The purpose of the Rural Hospital Planning and Transition Grant Program is to provide funds that assist small rural hospitals a) develop strategic plans that preserve or enhance access to health services, or b) implement transition projects to modify the type and extent of services provided, based on an existing strategic plan.

This Request for Proposals document is divided into four sections:
Section I describes the funding source and the grant program
Section II provides instructions on completing and submitting an application
Section III summarizes the criteria for evaluating grant applications
Section IV contains:
• the Application Checklist that lists all the requirements for a complete application
• required forms
• a memo and a table with “observations and recommendations from previous reviewers”

Questions regarding these grant application guidelines should be directed to Craig Baarson at (651) 201-3840, or at craig.baarson@state.mn.us.

Section I – Funding Source and Grant Program Summary

LEGISLATIVE BACKGROUND

Minnesota Statutes Section 144.147 authorizes the Commissioner of Health to award grants to eligible hospitals under the Rural Hospital Planning and Transition Grant Program. The program helps small hospitals (50 or fewer beds) preserve or enhance access to health services through planning or implementation projects.

GRANT PROGRAM SUMMARY

A. Eligible Applicants

Eligible applicants are small, general, acute care rural hospitals that are non-federal and not-for-profit, and that fulfill all of the following criteria:
1. Is located in a rural area (a) as defined in federal Medicare regulations, Code of Federal Regulations, title 42, section 405.1041, or (b) located in a community with population of
less than 15,000, according to the U.S. Census Bureau statistics, and is outside the seven county metropolitan area; and,  
2. Has 50 or fewer beds.

B. Grant Program Requirement
Grant funds may be used for (1) developing strategic plans for preserving access to health services; and (2) implementing transition projects to modify the type and extent of services provided, based on an existing plan.

The minimum requirements for developing a strategic plan are established in Minnesota Statutes, Section 144.147, subdivision 2, as follows:

Subd. 2. Grants authorized. The commissioner shall establish a program of grants to assist eligible rural hospitals.

(a) Grants may be used by hospitals and their communities to develop strategic plans for preserving or enhancing access to health services. At a minimum, a strategic plan must consist of:

   (1) a needs assessment to determine which health services are needed and desired by the community. The assessment must include interviews with or surveys of area health professionals, local community leaders, and public hearings;  
   (2) an assessment of the feasibility of providing needed health services that identifies priorities and timeliness for potential changes; and  
   (3) an implementation plan.

Furthermore, the strategic plan must be developed by a committee that includes representatives from the hospital, local public health agencies, other health providers, and consumers from the community.

(b) Grant funds may also be used by eligible rural hospitals that have developed strategic plans to implement transition projects which will modify the type and extent of services provided, in order to reflect the needs of a strategic plan. Grants may be used by hospitals under this section to develop hospital-based physician practices that integrate hospital and existing medical practice facilities that agree to transfer their practices, equipment, staffing, and administration to the hospital. The grants may also be used by the hospital to establish a health provider cooperative, a telemedicine system, an electronic health records system, or a rural health care system.

A key component of this grant program is the requirement of a 30-day period for the local Community Health Board (CHB) to review the proposal and submit comments to the Commissioner of Health. It is the responsibility of the applicant hospital to send a copy of the application to any relevant CHB.

C. Factors Taken into Account in Selecting Proposals for Funding
The following factors will be taken into account in the selection of proposals for funding:
   • Improving community access to hospital or health services
Changes in service populations
Availability and upgrading of ambulatory and emergency services
The extent that the health needs of the community are not currently being met by other providers in the service area
The need to recruit and retain health professionals
The extent of community support
The integration of health care services and the coordination with local community organizations, such as community development and public health agencies and,
The financial condition of the hospital

D. Special Requirements for Hospitals Applying as Part of a Consortium
Hospitals that are applying for funding as part of a consortium should submit one consolidated application. In addition to the narrative required below, the application should also contain a narrative summarizing the nature and overall objectives of the consortium project, the roles and impact on each hospital, and the management structure identifying the administrative agent and agency that will ensure a cohesive project among participating hospitals.

E. Duration of Grants
Projects awarded funding will be approved for a period of one year (12 months). The anticipated start date of grant agreements for successful applicants is January 15th, 2018.

F. Total Available Funding
Approximately $250,000 is available for grant contracts. A grant to a hospital, including hospitals that submit applications as a consortium member, may not exceed $45,000. In recent years the average grant amount has been between $25,000 and $35,000.

Matching requirement: Applicants must certify that at least one-half of the total cost of the project will be matched from non-state sources. For example, if the total cost of the proposed project is $60,000, no more than $30,000 can be awarded in grant funds from this program. The match may include in-kind services.

G. Timeline

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>RFP issue date:</td>
<td>September 18, 2017</td>
</tr>
<tr>
<td>Application due to MDH:</td>
<td>November 3, 2017</td>
</tr>
<tr>
<td>Application submitted to Community Health Board (CHB) no later than:</td>
<td>November 3, 2017</td>
</tr>
<tr>
<td>MDH receives any comments from CHB’s by:</td>
<td>December 3, 2017</td>
</tr>
<tr>
<td>Grant Agreements begin (estimate):</td>
<td>January 15, 2018</td>
</tr>
</tbody>
</table>

Note: The legislation establishing this grant program gives the Community Health Board (CHB) 30 days in which to review and comment to the Commissioner on grant applications. Therefore, a copy of the application must be submitted to the relevant CHB no later than November 3, 2017. Include instructions to the CHB to email any comments to craig.baarson@state.mn.us Contact information for Community Health Boards can be found at: http://www.health.state.mn.us/divs/opi/gov/context.html#chbs
Section II – Instructions on Completing and Submitting an Application

The following outline and instructions should be used to complete the grant application. Proposals must be typewritten and all pages numbered. While additional documentation can be submitted, please limit attachments to information relevant to the specific scope and purpose of the project.

A. Application Checklist (form attached, in Section IV).

B. Grant Application Form (form attached, in Section IV).

Applicants are required to complete and submit this form. Complete all items. One copy of the application must bear an original signature, title and date.

C. Project Summary (1-2 pages, using 12-point font)
   1. Title of Project
   2. Project Summary, which concisely states the following:
      a) Description of the hospital and its service area (e.g., how many available inpatient beds, how many people are served, average daily census, distance to the next nearest hospital and to the nearest tertiary care center, special populations served, financial condition of the hospital, and the nature of the relationships in the consortium if this request is a consortium application.)
      b) Problem statement.
      c) Goals, objectives and anticipated outcomes of the proposed project.
      d) Proposed activities.
         1) Description of the activities the proposed project will be undertaking to achieve its objectives and goals.
         2) Statement whether the grant funds will be used for the development of a strategic plan or for the implementation of a transition project based on an existing plan.

D. Narrative (15 double-spaced pages maximum, using 12-point font)
   1. Hospital and Service Area Overview

   The application must describe the hospital, the services provided, and the population served. It should describe the hospital’s service area, daily census, relevant service lines,
and any identified trends in the service area. Also include supporting documentation such as census data, demographic data, and/or relevant county health rank.

**Note**: This section should also include a discussion of the hospital’s current financial condition as supported by financial statement data.

2. **Problem Statement**

The application must clearly describe the nature of the health service problem(s) in the service area. The narrative should document changes in service populations over time, the extent to which health care needs of the community are not being currently met by the hospital or other providers in the service area, and the projected demand for ambulatory and emergency services.

3. **Project Description**

The application must clearly explain how the grant funding will be used, what will be accomplished and the outcomes to be expected. The application must contain a clear statement of achievable objectives, a project work plan, an evaluation plan and a project timeline.

   a) **Objectives and Goals of the Proposed Project**
   State the projected objectives and goals for the project. Objectives are tangible, specific, measurable and achievable. Goals are more long-range benefits that are broad in scope. An objective statement describes the steps towards achieving a goal. A goal statement describes what will exist if the stated problem is resolved.

   b) **Methods**
   Present a detailed description of how the proposed project will reach the objectives and goals. The methods section should:

      1. Demonstrate clearly defined strategies or activities.
      2. Provide a realistic timeline for implementation and contain a discussion of your business plan to generate sufficient revenue for maintenance or operation of a new project, initiative or equipment following the grant period.
      3. Describe the roles and capabilities of responsible individuals and organizations.

   c) **Staff Qualifications**
   Use the enclosed Biographical Sketch form to describe qualifications of only the proposed key project staff who will be involved in implementing the project, or a brief description for vacant positions.
E. Budget

Grant funds may be used for expenses incurred in the development of strategic plans or the implementation of transition projects based on an existing plan.

Grant funding may not be used for any expenditure or obligation made prior to the date on which a grant agreement becomes effective.

1. Budget Form (form attached, in Section IV)
   The budget form provides the categories to be used for calculating resources needed for project expenditures.

   Identify all sources of funding (cash or in-kind match) in addition to state grant funding requested for each budget category.

   Applicants must verify to the Department of Health that at least one-half of the total cost of the project, which may include in-kind services, is available for the same purposes from non-state sources (i.e., required match).

2. Budget Justification Narrative
   On a separate page(s) labeled “Budget Justification” provide justifications for each line item/cost listed on the Budget Form. The narrative must provide a rationale and details regarding how the budgeted cost items are calculated.

   a) Salaries and Fringe
      Describe each position proposed to be paid as part of this project grant, provide the position title, total salary, fringe benefits, FTE and the basis for the calculation. Indicate whether the position will be funded by grant funds.

      Include a detailed description of the activities of each position as it relates to the project, including the percent of time to be spent on project activities and the amount of salary to be funded by the project budget.

   b) Travel
      Include a detailed description of the proposed travel as it relates to the completion of the project. Provide the number of miles planned for project activities as well as the rate of reimbursement per mile to be paid from the project funds. Out-of-state travel will likely not be funded.

   c) Supplies
      Include a description of supplies needed for the completion of the project.

   d) Contracted Services
      For each contract, provide the name of the subcontractor, components or services to be provided by the subcontractor, and cost per service, client or unit.
If a subcontractor has been chosen, include background information on previous experience and any bids. If no subcontractor has been chosen, include a rationale for the cost estimate, and the method to choose a subcontractor.

e) **Equipment and Capital Improvements**
Include a detailed description of proposed equipment and/or capital improvements requested for the project. If possible, provide itemized costs. Please note that no portion of the grant may be used to retire debt incurred with respect to any capital expenditure made prior to the grant award.

f) **Indirect cost reimbursement** is unlikely to be funded.

g) **Other Expenses**
Whenever possible, include proposed expenditures in the categories listed above. If it is necessary to include expenditures in this general category, include a detailed description of the activities as it relates to the project. If possible, include a separate line-item budget and budget narrative.

F. **Evidence of Community Support for Proposed Project**

The application should demonstrate support for the hospital’s effort to undertake the proposed project from other local health service providers, the local community and government leaders from outside the hospital and/or consortia. Evidence of such support may include recent commitments of financial support from local individuals, organizations and government entities; and pledges of future in-kind services or cash for this project.

G. **Other Attachments**

1. **Governing Board Resolution** authorizing submission of the application (form attached, in Section IV).
2. **Biographical Sketches** for Essential Personnel (form attached, in Section IV).
3. **Consortium Summary Sheet**, if applicable (form attached, in Section IV).
4. **Accounting System and Financial Capability Questionnaire** (form attached, in Section IV).
5. Hospitals with an already developed a strategic plan that are applying for funding to implement a transition project must submit a copy of the relevant portion of their **strategic plan** with their application, along with an indication of the project’s priority as established in the plan.
6. Evidence that the application was submitted to the appropriate **Community Health Board (CHB)** for review, along with any comments the CHB may have made.
7. Any other relevant, supplemental materials (please keep to a minimum).
H. Submission:

**Applications must be received no later than 4:30 p.m. on November 3rd, 2017.**
Submit the original and three copies of the application to:

Cindy LaMere  
Minnesota Department of Health  
Office of Rural Health & Primary Care  
P.O. Box 64882  
St. Paul, Minnesota 55164-0882

Courier Address:  
Golden Rule Building, Suite 220  
85 E. 7th Place  
St. Paul, MN 55101

Questions regarding these grant application guidelines should be directed to Craig Baarson at (651) 201-3840, or at craig.baarson@state.mn.us.
Section III – Criteria for Evaluation

Applications will be evaluated based on the following criteria:

1) The degree to which the project will improve access to quality care.

2) Responsiveness to and adequacy of changes in service area population(s) as documented in the application.

3) Documented demand/need for additional ambulatory and/or emergency services.

4) The scope of the project -- whether the goals sufficiently address the health care needs identified in the application, and whether the stated objectives of the project are achievable and measurable.

5) The extent to which the health needs of the community are not currently being met by other providers in the service area.

6) The need to recruit and retain health care professionals in the service area.

7) The extent of coordination with local community organizations, such as other providers, community development and public health agencies.

8) The financial condition of the hospital and the need for grant funds to undertake the proposed project.

9) The administrative capacity of the applicant to undertake the proposed project based, in part, on their performance on previous grant projects from the Office of Rural Health and Primary Care and the Minnesota Department of Health.

In determining grant awards, the Commissioner of the Minnesota Department of Health will also consider the following factors: (1) the applicant’s description of the problem; (2) adequacy of the description of the project; (3) likelihood of successful outcome of the project; (4) the nature and extent of community support for the hospital and the proposed project; and (5) the comments, if any, resulting from a review of the application by the Community Health Board (CHB).

Scoring System

In evaluating applications, the commissioner will score each application on a 100-point scale, assigning a maximum of 70 points for an applicant’s understanding of the problem, the adequacy of the description of the project and expected outcomes, and the likelihood of a successful outcome, and a maximum of 30 points for the extent of community support for the hospital and the proposed project (see Item G under Application Requirements). The commissioner may also take into account other relevant factors.
Section IV – Application Checklist, Required Forms, and Observations and Recommendations from Previous Reviewers

The following pages contain the Application Checklist, required forms, and a memo and table with information on observations and recommendations from previous reviewers of the grant program.
APPLICATION CHECKLIST

This page (Application Checklist) is the cover page to your application and is used as the Table of Contents. All the forms and information required for a complete application are preceded by a box, ☐. You may click on or place an “X” in each box.

☐ Application Checklist (this page)

Project Summary and Narrative – use 12-point font and double spacing:
☐ Project Summary (1-2 pages)

☐ Narrative (not to exceed 15 pages; number the pages at the bottom of each page), including:
  • Hospital and Service Area Overview
  • Problem Statement
  • Project Description

Grant Budget:
☐ Budget Form (form)

☐ Budget Justification Narrative (use 12-point font)

Required Forms:
☐ Grant Application Form (form)

☐ Governing Body Resolution (form)

☐ Accounting System and Financial Capability Questionnaire (form)

☐ Consortium Summary Sheet, if applicable (form)

☐ Biographical Sketches for Essential Personnel (form)

Required Attachments:
☐ Evidence that Community Health Board was offered an opportunity to review and comment on your application, and copies of any written comment (including emails)

☐ Copy of appropriate sections of the hospital’s Current Strategic Plan that support the project

☐ Evidence of community support for proposed project (attachments)

Optional Attachments:
☐ Other relevant supplemental materials (please keep to a minimum)
GRANT APPLICATION FORM

Please check appropriate project type:
☐ Strategic Plan Development Project   OR   ☐ Implementation Project, based on an existing plan

1. Applicant Hospital (with which grant contract is to be executed)

Legal Name________________________________________

Address________________________________________

Phone________________________________________

Federal ID Number __________________ State Tax ID Number __________________

Ownership Type:  City ☐  County ☐  City/County ☐  Hospital District ☐  Hospital System ☐  For-Profit ☐

2. CEO of Applicant Hospital

Name/Title________________________________________

Address________________________________________

Phone________________________________________

Email address:____________________________________

3. Fiscal Management Officer of Applicant Hospital

Name/Title________________________________________

Address________________________________________

Phone________________________________________

Email address:____________________________________

4. Operating Hospital (if different from number 1 above)

Name/Title________________________________________

Address________________________________________

Phone________________________________________

Email address:____________________________________

5. Contact Person for Project Administration

Name/Title________________________________________

Address________________________________________

Phone________________________________________

Email address:____________________________________

6. Contact Person for Further Information on Application

Name/Title________________________________________

Phone________________________________________

Email address:____________________________________

7. Grant Amount Requested: ___________________ Amount of Match Offered: ___________________ Total Project Cost: ___________________
8. Project Title

9. Copies of this application have been sent to the following Community Health Board (CHB) for review:

<table>
<thead>
<tr>
<th>CHB Agency Name(s) and Address</th>
<th>Date sent</th>
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</table>

10. I certify that the information contained herein is true and accurate to the best of my knowledge and that I submit this application on behalf of the applicant organization.

<table>
<thead>
<tr>
<th>Signature of Authorized Project Sponsor</th>
<th>Title</th>
<th>Date</th>
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</table>
GOVERNING BOARD RESOLUTION

Be it resolved that:

1) ____________________________ apply for a Rural Hospital Transition Grant from
   (name of organization or unit of government)

   the Office of Rural Health and Primary Care of the Minnesota Department of Health.

2) ____________________________ certifies that it will comply with the
   (organization or unit of government name)

   Rural Hospital Transition Grant Program, including the requirements in Minnesota Statutes 144.147.

3) ____________________________ seeks to enter into a grant contract
   (organization or unit of government name)

   with the State of Minnesota if the application is successful.

4) ____________________________ is hereby authorized to execute
   (Title of Authorized Official)

   contracts and certifications as required to implement the organization’s participation in the

   Minnesota Rural Hospital Transition Grant Program.

I certify that the above resolution was adopted by the ______________________ (Governing Body)

of ______________________ on ____________________.
   (Organization)      (Date)

SIGNED:                                  WITNESSED:

____________________________  ______________________________
   (Signature)                  (Signature)

____________________________  ______________________________
   (Title)                     (Title)

____________________________  ______________________________
   (Date)                     (Date)
ACCOUNTING SYSTEM AND FINANCIAL CAPABILITY QUESTIONNAIRE

This is the standard form to be used in order to determine the financial capacity of grant applicants. The creation and implementation of this form is in response to the best practices stated in the Office of Legislative Auditor’s report “State Grants to Nonprofit Organizations,” January 2007. This form should be used for applicant agencies that: are requesting, or will receive, more than $50,000; are new to state granting; are recently incorporated (five years or less); had previous unfavorable financial performance with federal and/or state funds; had significant audit findings; or for any applicant whose financial capacity is unknown or questionable. No applicants will be excluded from receiving funding based solely on the answers to these questions.

SECTION A: APPLICANT INFORMATION

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<table>
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</thead>
<tbody>
<tr>
<td>1. Organization Name and Address</td>
<td>2. Employer Identification Number</td>
<td>3. Number of Employees (Full Time: Part Time:)</td>
</tr>
<tr>
<td>4. When did the applicant receive its 501(c) 3 status? (MM/DD/YYYY)?</td>
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</table>

5. Is the applicant affiliated with or managed by any other organizations (Ex. regional or national offices)? ☐ YES ☐ NO If “Yes,” provide details:

5b. Does the applicant receive management or financial assistance from any other organizations? ☐ YES ☐ NO If “Yes,” provide details:

6a. Total revenue in most recent accounting period (12 months).

6b. How many different funding sources does the total revenue come from?

7. Does the applicant have written policies and procedures for the following business processes?
   a. Accounting ☐ Yes ☐ No ☐ Not Sure If yes please attach a copy of the table of contents
   b. Purchasing ☐ Yes ☐ No ☐ Not Sure If yes please attach a copy of the table of contents
   c. Payroll ☐ Yes ☐ No ☐ Not Sure If yes please attach a copy of the table of contents

SECTION B: ACCOUNTING SYSTEM

1. Has a Federal or State Agency issued an official opinion regarding the adequacy of the applicants accounting system for the collection, identification and allocation of costs for grants ☐ Yes ☐ No

Note: If a financial review occurred within the past three years, omit Questions 2 – 6 of this Section and 1-3 of Section C.

2. Which of the following best describes the accounting system? ☐ Manual ☐ Automated ☐ Combination

3. Does the accounting system identify the deposits and expenditures of program funds for each and every grant separately? ☐ Yes ☐ No ☐ Not Sure

4. If the applicant has multiple programs within a grant, does the accounting system record the expenditures for each and every program separately by budget line items? ☐ Yes ☐ No ☐ Not Sure ☐ Not Applicable

5. Are time studies conducted for an employee(s) who receives funding from multiple sources? ☐ Yes ☐ No ☐ Not Sure ☐ No Multiple Sources

6. Does the accounting system have a way to identify over spending of grant funds? ☐ Yes ☐ No ☐ Not Sure

SECTION C: FUND CONTROL

1. Is a separate bank account maintained for grant funds? ☐ Yes ☐ No ☐ Not Sure

2. If grant funds are mixed with other funds, can the grants expenses be easily identified? ☐ Yes ☐ No ☐ Not Sure

3. Are the officials of the organization bonded? ☐ Yes ☐ No ☐ Not Sure

SECTION D: FINANCIAL STATEMENTS

1. Did an independent certified public accountant (CPA) ever examine the organization’s financial statements? ☐ Yes ☐ No ☐ Not Sure

SECTION E: CERTIFICATION

I certify that the above information is complete and correct to the best of my knowledge.

1. Signature

2. Date / /
JOINT APPLICATION SUMMARY SHEET

For joint applications, this form should be completed by each hospital involved in the project.

Name of Hospital

Address

City       State  Zip

Name of Hospital Administrator  Phone Number

Signature of Hospital Administrator

Contact Person - if other than Hospital Administrator  Phone Number

Title of Project:

Application submitted by:
   Individual Hospital
   Hospital Consortium

Application for:
   Development of Strategic Plan
   Implementation of Transition Project

Proposed Project Budget

For a hospital applying as part of a consortium, these figures should reflect the amounts being requested by this hospital only, not for the consortium.

State Funds Requested  $________
Matching Funds  $________
Total Project Costs  $________
BIOGRAPHICAL SKETCH FOR ESSENTIAL PROJECT PERSONNEL (only)

Provide the following information for all key professional personnel who will be involved in the project. Use continuation pages and follow the same general format for each person.

<table>
<thead>
<tr>
<th>NAME</th>
<th>TITLE</th>
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ROLE IN PROPOSED PROJECT

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EDUCATION

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<tr>
<th>INSTITUTION AND LOCATION</th>
<th>DEGREE, YEAR EarnED</th>
<th>PROFESSIONAL FIELD</th>
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PROFESSIONAL EXPERIENCE

Training and experience relevant to the proposed project, most recent first.

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<tr>
<th>Categories</th>
<th>Column A State Funding Requested</th>
<th>Column B Funding from Other Sources (Match)</th>
<th>Column C Total Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
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<tr>
<td>Salaries</td>
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<td>Fringe</td>
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<td>Supplies</td>
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<td>Travel</td>
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<td>Equipment &amp; Capital Improvements</td>
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<td>Consultants/ Subcontractors</td>
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<td>Other:</td>
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</table>

*This budget form must be accompanied by a [budget justification narrative](#) that provides more details and breakdowns on each budget line item. A detailed instructions on completing a budget justification narrative is found in Section II, E.2. *Use a 12-point font and limit to 2 pages.*

Column A (State Funding Requested) is self-explanatory.

Column B is your hospital’s matching funds for the project. The total at the bottom must be at least 100% of the total amount requested in Column A. You may include in-kind services.

Column A + Column B = Column C. Please make sure the totals add up at the bottom of each column.

*This grant program requires a match of non-state funds that equals at least one-half of the total cost of the project, which may include in-kind service*
DATE: September 18th, 2017

TO: All Interested Parties

FROM: Craig Baarson, Grants Administrator
Office of Rural Health and Primary Care

PHONE: 651-201-3840

EMAIL: craig.baarson@state.mn.us

SUBJECT: Observations from Previous Grant Program Review Cycles

Over the last several years the demand for funds from the Hospital Planning and Transition Grant Program has far exceeded available funds. This intense competition has resulted in an even closer examination of all applications, with the review committee and MDH identifying relative strengths and weaknesses of applications in order to make funding decisions.

Attached are some observations and recommendations from the reviewers’ perspective regarding issues that had an impact on application scoring and selection in recent review cycles. I hope this is useful.

And please feel free to contact me directly by phone or email with any questions.
# Hospital Planning and Transition Grant Program

<table>
<thead>
<tr>
<th>#</th>
<th>Issue</th>
<th>Comment or suggestion</th>
<th>Application Section Where Issue Should be Addressed</th>
</tr>
</thead>
</table>
| 1. | Need for funds     | As a part of the grant review process, reviewers will have access to recent Medicare cost report data and other financial data. Applicants who documented a clear, concise, compelling and specific need for grant funds (i.e., stronger “but-for” statements) for their proposed projects fared better than others. Competitive grants have included a narrative discussion of the hospital’s financial condition supported by financial statement data. If there is a local government contribution to the operation of the hospital and/or to the proposed project, it could be important to note.  

The grant program often receives requests from hospitals which recently completed, or are in the middle of a major renovation, update or addition project. These requests often include a statement that the proposed grant project is needed but could not be included and funded in the major project. From the reviewers’ perspective, these proposals raise the question of how high a priority the proposed grant project really is to the hospital if it did not rank high enough to be included in the major improvement project.  

Reviewers almost always raise the issue of system affiliation and express an expectation that systems should provide funding for projects in affiliated hospitals – not always a reasonable expectation. For hospitals affiliated with a system, the need for funding from this program is a legitimate concern for reviewers, and applicants should (1) discuss the nature of the affiliation (in addition to noting it on the application form); (2) contact their system to ask for support of the project and discuss the system’s response; and (3) document the system’s position with an exchange of letters in the attachments section of the application. | Hospital and Service Area Overview  
Budget Form and Budget Justification  
Attachments |
## Hospital Planning and Transition Grant Program

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<th>Comment or suggestion</th>
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| 2  | Collaboration, coordination and/or partnership                        | Collaboration and coordination with other community stakeholders is essential for meaningful planning. Reviewers frequently comment that a lack of community engagement for a planning project means that it may have a low chance of success. Ways to address this concern include presenting details of the pre-planning process, specific plans to recruit community stakeholders, and attaching letters of commitment and support from proposed partners.  
  
  With health reform moving towards greater coordination between health care providers and local public health, we take seriously the requirement for a 30-day comment period by the relevant Community Health Board. Other stakeholders/partners could include behavioral health, social services, and long-term care providers.  
  
  *Evidence of collaboration and coordination is a significant portion of the scoring.* | Narrative Project Description  
  Attachments  
  CHB Comments |
| 3  | Strategic plan, and capital improvement or facilities plan            | Projects that were not related to the strategic direction of the hospital or were not connected to the facilities plan have not scored well. In addition, it is imperative that applicants submit documentation regarding the priority of the project as reflected in their facility master/strategic plan. | Narrative Project Description  
  Attachments |
| 4  | Matching fund issues                                                 | Some applicants included as match in their budget only existing staff costs and related overhead for activities they would already be doing, with or without the proposed grant project. This approach to meeting the program’s match requirement may imply that the project is not important enough for the applicant to commit new resources, and it also raises the question of how the project will be completed in the event that the grant award is less than was requested. And reviewers are sometimes skeptical of funding, for example, a hospital administrator’s salary as a part of the grant.  
  
  In-kind services are allowed for the match, but must be clearly described and defined. In some review committees, proposals with firm pledges of direct funding are ranked higher than those which use in-kind funding for the match, because it may demonstrate a stronger commitment to the project. | Budget Form  
  Budget Justification |
## Hospital Planning and Transition Grant Program

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<tr>
<td>5.</td>
<td>Project Income</td>
<td>Some proposed projects have the potential to generate income for the facility. This may be viewed as a positive, and should be addressed in the application. If projected income is significant, the need for grant funds should be reduced by the estimated stream of potential income as a result of the proposed project.</td>
<td>Narrative Project Description Budget Justification</td>
</tr>
<tr>
<td>6.</td>
<td>Identifying source of matching funds</td>
<td>Some applicants list the required amount of local match, but do not identify its source or evidence of firm commitment/availability of matching funds. This may lead reviewers to question whether the match is truly available.</td>
<td>Budget Form Budget Justification Attachments/Letters</td>
</tr>
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<td>7.</td>
<td>Completeness of planning process</td>
<td>The ultimate goals of a planning process may evolve, or may not be known at the time the application is submitted. That said, some applications have included projects that did not have a clear set of objectives, either because the project was either extremely early in the process, or because it envisioned a planning process that could include a decision to not move forward. Reviewers have commented that they didn’t want to fund something that may not happen, or could fail to produce favorable results.</td>
<td>Narrative Project Description</td>
</tr>
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<td>8.</td>
<td>Recipients of prior grant awards from the Office of Rural Health and Primary Care</td>
<td>Receipt of previous awards does not disqualify an applicant – projects are judged on their merit against all other proposals from that year. That said, previous grantees should address their experience in successfully administering past grant awards from the Office of Rural Health and Primary Care. Grantees who have failed to complete previous grant funded projects in a timely and professional manner (including the submission of all required progress and final reports) should expect that the reviewers will take this into account when reviewing additional grant proposals.</td>
<td>Narrative Project Description</td>
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