has been posted on the NYS Grants Gateway website at: [https://grantsgateway.ny.gov/IntelliGrants\\_NYSGG/module/nysgg/goportal.aspx](https://grantsgateway.ny.gov/IntelliGrants_NYSGG/module/nysgg/goportal.aspx) and a link provided on the Department's public website at: <http://www.health.ny.gov/funding/>. Questions and answers, as well as any updates and/or modifications, will also be posted on these websites. All such updates will be posted by the date identified on the cover of this RFA.

### **C. Letter of Interest**

Prospective applicants may complete and submit a letter of interest (see Attachment 1: Letter of Interest Template). Prospective applicants may also use the letter of interest to receive notification when updates/modifications are posted; including responses to written questions. Letters of interest should be submitted via the Grants Gateway in the Pre-Submission Uploads section of the online application. A copy should also be e-mailed to

healthcarefacilitytransformation@health.ny.gov. Please ensure that the RFA number and organization name are noted in the subject line. The letter of interest must be submitted via both formats by the date posted on the cover of the RFA.

Submission of a letter of interest is not a requirement or obligation upon the applicant to submit an application in response to this RFA. Applications may be submitted without first having submitted a letter of interest.

#### **D. Applicant Webinar**

It is anticipated that an Applicant Webinar will be held in early August. Information will be posted on the Grants Gateway when available. Potential applicants should check Grants Gateway for details about the Applicant Webinar. Interested parties may also send an e-mail to [healthcarefacilitytransformation@health.ny.gov](mailto:healthcarefacilitytransformation@health.ny.gov) to request notification when registration information becomes available. Failure to attend the Applicant Webinar will not preclude the submission of an application.

#### **E. How to File an Application**

Applications must be submitted online via the Grants Gateway by the date and time posted on the cover of this RFA. Reference materials and videos are available for Grantees applying to funding opportunities on the NYS Grants Gateway. Please visit the Grants Reform website at the following web address: <http://grantsreform.ny.gov/Grantees> and select the “Grantee Quick Start Guide Applications” from the menu on the left. There is also a more detailed “Grantee User Guide” available on this page as well. Training webinars are also provided by the Grants Reform Team. Dates and times for webinar instruction can be located at the following web address: <http://grantsreform.ny.gov/training-calendar>.

To apply for this opportunity:

1. Log into the Grants Gateway as either a “Grantee” or “Grantee Contract Signatory”.
2. Click on the “View Opportunities” button under “View Available Opportunities”.
3. In the Search Criteria, enter the Grant Opportunity name “Statewide Health Care Facility Transformation Program” and select the Department of Health as the Funding Agency.
4. Click on “Search” button to initiate the search.
5. Click on the name of the Grant Opportunity from the search results grid and then select the “APPLY FOR GRANT OPPORTUNITY” button located bottom left of the Main page of the Grant Opportunity.

Once the application is complete, prospective grantees are **strongly encouraged** to submit their applications at least 48 hours prior to the due date and time. This will allow sufficient opportunity for the applicant to obtain assistance and take corrective action should there be a technical issue with the submission process. Both DOH and Grants Reform staff are available to answer applicant’s technical questions and provide technical assistance prior to the application due date and time. Contact information for the Grants Reform Team is available under Section IV. B. of this RFA.

**PLEASE NOTE:** The Grants Gateway will not permit the submission or resubmission of applications after the application deadline. Although DOH and the Grants Reform staff will do their best to address concerns that are identified less than 48 hours prior to the due date and time,

there is no guarantee that they will be resolved in time for the application to be submitted and, therefore, considered for funding

The Grants Gateway will always notify applicants of successful submission. If a prospective grantee does not get a successful submission message assigning their application a unique ID number, it has not successfully submitted an application. During the application process, please pay particular attention to the following:

- Not-for-profit applicants must be prequalified on the due date for this application submission. Be sure to maintain prequalification status between funding opportunities. Three of a not-for-profit's essential financial documents - the IRS990, Financial Statement and Charities Bureau filing - expire on an annual basis. If these documents are allowed to expire, the not-for-profit's prequalification status expires as well, and it will not be eligible for State grant funding until its documentation is updated and approved, and prequalified status is reinstated.
- Only individuals with the roles "Grantee Contract Signatory" or "Grantee System Administrator" can submit an application.
- Prior to submission, the system will automatically initiate a global error checking process to protect against incomplete applications. An applicant may need to attend to certain parts of the application prior to being able to submit the application successfully. Be sure to allow time after pressing the submit button to clean up any global errors that may arise. You can also run the global error check at any time in the application process (see p.66 of the Grantee User Guide).
- Grantees should use numbers, letters and underscores when naming their uploaded files. There cannot be any special characters in the uploaded file name. Also be aware of the restriction on file size (10 MB) when uploading documents.

The following table will provide a snapshot of which roles are allowed to Initiate, Complete, and Submit the Grant Application(s) in the Grants Gateway.

<b>Role</b>	<b>Create and Maintain User Roles</b>	<b>Initiate Application</b>	<b>Complete Application</b>	<b>Submit Application</b>	<b>Only View the Application</b>
Delegated Admin	X				
Grantee		X	X		
Grantee Contract Signatory		X	X	X	
Grantee Payment Signatory		X	X		
Grantee System Administrator		X	X	X	
Grantee View Only					X

Late applications will not be accepted. **Applications will not be accepted via fax, e-mail, hard copy or hand delivery.**

## **F. Department of Health's Reserved Rights**

The Department of Health reserves the right to:

1. Reject any or all applications received in response to this RFA.
2. Withdraw the RFA at any time, at the DOH's sole discretion.
3. Make an award under the RFA in whole or in part, or make no awards.
4. Use application information obtained through site visits, management interviews and the state's investigation of an applicant's qualifications, experience, ability or financial standing, and any material or information submitted by the applicant in response to the agency's request for clarifying information in the course of evaluation and/or selection under the RFA.
5. Prior to application opening, amend the RFA specifications to correct errors or oversights, or to supply additional information, as it becomes available.
6. Prior to application opening, direct applicants to submit proposal modifications addressing subsequent RFA amendments.
7. Change any of the scheduled dates.
8. Waive any requirements that are not material.
9. Conduct contract negotiations with the next responsible applicant, should the Department be unsuccessful in negotiating with the selected applicant.
10. Utilize any and all ideas submitted with the applications received.
11. Unless otherwise specified in the RFA, every offer is firm and not revocable for a period of 60 days from the bid opening.
12. Waive or modify minor irregularities in applications received after prior notification to the applicant.
13. Require clarification or revision at any time during the procurement process and/or require correction of arithmetic or other apparent errors for the purpose of assuring a full and complete understanding of an applicant's application and/or to determine an applicant's compliance with the requirements of the RFA. If an applicant does not respond to the correspondence requesting clarification within 10 business days, then the applicant will be deemed "non-responsive" and will be removed from consideration.
14. Eliminate or waive any mandatory, non-material specifications that cannot be complied with by all applicants.
15. Award multiple Master Grant Contracts (MGCs) from this RFA.
16. Adjust or correct cost figures with the concurrence of the applicant if errors exist and can

be documented to the satisfaction of DOH and the State Comptroller.

17. Negotiate with an awardee within the requirements of the Statewide Health Care Facility Transformation Program to serve the best interests of the State, including programmatic and financial changes in project scope.
18. If DOH is unsuccessful in negotiating a MGC with an awardee within an acceptable time frame, it may award the funds to the next most qualified applicant in order to serve and realize the best interests of the State.

## **G. Term of Contract**

Any contract resulting from this RFA will be effective only upon approval by the New York State Office of the Comptroller.

It is anticipated that the term of MGC under the Statewide Health Care Facility Transformation Program will begin in March 2017 and run for a period of up to five years (consistent with the accepted construction schedule).

Continued funding throughout this period is contingent upon availability of funding and state budget appropriations. DOH and DASNY also reserve the right to revise the award amount as necessary due to changes in the availability of funding.

A sample New York State Master Contract for Grants can be found in the Forms Menu once an application to this funding opportunity is started.

## **H. Payment & Reporting Requirements of Grant Awardees**

1. No advances will be allowed for contracts resulting from this procurement.
2. The grant contractor will be required to submit quarterly invoices and required reports of expenditures to the State's designated payment office (below) or, in the future, through the Grants Gateway:

Statewide Health Care Facility Transformation Program Implementation Team  
NYS Department of Health  
1805 Corning Tower  
Albany, NY 12237

Grant contractors must provide complete and accurate billing invoices in order to receive payment. Billing invoices submitted to the Department must contain all information and supporting documentation required by the Contract, the Department and the Office of the State Comptroller (OSC). Payment for invoices submitted by the CONTRACTOR shall only be rendered electronically unless payment by paper check is expressly authorized by the Commissioner, in the Commissioner's sole discretion, due to extenuating circumstances. Such electronic payment shall be made in accordance with OSC's procedures and practices to authorize electronic payments. Authorization forms are available at OSC's website at: <http://www.osc.state.ny.us/epay/index.htm>, by email at: [epayments@osc.state.ny.us](mailto:epayments@osc.state.ny.us) or by telephone at 855-233-8363. CONTRACTOR acknowledges that it will not receive payment



on any claims for reimbursement submitted under this contract if it does not comply with OSC's electronic payment procedures, except where the Commissioner has expressly authorized payment by paper check as set forth above.

Payment of such claims for reimbursement by the State (NYS Department of Health) shall be made in accordance with Article XI-A of the New York State Finance Law.

Payment terms will be: Contractor will be reimbursed for actual expenses incurred and expensed as allowed in the Contract Budget and Work Plan.

3. The grant contractor will be required to submit quarterly reports on the status of the Statewide Health Care Facility Transformation Program project. Such reports shall be submitted no later than 30 days after the close of the quarter, and shall be consistent with the provisions of the terms of the State of New York Master Contract for Grants. The reports shall include:
  - Progress made toward Health Care Facility Transformation Program objectives;
  - A status update on Project process and performance metrics and milestones;
  - Information on Project spending and budget; and
  - A summary of public engagement and public comments received.

The grant contractor will be required to submit any forms outlined in Attachment D of the NYS Master Grant Contract through the Grants Gateway.

All payment and reporting requirements will be detailed in Attachment D of the final NYS Master Grant Contract.

## **I. Minority & Woman-Owned Business Enterprise Requirements**

Pursuant to New York State Executive Law Article 15-A, the New York State Department of Health ("DOH") recognizes its obligation to promote opportunities for maximum feasible participation of certified minority- and women-owned business enterprises and the employment of minority group members and women in the performance of DOH contracts.

In 2006, the State of New York commissioned a disparity study to evaluate whether minority and women-owned business enterprises had a full and fair opportunity to participate in state contracting. The findings of the study were published on April 29, 2010, under the title "The State of Minority and Women-Owned Business Enterprises: Evidence from New York" ("Disparity Study"). The report found evidence of statistically significant disparities between the level of participation of minority- and women-owned business enterprises in state procurement contracting versus the number of minority- and women-owned business enterprises that were ready, willing and able to participate in state procurements. As a result of these findings, the Disparity Study made recommendations concerning the implementation and operation of the statewide certified minority- and women-owned business enterprises program. The recommendations from the Disparity Study culminated in the enactment and the implementation of New York State Executive Law Article 15-A, which requires, among other things, that DOH establish goals for maximum feasible participation of New York State Certified minority- and women-owned business enterprises ("MWBE") and the employment of minority groups members and women in the performance of New York State contracts.

## **Business Participation Opportunities for MWBEs**

For purposes of this solicitation, the New York State Department of Health hereby establishes a goal of **30%** as follows:

- 1) For Not-for Profit Applicants: Eligible Expenditures include any subcontracted labor or services, equipment, materials, or any combined purchase of the foregoing under a contract awarded from this solicitation.
- 2) For-Profit and Municipality Applicants: Eligible Expenditures include the value of the budget in total.

The goal on the eligible portion of this contract will be 15% for Minority-Owned Business Enterprises (“MBE”) participation and 15% for Women-Owned Business Enterprises (“WBE”) participation (based on the current availability of qualified MBEs and WBEs and outreach efforts to certified MWBE firms). A contractor (“Contractor”) on the subject contract (“Contract”) must document good faith efforts to provide meaningful participation by MWBEs as subcontractors or suppliers in the performance of the Contract and Contractor agrees that DOH may withhold payment pending receipt of the required MWBE documentation. For guidance on how DOH will determine “good faith efforts,” refer to 5 NYCRR §142.8.

The directory of New York State Certified MWBEs can be viewed at: <https://ny.newnycontracts.com>. The directory is found in the upper right hand side of the webpage under “Search for Certified Firms” and accessed by clicking on the link entitled “MWBE Directory”. Engaging with firms found in the directory with like product(s) and/or service(s) is strongly encouraged and all communication efforts and responses should be well documented.

By submitting an application, a grantee agrees to complete an MWBE Utilization plan as directed in **Attachment 4** of this RFA. DOH will review the submitted MWBE Utilization Plan. If the plan is not accepted, DOH may issue a notice of deficiency. If a notice of deficiency is issued, Grantee agrees that it shall respond to the notice of deficiency within seven (7) business days of receipt. DOH may disqualify a Grantee as being non-responsive under the following circumstances:

- a) If a Grantee fails to submit a MWBE Utilization Plan;
- b) If a Grantee fails to submit a written remedy to a notice of deficiency;
- c) If a Grantee fails to submit a request for waiver (if applicable); or
- d) If DOH determines that the Grantee has failed to document good-faith efforts to meet the established DOH MWBE participation goals for the procurement.

In addition, successful awardees will be required to certify they have an acceptable Equal Employment Opportunity policy statement.

## **J. Limits on Administrative Expenses and Executive Compensation**

On July 1, 2013, limitations on administrative expenses and executive compensation contained within Governor Cuomo’s Executive Order #38 and related regulations published by the Department (Part 1002 to 10 NYCRR – Limits on Administrative Expenses and Executive Compensation) went into effect. Applicants agree that all state funds dispersed under this

procurement will, if applicable to them, be bound by the terms, conditions, obligations and regulations promulgated by the Department. To provide assistance with compliance regarding Executive Order #38 and the related regulations, please refer to the Executive Order #38 website at: <http://executiveorder38.ny.gov>.

#### **K. Vendor Identification Number**

Effective January 1, 2012, in order to do business with New York State, you must have a vendor identification number. As part of the Statewide Financial System (SFS), the Office of the State Comptroller's Bureau of State Expenditures has created a centralized vendor repository called the New York State Vendor File. In the event of an award and in order to initiate a contract with the New York State Department of Health, vendors must be registered in the New York State Vendor File and have a valid New York State Vendor ID.

If already enrolled in the Vendor File, please include the Vendor Identification number on the application cover sheet. If not enrolled, to request assignment of a Vendor Identification number, please submit a New York State Office of the State Comptroller Substitute Form W-9, which can be found on-line at:

[http://www.osc.state.ny.us/vendor\\_management/issues\\_guidance.htm](http://www.osc.state.ny.us/vendor_management/issues_guidance.htm).

Additional information concerning the New York State Vendor File can be obtained on-line at: [http://www.osc.state.ny.us/vendor\\_management/index.htm](http://www.osc.state.ny.us/vendor_management/index.htm), by contacting the SFS Help Desk at 855-233-8363 or by emailing at [helpdesk@sfs.ny.gov](mailto:helpdesk@sfs.ny.gov).

#### **L. Vendor Responsibility Questionnaire**

The New York State Department of Health strongly encourages that vendors file the required Vendor Responsibility Questionnaire online via the New York State VendRep System. To enroll in and use the New York State VendRep System, see the VendRep System Instructions available at [http://www.osc.state.ny.us/vendrep/vendor\\_index.htm](http://www.osc.state.ny.us/vendrep/vendor_index.htm) or go directly to the VendRep system online at <https://portal.osc.state.ny.us>.

Vendors must provide their New York State Vendor Identification Number when enrolling. To request assignment of a Vendor ID or for VendRep System assistance, contact the Office of the State Comptroller's Help Desk at 866-370-4672 or 518-408-4672 or by email at [ciohelpdesk@osc.state.ny.us](mailto:ciohelpdesk@osc.state.ny.us).

Applicants should complete and submit the Vendor Responsibility Attestation (**Attachment 5**).

#### **M. Vendor Prequalification for Not-for-Profits**

All not-for-profit vendors subject to prequalification are required to prequalify prior to grant application and execution of contracts.

Pursuant to the New York State Division of Budget Bulletin H-1032, dated July 16, 2014, New York State has instituted key reform initiatives to the grant contract process which requires not-for-profits to register in the Grants Gateway and complete the Vendor Prequalification process in order for applications to be evaluated. Information on these initiatives can be found on the [Grants Reform Website](#).

**Applications received from not-for-profit applicants that have not Registered and are not Prequalified in Grants Gateway on the application due date listed on the cover of this RFA cannot be evaluated. Such applications will be disqualified from further consideration.**

Below is a summary of the steps that must be completed to meet registration and prequalification requirements. The [Vendor Prequalification Manual](#) on the Grants Reform Website details the requirements and an [online tutorial](#) are available to walk users through the process.

### **1) Register for the Grants Gateway**

- On the Grants Reform Website, download a copy of the [Registration Form for Administrator](#). A signed, notarized original form must be sent to the Division of Budget at the address provided in the instructions. You will be provided with a Username and Password allowing you to access the Grants Gateway.

If you have previously registered and do not know your Username, please email [grantsreform@its.ny.gov](mailto:grantsreform@its.ny.gov). If you do not know your Password, please click the [Forgot Password](#) link from the main log in page and follow the prompts.

### **2) Complete your Prequalification Application**

- Log in to the [Grants Gateway](#). **If this is your first time logging in**, you will be prompted to change your password at the bottom of your Profile page. Enter a new password and click SAVE.
- Click the *Organization(s)* link at the top of the page and complete the required fields including selecting the State agency you have the most grants with. This page should be completed in its entirety before you SAVE. A *Document Vault* link will become available near the top of the page. Click this link to access the main Document Vault page.
- Answer the questions in the *Required Forms* and upload *Required Documents*. This constitutes your Prequalification Application. Optional Documents are not required unless specified in this Request for Application.
- Specific questions about the prequalification process should be referred to your agency representative or to the Grants Reform Team at [grantsreform@its.ny.gov](mailto:grantsreform@its.ny.gov).

### **3) Submit Your Prequalification Application**

- After completing your Prequalification Application, click the **Submit Document Vault Link** located below the Required Documents section to submit your Prequalification Application for State agency review. Once submitted the status of the Document Vault will change to *In Review*.
- If your Prequalification reviewer has questions or requests changes you will receive email notification from the Gateway system.

- Once your Prequalification Application has been approved, you will receive a Gateway notification that you are now prequalified to do business with New York State.

**Vendors are strongly encouraged to begin the process as soon as possible in order to participate in this opportunity.**

## **N. General Specifications**

1. By submitting the "Application Form" each applicant attests to its express authority to sign on behalf of the applicant.
2. Contractors will possess, at no cost to the State, all qualifications, licenses and permits to engage in the required business as may be required within the jurisdiction where the work specified is to be performed. Workers to be employed in the performance of this contract will possess the qualifications, training, licenses and permits as may be required within such jurisdiction.
3. Submission of an application indicates the applicant's acceptance of all conditions and terms contained in this RFA, including the terms and conditions of the contract. Any exceptions allowed by the Department during the Question and Answer Phase (Section IV.B.) must be clearly noted in a cover letter attached to the application.
4. An applicant may be disqualified from receiving awards if such applicant or any subsidiary, affiliate, partner, officer, agent or principal thereof, or anyone in its employ, has previously failed to perform satisfactorily in connection with public bidding or contracts.
5. Provisions Upon Default
  - a. The services to be performed by the Applicant shall be at all times subject to the direction and control of the Department as to all matters arising in connection with or relating to the contract resulting from this RFA.
  - b. In the event that the Applicant, through any cause, fails to perform any of the terms, covenants or promises of any contract resulting from this RFA, the Department acting for and on behalf of the State, shall thereupon have the right to terminate the contract by giving notice in writing of the fact and date of such termination to the Applicant.
  - c. If, in the judgement of the Department, an Eligible Applicant awarded a grant under this RFA acts in such a way which is likely to or does impair or prejudice the interests of the State, the Department acting on behalf of the State, shall thereupon have the right to terminate any contract resulting from this RFA by giving notice in writing of the fact and date of such termination to the Contractor. In such case the Contractor shall receive equitable compensation for such services as shall, in the judgement of the State Comptroller, have been satisfactorily performed by the Contractor up to the date of the termination of this agreement, which such compensation shall not exceed the total cost incurred for the work which the Contractor was engaged in at the time of such termination, subject to audit by the State Comptroller.

## **V. Completing the Application**

### **A. Application Format/Content**

Please refer to the Quick Start Guide for assistance in applying for this procurement through the NYS Grants Gateway. This guide is available on the Grants Reform website at: [www.grantsreform.ny.gov/Grantees](http://www.grantsreform.ny.gov/Grantees). In addition, Section IV. Administrative Requirements, E. “How to File an Application” provides important guidance.

#### **1. Previous Funding Applications**

Identify if your organization previously submitted a project in response to an RFA for the Capital Restructuring Financing Program (RFA #1504100252) or the Essential Health Care Provider Support Program (RFA #151016080 and RFA #1510190320) and if the project that was submitted is substantially the same as the project submitted under this SHCFTP RFA. Indicate for each RFA applied for, the applicant name, project name and requested amount. If funded, indicate the award amount.

#### **2. Organizational Capacity**

Describe the Eligible Applicant’s organization. The description should specifically address the following:

- a. The Eligible Applicant’s exact corporate name, board composition, ownership and affiliations, and number of employees.
- b. A discussion of the eligible Applicant’s mission, including the size of the organization and scope of services provided.
- c. Number of admissions or patient visits during the most recent 12-month cost reporting year.
- d. Payer composition of populations served by the Eligible Applicant. Describe the payer mix of the population served and indicate the percent of the population served that is (1) Medicaid, (2) Medicare, (3) uninsured, and (4) commercially insured.
- e. Geographic region served by the Eligible Applicant’s organization. The geographic region served is defined as the service area from which the provider draws at least 75 percent of its patients during the most recent 12-month cost reporting period.
- f. Applicant location in relation to like providers. Identify if the Eligible Applicant provides health care services that otherwise would not be available to the population of the geographic region due to transportation infrastructure, distance and/or travel times from other like providers. Specify by name(s) the next closest like provider(s) and the distance or travel time to this provider.
- g. Types of health care services provided. Identify if the Eligible Applicant provides any

specialized health care services that otherwise would not be available to the population of the geographic region.

### **3. The Plan**

Describe the Plan. The Plan should detail the Eligible Applicant's overall strategy to meet stated Statewide Health Care Facility Transformation Program goals. Include in the description of the Plan how it addresses each of the following:

- a. How the Plan will improve the financial condition and long-term sustainability of the Eligible Applicant, including steps to be taken or that have been implemented to create a sustainable system of care through a merger, consolidation, acquisition or other significant restructuring activity and/or the partnership or other relationship between the Eligible Applicant and a separate health care facility or system(s).
- b. How the Plan will assure the integration of health care services or preserve essential health care services to the people of the community or communities served by the Eligible Applicant.
- c. How the Plan is aligned with Delivery System Reform Incentive Payment (DSRIP) program goals and objectives and the extent to which the Plan will support the following:
  - i. Further develop primary care and other outpatient services.
  - ii. Reduce avoidable hospital use.
  - iii. Benefit Medicaid enrollees and uninsured individuals.
  - iv. Address potential risk to patient safety and welfare.
  - v. Transition to a payment system which emphasizes cost efficiency and quality outcomes (value) over service volume.

### **4. The Project**

Describe the Eligible Project(s). Separate applications must be submitted for non-capital projects or purposes even if they are part of the same overall transformation plan for which an application for a capital project(s) is also being submitted. Include in the description of each Eligible Project how it addresses each of the following:

- a. The purpose of the Eligible Project(s).
- b. For each Eligible Project, how it will contribute to achieving the goals and objectives of the Plan.
- c. For each Eligible Project, an estimate of the total cost, including the amount of SHCFTP grant funding requested and any other sources and associated amounts of funding necessary to fully fund the Eligible Project, if applicable.
- d. Describe the financial impact of the Plan and Eligible Project(s) on the Eligible Applicant. Include any assumptions used in projecting the incremental revenues and expenses associated with the Plan and Eligible Project(s) and their impact on the Eligible Applicant.
- e. If submitting multiple applications, indicate the rank order of priority for each Project.

## **5. Identified Community Need:**

- a. Describe how the needs of the residents of the community or communities that will be served by the Eligible Project were assessed. Eligible Applicants should provide thorough, concise information that demonstrates a comprehensive understanding of the health care needs of the community or communities served. The assessment should discuss:
  - i. The health status of the community served by the Eligible Applicant and any disparities noted. The assessment should be based on documented information, such as health status indicators, demographics, and insurance status of the population.
  - ii. The adequacy of service capacity in the community. The analysis of service capacity should be based on data on service volume, occupancy, and utilization by existing providers.
- b. Based on the community needs assessment, identify what additional health care services are needed to address the health status, disparities, and service needs of the community served. If health care services are proposed to be eliminated or consolidated, provide the rationale.
- c. Describe the relationship between the Eligible Project and identified community need for health care services.
- d. Demonstrate the extent to which the Eligible Applicant has engaged the community affected by the Eligible Project and the manner in which community engagement has shaped the Eligible Project.

## **6. Project Budget**

- a. A budget that includes cost estimates for all components of the Eligible Project must be submitted as part of the application in Grants Gateway. Using Attachment 3: Projected Financial Information, Tab 1, Project Fund Sources, identify and describe sources of alternative funding for the Eligible Project (funds other than the SHCFTP grant funds or “Other Funds”), including cash, borrowed funds, governmental agencies or other grant funds or other sources. Provide evidence of the commitment of these fund sources. A commitment that is contingent upon receipt of the Grant is acceptable. Only applications that request grant funding for Eligible Expenditures (as defined in Section III.B. of the RFA) will be funded.
- b. Provide a detailed narrative description of each budgeted item, including the factors used to determine the reasonableness of each budgeted item such as any standard or benchmark used to determine the expenditure, if available. These budget justifications should be specific enough to show what the Eligible Applicant means by each line item and how the line item supports the overall Eligible Project.

## **7. Eligible Applicant Financial Stability**

Submit a copy of the prior three years’ annual audited financial statements and any other



evidence of this stability. Entities whose financial statements have not been subjected to an audit should include any additional information available to satisfy this test and appropriate certifications.

**8. Plan and Eligible Project Impact on Eligible Applicant Long-term Financial Sustainability**

- a. Using Attachment 3: Projected Financial Information, Tab 2, Impact – Financial Viability, submit financial feasibility projections for the Eligible Applicant.
- b. Provide a narrative detailing all financial projections including assumptions made for utilization, revenue and expense, balance sheet and cash uses and sources. Describe the impact or benefit of the Plan and Eligible Project on the Applicant.

**9. Cost Savings**

Describe and quantify to the extent possible how the Plan and Eligible Project(s) will result in savings to the health care system relative to the Eligible Project(s) costs and quantify the proposed value or return of the state grant investment in the Plan and Eligible Project(s) relative to the Eligible Project(s) costs. Include a discussion of all means by which projected savings can be verified after the Plan and Eligible Project(s) are complete.

**10. Plan and Project Timeline**

Describe the timeline anticipated to achieve implementation of the Plan and the Eligible Project. This timeline should identify specific milestones and approximate dates of completion for each milestone. The application should also address:

- a. Timeframes for any architectural and engineering design and construction necessary to accomplish each phase of the Eligible Project, if applicable;
- b. Scheduled milestones for the preparation and processing of any application, as required by CON regulations (10 NYCRR Part 710), necessary to secure DOH approval for service revisions, changes in governance, relocations, or capital construction that rises to the level of CON review.

In addition to completing the application questions outlined above, an online Workplan must be completed in the Grants Gateway. The online Workplan will be included in any awarded contract; therefore, it should be sufficiently detailed to allow monitoring of progress toward project goals and plans.

The online Workplan is essentially an outline/summary of the work associated with the Plan and Project(s) described in the sections above. Please note that if an application is selected for award, the Workplan will be subject to change and can be updated during the contract development/negotiation process.

Applicants should refer to Section 6.2.11.3 – Grantee Defined Workplan of the Grantee User Guide (available on the Grants Reform website) for detailed instructions on how to complete the Workplan.

*Applicants are hereby advised that, in accordance with Public Health Law 2825-d and Chapter 55 of the Laws of 2016, awards made under this RFA are determined on a non-competitive basis. Funding will be awarded at the discretion of the Commissioner of Health for purposes described in this RFA. Without limitation to this authorization, the Commissioner of Health may consult with the President of DASNY, DOH professional staff, and any other internal or external experts or local health care constituents as required from time to time at any time in the evaluation of applications received pursuant to this RFA. The decision to award, or not to award, or to award a grant at a funding level that is less than the amount requested by the applicant, is discretionary and cannot be appealed with DOH.*

*As these awards are discretionary, there is no right of appeal and the decision of the Commissioner of Health is final. As such, applicants are advised to put forward their best efforts in thoroughly completing and fulfilling all the requirements of the RFA. While the award is discretionary the criteria listed in PHL 2825-d will be utilized to make the awards.*

*The decision not to fund an application will be communicated by letter. Based on the number of applicants, DOH shall have the sole discretion of whether or not to provide an opportunity for non-successful grantees to request a debriefing to be conducted after the announcement of awards. Comparisons with other grant applications will not be made during a debriefing.*

*DOH's determination of applicable terms and conditions of award or a denial of a request to change the terms and conditions is discretionary and not subject to appeal.*

## **B. Freedom of Information Law**

All applications may be disclosed or used by DOH to the extent permitted by law. DOH may disclose an application to any person for the purpose of assisting in evaluating the application or for any other lawful purpose. All applications will become State agency records, which will be available to the public in accordance with the Freedom of Information Law. **Any portion of the application that an Eligible Applicant believes constitutes proprietary information entitled to confidential handling, as an exception to the Freedom of Information Law, must be clearly and specifically designated in the application.** If DOH agrees with the proprietary claim, the designated portion of the application will be withheld from public disclosure. Blanket assertions of proprietary material will not be accepted, and failure to specifically designate proprietary material may be deemed a waiver of any right to confidential handling of such material.

## **C. Review and Award Process**

Applications received in response to this RFA will be evaluated as follows:

### **Stage 1 Review**

1. DOH staff shall undertake an initial review of all Grant Applications and determine whether:
  - i. The application was submitted by the deadline set forth in the RFA;
  - ii. If the applicant is a not-for-profit entity, it has registered and pre-qualified in the

- Grants Gateway; and
  - iii. Whether the Application contains all of the components required by the RFA. Applications missing material elements may be eliminated from further review. Applicants may be contacted by the DOH if additional information is needed.
2. A list of all applications proposed to be eliminated in Stage 1 due to late submission or failure to register or pre-qualify in Grants Gateway shall be compiled by DOH and reviewed for determination of whether a disqualification or clarification letter should be sent to the applicant.

## **Stage 2 Review**

Applications passing Stage 1 review will be forwarded to Stage 2 to determine applicant eligibility and for technical and financial evaluation.

DOH will determine if the applicant meets the eligibility criteria as stated under Section II of the RFA, “Who May Apply”.

DASNY shall undertake a review of all Grant Applications identified by DOH and determine whether the Grant Application contains a request for a Grant to fund Eligible Project Costs in connection with a capital work or purpose which may properly be reimbursed from Bond Proceeds under the Act alone or in conjunction with provisions of Section 1 of Part F of Chapter 59 of the Laws of 2016, and the applicable RFA.

The final eligibility determinations, and technical and financial components of the application reviews will be conducted by a team of up to five DOH staff (“Review Team”). The evaluation of applications by the Review Team will be based on or supported by summaries and other factual analyses prepared for the Review Team by DOH staff, or in consultation with other internal or external sources. After receipt of initial application summaries and other factual analyses, the Review Team may request that DOH staff perform additional review and analysis of selected applications to assist the Review Team in developing final award recommendations.

The Review Team’s technical review will evaluate the following components:

1. The extent to which the Eligible Project and Plan (as defined in the RFA) meets the requirements outlined in the RFA, which will be considered in the following dimensions:
  - a) the degree to which the project will contribute to the financial sustainability of the applicant; b) the degree to which the project will preserve essential health care services; and c) the degree to which the project is aligned with DSRIP principles.
2. The ability of the Eligible Applicant to complete the Eligible Project and Plan; and
3. The viability of the Eligible Project or the likelihood of its success.

The Review Team’s financial review will evaluate the following components:

1. Overall cost;
2. Reasonableness of the Eligible Project’s budget;
3. Impact of the Eligible Project on the financial viability of the Eligible Applicant; and
4. The extent to which the application meets all requirements outlined in the RFA.

## **Grant Award**

The DOH Review Team will make award recommendations to the Commissioner of Health in accordance with the following:

Based on an evaluation of the applications and consideration of any information obtained by the DOH Review Team from other sources, applications will be assigned to the following tiers: “Good” “Acceptable”, or “Poor”.

A minimum of \$30 million of the total amount of \$195 million will initially be awarded to community-based health care providers, as defined in Section II (“Who May Apply”) of this RFA. Awards will be made first to community-based applications ranked as “Good”, then “Acceptable”, then “Poor”.

If the aggregate amount of applications received from Eligible Applicants who are community-based health care providers is less than \$30 million, the differential amount will not be awarded under this RFA and will be reserved for a future RFA targeted exclusively at community-based providers.

After \$30 million of awards to community-based health care providers are made, in accordance with the ranking process described, awards will be made to all Eligible Applicants (including community-based providers) until the available amount of funds pursuant to the RFA are exhausted. Awards will be made first to applications ranked as “Good”, then “Acceptable”, then “Poor”.

In the event that funds are not sufficient to support all applications in the lowest tier for which funding is available, DOH will select applications from within that tier by considering:

1. Applications that will help achieve a geographic distribution of funds; or
2. Applications that provide the greatest impact on the financial sustainability of the Eligible Applicant relative to the amount of the grant requested; or
3. Applications that, based on the Department’s knowledge of community needs, will fulfill the program goals, or preserve essential health care services in a community in a manner that is superior to other applications in the same tier.

To the extent that funds are available to make awards for non-capital projects or purposes pursuant to Section 1 of Part F of Chapter 59 of the Laws of 2016, such awards will be made in accordance with overall project rank. However, once funds for non-capital purposes are exhausted, awards will only be made for projects that are eligible for bond financing, regardless of whether such bondable projects are ranked in the same to a lower tier than non-bondable projects.

To the extent that funds for non-capital projects or purposes are not sufficient to fund all such projects ranked in the same tier, the above three application selection considerations would apply.

The final amount of each Eligible Applicant’s total award, regardless of the amount requested, will be determined by the Commissioner based upon:

- An evaluation of the scope of work presented;

- The degree to which the Eligible Project and overall transformation Plan meets the goals and priorities of the SHCFTP and the objectives and requirements of the RFA;
- The appropriateness of the expenses to the Eligible Project;
- The amount necessary to achieve the goals of the Eligible Applicant’s overall transformation plan; and,
- The amount necessary to achieve, to the extent practicable, a geographic distribution of funds from this Program.

## **VI. Attachments**

Please note that certain attachments are accessed in the “Pre-Submission Uploads” section of an online application and are not included in the RFA document. In order to access the online application and other required documents such as the attachments, prospective applicants must be registered and logged into the NYS Grants Gateway in the user role of either a “Grantee” or a “Grantee Contract Signatory”.

Attachment 1:	Letter of Interest Template*
Attachment 2:	Application Cover Sheet*
Attachment 3:	Projected Financial Information*
Attachment 4:	Minority & Women-Owned Business Enterprise Requirement Forms*
Attachment 5:	Vendor Responsibility Attestation*
Attachment 6:	Statewide Health Care Facility Transformation Program Statute (Section 2825-d of the PHL)

\*These attachments are located/included in the Pre-Submission Upload section of the Grants Gateway online application.

**Statewide Health Care Facility Transformation Program  
PHL § 2825-d.**

**§ 2825-d. Health care facility transformation program: statewide.**

1. A statewide health care facility transformation program is hereby established under the joint administration of the commissioner and the president of the dormitory authority of the state of New York for the purpose of strengthening and protecting continued access to health care services in communities. The program shall provide capital funding in support of projects that replace inefficient and outdated facilities as part of a merger consolidation, acquisition or other significant corporate restructuring activity that is part of an overall transformation plan intended to create a financially sustainable system of care. The issuance of any bonds or notes hereunder shall be subject to section sixteen hundred eighty-r of the public authorities law and the approval of the director of the division of the budget, and any projects funded through the issuance of bonds or notes hereunder shall be approved by the New York state public authorities control board, as required under section fifty-one of the public authorities law.
2. The commissioner and the president of the authority shall enter into an agreement, subject to approval by the director of the budget, and subject to section sixteen hundred eighty-r of the public authorities law, for the purposes of awarding, distributing, and administering the funds made available pursuant to this section. Such funds may be distributed by the commissioner and the president of the authority for capital grants to general hospitals, residential health care facilities, diagnostic and treatment centers and clinics licensed pursuant to this chapter or the mental hygiene law, for capital non-operational works or purposes that support the purposes set forth in this section. A copy of such agreement, and any amendments thereto, shall be provided to the chair of the senate finance committee, the chair of the assembly ways and means committee, and the director of the division of budget no later than thirty days prior to the release of a request for applications for funding under this program. Priority shall be given to projects not funded, in whole or in part, under section twenty-eight hundred twenty-five or twenty-eight hundred twenty-five-c of this article. Projects awarded, in whole or part, under sections twenty-eight hundred twenty-five-a and twenty-eight hundred twenty-five-b of this article shall not be eligible for grants or awards made available under this section.
3. Notwithstanding section one hundred sixty-three of the state finance law or any inconsistent provision of law to the contrary, up to two hundred million dollars of the funds appropriated for this program shall be awarded without a competitive bid or request for proposal process for capital grants to health care providers (hereafter "applicants"). Provided however that a minimum of thirty million dollars of total awarded funds shall be made to community-based health care providers, which, for purposes of this section shall be defined as a diagnostic and treatment center licensed or granted an operating certificate under this article; a mental health clinic licensed or granted an operating certificate under article thirty-one of the mental hygiene law; an alcohol and substance abuse treatment clinic licensed or granted an operating certificate under article thirty-two of the mental hygiene law; primary care providers; or a home care provider certified or licensed pursuant to article thirty-six of this chapter.

Eligible applicants shall be those deemed by the commissioner to be a provider that fulfills or will fulfill a health care need for acute inpatient, outpatient, primary, home care or residential health care services in a community.

4. In determining awards for eligible applicants under this section, the commissioner and the president of the authority shall consider criteria including, but not limited to:
  - (a) the extent to which the proposed capital project will contribute to the integration of health care services and long term sustainability of the applicant or preservation of essential health services in the community or communities served by the applicant;
  - (b) the extent to which the proposed project or purpose is aligned with delivery system reform incentive payment ("DSRIP") program goals and objectives;
  - (c) consideration of geographic distribution of funds;
  - (d) the relationship between the proposed capital project and identified community need;
  - (e) the extent to which the applicant has access to alternative financing;
  - (f) the extent that the proposed capital project furthers the development of primary care and other outpatient services;
  - (g) the extent to which the proposed capital project benefits Medicaid enrollees and uninsured individuals;
  - (h) the extent to which the applicant has engaged the community affected by the proposed capital project and the manner in which community engagement has shaped such capital project; and
  - (i) the extent to which the proposed capital project addresses potential risk to patient safety and welfare.
5. Disbursement of awards made pursuant to this section shall be conditioned on the awardee achieving certain process and performance metrics and milestones as determined in the sole discretion of the commissioner. Such metrics and milestones shall be structured to ensure that the health care transformation and provider sustainability goals of the project are achieved, and such metrics and milestones shall be included in grant disbursement agreements or other contractual documents as required by the commissioner.
6. The department shall provide a report on a quarterly basis to the chairs of the senate finance, assembly ways and means, senate health and assembly health committees. Such reports shall be submitted no later than sixty days after the close of the quarter, and shall include, for each award, the name of the applicant, a description of the project or purpose, the amount of the award, disbursement date, and status of achievement of process and performance metrics and milestones pursuant to subdivision five of this section.