

**2012 Rural Hospital Capital Improvement Grant Program
Minnesota Department of Health
Office of Rural Health & Primary Care**

PRE-APPLICATION

BACKGROUND: The Rural Hospital Capital Improvement Grant Program assists small (50 or fewer beds) rural hospitals undertake needed modernization projects to update, remodel or replace aging hospital facilities and equipment necessary to maintain the operations of the hospital.

Fiscal Year 2012 funding will be approximately \$1,755,000. Given the reduced program funding, the Minnesota Department of Health (MDH) is limiting the **maximum award to \$125,000**. MDH expects to make approximately 17 to 20 awards.

Note: The 2005 Legislature made two changes to the program. The Legislature clarified that hospitals are eligible if they are located in a community outside the seven-county metro area, with a population of less than 15,000. Previously the maximum population was 10,000. The Legislature also added electronic health records systems as an eligible project activity.

Given that the program usually receives about 45 applications, MDH is again using a two-stage application process. This Pre-Application is Stage 1 and the strongest pre-applicants will be invited to submit a full proposal. A complete Stage 2 application (i.e., the Final Application) will be required of successful pre-applicants. Both the Stage 1 Pre-Application and the Stage 2 Full Application are available at <http://www.health.state.mn.us/divs/orhpc/funding/index.html#rural>.

Timeline

Pre-Application due to MDH no later than 4 p.m.:	December 16, 2011
Pre-Application decisions:	Approx. January 27, 2012
Final Applications due to MDH no later than 4 p.m.:	March 16, 2012
Projects awarded:	Approx. April 23, 2012
Contracts completed, funds available:	Approx. June 1, 2012

Submission: Questions regarding these grant application guidelines should be directed to Doug Benson at 800-366-5424 or 651-201-3842.

Submit the original and three copies of the pre-application to:

Doug Benson
Minnesota Department of Health
Office of Rural Health & Primary Care
PO Box 64882
St. Paul, MN 55164-0882

Courier Address:
Golden Rule Building, Suite 220
85 East Seventh Place,
St. Paul, MN 55101

Pre-Applications **must be received** (*not just postmarked*) by MDH no later than **4 p.m. December 16, 2011**

(Please Note: Electronic and faxed applications will not be accepted).

**2012 Rural Hospital Capital Improvement Grant Program
Stage 1 – Pre-application
Minnesota Department of Health
Office of Rural Health & Primary Care**

I. Applicant Information

1. Applicant Hospital _____

Address _____

2. Contact Person

Name/Title _____

Phone (_____) _____

Email _____

3. System Affiliation (if applicable)

Name of System _____

Nature of Affiliation _____
(Managed by, leased to, owned by, etc.)

4. Grant Amount Requested _____ **Match to Be Provided** _____ **Total Cost** _____

5. Name of Project

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

Signature _____ Title _____ Date _____
Person Authorized to Submit Application

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II. Project Information

A. Table of contents (including page numbers)

B. Brief project description (no more than five pages) must include:

1. Project description
2. Goals and objectives of the proposed project
3. Relationship of the proposed project to your strategic plan or capital improvement plan
4. Your plan to maintain or operate facilities or equipment included in the project.

C. Brief case for the project (no more than six pages) - This is your chance to make the case for your project, please respond to such questions as who, what, where, why, how and how much.

1. What is the problem? (document and quantify, if possible)
2. What is your proposed solution to the problem?
3. Why is the project important to your hospital and your community?
4. Who has been and will continue to be involved in the project?
5. Who will be the project beneficiaries? How will they benefit? How will you know?
6. Where will the project take place? Why here?
7. What is the timeline for the project and why now?
8. How much will it cost and why?
9. Why do you need grant funds to support/undertake the project?
10. How are you working with neighboring facilities and/or your hospital system to meet these needs jointly/cooperatively?
11. How do you know there will be a demand for the service(s) to be supported by the project and how will the project be sustained after the grant funds are expended?
12. Submit the relevant portion of your current hospital strategic plan or capital improvement plan that establishes the project as a priority (this will not count as part of the six-page maximum for this section). **Note:** If the project is not a priority in your plan (or you don't have a plan), the project is not likely a priority project for grant funding for reviewers either.

Make sure your answers to these questions are clearly addressed in your proposal. One way to start developing a proposal is to write one to two sentence answers to each of these questions in the order listed above. If working in a collaborative, have each member develop responses, so that you may achieve a consensus application and narrative.

You may wish to review “Observations from Past Rural Hospital Capital Improvement Grant Program Cycles” in the final application at <http://www.health.state.mn.us/divs/orhpc/funding/index.html#rural>.

D. Brief project budget

1. Use the attached budget form.
2. Indicate the anticipated total project cost and the amount of grant funds requested.
3. Indicate the sources, uses and amount of the **25 percent match required**.
4. Indicate any other supporting project funding sought or proposed to be provided.
5. Prepare a narrative budget justification of cost, for each line, on the budget form.

2012 Rural Hospital Capital Improvement Grant Program

PRE-APPLICATION *PRELIMINARY* BUDGET FORM

Categories	Rural Hospital Capital Improvement Funding Requested	Funding From Other Sources	Total Cost
Acquisition, Demolition, Site Improvements and Related			
Construction/Remodeling			
Architect and Engineering Fees			
Other soft costs (legal, permits, survey, interim financing, etc)			
Supplies			
Capital Equipment			
Other (explain)			
TOTAL			

Notes:

- **The budget must be accompanied by a budget justification narrative** that explains the cost basis for each line item.
- Please identify all sources of funding in addition to Rural Hospital Capital Improvement Program (**including the *required 25 percent match***) and include a description in the budget narrative.