

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Medical Services Board

MEDICAL ASSISTANCE - SECTION 8.8000 Rural Provider Access and Affordability Stimulus Grant Program

10 CCR 2505-10 8.8000

[Editor's Notes follow the text of the rules at the end of this CCR Document.]

8.8000 Rural Provider Access and Affordability Stimulus Grant Program

8.8000.A PURPOSE AND LEGAL BASIS

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

8.8000.B DEFINITIONS

1. Advisory Committee means the rural provider access and affordability advisory committee as defined in section 25.5-1-207 (3), C.R.S.
2. Department means the Colorado Department of Health Care Policy and Financing.
3. Health Care Access Project means a project that expands access to health care in Rural Communities including but not limited to:
 - a. Extending hours for access to primary care or behavioral health services,
 - b. Investing in dual track emergency department management,
 - c. Expanding access to Telemedicine including remote monitoring support,
 - d. Providing new or replacement Hospital beds,
 - e. Expanding access to long term care and recovery care in skilled nursing facilities, and
 - f. Creating or expanding sites that provide surgical care, chemotherapy, imaging, and advanced imagining including computerized tomography scans.
4. Health Care Affordability Project means a project that modernizes the information technology infrastructure of Qualified Rural Providers including but not limited to:
 - a. Creating a shared analytics platform and care coordination platforms among Qualified Rural Providers, and
 - b. Enabling technologies, including telehealth and e-consult systems, that allow Qualified Rural Providers to communicate, share clinical information, and consult electronically to manage patient care.

5. Hospital means a hospital licensed or certified pursuant to section 25-1.5-103 (1)(a), C.R.S. or an affiliate owned or controlled as defined in section 25.5-4-402.8 (1)(b), C.R.S., by the hospital.
6. Qualified Rural Provider means a Hospital located in a Rural Community in Colorado that has a lower net patient revenue or fund balance compared with other Rural Hospitals.
7. Rural Community means a county with a population of fewer than fifty thousand residents; or a municipality with a population of fewer than twenty-five thousand residents if the municipality is not contiguous to a municipality with a population of twenty-five thousand or more residents.
8. Rural Stimulus Grant means funding received from the rural provider access and affordability grant program established in section 25.5.1-207, C.R.S.
9. Telemedicine means the delivery of medical services as defined at section 12-240-104 (6), C.R.S.

8.8000.C GRANT AWARD PROCEDURES

1. Rural Stimulus Grants will be awarded through an application process.
 - a. A request for grant application form shall be issued by the Department and posted for public access on the Department's website at <https://hcpf.colorado.gov/research-data> at least 30 days prior to the application due date.
 - b. A Qualified Rural Provider may submit applications for more than one project or may submit a joint application with another Qualified Rural Provider.
2. The application will include:
 - a. Project overview.
 - b. Proposed budget including:
 - i. Total funds requested not to exceed \$650,000 per project per applicant,
 - ii. Itemized direct expenses,
 - iii. Indirect expenses limited to federal Negotiated Indirect Costs Rate Agreement (NICRA) or de minimis rate of 10 percent if the applicant does not have an NICRA,
 - iv. If applicable, documentation of quotes or estimates for construction, equipment, or other expenditures, and
 - v. If applicable other sources of funding that will be utilized to complete the proposed project.
 - c. Project timeline to commence no earlier than July 1, 2023 and to conclude no later than December 31, 2026.
 - d. Description of Qualified Rural Provider's diversity, equity, and inclusion strategy and how diverse community needs are met by the project.
 - e. Demonstration of financial need.

- i. Qualified Rural Providers in the bottom 40% of net patient revenues for the three-year average of 2016, 2017, and 2018 or the bottom 6% fund balance for 2019 as determined by the Department's review of CMS 2552-10 Medicare Cost Reports are considered to meet the financial health requirement.
 - ii. Other Qualified Rural Providers may submit additional financial supporting information to support their financial need.
 - a. For capital investment projects, facility or equipment age.
 - b. Impact to health care affordability or access to care.
 - i. Statement of need outlying underlying problem the funding will address.
 - ii. Description of how the project's goals and objectives will be sustained after the Rural Stimulus Grant funds have been expended.
 - iii. Description of how the project will increase access to specialty care, if applicable.
 - iv. Description of how project will improve care coordination, if applicable.
 - v. Description of partner engagement, if applicable.
- 3. The Advisory Committee will review Rural Stimulus Grant applications and recommend Rural Stimulus Grant awards to the Department's executive director based on the following criteria:
 - a. Budget and financial need.
 - b. Partner collaboration, support, or engagement.
 - c. Completeness of response.
 - d. Ability to execute and complete project.
 - e. Reasonableness of timeline.
 - f. Diversity, equity and inclusion and how diverse communities will be impacted by the project.
 - g. County Medicare and Medicaid caseload percentage of population.
 - h. Statement of need.
 - i. Sustainability of project.
 - j. Impact to health care affordability or access to care.
- 4. The Department's executive director or his or her designee shall make the final Rural Stimulus Grant awards to Qualified Rural Providers.
 - a. The total funding for Rural Stimulus Grants is limited to no more than \$9.6 million with no more than \$4.8 million for Health Care Access Projects and no more than \$4.8 million for Health Care Affordability Projects.

- b. The Department may change Rural Stimulus Grant amounts depending on the final number of Rural Stimulus Grants awarded, the availability of Rural Stimulus Grant funds, or the goals stated in the Rural Stimulus Grant application.
 - c. Rural Stimulus Grant applicants may request reconsideration of Rural Stimulus Grant awards within 5 business days of award notification in writing to the Department's executive director. The executive director will respond to the request for reconsideration within 10 business days of receipt.
 - d. The Department will execute a grant agreement with each Rural Stimulus Grant recipient.
- 5. The Department will disburse Rural Stimulus Grant funds no earlier than July 1, 2023 and no later than July 1, 2024. Any money not disbursed by July 1, 2024 will revert to the Economic Recovery and Relief Cash Fund created pursuant section 24-75-228 (2)(a), C.R.S.
 - 6. Rural Stimulus Grant recipients will expend Rural Stimulus Grant funds by the timeline in their grant agreement and no later than December 31, 2026. Any Rural Stimulus Grant funds not expended by Rural Stimulus Grant recipients by December 31, 2026 will be recovered by the Department to be returned to the U.S. Department of the Treasury.

8.8000.D PERMISSIBLE USES OF GRANT AWARDS

- 1. Rural Stimulus Grant funds must be used for Health Care Affordability Projects or Health Care Access Projects to improve health care affordability and access in Rural Communities.
- 2. Rural Stimulus Grant funds may not be deposited into a pension fund and may not be used to service debt, satisfy a judgment or settlement, or contribute to a "rainy day" fund.

8.8000.E REPORTING REQUIREMENTS FOR GRANT RECIPIENTS

- 1. Recipients of Rural Stimulus Grant funds for capital expenditures must submit a written justification as set forth in 31 Code of Federal Regulations 35.6 (b)(4) to the Department.
- 2. For the duration of the grant agreement, Rural Stimulus Grant recipients must submit a quarterly report to the Department no later than the 10th day of the month following the end of each quarter including but not limited to a brief narrative and itemized expenditure and performance metric data.
- 3. Rural Stimulus Grant recipients will submit a final report to the Department within 30 calendar days following the end of the grant agreement including an overall narrative and itemization of all expenditures and performance metric data for the total Rural Stimulus Grant award.

8.8000.F RECORD RETENTION AND ACCESS

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

8.8500 Rural Sustainability Payments

1. A Sustainability Payment of \$100,000 per Critical Access Hospital and \$20,000 per Rural Health Center will be issued March 1, 2024 and each subsequent year on August 1st annually for all qualified rural providers participating in the state's Rural Connectivity Program.
 - a. Critical Access Hospitals (CAH) are Centers for Medicare and Medicaid Services (CMS)-designated hospitals with <25 beds which are >35 miles from the nearest hospital.
 - b. Rural Health Clinics (RHC) are Centers for Medicare and Medicaid Services (CMS)-designated primary care clinics that operate in rural counties.
 - i. According to the Centers for Medicare and Medicaid Services (CMS), RHCs are clinics that are located in areas designated by the Bureau of the Census as rural and by the Secretary of the Department of Health and Human Services (DHHS) or the State as medically underserved. An RHC is a clinic that is located in a rural area designated as a shortage area, is not a rehabilitation agency or a facility primarily for the care and treatment of mental diseases, and meets all other requirements of 42 C.F.R. 447.371.
2. At minimum, to qualify this payment or a partial payment, a participating rural provider must be connected to one of the state's Health Information Exchanges (HIEs) and the Community Analytics Platform (CAP) established by the Office of eHealth Innovation.
 - a. The participating rural provider must have a signed agreement with one of the Colorado Health Information Exchanges (HIEs) so the participating rural provider can view medical records contained within the HIE.
 - b. The participating rural provider must have a signed agreement with the vendor managing the Community Analytics Platform (CAP) so the participating rural provider is accessing the CAP and authorizing the vendor managing the CAP to capture data on its behalf.
3. To continue receiving the full amount each year, providers will make continuous efforts to maintain or increase their level of connectivity between the provider and one of the state's HIEs and the CAP.
 - a. Each year the Office of eHealth Innovation, and the Department will present the criteria for a participating provider to receive a payment or partial payment to the eHealth Commission.
 - b. The eHealth Commission will approve any changes to the criteria. The eHealth Commission will provide a public forum for any changes to the criteria.
4. Following the criteria approved by the eHealth Commission, the Office of eHealth Innovation, and the Department will review all participating rural providers to determine the payment or partial payment.
 - a. A participating rural provider will be notified if they are qualified to receive a payment or partial payment.
 - b. If a participating provider is not qualified to receive a payment or will receive only a partial payment, the notification will explain the criteria that the participating rural provider did not fulfill.

Editor's Notes

10 CCR 2505-10 has been divided into smaller sections for ease of use. Versions prior to 3/4/07, Statements of Basis and Purpose, and rule history are located in the first section, 10 CCR 2505-10. Prior versions can be accessed from the All Versions list on the rule's current version page. To view versions effective on or after 3/4/07, select the desired section of the rule, for example 10 CCR 2505-10 8.100, or 10 CCR 2505-10 8.500.

History

[For history of this section, see Editor's Notes in the first section, 10 CCR 2505-10]