***2024-2026 Rural Hospital Flexibility Grant Program***

**NOTIFICATION OF GRANT FUNDING**

The Rural Hospital Flexibility Program (FLEX Program) is a federal grant program directed to State Offices of Rural Health to support:

* Improving the quality of health care provided in communities served by Critical Access Hospitals (CAHs)
* Improving the financial and operational performance of CAHs
* Developing collaborative regional and systems in CAH communities

The purpose of these Flex Program funds is to improve the quality of care provided by CAHs by focusing on improvement of financial and operational and quality measures as guided by the Federal Office of Rural Health Policy. These funds will support a technical assistance model that includes group and individual projects with the 20 CAHs in North Carolina.

This grant will be awarded to an organization or organizations to perform the following activities:

* Plan, conduct, manage, and facilitate statewide and (if requested) regional meetings of CAH executives in a forum where they can learn and share best practices, receive technical assistance on improving quality, financial and operational areas, receive technical assistance on population health strategies; investigate primary care capacity, develop innovative model ideas, and assist with workforce recruitment and retention. The statewide and/or regional meetings require contractor attendance/participation.
* Plan and implement individual technical assistance projects with CAHs, or a network of CAHs, to identify opportunities for, and initiate, improvements to quality, financial and operational performance.
* Organize collaborative networks for CAHs to share best practices and work together on various quality improvement initiatives.
* Engage CAHs in submitting quality performance data as required by the Medicare Beneficiary Quality Improvement Program (MBQIP).

The activities will be performed with intent to improve CAH performance in the following areas:

* Key financial indicators identified by the Flex Monitoring Team (FMT)
* Inpatient core measures as defined by MBQIP.
* Outpatient core measures as defined by MBQIP.
* Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) scores
* Emergency Department Transfer Communication (EDTC) reporting.

***The maximum total per grant year cannot exceed* $350,000 per year*.*** Year One funding (September 1, 2024 – August 31, 2025) must be expended by August 31, 2025. Year Two funding (September 1, 2025 – August 31. 2026) must be expended by August 31, 2026.

**Funding is dependent on federal allocation and availability of funds.**

Application Submission: All complete application must be email to [nick.galvez@dhhs.nc.gov](mailto:nick.galvez@dhhs.nc.gov)

**2*024-2026 Rural Hospital Flexibility Grant Program***

***RFA Instructions***

All required forms may be found on the ORH website [www.ncdhhs.gov/divisions/orh](http://www.ncdhhs.gov/divisions/orh). Applications must be complete, and applicants must respond to all application requirements. Incomplete applications, or applications not completed in accordance with the instructions, will not be reviewed.

**Application Deadline**

Grant applications must be submitted electronically by 5:00 pm***,*** May 13th, 2024.

Applications must be emailed to [nick.galvez@dhhs.nc.gov](mailto:nick.galvez@dhhs.nc.gov)

Only electronic applications will be accepted. All applicants will receive a confirmation notice after an application has been successfully submitted.

Eligible Applicants

Any organization that is staffed to provide quality, financial and operational technical assistance in areas specified in this RFA to Critical Access Hospitals is eligible to apply. All eligible applicants must submit a complete grant application to be considered for funding.

**Funding Cycle**

Funding Period is September 1, 2024, through August 31, 2026. Regardless of application or approval date, Year One grant funds must be expended by August 31, 2025, and Year Two grant funds must be expended by August 31, 2026.

**Organizational Information Sheet**

Grant application

* Grant Request: This grant is reflective of a two-year cycle. The budget maximum for each year is $350,000. (Funding amount is dependent on federal allocation and availability of funding.)
* Summary of Proposal: Provide a very brief (1 paragraph) description of the project.
* Contact Person: Enter the name and contact information for the person best able to answer questions about the grant application.
* Grant Application Submitted By: This form should be signed by a person authorized to enter into contracts for the organization.

**Grant Narrative**

PART I - Overview of Organization (1-2 paragraphs)

Provide 1-2 paragraphs describing the organization and its ability to positively affect Critical Access Hospitals (CAHs) quality of care by focusing on improvement in the following areas: quality improvement and finance and operational improvement.

PART II - Project Description and Staffing for Performance in Finance and Quality (5 pages)

Describe the proposed plan to improve quality and financial and operations at North Carolina CAHs.

Create a plan that includes objectives to perform the following activities:

* Plan, conduct, manage, and facilitate statewide and (if requested) regional meetings of CAH executives in a forum where they can learn and share best practices, receive technical assistance on improving quality, financial and operational areas, receive technical assistance on population health strategies; investigate primary care capacity, develop innovative model ideas, and assist with workforce recruitment and retention. The statewide and/or regional meetings require contractor attendance/participation.
* Plan and implement individual technical assistance projects with CAHs, or a network of CAHs, to identify opportunities for, and initiate, improvements to quality, financial and operational performance.
* Organize collaborative networks for CAHs to share best practices and work together on various quality improvement initiatives.
* Engage CAHs in submitting quality performance data as required by the Medicare Beneficiary Quality Improvement Program (MBQIP).

The activities will be performed with intent to improve CAH performance in the following areas:

* Key financial indicators identified by the Flex Monitoring Team (FMT)
* Inpatient core measures as defined by MBQIP.
* Outpatient core measures as defined by MBQIP.
* Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) scores
* Emergency Department Transfer Communication (EDTC) reporting.

Detail the proposed project’s plan to improve or assess CAH performance with the following:

* Improve number of CAHs with positive operating/total margins.
* Provide technical assistance to CAHs to develop action plans to improve patient experience.
* Provide technical assistance to CAHs to improve emergency department transfer communication for discharge.
* Assess CAHs ability to operate rural health clinic or other outpatient services.
* Provide technical assistance to the CAH to assess the community health needs and provide technical assistance to the CAH create and implement a plan to address the needs identified in the community health assessment.
* Provide technical assistance to improve the NC state average of Central Line Infection Rate (measure HAI-1) for NC CAHs. In 2024 the NC CAH average was 2.8. The national average is 0.8 for an CAHs in the United States.
  + Develop a plan to lower the HAI-1 measure by engaging and providing technical assistance to 18 CAHs (90% of the CAHs) to decrease the rate by 25% in Year 1 and 50% in year 2. By the conclusion of the grant period, the total reduction would be 50%.
  + Plan for a long-term approach to maintain this measure at or below the national average.

**HEALTH EQUITY PROJECT AREA (Quality or Finance)**

* Year 1 (2024-2025): Develop a health equity learning network for at least two CAHs
* Year 1 (2025 – 2025): Develop at least one health equity measure for the CAHs participating in the equity learning network. Measures will be reviewed for approval by ORH and reported to ORH annually.
* Year 2 (2025-2026): Develop health equity plan with the CAHs participating in the health equity learning network to address the health disparities.
* Year 2 (2025-2026): Upon completion, share the health equity learning network outcomes with ORH and all NC CAHs. Process, plan and outcomes should be detailed in a format that supports replication of the effective practices at other CAHs.

Since the CAHs are located across the state, please explain the organization’s plan to conduct outreach, provide technical assistance, and engage CAHs located in the in western, central, and eastern NC.

List the number of FTEs working on each of the project objectives. Include an implementation timeline for the project(s). The project timeline must align with the budget/expenses.

PART III - Project Evaluation (2 pages maximum)

Complete the mandatory Program Performance Measure Tables included below.

Describe how your organization will use the mandatory Performance Measures to improve CAH quality, finance and patient health outcomes. Describe how your project will track, document, and report each measure. Discuss potential factors that could negatively affect your organization’s ability to reach its performance measure targets and describe how these factors might be mitigated.

Report the following to ORH annually:

Performance Measures:

|  |  |
| --- | --- |
| **Measure** | Number of CAHs with an improvement in one MBQIP |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Facilitate Two Statewide Critical Access Hospital Meetings for hospital leadership and stakeholders and report number of CAHs participating in the meetings. |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Develop Critical Access Hospital Owned Rural Health Clinic learning /collaborative network and provide technical assistance to the network to support improvements to quality and/or financial operations. |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

Report the following to ORH quarterly:

|  |  |
| --- | --- |
| **Measure** | CAHs Central Line Infection Rate (MBQIP Measure HAI-1) and number of CAHs with improved rate. |
| Baseline | 2.8 |
| Target | 1.4 |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Quarterly reporting of Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) (patient satisfaction) |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Quarterly reporting of MBQIP Outpatient Core Measures (Cardiac Care, Emergency Department, Pain Management, Influenza Immunization/Vaccination) |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Quarterly reporting of MBQIP Emergency Department Transfer Communications (EDTC) |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

|  |  |
| --- | --- |
| **Measure** | Number of Critical Access Hospital that are Participating in an Individual Project |
| Baseline |  |
| Target |  |
| Data Source |  |
| Collection Process and Calculations |  |
| Data Limitations/Mitigation |  |

PART IV - Project Budget

Complete the Program Budget Template using the file Flex SFY 2024-2026 Budget Template. Applicants may select to apply for one or both of the following Program Areas:

* Quality Improvement Program Area
* Financial and Operational Program Area.

The Conference/Meetings Budget supports both Program Areas. The Conference/Meeting Budget must include two in-person CAH statewide meetings/conference and (if requested) regional meetings (virtual, onsite or hybrid).

|  |  |  |
| --- | --- | --- |
| **Budget Categories** | **2024-2025** | **2025-2026** |
| Quality Improvement Program Area | $165,000 | $165,000 |
| Financial and Operational Program Area | $165,000 | $165,000 |
| Conferences/Meetings | $20,000 | $20,000 |
| **Total** | **$350,000** | **$350,000** |

**Budget Template**

Applicants must submit the budget template provided with this RFA; if the budget template is not used, zero points will be awarded for the budget feasibility section. The Budget information should be project specific.

Provide a detailed cost breakdown for the project and identify all sources of funding for the project. Clearly identify which project costs will be covered with FLEX Grant funds and enter these in Column A; all other project costs should be entered in Column B.

**Please use the guidelines below to align each project expense with the proper budget category.**

|  |  |
| --- | --- |
| **Project Expenses** | **Description** |
| Staffing | |
| Employee Salary | Include separate descriptions of each position allocated to the grant, including position title, position duties relative to project activities, and part/full-time status. Include the total annual salary for each staff person in the project. List only staff members that will work on project activities. Only include hours worked (regular and overtime). Do not include bonuses. |
| Employee Fringe Benefits | Include the employer part of health, dental and vision insurance, FICA (Social Security & Medicare tax) and 401k employer match. Indicate cost per category per staff person. Fringe cannot exceed 30% of total line item for salary allocated to the grant. |
| Contracted Staff | Temporary workers or subcontractor staff. Include hours to be worked and hourly rate. |
| Facility Expenses | |
| Rent | Office space, program meeting space |
| Rented Equipment | Rented or leased equipment, such as copier machine or phone system |
| Utilities (If not included in the rent) | Gas/Electric/Water expenses |
| Telephone/Internet | Phone/Internet/Wi-Fi expenses |
| Security | Security services in the form of personnel, such as a security guard retained by the Contractor. Purchase of a security system belongs under Other Operating Expenses – Other. |
| Repair and Maintenance | Custodial services or basic repair/maintenance not billed in the Professional Services line item. |
| General Supplies (Not Capital Equipment): | |
| Office Supplies | Business cards, printer ink, paper, etc. |
| Medical Supplies | Masks, gloves, table paper, etc. |
| Patient Education Materials | Training manuals, handouts, one-pagers, information cards. List the specific materials |
| Postage and Delivery | Postage expenses |
| Other Operating Expenses (Not Capital Equipment) | |
| Travel | Include purpose of travel (e.g. travel to visit patients, travel to conferences). Note that travel reimbursement cannot exceed current North Carolina State Government rates as defined by the NC Office of State Budget and Management |
| Staff Development | Conferences and conference registration, training |
| Marketing/Community Awareness | Advertising, publications, PSAs, websites, and web materials. Marketing expenses shall not exceed 10% of the grant total |
| Professional Services | Legal services, IT related technical services, accounting, bookkeeping, payroll |
| Capital Expenses |  |
| Capital Equipment | Any single item purchased outright exceeding $500.00 is considered capital equipment. Organizations must provide 2 (two) quotes for individual purchases over $5,000.00. |

**Scoring Criteria**

Complete applications will be reviewed and scored on the following criteria:

Part I – Overview of Organization 10 points

Part II – Project Description and Staffing 25 points

Part III – Project Description 20 points

Part IV – Project Evaluation 25 points

Part V – Project Budget 20 points

**Total Available Points: 100 points**

***2024-2025 Rural Hospital Flexibility Grant Program***

**ORGANIZATIONAL INFORMATION and SIGNATURE SHEET**

|  |  |
| --- | --- |
| Organization Name: |  |
| Organization EIN:  Organization UEI: |  |
| Mailing Address:  Payment Remittance Address: |  |
| Organization Fiscal Year: |  |
| Organization Type: |  |
| Counties Served: |  |
| If contract has a Subcontractor, please list the Organization Name: |  |

Grant Amount Request:

|  |
| --- |
| **Summary of Request** – *Provide a brief one to two sentence description of your request*. |

|  |  |
| --- | --- |
| Contact Person: |  |
| Title: |  |
| Email Address: |  |
| Phone Number:  Fax Number: |  |

Grant/Contract signatory:

|  |  |
| --- | --- |
| Name: |  |
| Signature:  Signatory Email: |  |
| Organization Name: |  |
| Date: |  |

**Application Packet Checklist**

* Application Information should be organized in the following order:
  + Organizational Information and Signature Sheet
  + Overview of Organization
  + Overview of Staffing
  + Project Description
  + Project Evaluation
  + Budget Template
* Provider Documents:
* [Federal Certification Forms](https://ncruralhealth.az1.qualtrics.com/CP/File.php?F=F_cZMMk9XiQOxxl7n) (including):
  + Environmental Tobacco Smoke
  + Lobbying
  + Debarment
  + Drug-Free Workplace
* North Carolina - Contractor Certifications Required by North Carolina Law

The following Provider Documents are required for nongovernmental entities only:

* + [No Overdue Tax Debt Certification](https://ncruralhealth.az1.qualtrics.com/CP/File.php?F=F_6eSU3cvTNvst1lj)
  + [Conflict of Interest Acknowledgement and Current Policy](https://ncruralhealth.az1.qualtrics.com/CP/File.php?F=F_3PpSlegE5gYw1bT)
  + [Conflict of Interest Annual Verification](https://ncruralhealth.az1.qualtrics.com/CP/File.php?F=F_bE3jSrFgH5q0wQd)
  + State Certification
  + IRS Tax Exemption
  + eProcurement Confirmation
  + Vendor Electronic Payment Form