



STATE OF ARKANSAS
ARKANSAS DEPARTMENT OF HEALTH

REQUEST FOR APPLICATIONS
RFA-11-0008

for the
Arkansas Community Health Centers Program

Date Issued: February 2, 2011

Application Timelines

<u>Event</u>	<u>Date</u>
RFA Issued	February 2, 2011
Due date for application submittal	3:00 p.m., March 2, 2011
Completion of application reviews, recipient selection and award notices mailed	To be determined at a later date
Anticipated start date of sub grant awards	July 1, 2011

Available Funding

Funds available for this program are anticipated to total \$9,900,000 annually in State General Revenue Funds and **are contingent upon availability of funds**. Grants awarded for FY 2012 should be consistent with the funding level received in FY2011, if appropriated by the 88th General Assembly.

Arkansas Department of Health (ADH) will annually review and approve the recommended distribution formula. No more than one (1) award will be made to any one (1) of the Community Health Centers (CHC) per year. Funds are available for a project period beginning July 1, 2011 and ending June 30, 2012.

Abbreviations/Acronyms use in RFA-11-0008

ADH	Arkansas Department of Health
CHC	Community Health Centers
FY	Fiscal Year
HRSA	Health Resources & Services Administration
CHCP	Community Health Centers Grant Program
RFA	Request for Application
CHCA	Community Health Centers of Arkansas
BPHC	Bureau of Primary Health Care
UDS	Uniform Data System
ADH/ORHPC	Ark. Dept. of Health/Office of Rural Health & Primary Care
ROI	Return of Investment
CME	Continuing Medical Education
QI/QA	Quality Improvement/Quality Assurance
ER	Emergency Room
MOA/U	Memorandum of Agreement/Understanding

Table of Contents

Section I: Program Overview

- 1.1 Introduction
- 1.2 Program Authority
- 1.3 Purpose of the Program
 - 1.3.1 Program Performance Indicators
 - 1.3.2 Definition of Direct Services

Section II: Funding Requirements

- 2.1 Program Funding
 - 2.1.1 Reimbursement Guidelines
- 2.2 Funding Restrictions
- 2.3 Eligibility Requirements

Section III: Application Submittals and Timelines

- 3.1 Submission Requirements
 - 3.1.1 Submission Address and Contact Information
- 3.2 Deadline for Submittal
- 3.3 Application Contents

Section IV: Application Format

- 4.1 Project Summary
- 4.2 Program Narrative
 - 4.2.1 Needs Statement
 - 4.2.2 Barriers
 - 4.2.3 Progress Reports
- 4.3 Program Goals & Anticipated Outcomes
- 4.4 Strategies for Service Delivery (Work Plan)
- 4.5 Project Management
- 4.6 Budget
 - 4.6.1 Personnel Costs, Salary, Fringe
 - 4.6.2 Travel
 - 4.6.3 Equipment
 - 4.6.4 Supplies
 - 4.6.5 Contracts
 - 4.6.6 Other
- 4.7 Staffing Plan and Personnel Requirements
- 4.8 Program Evaluation

Section V: Review Process & Reporting Requirements

- 5.1 Application Review
- 5.2 Reporting Requirements
- 5.3 Compliance Requirements
- 5.4 Deadline for Submittal
- 5.5 Submission Address and Contact Information

Section VI: Required Supporting Documentation

- Health Center Application Cover Sheet
- Additional Information For Submittals
 - Checklist for RFA-11-0008
 - Appendix A: List of Inclusionary Services
 - Appendix B: Distribution Formula
 - Appendix C: ADH Strategic Map
 - Appendix D: HRSA Authorization Release Form
 - Appendix E: Authorizing Legislation

SECTION I: PROGRAM OVERVIEW

1.1 INTRODUCTION

This program guidance explains the requirements and provides guidelines for year 3 of the Arkansas Community Health Centers Grant Program (CHCP). It is recommended that this guidance, checklist (see page 21), and the supplemental application materials provided be reviewed before preparing an application. Eligible applicants to this program are all Arkansas Community Health Centers that currently receive federal funds via the U.S. Public Health Services Act, Section 330 as of February 1, 2011 and remain an eligible Section 330 center throughout the upcoming grant year ending June 30, 2012. Each health center is entitled to submit one application. **The application must be received no later than 3:00 p.m. on March 2, 2011. Failure to meet submission requirements shall result in a disqualification from consideration of the application.** Applicants must submit **one original (unbound) and five copies** of the application along with a copy of the application in Microsoft format on CD. Applicants may submit questions regarding this Request for Applications (RFA) to Jacqueline Gorton, ADH/ORHPC Program Administrator at 501-661-2494, or at Jacqueline.gorton@arkansas.gov. The ADH Issuing Officer for this solicitation is the ADH Procurement Branch Chief, Tim Smith at 501-280-4575 or timothy.w.smith@arkansas.gov.

1.2 PROGRAM AUTHORITY

Funding for the Arkansas Community Health Centers Grant Program (CHCP) will be from general revenue, if appropriated by the 88th General Assembly. A copy of initial authorizing legislation is included as Appendix E. The Arkansas Department of Health/Office of Rural Health and Primary Care is requesting applications from eligible Community Health Centers in FY2012.

1.3 PURPOSE OF THE PROGRAM-Arkansas Department of Health Strategic Priorities

1.3.1 Program Performance Indicators

The mission of the Arkansas Department of Health is to protect and improve the health and well-being of all Arkansans. Currently, the four strategic priorities of ADH are: 1) strengthen injury prevention and control; 2) reduce infant mortality; 3) increase physical activity, including addressing chronic disease interventions; and, 4) improve oral health. These priorities may be modified through a joint strategic planning process between ADH and CHCs. ADH will work and collaborate with CHCs. ADH reserves the right to final decisions regarding Program Performance Indicators. The current ADH Strategic Map can be found in Appendix C.

The goal of the Community Health Centers Grant Program (CHCP) is to increase direct services to uninsured, under-insured, and underserved Arkansans, and thus: (1) increase access to healthcare, (2) improve quality of care and health outcomes, and (3) promote cost-effectiveness, and (4) assist the CHCs with preserving and strengthening the CHCs while expanding access to affordable, quality, comprehensive health care for all Arkansans, goals of the CHCA Access For All Arkansans Plan. These funds are intended to increase delivery of direct services to patients of Community Health Centers (CHC), preserve and strengthen Arkansas' Community Health Centers and increase Arkansans' access to quality primary and preventive health care.

1.3.2 Definition of Direct Services

For purposes of this grant program, “direct services” means the provision of general primary and preventive medical care, dental care, mental health care, and enabling services care coordination via face to face visits or via telehealth. General primary and preventive medical care is the delivery of professional, comprehensive health services that include health education and disease prevention, initial assessment of health problems, treatment of acute and chronic health problems, and the overall management of an individual’s or family’s health care services.

According to Section 330 of the U.S. Public Health Service Act, and for purposes of this grant program, services include general primary and preventive medical care, dental, mental health, pharmacy services, and/or enabling care services and are those reported by the CHC on their Annual Health Resources and Services Administration (HRSA) Bureau of Primary Health Care (BPHC) Uniform Data System (UDS) Report.

SECTION II: FUNDING REQUIREMENTS

2.1 PROGRAM FUNDING

Funds available for this program are anticipated to total \$9,900,000 annually in State General Revenue Funds and **are contingent upon availability of funds**. Grants awarded for FY 2012 should be consistent with the funding level received in FY 2011, if appropriated by the 88th General Assembly.

ADH will annually review and approve the recommended distribution formula. No more than one (1) award will be made to any one (1) of the Community Health Centers (CHC) per year. Funds are available for a project period beginning July 1, 2011 and ending June 30, 2012.

2.1.1 Reimbursement Guidelines

The health center applicant will be reimbursed quarterly on an “Actual Cost” method of reimbursement. Actual cost reimbursement is based on a complete itemized listing of allowable program expenses with 25% anticipated to be the maximum allowable quarterly reimbursement. These expenses must be within the approved budget’s itemized listing of allowable program costs. Only those centers not receiving funding in FY2011 will be allowed to request payment by a process other than ‘actual cost reimbursement’. Health centers are expected to request and receive prior approval for an invoice exceeding 25% of their annual award.

Funds will be reimbursed upon the receipt of all required signatures approving this agreement, an invoice and supporting documentation submitted quarterly to the ADH/Office of Rural Health and Primary Care, quarterly demographic data reports, and semi-annual work plan progress reports as outlined in the reporting requirements. Each health center will retain all books, records, and other documents relating to expenditures and services rendered under the sub-grant for this program for a period of five (5) years from the date the sub-grant expires, or if an audit is pending at the end of the five-year period, until resolution of the audit.

Maximum annual award per health center must not exceed the total award amount prescribed in the attached distribution formula (see Appendix B). In the event a Community Health Center is unable to receive its state grant funding, ADH may redistribute those grant funds that the CHC was unable to receive. **Matching funds are not required.** Funds received must be used toward expenditures of health center services, staffing, and operations.

The expectation is that some “value” for the funds invested in the proposed project is realized. This value should extend beyond the number of individuals served to what outcomes are achieved by each individual health center.

ADH recognizes that the populations served by CHCs mirror the overall population of the state, and geographic location, patient mix, levels of disease prevalence, health center capacity, and number of years of clinic operation, for example, are factors that have a direct impact on the return on investment (ROI) expected from each individual health center as a result of the state funds invested in the proposed health center program. Each health center is in a different stage of achieving overall improvements in access to healthcare for Arkansans. Each health center should identify quantifiable improvements directly related to their individual situations and populations served. Refer to **4.4 Strategies for Service Delivery (Work Plan)** for specifics.

Failure to comply with all requirements outlined in this guidance may result in disqualification of the application, or in the case of an issued contract, may result in delays for payment or possible termination of the contract.

ADH accepts a copy of the health center's HRSA/BPHC Notice of Grant Award as a Community Health Center as the eligibility criteria for funding the CHC. If a CHC's Notice of Grant Award stipulates any Grant Conditions, ADH will require the CHC to present a HRSA/BPHC approved plan of corrections for those deficiencies. ADH will follow-up with the CHC for plan completion or progress towards completion. However, in the event of a Court Order enjoining the continuing operations of a CHC, ADH may suspend or withhold all funding until such time as a plan of correction has been completed and the underlying Court Order is dissolved. ADH cannot release suspended or withheld funds after June 30th which is the end of the state fiscal year, therefore all legal, financial, and/or programmatic resolutions must occur by April 30, 2012.

The Arkansas Department of Health reserves the right in subsequent years to distribute funds according to productivity outcomes and an individual health center's progress toward achieving its chosen outcomes.

Community Health Centers Grant program funds may be expended on:

- (1) Personnel Costs (salaries/fringe);
- (2) In state travel and meeting registration fees for out of state (U.S. Continental) travel;
- (3) Supplies (clinical, office and/or educational);
- (4) Pharmaceuticals;
- (5) Equipment, and its accompanying maintenance, installation, and liability insurance costs;
- (6) Contracts;
- (7) Other, such as but not limited to, clinic rental space, utilities, meeting registration fees related to continuing medical education (CME) for direct service providers, and actual relocation travel costs for direct service providers.

All health centers receiving funds from this program are required to follow purchasing and procurement policy as outlined in the Arkansas Department of Finance and Administration (DF&A) Financial Management guide. Health centers are encouraged to contact ORHPC for clarification prior to incurring an expense.

2.2 FUNDING RESTRICTIONS

For purposes of this program, funds may not be expended on the following:

- Signing/Incentive, performance, holiday or any other type of bonuses;
- professional services such as legal or financial consultants;
- indirect and administrative costs and fees such as, but not limited to, membership fees/dues to professional organizations, country clubs, etc., subscription fees, and license renewals;
- payment to any state agency for professional registrations, fees and licenses;
- real property, construction or renovation costs; and,
- expenses incurred prior to receipt of award.

Each budget will be reviewed prior to the awarding of funds and ADH will have final approval and reserves the right to disallow individual line items.

2.3 ELIGIBILITY REQUIREMENTS

To be eligible to obtain assistance from this program, the following requirements must be met:

- the Community Health Center must be located in Arkansas;
- the Community Health Center must be deemed by HRSA/BPHC as a federally qualified health center and be in good standing with HRSA/BPHC and remain so throughout the grant year;
- only one application will be accepted from each CHC;
- the CHC must provide health care services to Arkansans in accordance with HRSA Section 330 funding rules and guidelines;
- the CHC must be in good standing with ADH;
- the CHC must allow ADH access to all HRSA submitted data, as authorized by the signature on the release form included as Appendix D.

Health centers that receive funding through this state-funded program must:

- provide services in their current or proposed service delivery area regardless of a patient's ability to pay;
- include a discounted fee schedule (sliding scale) with reasonable charges for uninsured individuals below 200 percent of the federal poverty level;
- seek to include as many local providers of health care services as possible, such as dental, pharmacy, mental health and other ancillary services;
- participate in the provision of services as a contractor at a fair, reasonable prevailing rate; and ensure that providers, nurses, and key administrative staff salaries for which the CHC is requesting reimbursement are consistent with prevailing regional market rates.

Proposed salaries, as identified above, which exceed market rate, must receive prior written ADH approval. If salaries change during the program year, these changes must be submitted as a budget revision and receive prior written ADH approval prior to implementation. Written justification for these approvals are expected to include years of experience, continuing education, special certifications, or any other information deemed supportive of the recommended salary.

Additionally, health centers that receive funding through this state-funded program must:

- ensure availability and service quality levels provided by private providers;
- meet or exceed the level of service quality provided, as established by respective governing boards;
- at all times meet professional standards of competence and quality;
- seek local providers, community, city, county, and state partners to participate in the development, planning & implementation of a new CHC in an area of documented need;
- ensure that receipt of these funds do not create an unfair advantage for CHC over private providers within the service delivery area.

Each health center must submit a signed and dated Health Center Information Form. This can be found on page 16.

SECTION III: APPLICATION SUBMITTALS & TIMELINES

3.1 SUBMISSION REQUIREMENTS

Applications and supporting documents should be in an easily readable typed format on white paper. All pages should be numbered in sequential order. Please include the applicant center's name in the footer with the page number. Applications can be sent via postal mail delivery or hand delivered. No faxed or electronic applications will be accepted.

Number of Copies: Include one (1) original and five (5) copies unbound. Applicants are encouraged to include one copy of the application in Microsoft format on a CD in their packet.

Be sure to mark the outside of your submittal with the RFA# 11-0008.

3.1.1 SUBMISSION ADDRESS AND CONTACT INFORMATION

Applications must be mailed to the following address:

Arkansas Department of Health,
Procurement Branch
Attention: Tim Smith, CPPB
4815 W. Markham St. Slot 58
Little Rock, AR 72205 -3867

For applications to be hand delivered use the following address:

Arkansas Department of Health,
Tim Smith, CPPB
Procurement Branch
4815 West Markham Street, Room L163
Little Rock, AR 72205

For questions or information concerning this RFA or a submittal, please contact ADH Office of Procurement, Issuing Officer as follows:

Email: timothy.w.smith@arkansas.gov
Phone: 501-280-4573

3.2 DEADLINE FOR SUBMITTAL

To be considered for funding, applications and all supporting documentation must be **received by the Issuing Officer** on or before 3:00 p.m. March 2, 2011 at the Arkansas Department of Health. **Failure to meet submission requirements shall result in a disqualification from consideration of the application.**

3.3 APPLICATION CONTENTS

The application packet is expected to include the following information submitted in the following order:

- Health Center Information Form (see Section VI)
- Project Summary
- Program Narrative
- Needs Statement
- Barriers
- Progress Report for Year 2 (if applicable)
- Program Goals and Anticipated Outcomes
- Strategies for Service Delivery (Work Plan)
- Project Management
- Budget
- Staffing Plan and Personnel Requirements
- Program Evaluation
- Appropriate Appendices

SECTION IV: APPLICATION FORMAT

4.1 PROJECT SUMMARY

Provide a brief description of the proposed health center primary and preventive services, including target population to be served, description of increase in direct services, and the resulting anticipated outcomes. Also summarize efforts to coordinate and integrate activities with the activities of other safety net providers, State and local health services delivery projects and programs serving the same population(s) including any actual or proposed partnerships and collaborative activities (such as local providers, community, city, county and state partners) within the identified service delivery area.

4.2 PROGRAM NARRATIVE

4.2.1 Needs Statement

Please describe the target intended to be served with these state funds through the provision of primary and preventive medical, dental, mental health, pharmacy, and enabling services. This description should include demographic characteristics such as age, gender, unemployment rate, income levels, race and ethnicity, and insurance status – including uninsured, under-insured, and those with public insurances such as Medicaid and Medicare. The needs statement should also address areas such as changes in the health care environment, economic or demographic changes of the service area, and any special populations, such as homeless, limited English proficient, or migrant and seasonal farm workers receiving services through the health centers.

Include a geographic description of the service delivery area by providing a list of full and partial counties served. Please indicate any counties contained in the list in which funds will not be spent. Also provide a listing of all individual clinic sites/locations where funded clinic activities will occur (if clinic services are provided in more than one location), along with justification for any individual sites not receiving funding through this program. Refer to 'Reimbursement Guidelines' on page 7 addressing HRSA/BPHC status of eligible CHCs.

Applicants are expected to demonstrate need by clearly describing the current status of healthcare in the defined service delivery area using current and relevant data and statistics applicable to the target population and individual CHC. Include the most common causes of mortality and the incidence and prevalence of chronic and infectious diseases. Be sure and include statistics documenting the current level of uninsured, under-insured, and underserved Arkansans targeted to receive services through this project.

4.2.2 Barriers

Describe barriers to care identified during year two in areas such as gaps in services, health disparities, and health care problems in the service delivery area and how the strategies chosen were able to address these barriers.

4.2.3 Progress Report for Year 2

If funding was received in year 2, include a progress update for the time period July 1, 2010 through February 28, 2011. This update should address broad issues and changes that have impacted the community/target population(s) served and the individual health center, and identified barriers, as well as discuss the growth trend in the number of patients served. The health center should use the most current information available such as final 2009 UDS reports, preliminary 2010 UDS data, and the most recent quarterly demographic and progress reports.

4.3 PROGRAM GOALS & ANTICIPATED OUTCOMES

The goal of the Community Health Centers Grant Program (CHCP) is to increase direct services to uninsured, under-insured, and underserved Arkansans, and thus: (1) increase access to healthcare, (2) improve quality of care and health outcomes, and (3) promote cost-effectiveness; and (4) assist the CHCs with preserving and strengthening the CHCs while expanding access to affordable, quality, comprehensive health care for all Arkansans, goals of the CHCA Access For All Arkansans Plan.

These funds are intended to increase delivery of direct services to patients of Community Health Centers (CHC), preserve and strengthen Arkansas' Community Health Centers and increase Arkansans' access to quality primary and preventive health care.

Please explain how the use of these state funds can address the CHCs capital needs, workforce needs, and financial resource needs, and strengthen the foundation to show a direct link to increased access to additional Arkansans served.

Applicants are expected to demonstrate a thorough understanding of program goals (strengthen injury prevention and control; reduce infant mortality; increase physical activity, including addressing chronic disease interventions; and improve oral health) in the development and presentation of their project goals as well as demonstrate a thorough understanding of the outcomes anticipated. (Refer to Appendix C).

Describe the health center's quality improvement/quality assurance (QI/QA) program, and explain how the health center monitors and evaluates utilization, appropriateness, and quality/outcomes of services provided. Provide a description of the process for ensuring quality customer service to the target population receiving services through each individually funded clinic site. A copy of the center's QI/QA plan should be included as an attachment.

4.4 STRATEGIES FOR SERVICE DELIVERY (Work Plan)

A strategy is a plan, method or series of skillful procedures for obtaining a specific result, such as reduced infant mortality. Applicants are expected to clearly describe the current level of services available in the community and how, with the additional State support being requested, the organization proposes to: 1) strengthen injury prevention and control; 2) reduce infant mortality; 3) increase physical activity, including addressing chronic disease interventions; and, 4) improve oral health through the development of a system of care which increases access to care, services and available primary care providers to the target population.

Include **quantifiable** information supporting the value/return on investment these state funds will help the health center achieve. In addition to helping the health center see additional patients, this return on investment is expected to clearly describe **at least one** of the four program priorities listed above for inclusion in the work plan.

The work plan should also include at least three from the following list:

- (1) Reduction in health disparities
- (2) Increase in special populations served regardless of ability to pay
- (3) Improved patient health outcomes with various chronic diseases (measured by UDS)
- (4) Improved overall patient health outcomes
 - a. Earlier entry into pre-natal care
 - b. Reduction in number of low birth weight births
 - c. Increase in the number of children who received required vaccines who had their 2nd birthday during the measurement year
- (5) Increased access to affordable quality health care (measured by UDS)
 - a. Number of new or expanded services (measured by UDS and other data sources and reports)
 - b. Increase in the number of uninsured, under-insured, Medicaid, and Medicare covered Arkansans receiving services
- (6) Cost savings
 - a. Reduction in number of ER visits by patients accessing primary and preventive care at CHC
 - b. Reduction in the number of costly surgeries, such as amputations for patients with diabetes
 - c. Increase in the number of early detection screenings that prevent costly treatment
 - d. Reduction in number of hospitalizations and specialty care referrals.

The work plan should also discuss the projected growth trend in the number of patients to be served utilizing data such as, but not limited to, final 2009 UDS reports, preliminary 2010 UDS reports, and the most recent quarterly demographic and progress report information available.

For each proposed strategy, identify the target population and state a logical outcome of how the implementation of the identified strategy will lead to an increase in direct services and access and a reduction in the number of uninsured, underinsured, and underserved Arkansans. Include a timeline (ending no later than June 30, 2012) for implementation of chosen strategies, including anticipated dates of completion of individual activities. Clearly state how the proposed strategies will increase one or more of the primary care services outlined in Appendix A and describe how successful completion of the work plan supports achievement of the goals and improvements in the focus areas of **Healthy People 2020** (www.healthypeople2020.gov/hp2020) to increase access and reduce health disparities.

State the “expected impact” of proposed strategies in **quantifiable** terms of expected numerical changes in delivery of the identified service or services. If the health center participates in any of the HRSA Bureau of Primary Health Care Collaboratives, then identify the collaborative, and indicate the target population and geographic area served.

Quality health care encompasses primary care providers as a part of community-based delivery systems; therefore, health centers are expected to demonstrate: 1) responsiveness to their health care environment; and 2) that they have developed **collaborative and coordinated delivery systems** for the provision of health care to the uninsured, underinsured, and underserved in their communities.

Health centers will describe their current efforts to coordinate and integrate activities with the activities of other safety net providers, State and local health services delivery projects and programs serving the same population(s) including any actual or proposed partnerships and collaborative activities.

Please include a summary of progress involving all agreements including memorandums of agreement/understanding (MOA/U) designed to support collaborative and coordinated delivery systems that were put in place since the initial application. Health centers are required to have agreements in place with any new providers within 90 calendar days. Written justification is required as to why that did not occur and a reasonable revised date must be approved by ADH.

Failure to comply with all requirements outlined in this guidance may result in disqualification of the application, or in the case of an issued contract may result in delays for payment or possible termination of the contract.

4.5 PROJECT MANAGEMENT

Provide a description of your organization’s management structure, financial systems, and facilities essential to the overall management of the project. Provide an organizational chart if changes have occurred since June 30, 2010.

Include a brief history of compliance with similar program requirements. **Findings (current¹ or future) of significant noncompliance by a grantor may preclude the allocation of these funds to a CHC. Transparency in all activities shall be expected, with a CHC to notify ADH of any significant noncompliance with HRSA/BPHC requirements within 30 days of receipt of said notification.**

Applicant is expected to describe the health center’s management team, including administrative staff support, qualifications and capacity. By submitting an application, health centers certify: (1) they are in compliance with all grantor agencies; and (2) their ability to meet the administrative, fiscal and reporting requirements of this grant. Provide as an attachment a schedule of current rates charged or to be charged, or both if applicable, for services to be rendered.

¹ Current shall be defined as any compliance issues since the submission of the CHC’s most recent grant application.

4.6. BUDGET

Applications must contain both a detailed project budget and budget justification narrative for the one year project period July 1, 2011 through June 30, 2012. Include calculations used to arrive at the submitted budget. A budget format is outlined below. This format should be used for both the detailed project budget and the budget justification narrative to ensure continuity across all applicants.

Specifically describe how each item will support the achievement of the work plan and directly relate to proposed strategy and plan to increase direct services. Up to 25% of funds may be reallocated with prior written approval of the Office of Rural Health and Primary Care in consultation with the Office of the Director of ADH.

Use the following categories for your detailed line item budget and your budget justification narrative:

4.6.1 Personnel Costs, Salary, Fringe.

Personnel costs and fringe should be explained by listing each staff member who will be supported from these funds, including name, position title, percent full time equivalency and annual salary. If requested annual salary beginning July 1, 2011 is an increase from the previous year, please include the prior annual salary amount and provide justification and calculation of the increase. If these funds are used to compensate any portion of a person's salary, market rates should not be exceeded without prior approval from ADH.

List the components that comprise the fringe benefit rate (health insurance, taxes, retirement, etc.). Funds may not be used to pay signing/incentive, performance, holiday or any other type of bonus. Only those fringe benefits paid by the employer may be included as an allowable expense.

4.6.2 Travel

Breakout travel costs between instate and out of state travel. Travel calculation should include the mileage rate which currently is 42 cents (\$0.42) per mile, number of miles, the purpose of the travel, and the name and function served of the person requesting travel. Receipts for meeting registration, lodging, car rental, airline fares, and other travel expenses (excluding meals) must be retained by the health center as documentation.

Out of state travel expenses are not an allowable expenditure of these funds. Health centers may pay registration fees associated with out of state (U.S. Continental) meetings related to continuing medical education (CME) for direct service providers. For all travel expenditures, health centers must follow federal policy regarding per diems.

4.6.3 Equipment

List equipment costs and provide a justification as to why the equipment is needed to carry out stated goals. Capital equipment costing more than \$2,500 purchased with these funds may not be sold, leased or transferred without written consent of the Arkansas Department of Health. The health center must secure at least three bids/cost estimates for any proposed capital equipment purchases and retain this information as a part of equipment inventory. Include an explanation of how installation, maintenance, and insurance costs will be provided for upkeep and long-term viability of equipment.

4.6.4 Supplies

Supplies costs should be broken out between clinical, educational and office so each general type of supply is clearly documented.

4.6.5 Contracts

Provide a clear explanation as to the purpose of each contract, length of contract, how the costs were estimated, and the specific contract deliverables. A copy of all signed contracts must be available for review by ADH staff during normal business hours at the health center's administrative office. As is feasible, all contracts should be aligned with the state fiscal year (July 1 through June 30). Funds do not carry forward into a new fiscal year.

4.6.6 Other

List all other costs that do not fit into any of the above categories and provide an explanation of each cost. In some cases, health center rent, utilities and insurance fall under this category. Justification should include how these costs contribute to the overall achievement of stated program goals. Indirect and administrative costs and fees such as, but not limited to, membership fees/dues to professional organizations, country clubs, etc., subscription fees, license renewals, and professional services such as legal or financial consultants are considered administrative costs and are not allowable. No state agency may receive payment for professional registrations, fees and licenses.

Each budget will be reviewed prior to the awarding of funds and ADH will have final approval and reserves the right to disallow individual line items.

Health centers are encouraged to submit budget revisions throughout the program year. This continual internal budget monitoring should reduce the need for health centers to request approval of reimbursement for program expenses exceeding the maximum allowable quarterly reimbursement.

4.7 STAFFING PLAN AND PERSONNEL REQUIREMENTS

As appendices to the application, include job descriptions, current salary levels, proposed salary increases and market rates for compensation for each (and any) position(s) which are proposed to be newly funded in year 3. To ensure that salaries of providers, nurses, and key administrative staff salaries are consistent with prevailing regional market rates, provide written justification including years of experience, continuing education, special certifications, or any other information deemed supportive of the recommended salary.

Specify current and proposed staff resource capacity and how that capacity is calculated. Discuss the growth trend in the number of patients served. Describe increased staffing changes related to the number of physicians, mid-levels (APNs, RNPs, PAs), and dentists providing services based on the most recent information available. Describe the health center's staffing pattern and how it is appropriate to the level and mix of services provided.

Each health center must assure that all providers and nurses are in good standing with their respective licensing boards. Health centers will maintain evidence on site of required program staff competencies (i.e. training, licensing, and/or certifications) and existence of the required minimum staffing levels for any services funded through this program.

Describe hours and days of health center operation, and describe how these meet the needs of the population served. Describe how the health center assures professional coverage when closed.

Describe the health center's plan for recruiting and retaining appropriate health care providers to meet the needs and market rates for compensation within the service delivery area of the population served. Please include a copy of the health center's recruitment/retention plan in the appendices, if available.

4.8 PROGRAM EVALUATION

As mentioned in section **4.2. Program Narrative**, if funding was received in year 2, include a progress update for the time period July 1, 2010 through February 28, 2011.

Each health center must provide a copy of their preliminary 2010 Uniform Data System (UDS) report submitted to HRSA.

The health center is expected to propose reasonable methods to measure outcomes and evaluate progress of its project toward achieving program goals (i.e. quality assurance reviews, intake and exit surveys, program audits, contact & treatment statistics, and/or other data collection and reporting) and ensure that this method assesses the direct service measure(s) that the applicant has selected. At a minimum, include at least one directly applicable measure from the HRSA-required UDS Report. The ADH will review methods for adequacy.

SECTION V: REVIEW PROCESS & REPORTING REQUIREMENTS

5.1 APPLICATION REVIEW

All submitted applications will undergo review by the AHD/Procurement Branch and an evaluation committee to assess if the health center 1) has demonstrated progress in achieving the goals and objectives stated in their previously funded application; 2) is in compliance with statutory/regulatory requirements; and 3) that the proposed budget items are allowable and reasonable. ADH will use information presented in the Program Narrative and attachments as well as other available information, such as, quarterly reports, expenditure reports, site visit reports, UDS, audit reports, etc. Clarification may be sought by ADH on applications submitted. **Funds will be awarded following legislative review.** Funds will not be awarded until all appropriate documentation is provided.

Steps:

- Review by the ADH/ Procurement Branch to determine if eligibility requirements have been met
- The Evaluation Committee will evaluate each eligible application
- The Evaluation Committee will make a recommendation for funding to the ADH Program/Center for final approval by the Office of the Director of the Arkansas Department of Health

5.2 REPORTING REQUIREMENTS

Health centers receiving funding are required to submit quarterly expenditure and demographic data reports. Work plan narrative progress reports are due semi-annually. These reports are expected to document progress toward achieving outcomes established in the work plan using measures proposed by the health center that directly relate to its proposed strategies.

Annually, health centers must submit a progress report reflecting, at a minimum, a listing of all services provided, fee schedules based on local prevailing rates and actual costs, sliding fee scales, and their UDS reports which identify the number of uninsured, Medicaid and Medicare patients and those patients which are below and above 200% of the federal poverty level.

In addition, the annual report must also include the number of **additional** uninsured, underinsured, Medicaid and Medicare patients and those patients which are below and above 200% of the federal poverty level served as a result of the receipt of these funds.

Credentials and other documents related to licensure will be retained on site by each health center and will be made available for review during normal business hours.

Documentation of the expenditures of these funds must be maintained by the health center that includes all signed original contracts, copies of bids/estimates obtained, receipts for items and services purchased, and a written equipment inventory indicating date of purchase, serial number, location of purchased equipment, and how the equipment is being used.

Internal accounting procedures and fiscal controls must be in place to assure the proper disbursement and accounting of expenditures of these funds that clearly document specific use. Health centers must provide ADH and its authorized agents with reasonable access to records maintained for purposes of this award. The health centers must make the records available during normal business hours at the health center's general offices.

Applicant must provide a signed release for ADH to access data reported to HRSA. (See page 22)

5.3 COMPLIANCE REQUIREMENTS

Each health center must be in compliance with all state audit requirements as outlined in all signed ADH funding agreements. Failure to comply with all requirements outlined in this guidance may result in disqualification of the application, or in the case of an issued contract may result in delays for payment or possible termination of the contract.

SECTION VI: REQUIRED SUPPORTING DOCUMENTATION

Health Center Information Form Cover Sheet for RFA-0008

Please provide the following details about your health center

Legal Name of Health Center: _____

Mailing Address: _____

Physical Address: _____

Name of Executive Director: _____

Name of Board President: _____

Total Number of Board Members: _____

Federal ID Number: _____

Contact Person's Name: _____

Contact Person's Phone Number: _____ Fax: _____

Email Address: _____

By signing this document, I certify the Community Health Center named above meets the following eligibility criteria:

- the Community Health Center is located in Arkansas;
- the Community Health Center is deemed by HRSA/BPHC as a federally qualified health center and is in good standing with HRSA/BPHC
- the Community Health Center provides health care services to Arkansans in accordance with HRSA Section 330 funding rules and guidelines
- the Community Health Center is in good standing with ADH

Signature of Executive Director

Date

NOTE: This form must be signed by the Executive Director of the applying health center.

Please include this form in your appendices.

ADDITIONAL INFORMATION FOR SUBMITTALS

Financial Information - Please provide the following with your application for RFA-11-0008:

- 1- A completed and signed W-9 for the applicant health center
- 2- Health Center's most recent AUDITED financial statement
- 3- Copy of current sliding fee scale
- 4- Most recent IRS 990

Certifications – please provide the additional supplemental forms provided in conjunction with the RFA:

- 1 - Signed release providing an exchange of information between ADH and HRSA allowing ADH access to individual health center data submitted to HRSA (See Appendix D)
- 2 - Health Center Information Form (found on page 16)

CHECKLIST For RFA-11-0008

Please use this checklist to ensure a completed application is submitted.

- _____ Health Center Information Form
- _____ Completed grant application narrative
- _____ Progress Report for Year 2 (if applicable)
- _____ Work Plan
- _____ Budget – detailed and written justification
- _____ Staffing Plan and Personnel Requirements
- _____ Program Evaluation
- _____ Appropriate Appendices
- _____ Current sliding fee scale
- _____ Written justification for all proposed salaries exceeding market rate
- _____ Current QI./QA plan, if applicable
- _____ Current organizational chart, if applicable
- _____ Current schedule of rates charged
- _____ Job descriptions, if applicable
- _____ Current recruitment/retention plan, if applicable
- _____ Preliminary 2010 UDS report
- _____ Completed/signed W-9
- _____ Most recent AUDITED financial statement
- _____ Most recent IRS 990
- _____ Signed HRSA Authorization Release Form (Appendix D)

Appendix A. – List of Inclusionary Services

Health services related to family medicine, internal medicine, pediatrics, obstetrics, or gynecology, provided by physicians, physician assistants, nurse practitioners, certified nurse midwives, & health aides.

Telehealth services

Diagnostic laboratory and radiological services

Diagnostic Tests/Screenings:

- for breast, cervical, prostate and other types of cancer
- for communicable disease, environmental contaminants, and chronic health conditions

Emergency Medical Services

Urgent medical care

24-hour coverage

Family Planning

Following hospitalized patients

Obstetrical/Gynecological Care

- Prenatal and postpartum services
- Antepartum fetal assessment
- Ultrasound
- Genetic counseling and testing
- Amniocentesis
- Labor and delivery professional care

Specialty medical care

Dental care services (preventive, restorative, emergency, rehabilitative)

Mental Health/Substance Abuse Services

- Screenings
- Treatment/counseling (mental health/substance abuse)
- 24-hour crisis intervention/counseling
- Other services

Other Professional Services, including, but not limited to:

- Well-child services
- Immunizations
- Nutrition Services
- Pharmacy
- Vision screening/optometry
- Podiatry
- pediatric eye/ear/dental screenings to determine the need for vision/hearing correction and dental care

Support/Enabling Services

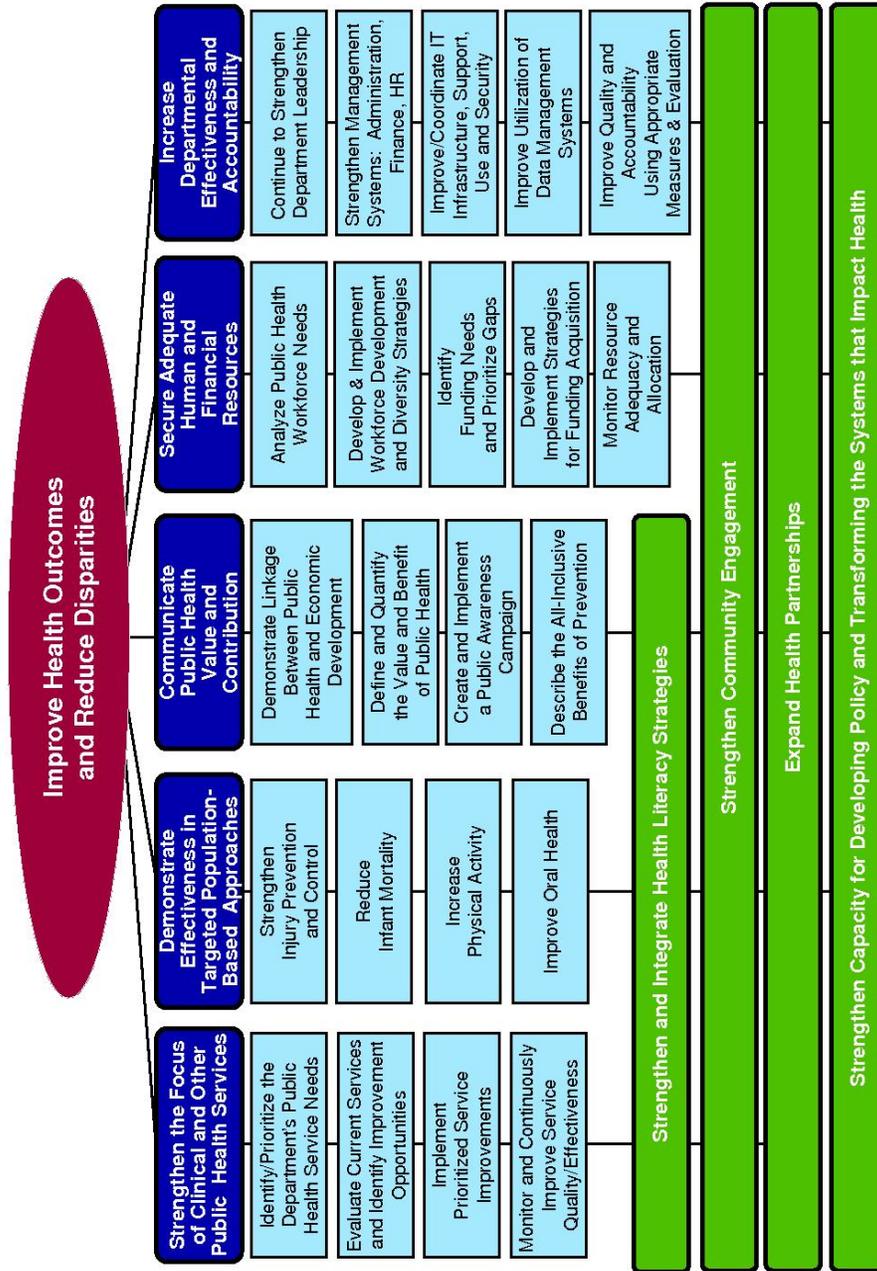
- Case management (counseling, referral and follow-up services)
- Child care (during visit to center)
- Discharge planning
- Eligibility assistance
- Environmental Health Risk Reduction
- Health Education
- Interpretation/translation services
- Referrals to providers of health related services including specialty, dental/oral health, substance abuse and mental health services

Appendix B. DISTRIBUTION FORMULA

Distribution Formula Based on Uninsured Arkansas CHC Patients¹							
CHC	Uninsured Patients	% of CHC's Uninsured Patients to Statewide Uninsured Patients	Uninsured Distribution	Workforce Retention	Equal Distribution	Total Distribution	Total Award Incorporating 1% Reduction
Arcare	9,270	16.30%	\$ 847,600.00	\$ 183,333.33	\$ 216,666.67	\$ 1,247,600.00	\$ 1,235,124.00
Boston Mountain	3,379	5.94%	\$ 308,880.00	\$ 183,333.33	\$ 216,666.67	\$ 708,880.00	\$ 701,791.20
CABUN	3,267	5.75%	\$ 299,000.00	\$ 183,333.33	\$ 216,666.67	\$ 699,000.00	\$ 692,010.00
Community Clinic	6,823	12.00%	\$ 624,000.00	\$ 183,333.33	\$ 216,666.67	\$ 1,024,000.00	\$ 1,013,760.00
Corning	2,099	3.69%	\$ 191,880.00	\$ 183,333.33	\$ 216,666.67	\$ 591,880.00	\$ 585,961.20
East Arkansas	5,810	10.22%	\$ 531,440.00	\$ 183,333.33	\$ 216,666.67	\$ 931,440.00	\$ 922,125.60
Healthy Connections	1,752	3.08%	\$ 160,160.00	\$ 183,333.33	\$ 216,666.67	\$ 560,160.00	\$ 554,558.40
Jefferson	10,142	17.84%	\$ 927,680.00	\$ 183,333.33	\$ 216,666.67	\$ 1,327,680.00	\$ 1,314,403.20
Lee County	3,889	6.84%	\$ 355,680.00	\$ 183,333.33	\$ 216,666.67	\$ 755,680.00	\$ 748,123.20
Mainline	6,278	11.04%	\$ 574,080.00	\$ 183,333.33	\$ 216,666.67	\$ 974,080.00	\$ 964,339.20
Mid Delta	1,738	3.06%	\$ 159,120.00	\$ 183,333.33	\$ 216,666.67	\$ 559,120.00	\$ 553,528.80
River Valley	2,409	4.24%	\$ 220,480.00	\$ 183,333.33	\$ 216,666.67	\$ 620,480.00	\$ 614,275.20
Total	56,856	100.00%	\$ 5,200,000.00	\$ 2,199,999.96	\$ 2,600,000.04	\$ 10,000,000.00	\$ 9,900,000.00

¹ Source: FY 2011 State Funding RFA, 2009 UDS

Arkansas Department of Health Strategic Map: 2009-2011



Appendix D

HRSA Authorization Release Form

AUTHORIZATION RELEASE FORM

The _____
(Community Health Center)

hereby grants permission to the Department of Health and Human Services/Health Resources and Services Administration to release information to the Arkansas Department of Health/Office of Rural Health & Primary Care regarding any and all data and reports submitted to the Health Resources and Services Administration for the purposes of monitoring Community Health Center activities.

(Official Signature)
COMMUNITY HEALTH CENTER DIRECTOR

DATE

Appendix E. Authorizing Legislation

Act 1386 of 2009 and Act 180 of 2009, Tobacco Excise Tax Act (Excerpt from pages 19 and 20)

SECTION 29. SPECIAL LANGUAGE.

NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

COMMUNITY HEALTH CENTERS

Allocation of state funding to Community Health Centers shall be prioritized to ensure that uninsured, under-insured, and underserved Arkansans receive needed services in order to improve their health, with this funding to preserve and strengthen Community Health Centers and increase Arkansans access to quality primary and preventive health care.

The Department of Health shall ensure that any Community Health Center that receives funding through this Act shall first seek to include, in accordance with federal rule and guidance, as many local providers of health care services as possible, such as dental, pharmacy, mental health, and other ancillary services, within each Community Health Center's service area, to participate in the provision of such services as a contractor at a fair, reasonable prevailing rate.

Community Health Centers will seek local providers, community, city, county, and state partners to participate in the planning for the development, and, as an employee or contractor, in the implementation of a new Community Health Center in an area of documented unmet need. In addition to reasonable prices, the availability and service quality levels provided by the private provider must meet or exceed the level of service quality provided, as established by the respective governing board, at similarly situated Community Health Centers through the state and at all times meet professional standards of competence and quality.

Annually, the Department of Health shall require from the Community Health Centers the submission of performance indicators, to be determined by the Department of Health, reflecting, at a minimum, a listing of all services provided, fee schedules based on local prevailing rates and actual costs, sliding fee scales, and uniform data sets which identify the number of uninsured, Medicaid and Medicare patients and those patients which are below and above 200% of the federal poverty level. Local private providers within the service area that may have been significantly impacted by these services will be determined by the Department of Health.

The Department of Health shall institute a procurement process for the allocation of funding provided through this Act, detailing that these and other requirements are factored into the allocation of any funding provided to Community Health Centers. In the implementation of this special language, the Department of Health is permitted, at its discretion, to allow individual applicants an implementation period of up to 90 days from the effective date of individual agreements to satisfy the requirements for private provider collaboration as specified above.