STATE OF ARKANSAS

ARKANSAS DEPARTMENT OF HEALTH

REQUEST FOR APPLICATIONS

RFA-13-0009

for the

Arkansas Community Health Centers Program

Date Issued: December 20, 2012

Application Timelines

Event	Date
RFA Issued	December 20, 2012
Due date for application submittal	Friday, February 1, 2013 3:00 p.m.
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, 2013

Available Funding

Funds available for this program are anticipated to total approximately $9,895,000 in State General Revenue Funds and **are contingent upon availability of funds**. Grants awarded for SFY 2014 should be consistent with the funding level received in SFY2013, if appropriated by the Arkansas 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, 2013 and ending June 30, 2014.

Abbreviations/Acronyms use in RFA-13-0009

ADH	Arkansas Department of Health
ADH/ORHPC	Ark. Dept. of Health/Office of Rural Health & Primary Care
BPHC	Bureau of Primary Health Care
CHC	Community Health Centers
CHCA	Community Health Centers of Arkansas
CHCP	Community Health Centers Grant Program
CME	Continuing Medical Education
DF&A	Department of Finance and Administration
GAAP	Generally Accepted Accounting Principles
GAAS	Generally Accepted Auditing Standards
HRSA	Health Resources & Services Administration
IRS	Internal Revenue Service
PI	Performance Indicator
QI/QA	Quality Improvement/Quality Assurance
RFA	Request for Application
ROI	Return on Investment
SCHIP	State Children's Health Insurance Program
SFY	State Fiscal Year
UDS	Uniform Data System

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 Definitions

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

Section III: Application Submittal 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 Update
  - 4.2.1 Needs Statement
  - 4.2.2 Barriers
  - 4.2.3 Progress Report for Year 4
- 4.3 Program Goals & Anticipated Outcomes
- 4.4 Strategies and Activities 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

Section VI: Required Supporting Documentation
- Health Center Application Cover Sheet
- Additional Information For Submittal
  - Checklist #1 for RFA-13-0009
  - Checklist #2 for RFA-13-0009
  - Appendix A: List of Inclusionary Services
  - Appendix B: Distribution Formula
  - Appendix C: HRSA Authorization Release Form
  - Appendix D: Authorizing Legislation

SECTION I: PROGRAM OVERVIEW

1.1 INTRODUCTION

This program guidance explains the requirements and provides guidelines for Year 5 of the Arkansas Community Health Centers Grant Program (CHCP). It is recommended that this guidance, applicable checklist [See Section VI], and the supplemental application materials provided be reviewed before preparing an application. Eligible applicants to this program are all Arkansas Community Health Centers (CHC) that currently receive federal funds via the U.S. Public Health Service Act, Section 330 as of January 1, 2013 and remain an eligible Section 330 center throughout the upcoming grant year ending June 30, 2014**.** Each health center is entitled to submit one (1) application. **The application must be received by the ADH Issuing Officer no later than 3:00 p.m. on Friday, February 1, 2013**. **Failure to meet submission requirements shall result in a disqualification from consideration of the application**. Applicants must submit **one (1) marked original (unbound) and five (5) 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 ADH Procurement Branch Chief Tim Smith, ADH Issuing Officer at 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 Arkansas General Assembly. A copy of initial authorizing legislation is included as Appendix D. The Arkansas Department of Health/Office of Rural Health and Primary Care (ADH/ORHPC) is requesting applications from eligible Community Health Centers for SFY2014.

1.3 PURPOSE OF THE PROGRAM

1.3.1 Program Performance Indicators

The mission of the Arkansas Department of Health, to protect and improve the health and well-being of all Arkansans, is well-aligned with the missions of Arkansas' community health centers. Implementation of the Community Health Centers Grant Program (CHCP) will provide a venue for collaboration between ADH and Arkansas' twelve (12) community health centers.

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

These goals will be realized through focus on two (2) primary strategies: 1) strengthening and expanding clinical and other services; and 2) fostering improvements of high burden health issues. High burden health issues are identified as, but not limited to, hypertension, diabetes, and other chronic health conditions; population behaviors that support healthy eating and active living; infant mortality; and oral health.

Performance Indicators (PI) are vital to successful implementation and measurement of the CHCP. Health centers will identify PI designed to support achievement of the above identified goals through targeted work plans. ADH reserves the right to final decisions regarding Program Performance Indicators. More information regarding PI can be found in Section 4.4 *Strategies and Activities for Service Delivery (Work Plan).*

1.3.2 Definitions

For purposes of this program ADH acknowledges and supports the position that all patients receiving services in accordance with guidelines established by the U.S. Public Health Service Act, Section 330, meet a general definition of **'underserved'**.

An **uninsured** patient is defined as a patient who does not have medical insurance and is reported as such according to UDS instructions. (Does not include patients reporting health coverage via Medicare or Medicaid).

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 approximately $9,895,000 in State General Revenue Funds and **are contingent upon availability of funds**. Grants awarded for SFY 2014 should be consistent with the funding level received in SFY 2013, if appropriated by the Arkansas 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) CHC per year. Funds are available for a project period beginning July 1, 2013 and ending June 30, 2014.

Pursuant to Arkansas Code Annotated 19-4-1206, the ADH certifies that services have been performed or the goods received prior to payment being authorized and processed.

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 a CHC's approved itemized budget listing of allowable program costs.

Funds will be reimbursed upon the receipt of all required signatures approving this agreement, a signed Sub-Grantee Payment Request Form, supporting documentation submitted quarterly to the ADH/Office of Rural Health and Primary Care, and annual work plan progress report as outlined in Section 5.2 *Reporting Requirements.* Each health center must be current with ADH audit requirements. Each health center is required to submit their complete detailed preliminary UDS report as an attachment to their 3rd quarter reimbursement request. 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 (5) year period, until resolution of the audit.

The 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 CHC patient population is a higher risk population impacted more by the psychosocial determinants of health. 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 Award as a Community Health Center as the eligibility criteria for funding the CHC. Each health center must include in their appendices a copy of their most recent HRSA/BPHC Notice of Award. If a CHC's Notice of Award stipulates any Grant Conditions, ADH will require the CHC to present a HRSA/BPHC approved plan of corrections for those conditions. 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, 2014.

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;
(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. It may be found at: www.dfa.arkansas.gov/offices/accounting/financialManagementGuide/Pages/default.aspx. Health centers are encouraged to contact ADH/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;
- Merit increases;
- 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., financial audits, subscription fees, and license renewals;
- payment to any state agency for professional registrations, fees and licenses;
- real property, construction or renovation costs;
- expenses incurred prior to receipt of award; and,
- promotional/'give away' items (clothing, pens, cups, bags, umbrellas, etc) promoting health center name or logo. This does not apply to educational materials.

Each budget will be reviewed prior to the awarding of funds. 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 (1) application will be provided by and 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; and,
- the CHC must allow ADH access to all HRSA submitted data, as authorized by the signature on the release form included as Appendix C.

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% of the federal poverty level current within twelve (12) months of application;
- 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 and 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 on page 6, 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 written ADH approval prior to implementation. Written justification for these approvals are expected to include years of experience, continuing education, special certifications, additional duties, or any other information deemed supportive of the recommended salary. ADH will use the Annual CHCA Salary Survey as the guide to determining alignment with market rates. ADH encourages individual health centers to participate in this annual survey.

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 in Section VI.

SECTION III: APPLICATION SUBMITTAL & 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) marked original and five (5) copies unbound. Applicants are requested to include one (1) 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# 13-0009

3.1.1 SUBMISSION ADDRESS AND CONTACT INFORMATION

Applications must be mailed to the following address and received by the Issuing Officer prior to 3pm February 1, 2013:

Arkansas Department of Health,
Procurement Branch, RFA #13-0009
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, RFA #13-0009
4815 West Markham Street, Room L163
Little Rock, AR 72205

For questions or information concerning this RFA or a submittal, please contact the ADH 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 ADH Issuing Officer** on or before 3:00 p.m., Friday February 1, 2013 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 Update
- Needs Statement
- Barriers
- Progress Report for Year 4
- Program Goals and Anticipated Outcomes
- Strategies for Service Delivery (Work Plan)
- Project Management
- Budget
- Staffing Plan and Personnel Requirements [as outlined in Sections 4.2 and 4.7]
- Program Evaluation
- Appropriate Appendices

*Should an applicant choose to submit an application containing sections from previous applications, it is the applicant's responsibility to ensure such information is current and updated.

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. Please limit project summary to one (1) page in length.

4.2 PROGRAM NARRATIVE UPDATE

The Program Narrative Update must include information regarding the CURRENT STATUS of and address **broad issues, changes, and barriers** that have impacted the needs of the target population and service delivery area since submission of the previous year's application. Broad issues and changes include, but are not limited to, changes that impact health center operations, number of patients/visits projected, and/or financial viability of the health center, as well as a description of the health care sector in the geographic areas funded through this program. Applicant is required to submit a list of full and partial counties served by these funds as well as a listing of all individual clinic sites/locations where funded clinic activities will occur. See Section 4.7 for additional information.

If the health center is proposing to use these funds in a geographic location not previously approved, a detailed needs statement as outlined in Section 4.2.1 and Barriers as outlined in Section 4.2.2 below is required.

4.2.1 Needs Statement

Please describe the target population 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 (1) location], along with justification for any individual sites not receiving funding through this program. Refer to 'Eligibility Requirements' in Section 2.3 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 4 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 4

If funding was received in Year 4, include a progress report for the time period July 1, 2012 through January 31, 2013. This progress report should discuss the growth trend in the number of patients served along with information to document progress to date toward achieving outcomes established using the measures proposed by the health center in the approved work plan. The health center should use the most current information

available such as final/accepted 2011 UDS reports, preliminary 2012 UDS data, and any other relevant information.

4.3 PROGRAM GOALS & ANTICIPATED OUTCOMES

The goals of the Community Health Centers Grant Program (CHCP) are 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, (3) promote cost-effectiveness; and (4) assist with preserving and strengthening the CHCs while expanding access to affordable, quality, comprehensive health care for all Arkansans. These goals align with 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.

Applicants are expected to demonstrate a thorough understanding of program goals in the development and presentation of their work plan as well as demonstrate a thorough understanding of the outcomes anticipated.

Applicants should also discuss the projected growth trend in the number of patients to be served utilizing data such as, but not limited to, previous final UDS reports, preliminary 2012 UDS reports, and any other relevant data available.

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.

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

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 AND ACTIVITIES 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. The time frame for implementation of strategies is one (1) year – July 1, 2013 to June 30, 2014. 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 and expand clinical and other services; and 2) foster improvements of high burden health issues through the development and sustainability of a community-based system of care which increases access to care, services and available primary care providers to the target population and improves target population health.

High burden health issues are identified as, but not limited to, hypertension, diabetes, and other chronic health conditions; population behaviors that support healthy eating and active living; infant mortality; and oral health.

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, work plans are expected to clearly describe and quantify activities designed to capture positive growth in overall access and availability to clinical and other services **and** promote improvement in identified high burden health issues of population served.

For each proposed activity, identify the target population and state a logical outcome of how the identified activity 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, 2014) for completion of identified activities. Clearly state how the proposed activities will increase one (1) or more of the primary care services outlined in Appendix A. Describe how successful completion of the work plan supports achievement of the goals and improvements in the focus areas of **Healthy People 2020 [www.healthypeople.gov/2020]** to increase access and achieve health equity for all.

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, under-insured, 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 in the last twelve (12) months as well as a brief description of current agreements. Health centers are required to have agreements in place with any new providers within ninety (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

Describe any changes in your organization's management structure, financial systems, and facilities essential to the overall management of the project that have occurred since RFA-12-0005. Provide an organizational chart if changes have occurred since June 30, 2012.

Include a brief history of compliance with similar program requirements. **Findings (current[1] 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 thirty (30) days of receipt of said notification.**

Applicant is expected to describe any changes in 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.

4.6 BUDGET

Applications must contain both a detailed project budget and budget justification narrative for the one (1) year project period July 1, 2013 through June 30, 2014. Include rationale used to arrive at the submitted budget. Specifically describe how each item will support the achievement of the work plan.

Up to 10% of funds may be reallocated within a given budget category without prior written approval of the ADH Office of Rural Health and Primary Care. However, ADH requires health centers to request prior approval to reallocate funds from one (1) budget category to another. For example, up to 10% of total approved personnel can be reallocated within the personnel category, but to reallocate personnel costs to supplies or vice versa requires prior written approval of the ADH Office of Rural Health and Primary Care in consultation with the Director of ADH.

A budget format is outlined below. **Budgets are to be submitted in this format using the headings below**. This format should be used for both the detailed project budget and the budget justification narrative to ensure continuity across all applicants. 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 [regardless of additional funding sources]. If requested annual salary beginning July 1, 2013 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

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

used to compensate any portion of a person's salary, market rates for that specific position cannot be exceeded without prior approval from ADH. Please identify any new positions not funded in prior years. Include these job descriptions in the appendices.

ADH recognizes that your budget contains projected costs for a year beginning July 1. However, requested salaries must be the best estimate of those payable beginning July 1, 2013. Cost of living adjustments planned for the upcoming grant year must be included in your budget request and identified as such. Merit/performance increases or bonuses are not allowable expenditures for this program.

List the components that comprise the fringe benefit rate (health insurance, taxes, retirement, etc.). Funds may not be used to pay signing/incentive, performance, merit, 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

Only in-state travel expenses are allowable. Travel should be itemized including mileage calculation which currently is forty-two (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, and other travel expenses (including meals) must be retained by the health center as documentation and available for audit review. For all travel expenditures, health centers must follow federal policy regarding per diems. Receipts must be available for the current state fiscal year plus the previous state fiscal year. The state fiscal year is July 1 – June 30.

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.

4.6.3 Equipment

List equipment costs and provide a justification as to why the equipment is needed to carry out identified activities. Capital equipment costing more than $2,500 per item 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 (3) competitive bids 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. Any subcontracts exceeding $2,500 that are currently in place or entered into subsequent to this RFA must be disclosed. 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., audit expenses, 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. Funds cannot be used to purchase promotional/'give-away' items containing health center name/logo. This restriction does not apply to educational materials.

Each budget will be reviewed prior to the awarding of funds. 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.

Applicant is required to provide a listing of additional ADH funding received to include name of ADH program providing the funding, purpose, amount received and project length.

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 5. 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, additional duties or any other information deemed supportive of the recommended salary.

Update current staff resource capacity, any changes to how that capacity is calculated, health center staffing pattern, and patient growth trend. Provide a current schedule outlining days and hours of clinic operations. Address how the health center assures professional coverage when closed.

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, continuing education, licensing, and/or certifications) and existence of the required minimum staffing levels for any services funded through this program.

Update 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 4, include a narrative work plan progress report for the time period July 1, 2012 through January 31, 2013.

The health center is expected to propose reasonable methods to measure outcomes and evaluate progress 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. ADH will review methods for adequacy.

Annually, the Community Health Centers Program will be evaluated using data and information available such as but not limited to UDS reports, progress reports, work plans, and site visits. ADH will coordinate with the CHCA as needed, however it is the responsibility of each individual health center to provide the data specific to their health center.

SECTION V: REVIEW PROCESS & REPORTING REQUIREMENTS

5.1 APPLICATION REVIEW

All submitted applications will undergo review by the ADH/Procurement Branch, the Office of Rural Health and Primary Care, and an evaluation committee to assess responsiveness to program guidance. 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 and ADH/ORHPC staff to determine if eligibility requirements have been met
- The Evaluation Committee will evaluate each eligible application regarding responsiveness
- The Evaluation Committee will make a recommendation for funding to the ADH Program/Center for final approval by the Director of the Arkansas Department of Health

5.2 REPORTING REQUIREMENTS

Health centers receiving funding are required to submit quarterly expenditure reports. Each health center is required on a quarterly basis to submit the following:

- Completed and signed Sub-Grantee Payment Request Form
- Completed Invoice Reconciliation Form
- Back-up documentation in the form of general ledgers, invoices, receipts, and canceled checks

These documents can be scanned/emailed, faxed, or mailed to ADH/ORHPC via hard copy or CD/thumb drive. Each health center will receive a reporting packet at the beginning of each new grant year.

Each health center will provide a narrative work plan progress report as a part of their annual application for funds through this program. 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 proposed activities.

Annually, within sixty (60) days of the end of the grant year (August 31, 2014) health centers must submit the following:

- a written narrative progress report describing completion of identified activities and achievement of outlined objectives
- a listing of all services provided
- fee schedules based on local prevailing rates and actual costs
- sliding fee scales
- complete detailed final UDS report for calendar year 2013 marked 'Report Status-Accepted' by HRSA.
- a line item grant reconciliation in an Excel file format that includes all billings for the grant year combined into one (1)spreadsheet and reconciled to the total amount paid. This is required for the grant project period July 1, 2013 – June 30, 2014. The level of detail should correspond to the approved budget.

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 including 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 Appendix C)

5.3 COMPLIANCE REQUIREMENTS

Each health center must be in compliance with Generally Accepted Accounting Principles (GAAP) and specific requirements as outlined in all signed ADH funding agreements. All audits will be conducted in accordance with Generally Accepted Auditing Standards (GAAS) and/or A-133 Requirements. 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. Applicants are required to submit complete audited financials annually to ADH within one-hundred and twenty (120) days of the end of the health center's fiscal year. Health centers must submit a copy of their completed IRS Form 990 within thirty (30) days of submission to the Internal Revenue Service.

SECTION VI: REQUIRED SUPPORTING DOCUMENTATION

Health Center Information Form Cover Sheet for RFA-13-0009

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 and all ADH funding sources are disclosed

_____ _____

Signature of Executive Director Date

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

Please place this form as the cover sheet to your application.

ADDITIONAL INFORMATION FOR SUBMITTAL

Financial Information - Please provide the following with your application for RFA-13-0009:

1- A completed and signed W-9 for the applicant health center

2- Health Center's most recent AUDITED financial statement [if not previously submitted to ADH]

3- Copy of HRSA/BPHC Notice(s) of Award received since last application submittal

Certifications – please provide these 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 C)

2 - Health Center Information Form (See Section VI)

CHECKLIST #1 for RFA-13-0009

If the health center is proposing to use these funds in a geographic location not previously approved, please use this checklist to ensure a complete and responsive application is submitted.

_____ Health Center Information Form

_____ Completed grant application narrative

_____ Progress Report for Year 4

_____ Work Plan

_____ Budget – detailed and written justification

_____ Staffing Plan and Personnel Requirements

_____ Program Evaluation

_____ Appropriate Appendices

_____ Written justification for all proposed salaries exceeding market rate

_____ Current QI/QA plan

_____ Current organizational chart

_____ Job descriptions

_____ Current recruitment/retention plan

_____ Completed/signed W-9

_____ Most recent AUDITED financial statement

_____ Signed HRSA Authorization Release Form (Appendix C)

_____ HRSA/BPHC Notice(s) of Award

CHECKLIST #2 for RFA-13-0009

If the health center is proposing to use these funds to maintain existing approved geographic locations, please use this checklist to ensure a complete and responsive application is submitted.

_____ Health Center Information Form

_____ Completed grant application narrative

_____ Progress Report for Year 4

_____ Work Plan

_____ Budget – detailed and written justification

_____ Staffing Plan and Personnel Requirements Update

_____ Program Evaluation

_____ Appropriate Appendices

_____ Written justification for all proposed salaries exceeding market rate

_____ Current QI/QA plan, if applicable

_____ Current organizational chart, if applicable

_____ Job descriptions, if applicable

_____ Current recruitment/retention plan, if applicable

_____ Completed/signed W-9

_____ Most recent AUDITED financial statement, if applicable

_____ Signed HRSA Authorization Release Form (Appendix C)

_____ HRSA/BPHC Notice(s) of Award

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
Twenty-four (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)
- Twenty-four (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

ARKANSAS CHC STATE FUNDING DISTRIBUTION FORMULA based on 2011 Uninsured Patients								
CHC Name	**Pay Differential**	**Fixed Distribution**	**Uninsured Patients**	**% of all CHC Uninsured Patients**	**Uninsured Distribution**	**Total Award Less 1% Reduction**	**1/12 of $5,000 Reduction**	**Total Award Less Reductions**
Arcare	$ 183,333.33	$ 216,666.67	13,187	20.0234%	$ 1,041,215.95	$ 1,426,803.79	$ 416.67	$ 1,426,387
Boston Mtn	$ 183,333.33	$ 216,666.67	4,379	6.6492%	$ 345,756.02	$ 738,298.46	$ 416.67	$ 737,882
CABUN	$ 183,333.33	$ 216,666.67	2,962	4.4976%	$ 233,872.88	$ 627,534.15	$ 416.67	$ 627,117
Community Clinic	$ 183,333.33	$ 216,666.67	9,615	14.5996%	$ 759,178.84	$ 1,147,587.05	$ 416.67	$ 1,147,170
Corning	$ 183,333.33	$ 216,666.67	4,338	6.5869%	$ 342,518.75	$ 735,093.56	$ 416.67	$ 734,677
East AR	$ 183,333.33	$ 216,666.67	5,910	8.9739%	$ 466,640.35	$ 857,973.94	$ 416.67	$ 857,557
HCI	$ 183,333.33	$ 216,666.67	2,043	3.1021%	$ 161,310.70	$ 555,697.59	$ 416.67	$ 555,281
Jefferson	$ 183,333.33	$ 216,666.67	8,412	12.7729%	$ 664,192.66	$ 1,053,550.73	$ 416.67	$ 1,053,134
Lee County	$ 183,333.33	$ 216,666.67	3,479	5.2826%	$ 274,694.04	$ 667,947.10	$ 416.67	$ 667,530
Mainline	$ 183,333.33	$ 216,666.67	6,371	9.6738%	$ 503,039.87	$ 894,009.47	$ 416.67	$ 893,593
Mid Delta	$ 183,333.33	$ 216,666.67	1,672	2.5388%	$ 132,017.37	$ 526,697.20	$ 416.67	$ 526,281
River Valley	$ 183,333.33	$ 216,666.67	3,490	5.2993%	$ 275,562.57	$ 668,806.95	$ 416.67	$ 668,390
Total*	**$ 2,200,000.00**	**$ 2,600,000.00**	**65,858**	**100.0000%**	**$ 5,200,000.00**	**$ 9,900,000.00**	**$ 5,000.00**	**$ 9,895,000**

2011 UDS Uninsured Patients
Developed 11/07/2012

Reductions:
1% of 10 Million
$5,000 reduction per 11/07/2012 Memo from ADH

*Totals rounded to nearest dollar

Appendix C - HRSA Authorization Release Form RFA-13-0009

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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) DATE
COMMUNITY HEALTH CENTER DIRECTOR

Appendix D. - 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.