

# Rural Provider Access and Affordability Stimulus Grant Program

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## *A. 2023 Application Information*

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**COLORADO**  
Department of Health Care  
Policy & Financing

## Contents

1.	INTRODUCTION	2
2.	TERMINOLOGY	2
3.	PROGRAM OVERVIEW	4
4.	PROGRAM GOALS	4
5.	ELIGIBLE APPLICANTS	5
6.	AVAILABLE FUNDING	5
7.	FUNDING CATEGORIES	6
9.	APPLICATION TIMELINE	7
10.	APPLICATION RESPONSE INSTRUCTIONS	8
11.	COMPLIANCE AND FULL DISCLOSURE	8
12.	APPLICATION SUBMISSION	9
13.	APPLICATION EVALUATION PROCESS AND GRANTEE SELECTION	9
14.	RECONSIDERATION PROCESS	9
15.	PROGRAM REVIEWS AND AUDITS	10
16.	RECORD RETENTION AND ACCESS	10
17.	APPLICATION EVALUATION	11

Please read the entire application form prior to preparing an application response.

## 1. INTRODUCTION

The State of Colorado, Department of Health Care Policy and Financing seeks to offer funds to Qualified Rural Providers for their use to implement one-time initiatives to improve access and the affordability of health care in rural areas of the state. The requirements and responsibilities of potentially selected Qualified Rural Providers are included in this application.

This grant program, established by SB22-200 and funded by the American Rescue Plan Act of 2021 (ARPA), Public Law 117-2 and pursuant to C.R.S. § 25.5-1-207 and [CCR 8.8000](#), provides qualified rural providers in financial need with funds to modernize information technology infrastructure as well as implement projects that expand access to care in rural areas including through expanded behavioral health services, specialty care, telemedicine, replacement equipment, and facility upgrades.

The authorizing legislation provides \$9.6 million in grant funds for rural hospitals to implement one-time initiatives to improve access and affordability of health care in rural areas of Colorado; however, the amount available for individual awards will not exceed \$650,000 per project. A Qualified Rural Provider may submit applications for more than one project or may submit a joint application with another Qualified Rural Provider.

This application framework has been informed by an advisory committee of diverse and expert rural Colorado stakeholders who advised the Department on all aspects of the application and related regulation including rural hospital eligibility criteria, grant application requirements, and operational structure for the grant program.

## 2. TERMINOLOGY

Department means the Department of Health Care Policy and Financing Established pursuant to section 25.5-1-104, C.R.S.

Health Care Access Project means a project that expands access to health care in Rural Communities including but not limited to:

1. Extending hours for access to primary care or behavioral health services,
2. Investing in dual track emergency department management,
3. Expanding access to Telemedicine including remote monitoring support,
4. Providing new or replacement Hospital beds,
5. Expanding access to long term care and recovery care in skilled nursing facilities, and
6. Creating or expanding sites that provide surgical care, chemotherapy, imaging, and advanced imaging including computerized tomography scans.

Health Care Affordability Project means a project that modernizes the information technology infrastructure of Qualified Rural Providers including but not limited to:

1. Creating a shared analytics platform and care coordination platforms among Qualified Rural Providers, and
2. Enabling technologies, including telehealth and e-consult systems, that allow Qualified Rural Providers to communicate, share clinical information, and consult electronically to manage patient care.

Hospital means a hospital licensed or certified pursuant to section 25-1.5103 (1)(a), C.R.S. or an affiliate owned or controlled as defined in section 25.5-4-402.8 (1)(b), C.R.S., by the hospital.

Qualified Rural Provider means a Hospital located in a Rural Community in Colorado that has a lower net patient revenue or fund balance compared with other Rural Hospitals.

Rural Community means a county with a population of fewer than fifty thousand residents; a municipality with a population of fewer than twenty-five thousand residents if the municipality is not contiguous to a municipality with a population of twenty-five thousand or more residents.

Rural Stimulus Grant means funding received from the rural provider access and affordability grant program established in section 25.5.1-207, et. seq., C.R.S.

Telemedicine means the delivery of medical services as defined at section 12-240-104 (6), C.R.S.

## **2. PROGRAM OVERVIEW**

The Colorado Department of Health Care Policy and Financing (the Department) is the State agency charged with the administration of the Rural Provider Access and Affordability Stimulus Grant Program, established by the Colorado legislature established in section 25.5.1-207, et. seq., C.R.S. to improve access and affordability of health care in rural areas of the state. Qualified Rural Providers are invited to apply for one-time funds to provide upgrades to facilities, infrastructure, and services. Applications will be evaluated on a variety of factors including demonstration of financial need and project impact.

## **3. PROGRAM GOALS**

Rural communities in the state have lower levels of access to health care services and higher health care costs compared to other communities in Colorado. This is often due to health care providers need to rely on outdated infrastructure, lack of sustainable cost models, and other challenges. The effects of COVID-19 have exacerbated the difficulties in providing such services, making it even less sustainable for providers to continue to operate in rural communities. Passage of the American Rescue Plan Act provided funds to Colorado to mitigate the effects of COVID-19, including through project-based grants to meet the public health and economic needs of communities.

ARPA funds are provided for this program to provide grants to hospitals in rural communities for projects that modernize the information technology of hospitals and expand access to health care. Such grants are intended to support rural communities by improving health care access, driving financial sustainability for hospitals and clinics, improving efficiency of health care services, and making rural economy investments. These funds will also improve

access to critically needed services including behavioral health care, telemedicine, remote patient monitoring, and long-term and recovery care in skilled nursing facilities.

Service grants shall be used for Health Care Affordability Projects or Health Care Access Projects to improve health care affordability and access in Rural Communities.

Service grants may not be deposited into a pension fund and may not be used to service debt, satisfy a judgment or settlement, or contribute to a “rainy day” fund.

#### **4. ELIGIBLE APPLICANTS**

Eligible applicants are those who meet all the criteria of a Qualified Rural Provider, as defined in Section A, Item 2. Terminology. Applications received from applicants not meeting all the criteria of a Qualified Rural Provider will be disqualified and the application will not be evaluated. A Qualified Rural Provider may submit applications for more than one project or may submit a joint application with another Qualified Rural Provider.

#### **5. AVAILABLE FUNDING**

The program provides \$9.6 million in funds, with no more than \$4.8 million for Health Care Access Projects and no more than \$4.8 million for Health Care Affordability Projects. Individual awards will not exceed \$650,000 per project.

The Department will disburse Rural Stimulus Grant funds no earlier than July 1, 2023, and no later than July 1, 2024. Any money not disbursed by July 1, 2024, will revert to the Economic Recovery and Relief Cash Fund created pursuant section 24-75-228 (2)(a), C.R.S.

Rural Stimulus Grant recipients will expend Rural Stimulus Grant funds by the timeline in their grant agreement and no later than December 31, 2026. Any Rural Stimulus Grant funds not expended by Rural Stimulus Grant recipients by December 31, 2026, will be recovered by the Department to be returned to the U.S. Department of the Treasury.

1. Rural Stimulus Grant applicants may request reconsideration of Rural Stimulus Grant awards within 5 business days of award notification in writing to the Department’s executive director. The executive director will respond to the request for reconsideration within 5 business days of receipt.
2. The Department will execute a grant agreement with each Rural Stimulus Grant recipient.

## 6. FUNDING CATEGORIES

The project must be identified as one of the two designated categories (access or affordability) to include project areas below and allow for flexibility to include other project types not specified (“other”). Any one applicant may apply for up to \$650,000 dollars per project:

Access	Affordability
New or replacement hospital beds	Shared analytics and care coordination platforms
Expand sites for specialty care (including chemotherapy, imaging, behavioral health care)	Telehealth and e-consult enabling technologies
Remote monitoring systems	Other (please note the type of project)
Extended hours including primary care and behavioral health	
Dual track ED management	
Telemedicine	
Long-term care and recovery care in skilled nursing facilities	
Other (please note the type of project)	

## 7. APPLICATION TIMELINE

The following timeline may be revised at the discretion of the Department:



**Questions Due from Applicants** Applicants should submit questions regarding the application or the Grant Program by e-mail to [HCPF\\_RuralGrantProgram@state.co.us](mailto:HCPF_RuralGrantProgram@state.co.us).

All questions submitted by applicant agencies and the Department’s responses will be published on the Department’s website using a Frequently Asked Questions (FAQs) document. The Department will use this document as a running log of questions and answers. The Department expects the first iteration of the FAQ document to be published by the application workshop.

Initial questions that will be answered in the first iteration of the FAQ document and answered during the application workshop are due on March 24, 2023.

Applicants have until April 25, 2023, to ask additional questions that will be incorporated into the FAQ document. The Department will update the FAQ document with answers to additional questions on a running basis. The Department will update the FAQ document with answers until May 2, 2023.

**Intent to Apply Notification** - All applicants should notify the Department of their intent to submit an application for this grant program. Submit a brief e-mail notification to [HCPF\\_RuralGrantProgram@state.co.us](mailto:HCPF_RuralGrantProgram@state.co.us) no later than March 24, 2023.

**Application Workshop** - Applicant agencies are welcome to attend the virtual application workshop. The purpose of this workshop is to discuss the format of requirements for this application and general steps for planning and preparing



a response to an application. Notes from the workshop will be posted on the Department's website.

The application workshop is currently scheduled for April 3, 2023. This date is subject to change. More information will be shared on the workshop in the coming weeks on the Department's website.

**Application Deadline** - Applicants have until May 8, 2023, to submit an application. All applications must be received by the Department by this date. No applications will be accepted after the stated due date and time.

**Award Notifications and Grant Agreements** - Recommendations are expected to be published on June 9, 2023. Announcements of applicant agencies to receive funding will be posted on the Department's website and submitted to each applicant in writing.

Grant applicants may request reconsideration of grant awards within 5 business days of award notification in writing to the Department's Executive Director. The Executive Director will respond to the request for reconsideration within 5 business days of receipt.

Grant agreements are expected to be executed on June 30, 2023.

## **8. APPLICATION RESPONSE INSTRUCTIONS**

Applicants shall respond to all requests for information contained in Section B, Part I through Part V and provide responses where required, and include supporting documentation only if requested. Unnecessarily elaborate applications are not desired. Sequential numbers assigned to each question in this application form must be retained in the applicant's response.

Application responses shall be submitted electronically with one-inch margins in 12-point font (including text in response boxes), and with page numbers on each page. Page numbers should be consecutive and have a consistent numbering format.

Applicants may submit more than one application or may submit a joint application with another Qualified Rural Provider but only one distinct project can be presented per application.

An application will be rejected prior to scoring if it is received at any time after the deadline, is incomplete or is not submitted in the format and number of copies requested.

The application package shall present a full and complete description of the qualifications of the applicant and the approach for carrying out the proposed project. It is important that the application package include the items outlined below since any deviation from this may disqualify an application. The complete application package shall include the following sections:

- Completed response to Section B (Parts I-III and any attachments that answer questions to Parts IV and V, Part VI budget worksheet)
- Appendices (supporting documents, etc.)

## 9. COMPLIANCE AND FULL DISCLOSURE

Failure to provide required assurances and/or to disclose any of the information required in the application may result in the disqualification of the applicant or cancellation of award. The Department may examine the information provided to verify the accuracy of submitted materials and to ascertain the experience of the applicant.

## 10. APPLICATION SUBMISSION

Application deadline is May 8, 2023. All applications must be received by the Department by this date.

Please email the application and copies to:

[HCPF\\_RuralGrantProgram@state.co.us](mailto:HCPF_RuralGrantProgram@state.co.us)

No applications will be accepted after the stated due date and time.

All material submitted as a response to this application form becomes the property of the State of Colorado and is subject to the terms of Colorado Revised Statutes 24-72-201 through 24-72-206, Public (open) Records. The State of Colorado has the right to use any or all information/material presented in an application response, subject to limitations for proprietary or confidential information. Disqualifications or denial of the application response does not eliminate this right.

The contents of the application response will become part of the contractual obligations if the project is funded.

## **11. APPLICATION EVALUATION PROCESS AND GRANTEE SELECTION**

The Advisory Committee will review grant applications and recommend awards to the Department's Executive Director based on the criteria and scoring methodology. The final point scores from each application response will be compiled to create the final ranking of all applications. The Department's Executive Director or his or her designee shall make the final grant awards to Qualified Rural Providers.

## **12. RECONSIDERATION PROCESS**

Grant applicants may request reconsideration of grant awards within 5 business days of award notification in writing to the Department's Executive Director. The Executive Director will respond to the request for reconsideration within 5 business days of receipt.

## **13. PROGRAM REVIEWS AND AUDITS**

Applicants receiving grant awards are subject to performance audits and reviews:

- For the duration of the grant agreement, Rural Stimulus Grant recipients must submit a quarterly report to the Department no later than the 10th day of the month following the end of each quarter including but not limited to a brief narrative and itemized expenditure and performance metric data.

- Rural Stimulus Grant recipients will submit a final report to the Department within 30 calendar days following the end of the grant agreement including an overall narrative and itemization of all expenditures and performance metric data for the total Rural Stimulus Grant award.

## 14. RECORD RETENTION AND ACCESS

Applicants receiving grant awards are subject to two performance audits and reviews:

- Rural Stimulus Grant recipients must maintain records of expenditures for a minimum of five years after funds have been expended or returned to the Department, whichever is later.
- Rural Stimulus Grant recipients must allow the Department and state and federal auditors access to records related to the expenditure of Rural Stimulus Grant funds.

## 15. APPLICATION EVALUATION

Per the implementing regulation, the Advisory Committee will review grant applications and recommend awards to the Department's executive director. Given limited funds and the intention to serve as many communities as possible, the Committee will recommend a diverse and broad community footprint and prioritize reaching as many regions of the state as possible. If there is not sufficient funding to award grants to all eligible applicants, priority will be given to distributing the available funding across as many of the represented regions as possible.

No parties other than the evaluation committee and the Department will be involved in evaluating application responses, recommending awards, or finalizing awards. The Department's executive director or his or her designee shall make the final Rural Stimulus Grant awards to Qualified Rural Providers.

The reviewer's scoring guide is available for review on the [Rural Provider Access and Affordability Stimulus Grant Program](#) website.