

HEAL NY – PHASE 8
Residential Health Care Facility (RHCF)
Rightsizing Demonstration Program
Request for Grant Applications #0712200320

The Deadline for Phase 8 has been Extended to July 2, 2008

Questions and Answers

Eligible Applicants:

1. In reviewing the materials related to HEAL 8 grants, it would appear that all nursing homes are eligible for the grants as they are covered under Article 28. 2. However, the material in the appendix only pertains to Article 28 - e related to voluntary nursing homes. Is it correct that proprietary and county owned facilities as well as voluntary facilities are included?

A. All facilities covered under Article 28 are eligible.

Eligible Projects:

2. Are we eligible for this grant? We are a long term care facility currently at full capacity. There is no need to reduce the number of long term beds at this time. In the future, however, there is some discussion of building assisted living residences as part of River Ridge. We also are meeting the needs of the community by the opening of an on site, out patient physical rehabilitation center. Never the less, my question is this... Since we are not "right sizing" by turning "long term into short term" care are we eligible for this grant?

A. The statute requires a reduction in bed capacity therefore, you are not eligible.

3. Would we be able to request funds for a new TBI unit without decertifying any beds?

A. No.

4. Would this be competitive? One of the focuses of the grant, from what I understand, is the adaptation of technology to promote efficiency. This is what our proposal is about. Quality of care and efficiency is always the goal at River Ridge. We would like to use the grant monies to implement voice activated documentation. Basically, the direct care support staff would be outfitted with head phones directly connected to the computer system at the facility. As the care is being provided the direct care support staff would verbally document the information that would have normally been written afterwards. We feel that this system provides advances in both of our fundamental goals. The documentation would be more accurate, thus improving the

quality of care and efficiency... the number of hours used for handwritten documentation would be eliminated thus utilizing staff time for the care of the individuals.

A. This project as described does not appear to address the requirements of the RGA to be involved in rightsizing. It does not appear to be an eligible project.

5. We are the only non-private pay adult home in Lewis County is scheduled to close this month leaving no choices for low income, low-level-of-care Lewis County residents other than to be admitted to our nursing home. A recently completed community needs assessment for Lewis County has also highlighted a need for an assisted living program for low income individuals as well as the need for an “early-stage dementia “program. The development of these two programs would delay the admission of individuals to a more costly nursing home setting.

Would the request for Phase 8 funds to contribute to the construction of an assisted living program and early dementia care program be an appropriate submission given the limited scenario that has been provided?

A. Projects submitted in applications should meet the criteria for rightsizing as described in the RGA which include a requirement that only nursing homes can apply.

6. We’ve identified a need for beds in the community for the medically fragile, developmentally delayed pediatric population. Data shows that some of these “children” who are aging out of pediatric facilities are leaving the state of New York for more appropriate settings in other states. The only alternative for this population at this time is an adult nursing home which does not provide the age-appropriate mental, physiological and psychological environment. As a nursing home serving primarily a pediatric population, St. Mary’s would be seeking funding to acquire/construct/reconstruct a pediatric medical group home for this population. Would this type of project be covered under HEAL 8?

A. See question #5.

7. I am trying to locate a grant to help us develop an Assisted Living Home for the elderly population in Wayne county. There is a need for an Assisted living home, we have several letters of support from local municipalities, Office of aging, Zoning etc... that states the over whelming need for this type of Facility. Could you please direct me with the appropriate grant that I should be applying for. Phase 8 is a little confusing and I’m not sure if the Heal NY Phase 8 applies to my needs. Any help would be greatly appreciated.

A This RGA does not seem to be the appropriate source of funds for your project. Please watch the Department’s website for other funding opportunities.

8. If an active parent of several nursing homes located in different counties apply under the Rightsizing Demonstration Program and HEAL 8 to reduce RHCF beds in exchange for home and community based services (HCBS) slots/beds, can the HCBS slots/beds be distributed in a

geographically different way than where the RHCF beds were reduced? Can they be distributed proportionally in a different way?

A. Yes, but the applicant will have to include a justification as to why they want to do this as well as the regional need for the distribution.

9. We have a question posed at the conclusion of this brief narrative:

We are proposing to construct a new state of the art facility in an under-bedded market as determined by DOH. This new facility will replace two older facilities with a modern non-institutional setting consisting of “living neighborhoods” divided into small households, each with its own homelike living room, activity parlor, dining room and kitchen. The households will serve as independent social units designed to enhance resident empowerment, dignity and social connectedness. The proposed facility’s beds will be combined from skilled nursing beds within the local regional hospital as well as existing beds acquired from a small 1960’s nursing facility. There currently exists 28 DOH temporary beds in the county that DOH approved to partially alleviate access issues, and the hospital’s long alternate level of care stays and long waiting lists for patients awaiting discharge. Average County occupancy exceeds 98%. There will be a net new 39 beds in the County with the completion of the new facility. The owner/operators have been operating facilities in New York since 1980. Our question is as follows: Is the above outlined proposal eligible to apply for HEALNY Phase 8 funding?

A. No.

Rightsizing and Projected Need:

10. What is the expected range of the ratio of decertified beds to new program beds?

A. There is no expected range.

11. Does every applicant for HEAL 8 funds who wants to decertify beds and convert the beds to a lower level of care also need to submit the application for the Rightsizing Demonstration Program?

A. No.

12. Why is there no mention of the Rightsizing Demonstration Program application in the HEAL 8 application?

A. They are complimentary solicitations and should be read together.

13. Though we absolutely plan to apply for a HEAL 8 grant by the June 2nd deadline, what are the advantages or disadvantages to also submitting a Rightsizing Demonstration Program application by the March 17th Demonstration Program due date? Would it be wise or appropriate to do so?

The reason we are hesitant to apply for the Demonstration Program is that until April, final determinations will not have been made about the precise numbers involved in our project -- which would appear to complicate a Demonstration Program application. However, if participating in that effort in conjunction with HEAL 8 is considered a plus, we would certainly be willing to do so.

A. There is no advantage either way. You are encouraged to apply for Phase 8.

14. The materials indicate that facilities may replace existing beds with a 1 for 1 exchange of lower level of care services. Article 28 e- also says that the Commissioner of Health may waive factors such as utilization and some of the state regulations. Is 1 for 1 to be understood as 1 bed for 1 slot or 1 patient for 1 patient?

A. The overall concept of the Heal 8 program is to allow nursing homes to right size. If you are talking about the rightsizing 3 application, it was the intention of the legislature to convert nursing home beds into community based resources and it should not be read as just a conversation of "paper" beds only.

15. People who attend adult day health care frequently do not go 5 days a week full time, so 1 slot may serve more than one patient; the same is true for LTHHCP. Will this allow the state to over-ride existing need estimates?

A. If there is a good justification.

16. Is there a targeted geographic distribution of bed reductions by county?

A. No.

17. Can a HEAL 8 application be submitted without a concurrent Rightsizing Demonstration Program application if no community based slots are desired?

A. Yes.

18. Can downsizing be contingent on approval of a HEAL application?

A. Yes.

19. Is the latest NH bed need methodology by county the Berger Commission Attachment C document (dated 2/2/06) and modified for reduction of 19% in PAs and PBs estimated that could be transferred out of a nursing home (adjusted from the 50% presented in the document)?

A. No, please see the bed need regulations at 709.3 .

20. RGA Section 1, paragraph 1.2: What is the database regarding "existing and projected need for inpatient nursing home beds and community based long-term care services in the area" will

be used to evaluate proposals and where can this data be accessed by applicants so that a uniform database is used?

A. There are numerous databases that the department will use. The 709.3 regulations, the Berger commission report as well as cost report data and occupancy information that we obtain from the regional offices. Most of these sources are publically available.

21. We are currently working on a submission for an energy efficiency project/grant which would require as part of the grant the purchase of capital. Would the capital purchase under a HEAL VIII grant be reimbursable under Medicaid?

A. An energy-efficiency project would be eligible for reimbursement as long as all of the terms and conditions which are currently in effect for Medicaid capital purchases are met.

Communication with Applicants:

22. Is an Eligible Applicant permitted to speak to DOH representatives regarding HEAL 8 because it is not subject to the competitive procurement process? If the Eligible Applicant also applies for HEAL 7 funds (HEAL 7 is subject to competitive procurement rules) for the same project would the Eligible Applicant then be precluded from discussing the specific project with DOH representatives?

A. Yes, eligible applicants may speak with DOH representatives regarding Phase 8 because this is not a competitive process. Phase 7 is a competitive procurement and applicants can not discuss details with Department staff on Phase 7. If you are applying for both Phases with the same project you may only refer to your Phase 8 application in conversations with the Department. Each phase will be reviewed by different teams – your Phase 7 and 8 applications will not be reviewed by the same staff. Potential awards from all Phases are screened to prevent funding for duplicate projects. The Department will assess and determine if two projects from the same applicant are duplicative.

23. In HEAL 4, applicants were encouraged to engage in collaborative discussions with DOH staff to test out ideas and gain feedback prior to submitting a formal application. This was extremely productive and resulted in stronger and more focused applications. Should the same process be followed in HEAL 8?

A. Phase 8 is different from Phase 4 in many ways. The goal in Phase 4 was to implement Commission Mandates which provided facilities with specific project goals and activities. In Phase 4 compliance was required. Conversely, Phase 8 is driven by the RHCF Rightsizing Demonstration Program and the goals of the Phase 8 RGA. In Phase 8, compliance is not required by law; applicants are encouraged to design unique projects that meet the goals of the program (1.2) and the project criteria .7.2. Phase 8 is similar to Phase 4 in that it is not competitive. If the Department needs to contact and work with an applicant on a project plan it may do so. Please do not contact the Department directly during the review process.

24. Can a nursing home applicant apply under both HEAL 7 and HEAL 8 for the same project?

A. The same application can not be submitted for HEAL 7 and HEAL 8. Obtaining an award in one Phase will eliminate the opportunity to obtain funding in for the same project in another Phase. The Department will make the determination as to the similarity of applications submitted by the same applicant under multiple phases.

Review Criteria:

25. How will the various evaluation criteria (specifically under section 1.7.2, p. 6-7) used by DOH for HEAL 8 grant Applicants be weighted?

A. The criteria listed in 1.7.2 are all important. No specific weights have been assigned to any of the review criteria. Review criteria includes the following:

- *1) The potential for improved quality of care and quality of life for consumers;*
- *2) The likelihood that the proposal would result in cost savings to the Medicaid program;*
- *3) Residential health care facility capacity and estimated public need in the planning area in which the applicant is located;*
- *4) The availability of less restrictive and less institutional long-term care programs and services; and*
- *5) The potential for improving the financial viability of the Applicant facility or facilities.*

Special emphasis will be placed on specific criteria given the service issues and needs of specific geographic areas with respect to a particular application.

26. The materials refer to funds being dispersed by region across the regions in NYS. How will the determination be made regarding how much money will be made available to a given region?

A. There are no specific regional allocations of funds. Distribution of awards will depend on the quality of the applications received.

27. The materials state that the expected improvement in patient quality of care and Medicaid savings will be a consideration, but how will each of the following be taken into account?

A. It is up to the applicant to make their case on these two statutory elements.

28. Will the percentage of current excess supply of SNF beds be a consideration?

A. Yes.

29. Will facilities in areas without excess hospital or SNF capacity be considered?

A. Yes.

30. Will the extent to which a region has or has not developed a comprehensive array of community-based services be a consideration?

A. Yes.

31. Will facilities in areas with well developed community- based services be considered?

A. Yes.

32. Will the current facility's need for replacement of the physical plant be a consideration?

A. Yes.

33. Given the Governor's interest in green energy, will facilities proposing green energy saving systems be given priority consideration?

A. To the extent we can under the statute.

Application Submission and Grant Awards:

34. Can there be more than one application submitted for separate projects which are part of a large system redesign?

A. Yes.

35. Will there be another RGA issued by the State after HEAL 8 or is HEAL 8 the last amount of HEAL funds to be distributed?

A. The Department anticipates additional HEAL Phases in the future.

36. Does the grant proposal request have to be only for direct expenses for downsized rooms or can we request assistance to upgrade antiquated common areas as well?

A. HEAL funds will only be awarded for downsizing activities. If your project meets the established criteria in the RGA for Phase 8 you may apply for financial assistance. Also, regarding types of eligible costs, HEAL will not cover administrative costs.

37. Can an organization submit the same application for both HEAL 8 and HEAL 7?

A. The same application can not be submitted for HEAL 7 and HEAL 8. Obtaining an award in one Phase will eliminate the opportunity to obtain funding for the same project in another Phase. The Department will make the determination as to the similarity of applications submitted by the same applicant under multiple phases.

38. Can a facility that downsized under a HEAL Phase 2 grant apply for funding under HEAL Phase 8 to add a service that was discussed in the Phase 2 proposal as pending the outcome of a

feasibility study, but for which no funding was requested or received under Phase 2? We seek assistance to establish on-site dialysis to support our recently approved CON for a ventilator unit. We will receive funding to assist with construction of the ventilator unit but did not previously request assistance with dialysis.

A. Without knowing the full extent of your project, it sounds as if this project lacks the necessary downsizing component in order to qualify under Phase 8. We will not provide financial assistance for new programs for facilities that have already accomplished their downsizing activities.

39. Can you provide more information on the level of detail applicants need to submit regarding architectural design of new construction and/or renovation? If schematics are required, can you provide examples of what type of detail should be included within those?

- *Architectural narrative describing intent of project, resulting form/configuration, summary of functional concept proposed.*
- *location of proposed project (campus/building/floor) and summary of scope of work (square footage of new and renovation, functional areas involved, work categorized as space reconfiguration and infrastructure upgrades).*
- *estimated basic cost of construction (cost per SF and incremental, equipment, A/E and construction management fees, site work, etc.).*
- *estimated time frame for implementation*
- *schematic floor plans;*
- *site plans, if applicable.*

40 In the RGA financial section (page 34 entitled "Project Fund Sources"), I see where we must show how much is funded from HEAL versus other sources, but there is no maximum percentage shown for HEAL. In previous HEALNY RGAs, the HEAL portion of the project cost couldn't exceed 50%. I have read through this RGA and haven't seen such a restriction. Is there such a restriction? If so, what is and where is it mentioned in the RGA? If not, is there a certain percentage expected by the financial review team to come from other funds?

A. No match is required for Phase 8.

41. Is there a 50% funding match (i.e., does 50% of the project costs have to come from funds other than HEAL)?

A. No funding match is required for Phase 8. However, we would expect some facility equity to be included as part of the project.

42. Is the one-year pre-approved extension applied for as part of the grant application?

A. No. It should not be assumed that contract extensions will be available.

43. With regard to the rolling application due date, (1) is there an advantage to having the application in by March 17, 2008? (2) what is the basis for using a rolling due date?

44. Will preference be given to an application received on March 17, 2008 as opposed to later, but still before June 2, 2008 (specifically section 3.2, p.11)?

45. Will awards be given on a rolling basis or will they be awarded after the final June 2nd application deadline?

46. With a rolling due date from March 17 through June 2, do earlier applications have a better chance of receiving funding or is this timing only meant to more evenly spread the review time out for the DOH staff?

47. Could you identify what is meant by applications being accepted on a rolling basis?

A. This response covers questions 43 through 47. Applications will be reviewed in the order that they have been received. Early submission may increase (but not necessarily increase) an applicant's chances of receiving assistance. Awards will be announced after the new application closing date of July 2, 2004.

48. Where would I be able to locate or determine whether any energy efficiency HEAL Grants have been awarded in the past?

A. All prior HEAL grant awards can be found on the Department's website.

49. Will organizations have to obtain CON approval for services which they are not currently licensed to provide? If so, will they be batched or put through an expedited review process? If not, will existing providers be expected to compete to survive in an environment of known excess capacity?

A. Organizations will have to comply with all CON requirements. HEAL grants will received an expedited review.