

8.8000 Rural Provider Access and Affordability Stimulus Grant Program

8.8001 PURPOSE AND LEGAL BASIS

Pursuant to C.R.S. § 25.5-1-207, et. seq., the Rural Provider Access and Affordability Stimulus Grant Program provides grants to qualified providers to improve health care affordability and access to health care services in rural communities and to drive financial sustainability for rural hospitals and clinics.

8.8002 DEFINITIONS

- A. Department means the Department of Health Care Policy and Financing Established pursuant to section 25.5-1-104, C.R.S.
- B. 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.
- C. 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.
- D. 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)(c), C.R.S., by the hospital.
- E. Qualified Rural Provider means a Hospital located in a Rural Community in Colorado.
- F. Rural Community means a county with a population of fewer than fifty thousand residents or 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.
- G. 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.
- H. Telemedicine means the delivery of medical services as defined at section 12-240-104 (6), C.R.S.

8.8002 GRANT AWARD PROCEDURES

A. Rural Stimulus Grants will be awarded through an application process.

1. A request for grant application form shall be issued by the Department and posted for public access on the Department's website at <https://hcpf.colorado.gov/research-data> at least 30 days prior to the application due date.
2. A Qualified Rural Provider may submit applications for more than one project or may submit a joint application with another Qualified Rural Provider.
3. The application will include:
 - a. Project overview.
 - b. Proposed budget including:
 - i. Total funds requested not to exceed \$650,000 per project per applicant,
 - ii. Itemized direct expenses,
 - iii. Indirect expenses limited to federal Negotiated Indirect Costs Rate Agreement (NICRA) or de minimis rate of 10 percent if the applicant does not have an NICRA,
 - iv. If applicable documentation of quotes or estimates for construction, equipment, or other expenditures, and
 - v. If applicable other sources of funding that will be utilized to complete the proposed project.
 - c. Project timeline to commence no earlier than July 1, 2023 and to conclude no later than December 31, 2026.
 - d. Description of Qualified Rural Provider's diversity, equity, and inclusion strategy and how diverse community needs are met by the project.
 - e. Demonstration of financial need.
 - i. Qualified Rural Providers in the bottom 40% of net patient revenues for the three-year average of 2016, 2017, and 2018 or the bottom 6% fund balance for 2019 as determined by the Department's review of CMS 2552-10 Medicare Cost Reports are considered to meet the financial health requirement.
 - ii. Other Qualified Providers may submit additional financial supporting information to support their financial need.
 - iii. For capital investment projects, facility or equipment age.
 - f. Impact to health care affordability or access to care.
 - i. Statement of need outlying underlying problem the funding will address.
 - ii. Description of how the project's goals and objectives will be sustained after the Rural Stimulus Grant funds has been expended.

- iii. Description of how the project will increase access to specialty care, if applicable.
 - iv. Description of how project will improve care coordination, if applicable.
 - v. Description of partner engagement, if applicable.
- B. A grant proposal evaluation committee will be established by the Department.
- 1. The evaluation committee will be comprised of individuals deemed qualified by reason of expertise or experience and who have no personal or financial interest in the selection of any particular applicant.
 - 2. The evaluation committee will review Rural Stimulus Grant applications and recommend Rural Stimulus Grant awards to the Department's executive director based on the following criteria:
 - i. Budget and financial need.
 - ii. Partner collaboration, support, or engagement.
 - iii. Completeness of response.
 - iv. Ability to execute and complete project.
 - v. Reasonableness of timeline.
 - vi. Diversity, equity and inclusion.
 - vii. County Medicare and Medicaid caseload percentage of population.
 - viii. Statement of need.
 - ix. Sustainability of project.
 - x. Impact to health care affordability or access to care.
- C. The Department's executive director or his or her designee shall make the final Rural Stimulus Grant awards to Qualified Rural Providers.
- 1. The total funding for Rural Stimulus Grants is limited to no more than \$9.6 million with no more than \$4.8 million for Health Care Access Projects and no more than \$4.8 million for Health Care Affordability Projects.
 - 2. The Department may change Rural Stimulus Grant amounts depending on the final number of Rural Stimulus Grants awarded, the availability of Rural Stimulus Grant funds, or the goals stated in the Rural Stimulus Grant application.
 - 3. 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 response to the request for reconsideration within 10 business days of receipt.
 - 4. The Department will execute a grant agreement with each Rural Stimulus Grant recipient.

- D. 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.
- E. 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.

8.8003 PERMISSIBLE USES OF GRANT AWARDS

- A. Rural Stimulus Grant funds must be used for Health Care Affordability Projects or Health Care Access Projects to improve health care affordability and access in Rural Communities.
- B. Recipients of Rural Stimulus Grant funds for capital expenditures must submit a written justification as set forth in 31 Code of Federal Regulations 35.6 (b)(4) to the Department.
- C. Rural Stimulus Grant funds 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.

8.8002 REPORTING REQUIREMENTS FOR GRANT RECIPIENTS

- A. 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.
- B. 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.

8.8002 RECORD RETENTION AND ACCESS

- A. 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.
- B. 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.