

FOR PUBLIC COMMENT

**Announcement of
Availability of Funding**

**INTERIM ACCESS ASSURANCE FUND (IAAF)
FOR LARGE PUBLIC HOSPITALS**

ISSUED BY THE

NEW YORK STATE DEPARTMENT OF HEALTH

Key Dates:

Comments Due: May 14, 2014

Applications Due: May 30, 2014

CONTACT PERSON:

Christopher Delker
Director
Division of Planning and Licensure
Office of Primary Care & Health Systems
Management

CONTACT EMAIL ADDRESS: iaaf@health.state.ny.us

OVERVIEW

The New York State Department of Health (DOH, Department) seeks comments on a proposed process to award temporary, time limited funds to large public hospitals – specifically, those that are Public Benefit Corporations and SUNY Medical Centers -- to guard against degradation of key health care services that they provide.

Funds made available through the Interim Access Assurance Fund (IAAF) Funds are intended to preserve health care services essential to the low income communities being served by these providers as they develop integrated Provider Performance Systems (PPS) that will meet the goals of and be supported by the Delivery System Reform Incentive Program (DSRIP). The IAAF is authorized as a separate funding structure to support the achievement of DSRIP goals. It is part of the DSRIP overall funding.

PURPOSE

Funds in the amount of up to \$250 million are proposed to be made available under this announcement to assist the eligible public hospitals to sustain and expand critical services to their communities through March 31, 2015, at which time DSRIP funds are expected to be made available. Emphasis is placed on services to Medicaid recipients and the uninsured who have historically faced challenges accessing quality health care services, including primary care and behavioral health services.

Funds will be awarded to preserve, sustain, and possibly strengthen or expand services that are critical to the applicant's community, that are threatened by financial constraints. These include existing services that are currently provided by the applicant or other provider in their service area, that are languishing or potentially being abandoned due to lack of funding. Emphasis is placed on projects responsive to the needs of Medicaid beneficiaries and the uninsured. During the funding period, awarded applicants will be expected to prepare for submission of their DSRIP proposals by developing integrated systems with other partners that will a) provide all services essential to their communities, as identified by a need analysis, and b) ensure quality, coordinated care throughout the service continuum.

The State will work with each public hospital to ensure that the non-Federal share of IGT funding is sufficient to achieve IAAF-awarded Federal funding.

ELIGIBLE APPLICANTS

Eligible organizations for funding under this solicitation are:

- New York City Health and Hospitals Corporation (HHC) on behalf of hospitals in its system, the State University of New York (SUNY) on behalf of Medical Centers in its system, Erie County Medical Center, Westchester Medical Center and Nassau Health Care Corporation.

Eligible applicants must commit to applying for DSRIP funding for continuation of their projects. These public hospital systems are expected to lead a PPS in applying for DSRIP funding under the Public Hospital Transformation Fund.

ELIGIBLE COSTS

Eligible for payment under this program are costs directly related to the operation of the project, including but not limited to:

- Personnel (salaries, wages, benefits)
- Supplies and non-capital equipment
- Utilities
- Administrative services
- Communications
- Record keeping, data collection and information processing.

EXCLUDED COSTS

- Capital expenditures, including but not limited to:
 - Construction
 - Renovation
 - Acquisition of capital equipment, including major medical equipment.
- Consultant Fees
- Retirement of long term debt.

AWARDS

Applications submitted by any organization other than those listed above will not be considered. Applications submitted by any individual HHC hospital or any individual SUNY Medical Center will not be considered.

Awards under this solicitation will be made based on applicant eligibility and the Department's analysis of how well the application meets the goals of the program. In general, applicants will be directed to identify in their submissions information such as:

- those services and projects that are currently being administered whose continuation through March 31, 2015 is threatened due to financial issues, for which the applicant is seeking funding support;
- a description of the impact of the service or project on access to services by, and the health of, Medicaid beneficiaries or the uninsured;
- the impact on its community's access and health of losing the service or project;
- its plan for sustaining and improving service access and delivery, including entering into or strengthening partnerships with other community providers, including primary care providers and other community providers at risk financially, to ensure access, quality, coordination, and provider stability;
- financial projections for carrying out the plan and sustaining the targeted services or projects.

The Department, after its review of individual applications and the aggregate amount of requested funds, may award an amount to an applicant that is lower than the applicant's requested funding. Successful applicants will be subject to monthly Department monitoring of financial status and progress towards a defined financial stability work plan and with the commitment of participation in future project design and DSRIP transformation proposals. Monthly award payments will be based on the applicant's actual monthly financial performance during the period and the reasonable cash amount needed to sustain operations for the following month. Therefore, ultimate payments may differ from the initial award.

REVIEW PROCESS

Each application will be reviewed by DOH staff with expertise in health care service delivery, health care finance, public health, and reimbursement. Once eligibility for funding is confirmed, each applicant's current and projected financial status relevant to sustaining the target programs, proposed use of funds to maintain services responsive to the needs of the low income communities it serves, anticipated impact of the loss of such services, and operational transformation plan will be reviewed in determining whether the applicant will be awarded funds, and the amount of the award. During the review period, DOH staff may communicate with an individual applicant to seek clarification of information, for the purpose of determining eligible resource need and making the final award determination.

If, after making a final determination of eligible funding need for each applicant, the aggregate funding request exceeds \$250 million, DOH will apply a commensurate reduction to all awards such that the total amount awarded totals \$250 million, the maximum amount available.

PAYMENT PROCESS

Payments to awardees will be made on a monthly basis through the payment mechanism for payment of Medicaid adjustments. Monthly payments will depend on the recipient's monthly financial and activity reports, which include actual revenues and expenses for the prior month, projected cash need for the current and the coming month, and progress achieved toward reaching goals agreed upon with the Department.

PUBLIC COMMENTS

The Department welcomes comments on this proposed solicitation, as well as the application form and Frequently Asked Questions (FAQs). Please submit comments electronically to iaaf@health.state.ny.us by 5:00 PM, **May 14, 2014**. Comments received after this date and time will not be considered.

The Department will review submitted comments as it finalizes the IAAF funding process. The final solicitation will be released on or about, **May 16, 2014**.

NEW YORK STATE DEPARTMENT OF HEALTH
INTERIM ACCESS ASSURANCE FUND (IAAF) APPLICATION FOR
LARGE PUBLIC HOSPITALS
AND
SUNY MEDICAL CENTERS

The 1115 Waiver provides funding for the IAAF program. This application is for IAAF funding, which ends March 31, 2015.

Applicant Information

<input type="checkbox"/> Erie County Medical Center <input type="checkbox"/> Health and Hospitals Corporation <input type="checkbox"/> SUNY Medical Center	<input type="checkbox"/> Nassau University Medical Center <input type="checkbox"/> Westchester Medical Center
Authorized Contact Person First Name _____ Last Name _____	
Contact Title _____	
Facility Address _____ City _____ NY Zip _____	
Phone _____ Fax _____ Email _____	

Reporting Timeframe

Fill in the end date for the most recent reporting year for which you submitted cost reporting data to the New York State Department of Health and on which your eligibility statement and application are based:	
Month	Year
_____	2012
_____	2013
_____	2014

Certification to be signed by the Hospital/System Board Chair or Secretary:

I hereby affirm that I have reviewed all material submitted as part of this application and that these documents contain accurate information to the best of my knowledge. I certify that the applicant hospital is in compliance with sections 405.2, 610.3 and 610.4 of Title 10 of NYCRR. Additionally, on behalf of the applicant hospital, I commit to participate with other entities in the development of a proposal for funds under the Delivery System Reform Incentive Payment (DSRIP) program that would require that applicants become participants in a system of integrated services delivery.

Notarized Signature _____
Date

Printed Name

Title

NEW YORK STATE DEPARTMENT OF HEALTH
INTERIM ACCESS ASSURANCE FUND (IAAF) APPLICATION FOR LARGE PUBLIC HOSPITALS AND
SUNY MEDICAL CENTERS

Financial Information and Justification

Amount of funding requested, and supported by attached budget, to maintain operations through March 31, 2015. Funding may not be used for capital projects, retirement of debt, consultants or program expansion.

\$ _____

Submit *all* of the following: (HHC and SUNY should submit all requested financial data for their systems as a whole and for each of the hospitals for which they are applying)

- Project Narrative (see below)
- Latest Full Audited Financial Statements
- Latest Internal Balance Sheet, Income Statement, and Statement of Cash Flow
- 2013 Breakdown of Utilization (Inpatient and Outpatient by payer and service line, as applicable)
- April 1, 2014 – March 31, 2015 Budget by Month (form attached)
- April 1, 2014 – March 31, 2015 Monthly Utilization Projections
- Aging Schedule for Accounts Payable
- System (if applicable), Hospital and Project/Initiative Budgets (form attached) with monthly projected grant funding request for each project or initiative for which funding is requested

Certification to be signed by the Chief Financial Officer (or equivalent)

I hereby affirm that I have reviewed all financial documents submitted as part of this application, and that these documents are accurate to the best of my knowledge.

Notarized Signature

Date

Printed Name

Title

Project Narrative

Describe the project or initiative for which funding is requested. The description should address the following points: If the applicant oversees multiple hospitals, specify which hospitals will participate; how this initiative is responsive to the needs of low income communities being served by the hospital; how community need was determined; how this initiative addresses any gaps in health care services for Medicaid recipients and uninsured, how this initiative enhances access to health care for Medicaid recipients and the uninsured; availability of other provider resources offering similar services; affiliations with other health care providers as part of this initiative including health care providers that are financially distressed; level of financial need to sustain the initiative through March 2015; the consequences of not receiving the requested funds; other sources and amounts of financial assistance the applicant can pursue; how the initiative will be sustained after funding expires; a description of the geographic area and population served. (Narrative may be attached and may not exceed 15 pages).

Instructions for
Interim Access Assurance Fund (IAAF) Large Public Hospitals and
SUNY Medical Centers

Submission: Eligible applicants must submit two complete original and signed applications, along with two hard copies of the application and two copies on separate flash drives. These electronically readable flash drives must include a complete copy of the application, readable in Adobe's .pdf format.

Applications should be submitted to the following address:

Mr. Christopher Delker
Division of Planning and Licensure
Grants Support Unit
Corning Tower Room 1805
Albany, NY 12237

For applicants that currently meet the eligibility criteria stated in this announcement, applications should be **received** at the above address no later than **3:00 p.m.** on **May 30, 2014**.

Applicant Information

Check the appropriate box to identify the applicant organization.

Reporting Timeframe

Identify the end date for the 12-month period preceding the most recently submitted cost report, (e.g. December 31, 2012; March 31, 2013; June 30, 2013; December 31, 2013, etc.).

Financial Information and Justification

Provide the requested financial information.

Project Narrative

Describe the project or initiative for which funding is requested. The description should address the following points:

- If the applicant oversees multiple hospitals, specify which hospitals will participate;

- a description of the geographic area and population served, how this initiative is responsive to the needs of low income communities being served by the hospital and how community need was determined;
- how this initiative addresses any gaps in health care services for Medicaid recipients and uninsured, how this initiative enhances access to health care for Medicaid recipients and the uninsured;
- availability of other provider resources offering similar services;
- affiliations with other health care providers as part of this initiative including health care providers that are financially distressed; level of financial need to sustain the initiative through March 2015;
- the consequences of not receiving the requested funds;
- other sources and amounts of financial assistance the applicant can pursue; and
- how the initiative will be sustained after funding expires; (Narrative may be attached and may not exceed 5 pages).