



Hospital Safety Net Grant Program

GRANT REQUEST FOR PROPOSAL (RFP)

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To obtain this information in a different format, call: 651-201-3870. Printed on recycled paper.

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RFP Part 1: Overview

1.1 General Information

- **Announcement Title:** 2021 Hospital Safety Net Grant Program
- **Minnesota Department of Health (MDH) Program Website:**
<https://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#snhospital>
- **Application Deadlines:**
 - **April 21, 2021 (Letter of Intent/LOI)**
 - **May 19, 2021 (Budget Application)**

1.2 Program Description

The Office of Rural Health and Primary Care implements the Hospital Safety Net Grant program as authorized by the Legislature. Minnesota Statutes 145.929 authorizes the Commissioner of Health to award grant funding to help defray underpayments to hospitals for high-cost services provided to Emergency Medical Assistance (EMA) enrollees.

The purpose of this document is to announce the request for proposals, describe the grant program, and provide instructions that help applicants complete an application.

Grant contracts will be for one year. Grant funds must be used for costs to offset the cost of treating EMA enrollees, including hospital:

1. Salaries
2. Fringe Benefits
3. Contracted Services
4. Travel
5. Training
6. Supplies
7. Equipment
8. Capital Improvements
9. Other

1.3 Questions and Answers

All questions regarding this RFP must be submitted by email or phone to health.safetynetgrants@state.mn.us or 651-201-3870.

1.4 Funding and Project Dates

Funding

Up to \$1,309,000 is available in Fiscal Year 2021.

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Funding	Estimate
Estimated Amount to Grant	\$1,309,000
Estimated Number of Awards	Based on number of eligible applications
Estimated Award Maximum	Based on formula distribution
Estimated Award Minimum	Based on formula distribution

Match Requirement

No match requirement for this grant.

Project Dates

RFP published:	March 17, 2021
Grant Application Letter of Intent due to MDH:	April 21, 2021
Grant distribution announcement no later than:	May 5, 2021
Grant Budget Application due to MDH:	May 19, 2021
Estimated Grant Agreement start date:	June 30, 2021

1.5 Eligible Applicants

Minnesota Statute 145.929, Subdivision 3 authorizes the Commissioner of Health to award grants to support hospitals which provide services to high cost Emergency Medical Assistance (EMA) enrollees. Funds will be awarded proportionally among all eligible hospitals who apply, based on the total dollar amount of qualifying EMA claims of over \$50,000 between February 1, 2020 and January 31, 2021.

Eligible applicants are licensed hospitals in Minnesota who serve EMA enrollees. For more information about the EMA program, please visit: [MN Department of Human Services Emergency Medical Assistance](#)

RFP Part 2: Program Details

2.1 MDH Priorities

Health Equity Priorities

The vision of the Minnesota Department of Health is for health equity in Minnesota, where all communities are thriving and all people have what they need to be healthy. Achieving health equity means creating the conditions in which all people have the opportunity to attain their highest possible level of health without limits imposed by structural inequities. Find more information on health equity at [MDH Center for Health Equity](#).

It is the policy of the State of Minnesota to ensure fairness, precision, equity and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making. [The Policy on Rating Criteria for Competitive Grant Review](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

2.2 Distribution of Grant Funds

Each eligible hospital that submits a complete application with at least one “Qualifying EMA Claim” will receive a percentage of the available funding, calculated as a simple ratio of the dollar amount of Qualifying EMA Claims, compared to the total dollar amount of all Qualifying EMA Claims submitted by all eligible applicants.

A **Qualifying EMA Claim** must be for charges in excess of \$50,000 for services delivered to an EMA enrollee, and must have been submitted to the Department of Human Services for payment between February 1, 2020 and January 31, 2021. Multiple Qualifying EMA Claims for the same enrollee may be submitted. Qualifying EMA Claims may include inpatient hospital services, outpatient services, and hospital emergency department services.

Upon receipt of grant applications, MDH will calculate the total dollar amount of Qualifying EMA Claims from all eligible applicants. This total dollar amount will only include Qualifying EMA Claims submitted to MDH for this grant – if an eligible hospital does not apply for this grant, any potentially Qualifying EMA Claims will not be included in the total dollar amount used for the grant calculation. After the total dollar amount is calculated, each eligible hospital will receive a percentage of the available funding. The percentage will be calculated as a ratio of the dollar amount from each hospital’s qualifying EMA claims to the total dollar amount of all qualifying EMA claims.

Grantees will be required to enter into a grant agreement with the Department of Health. Payments will be distributed semi-annually, upon receipt of an invoice and a progress report. Individual salaries paid from grant funds, if known, should be submitted along with detailed cost accounting of the invoice.

For eligible programs, the estimated date of the first available semi-annual payment is December 31, 2021.

Eligible Expenses Include

- Salaries
- Fringe Benefits
- Contracted Services
- Travel
- Training
- Supplies
- Equipment
- Capital Improvements
- Other

Ineligible Expenses

Ineligible expenses include but are not limited to:

- Fundraising
- Taxes, except sales tax on goods and services
- Lobbyists, political contributions
- Late payment fee, finance charges, or contingency funds
- Depreciation expenses

2.3 Grant Management Responsibilities

Grant Agreement

Each grantee must formally enter into a grant agreement. The grant agreement will address the conditions of the award, including implementation for the project. Once the grant agreement is signed, the grantee is expected to read and comply with all conditions of the grant agreement.

No work on grant activities can begin until a fully executed grant agreement is in place.

The funded applicant will be legally responsible for assuring implementation of the work plan and compliance with all applicable state requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

Accountability and Reporting Requirements

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least semi-annually until all grant funds have been expended and all of the terms in the grant agreement have been met.

The reporting and invoicing schedule will be:

Date Due to MDH

June 30, 2021 – December 31, 2021

January 18, 2022

January 1, 2022 – June 30, 2022

July 19, 2022

Grant Monitoring

Minn. Stat. §16B.97 and Policy on Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants over \$50,000.
- Annual monitoring visits during the grant period on all grants over \$250,000.
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants over \$50,000.

Technical Assistance

All questions regarding this RFP must be submitted by email or phone to health.SafetyNetGrants@state.mn.us or 651-201-3870.

Grant Payments

Per State Policy on Grant Payments, reimbursement is the method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless MDH has given the grantee a written extension. The invoicing and payment schedule will be quarterly.

Invoices for reimbursement of grant expenditures must include supporting documentation for proof of expenditures. Reimbursements will not be processed until the narrative progress report is received.

2.4 Grant Provisions

Conflicts of Interest

MDH will take steps to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per Minn. Stat. §16B.98 and Conflict of Interest Policy for State Grant-Making.

Applicants must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work contemplated by this RFP. The list must provide the name of the entity, the relationship, and a discussion of the conflict. Submit the list as an attachment to the application. If an applicant does not submit a list of conflicts of interest, MDH will assume that no conflicts of interest exist for that applicant.

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties.
- a grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed, or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the grant agreement.

Public Data and Trade Secret Materials

All applications submitted in response to this RFP will become property of the State. In accordance with Minnesota Statute Section 13.599, all applications and their contents are private or nonpublic until the applications are opened.

Once the applications are opened, the name and address of each applicant and the amount requested is public. All other data in an application is private or nonpublic data until completion of the evaluation process, which is defined by statute as when MDH has completed negotiating the grant agreement with the selected applicant.

After MDH has completed the evaluation process, all remaining data in the applications is public with the exception of trade secret data as defined and classified in Minn. Stat. § 13.37, Subd. 1(b). A statement by an applicant that the application is copyrighted or otherwise protected does not prevent public access to the application or its contents. (Minn. Stat. § 13.599, subd. 3(a)).

If an applicant submits any information in an application that it believes to be trade secret information, as defined by Minnesota Statute Section 13.37, the applicant must:

- Clearly mark all trade secret materials in its application at the time it is submitted,
- Include a statement attached to its application justifying the trade secret designation for each item, and
- Defend any action seeking release of the materials it believes to be trade secret and indemnify and hold harmless MDH and the State of Minnesota, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense.
- This indemnification survives MDH's award of a grant agreement. In submitting an application in response to this RFP, the applicant agrees that this indemnification survives as long as the trade secret materials are in possession of MDH. The State will not consider the prices submitted by the responder to be proprietary or trade secret materials.

MDH reserves the right to reject a claim that any particular information in an application is trade secret information if it determines the applicant has not met the burden of establishing that the information constitutes a trade secret. MDH will not consider the budgets submitted by applicants to be proprietary or trade secret materials. Use of generic trade secret language encompassing substantial portions of the application or simple assertions of trade secret without substantial explanation of the basis for that designation will be insufficient to warrant a trade secret designation.

If a grant is awarded to an applicant, MDH may use or disclose the trade secret data to the extent provided by law. Any decision by the State to disclose information determined to be trade secret information will be made consistent with the Minnesota Government Data Practices Act (Minnesota Statutes chapter 13) and other relevant laws and regulations.

If certain information is found to constitute trade secret information, the remainder of the application will become public; in the event a data request is received for application information, only the trade secret data will be removed and remain nonpublic.

Audits

Per [Minn. Stat. §16B.98](#) Subdivision 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Affirmative Action and Non-Discrimination Requirements for all Grantees

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified. [Minn. Stat. §363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Minnesota Rules, part [5000.3500](#).

The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

2.5 Review and Selection Process

Review Process

Upon receipt of the grant application Letter of Intent (LOI), MDH will calculate the total dollar amount of Qualifying EMA Claims from all eligible applicants. This total dollar amount will only include Qualifying EMA Claims submitted to MDH for this grant – if an eligible hospital does not apply for this grant, any potential Qualifying EMA Claims will not be included in the total dollar amount used for the grant calculation. After the total dollar amount is calculated, each eligible hospital will receive a percentage of the available funding. The percentage will be calculated as a ratio of the dollar amount from each hospital's qualifying EMA claims in relation to the total dollar amount of all qualifying EMA claims.

Grantee past Performance and Due Diligence Review Process

It is the policy of the State of Minnesota to consider a grant applicant's past performance before awarding subsequent grants to them.

State policy requires programs to conduct a financial review prior to a grant award made of \$25,000 and higher to a nongovernmental organization, in order to comply with [Policy on the Financial Review of Nongovernmental Organizations](#).

Notification

MDH anticipates notifying all applicants via the grants portal of their grant formula distribution by May 5, 2021.

RFP Part 3: Application and Submission Instructions

3.1 Application Deadline

All Letter of Intent (LOI) applications must be submitted online through the grants portal no later than 11:59 p.m. Central Time, on April 21, 2021.

Late applications will not be accepted. It is the applicant's sole responsibility to allow sufficient time to address all potential delays caused by any reason whatsoever. MDH will not be responsible for delays caused by computer or technology problems. The applicant will incur all costs incurred in applying to this RFP.

Once the grant distribution is determined and sent back to the hospitals, all Budget applications must be submitted online through the grants portal no later than 11:59 p.m. Central Time, on May 19, 2021.

3.2 Application Submission Instructions

Applications must be submitted electronically through the ORHPC online grant portal.

Read the request for proposal for program information and application instructions. You will need to create an account in the online [Grants Portal](#), after which you will be taken to the electronic application within the Portal.

If you have any questions, please contact us at: health.safetynetgrants@state.mn.us

3.3 Application Instructions

A. The Letter of Intent (LOI) includes the following components:

- Online form:
 - Organization and Application Information
 - Organization Description
 - Eligibility Checkbox
 - Certification Checkbox
- Required Attachments
 - Qualifying EMA Claims Data
 - [Due Diligence form](#)
 - Financial Documents
- Optional Attachment
 - Conflict of Interest

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The rest of this section will give details about the information required in the forms and documents listed above:

1. Organization Description (Character Limit: 15,000)

Provide a narrative summary of the organization to include:

- a) A description of the organization - the history, geographic area, and patients served, administrative structure and budget.
- b) A brief description of the intended purpose and use of grant funds. A detailed description of the use of grant funds will be required in the Step 2 Application, along with a budget and budget narrative. For this Step 1 Application, only a broad description of how the funds will be spent is required.

2. Qualifying EMA Claims Data

In order to determine the award amount, applicants must include a document or spreadsheet which contains the total number of Qualifying EMA Claims. The document or spreadsheet must be HIPAA compliant, must include the number and dollar amount of Qualifying EMA Claims, the date each claim was submitted to DHS for payment and whether any claims are for the same enrollee.

3. Due Diligence Review (Financial Questionnaire) Form

This form is a standard MDH financial review required for all grants in excess of \$50,000. Complete all fields on the form. No single answer will disqualify an applicant – the form is merely an assessment of potential risk.

MDH reserves the right to request audited financial statements and/or claims at any time to verify the accuracy of the data used to determine the award amount for this grant.

4. Financial Documents

Please upload a scanned copy of the most recent independent audit to the online application form as defined below:

Nonprofit organizations must submit one of the following, based on annual income levels, for the previous full accounting period (12 months):

- Organizations with annual income of under \$50,000 or who have not been in existence long enough to have completed IRS Form 990 or an audit must submit the most recent board-reviewed internal financial statements.
- Organizations with annual income over \$50,000 and under \$750,000 must submit the most recent IRS Form 990 or a Certified Financial Audit.
- Organizations with annual income over \$750,000 must submit the most recent Certified Financial Audit.

5. Conflict of Interest

If applicable, provide a list of all entities with which the organization has relationships that create, or appear to create, a conflict of interest with the work

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contemplated by this RFP. Please see Section 2.4, Conflicts of Interest for additional information.

Before completing the Budget Application, the **Grant Distribution Announcement** will be made to eligible applicants via the grants portal to the applicant contact person listed in the Organization and Application Information of the LOI.

Grant awardees will have roughly two weeks to draft a project narrative and budget explaining how state grant funds will be spent during the grant period.

B. The Budget Application includes the following components:

- Project Narrative
- Budget Summary
- Budget Narrative

The rest of this section will give details about the information required in the forms and documents listed above:

1. Project Narrative

The Project Narrative must include:

- a) A description of the project.
- b) A description of activities to be funded with grant dollars.
- c) A problem statement describing what issues or concerns the project will address.
- d) A description of the group or population who will benefit from the project.

2. Budget Summary (see sample document attached)

Using the online form, list the amounts of all expenses that you are proposing to pay out of this grant program.

The information provided on the form will become the basis for tracking grant payments. Grant funds are for operating costs to defray underpayment for services provided to EMA enrollees.

3. Budget Narrative

As a file upload, explain in detail each line item (except salaries and fringe benefits) listed on the Budget Summary form, including showing how expenses are estimated. List the line items in order as they appear in the Budget Summary.

- Salaries and Fringe Benefits– include name(s) of grant-supported staff with position title and the calculation of hours or full-time equivalent (FTE).
- Contracted Services – include the vendor names, services provided, fees and cost per unit of service.
- Supplies – include descriptions and brand names (if any).
- Travel – include a detailed description of the proposed travel as it relates to the direct operation of the hospital. Provide the number of miles planned for program

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activities as well as the rate of reimbursement per mile. Mileage rates may not exceed IRS mileage reimbursement.

- Equipment and Capital Improvements – include a description of any grant funding to be used to purchase equipment, or to make capital improvements. Include the name and brand of equipment.
- Other Expenses – if it is necessary to include expenditures in this category, specify what this expense is and include a detailed description of the activities as it relates to the direct operation of the hospital. If possible, include a separate line-item budget and budget narrative.

Special submission instruction for “umbrella” organizations with multiple hospitals:

One “umbrella” organization may submit an application on behalf of multiple hospitals. In this case, the primary applicant organization must complete the entire application. Sub-applicants must also complete the Qualifying EMA Claims Data document to determine eligibility and award amounts for the LOI stage, and, if eligible, the Budget Application stage.

The primary applicant will be responsible for distributing funds to sub-grantees based on the allocation determined by MDH, and for collecting and submitting any invoices and required reports on behalf of all sub-applicants.

All submitted grant application documents and data become public information once grant awards are announced.

Applications must include all required application materials, including attachments. Do not provide any materials that are not requested in this RFP, as such materials will not be considered nor evaluated. **MDH reserves the right to reject any application that does not meet these requirements.** Incomplete applications will be rejected and not evaluated.

By submitting an application, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential grant award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the applicant to suspension or debarment proceedings and other remedies available by law.

All costs incurred in responding to this RFP will be borne by the applicant.

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Attachment – Sample Budget Narrative Format for Salaries and Fringe Benefits

Hospital Name:

Please round to the nearest dollar.

Budget Narrative – Salaries and Fringe Benefits

List all staff name(s), title of positions paid partially or wholly with this grant fund in the first column. In the second column, list the percentage of time each position spends providing services in the program. In the third column, list the amount of salaries paid for by this grant. Total the salaries at the bottom. In the last column, list the amounts of fringe benefits paid for by this grant and total the fringe benefits at the bottom. The totals should be the same as the Salaries and Fringe Benefits line items listed in the Budget Summary.

Name/Position/Title	F.T.E.*	Salaries to be paid for by this grant program	Fringe benefits to be paid for by this grant program
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$
Total		\$	\$

***F.T.E.** List the amount of staff time each position is charged to this grant program. For example, if you designate this grant program to pay for 40% of a full-time physician, you would list only 40 percent or 0.4 FTE. And if 4 RNs are to be paid by this grant program at 50% of their time each, the total FTE is 2.0 (4 X .5)