

2025 – 2026 Hospital Safety Net

GRANT REQUEST FOR PROPOSAL (RFP)

Minnesota Department of Health PO Box 64975 St. Paul, MN 55164-0882 651-201-3780

<u>Health.SafetyNetGrants@state.mn.us</u> www.health.state.mn.us

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To obtain this information in a different format, call: 651-201-3780.

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RFP Part 1: Overview

1.1 General Information

- Announcement Title: 2025-2026 Hospital Safety Net Grant Program
- Minnesota Department of Health (MDH) Program Website: https://www.health.state.mn.us/facilities/ruralhealth/funding/grants#hsn
- Letter of Intent/LOI Deadline: April 11, 2025 at 4:30 p.m. Central Time
- Application Deadline: May 9, 2025 at 4:30 p.m. Central Time

1.2 Program Description

<u>Minnesota Statute 145.929</u> authorizes the Commissioner of Health to award grant funding to help defray underpayments to hospitals for high-cost services provided to Emergency Medical Assistance (EMA) enrollees.

Funds will be awarded proportionally among all eligible hospitals who apply, based on the total dollar amount of qualifying EMA claims of over \$50,000 between January 1, 2024 and December 31, 2024.

Grant funds must be used for costs to offset the cost of treating EMA enrollees.

1.3 Funding and Project Dates

Funding

Funding will be allocated proportionally among all eligible hospitals who apply. If selected, you may only incur eligible expenditures when the grant agreement is fully executed, and the grant has reached its effective date, whichever is later.

The Legislature appropriates up to \$1,315,000 each Fiscal Year. Annual funding will be allocated by formula, among eligible applicants over a two-year project period.

Eligible hospitals will receive a percentage of the available funding based on a simple ratio of the organization's EMA claims as a proportion of the total EMA claims from all eligible hospitals.

Funding	Year 1 Estimate	Year 2 Estimate
Estimated Amount to Grant	\$1,315,000	\$1,315,000
Estimated Number of Awards	Based on number of eligible applications	Based upon number of awardees in year 1
Estimated Award Maximum	Based on formula distribution	Based upon number of awardees in year 1
Estimated Award Minimum	Based on formula distribution	Based upon number of awardees in year 1

The project period will be from June 30, 2025 – June 29, 2027.

Match Requirement

There is no match requirement for this grant.

Project Dates

June 30, 2025 – June 29, 2027 RFP published: March 10, 2025 Grant Application Letter of Intent due to MDH: April 11, 2025 by 4:30 p.m. Central Time Grant distribution announcement no later than: April 29, 2025 Grant Budget Application due to MDH: May 9, 2025 by 4:30 p.m. Central Time Estimated Grant Agreement start date: June 30, 2025 Year Two data due to MDH: April 2026 Year Two distribution announcement in: May 2026 Year Two Budget Application Due to MDH: May 2026

1.4 Eligible Applicants

Minnesota Statute 145.929, Subdivision 3 authorizes the Commissioner of Health to award grants to support hospitals that provide services to high-cost Emergency Medical Assistance (EMA) enrollees. Funds will be awarded proportionally among all eligible hospitals who apply, based on the total dollar amount of qualifying EMA claims of over \$50,000 between January 1, 2024 and December 31, 2024. Claims for inpatient hospital, outpatient services, and hospital emergency department services shall be considered when determining the value of the grants.

Eligible applicants are licensed hospitals in Minnesota who serve EMA enrollees. For more information about the EMA program, please visit: <u>MN Department of Human Services</u> <u>Emergency Medical Assistance</u>.

Grant funds are not transferrable to any other entity. Applicants that are aware of any upcoming mergers, acquisitions, or any other changes in their organization or legal standing, must disclose this information to MDH in their application, or as soon as they are aware of it.

Collaboration

Collaboration is not required for this grant.

1.5 Questions and Answers

All questions regarding this RFP must be submitted by email or phone to <u>health.SafetyNetGrants@state.mn.us</u> or 651-201-3780. All answers will be posted within five business days at the <u>Hospital Safety Net Grant</u> (<u>https://www.health.state.mn.us/facilities/ruralhealth/funding/grants#hsn</u>) program website.

Please submit questions no later than 4:30 p.m. Central Standard Time (CST), on March 31, 2025.

To ensure the proper and fair evaluation of all applications, other communications regarding this RFP including verbal, telephone, written or internet initiated by or on behalf of any applicant to any employee of the Department, other than questions submitted to as outlined above, are prohibited. **Any violation of this prohibition may result in the disqualification of the applicant**.

RFP Part 2: Program Details

2.1 Priorities

Health Equity Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making. <u>The Policy on Rating Criteria for Competitive Grant Review</u> establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

The purpose of this grant is to defray underpayments associated with the emergency medical assistance program.

This grant will serve:

• Hospitals that provide services to high-cost Emergency Medical Assistance (EMA) enrollees.

Grant outcomes will include:

• Percentage of high-cost EMA claims defrayed by grant funds.

2.2 Eligible Projects

Each eligible hospital that submits a complete application with at least one "Qualifying EMA Claim" will receive a percentage of the available funding, calculated as a simple ratio of the dollar amount of Qualifying EMA Claims, compared to the total dollar amount of all Qualifying EMA Claims submitted by all eligible applicants.

A **Qualifying EMA Claim** must be for charges in excess of \$50,000 for services delivered to an EMA enrollee and must have been submitted to the Department of Human Services for payment between January 1, 2024 and December 31, 2024. Multiple Qualifying EMA Claims for the same enrollee may be submitted. Qualifying EMA Claims may include inpatient hospital services, outpatient services, and hospital emergency department services.

Grant funds must be used for costs to offset the cost of treating EMA enrollees, including hospital:

- Salaries
- Fringe Benefits
- Contracted Services
- Travel
- Training
- Supplies
- Equipment

- Capital Improvements
- Other

Ineligible Expenses

Ineligible expenses include but are not limited to:

- Solicitating donations
- Taxes, except sales tax on goods and services
- Lobbyists, political contributions
- Bad debts, late payment fees, finance charges, or contingency funds
- Indirect

2.3 Grant Management Responsibilities

Grant Agreement

Each grantee must formally enter into a grant agreement. The grant agreement will address the conditions of the award, including implementation for the project. The grantee is expected to read the grant agreement, sign, and comply with all conditions of the grant agreement. Grantee should provide a copy of the grant agreement to all grantee staff working on the grant.

No work on grant activities can begin until a fully executed grant agreement is in place.

A sample grant agreement can be found on the <u>MDH Grant Resources webpage</u> (www.health.state.mn.us/about/grants/resources.html). Applicants should be aware of the terms and conditions of the standard grant agreement in preparing their applications. Much of the language reflected in the sample agreement is required by statute. If an applicant takes exception to any of the terms, conditions or language in the sample grant agreement, the applicant must indicate those exceptions, in writing, in their application in response to this RFP. Certain exceptions may result in an application being disqualified from further review and evaluation. Only those exceptions indicated in an application will be available for discussion or negotiation.

The funded applicant will be legally responsible for assuring implementation of the work plan and compliance with all applicable state requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

Accountability and Reporting Requirements

Grantees will submit a progress and financial report every six months.

The reporting schedule will be:

June 30, 2025 – December 31, 2025 due to MDH on January 20, 2026

January 1, 2026 – June 29, 2026 due to MDH on July 20, 2026

June 30, 2026 – December 31, 2026 due to MDH on January 20, 2027

January 1, 2027 – June 29, 2027 due to MDH on July 20, 2027

Grant Monitoring

Minn. Stat. § 16B.97 and Policy on Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants over \$50,000
- Annual monitoring visits during the grant period on all grants over \$250,000
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants over \$50,000.

The monitoring schedule will be keeping with <u>Minn. Stat. §16B.97</u> and Policy on Grant Monitoring guidelines with the option for additional monitoring visits as needed.

Technical Assistance

Consultation and guidance in completing the application process is available upon request. For assistance, contact Bekah Ehlebracht, Office of Rural Health and Primary Care, at 651-201-3780, toll free from Greater Minnesota at 1-800-366-5424 or at <u>health.SafetyNetGrants@state.mn.us</u>.

Grant Payments

Per <u>State Policy on Grant Payments</u>, reimbursement is the method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless MDH has given the grantee a written extension.

The invoicing and payment schedule will be every six months.

Invoices for reimbursement of grant expenditures must include supporting documentation for proof of expenditures. Reimbursements will not be processed until the narrative progress report is received.

2.4 Grant Provisions

Affirmative Action and Non-Discrimination Requirements for all Grantees

The grantee agrees to comply with applicable state and federal laws prohibiting discrimination.

Minnesota's nondiscrimination law is the Minnesota Human Rights Act (MHRA) (<u>Minn. Stat. §</u> <u>363A</u>; See e.g. <u>Minn. Stat. § 363A.02 (https://www.revisor.mn.gov/statutes/cite/363A.02</u>).The MHRA is enforced by the <u>Minnesota Department of Human Rights (https://mn.gov/mdhr/)</u>. Some, but not all, MHRA requirements are reflected below. All grantees are responsible for knowing and complying with nondiscrimination and other applicable laws.

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to

public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified.

The grantee agrees not to discriminate in public accommodations because of race, color, creed, religion, national origin, sex, gender identity, sexual orientation, and disability.

The grantee agrees not to discriminate in public services because of race, color, creed, religion, national origin, sex, gender identity, marital status, disability, sexual orientation, and status with regard to public assistance.

The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Minn. Rules, part 5000.3550.

Audits

Per <u>Minn. Stat. § 16B.98</u>, subd. 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

Conflicts of Interest

MDH will take steps to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per <u>Minn. Stat.§ 16B.98</u> and the Office of Grants Management's Policy 08-01, "Conflict of Interest Policy for State Grant-Making."

Applicants must complete the Applicant Conflict of Interest Disclosure in the online application. Failure to complete and submit this form will result in disqualification from the review process. See a copy of the form on the <u>MDH Grant Resources webpage</u> (www.health.state.mn.us/about/grants/resources.html). This form is considered public data under <u>Minn. Statute §13.599</u>.

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice
- a grantee's or applicant's objectivity in performing the grant work is or might be otherwise impaired

• a grantee or applicant has an unfair competitive advantage

Individual conflicts of interest occur when:

- an applicant, or any of its employees, uses their position to obtain special advantage, benefit, or access to MDH's time, services, facilities, equipment, supplies, prestige, or influence
- An applicant, or any of its employees, receives or accepts money, or anything else of value, from another state grantee or grant applicant with respect to the specific project covered by this RFP/project.
- An applicant, or any of its employees, has equity or a financial interest in, or partial or whole ownership of, a competing grant applicant organization.
- An applicant, or any of its employees, is an employee of MDH or is a relative of an employee of MDH.

In cases where a conflict of interest is perceived, disclosed, or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the grant agreement.

Non-Transferability

Grant funds are not transferrable to any other entity. Applicants that are aware of any upcoming mergers, acquisitions, or any other changes in their organization or legal standing, must disclose this information to MDH in their application, or as soon as they are aware of it.

Public Data and Trade Secret Materials

All applications submitted in response to this RFP will become property of the State. In accordance with <u>Minn. Stat. § 13.599</u>, all applications and their contents are private or nonpublic until the applications are opened.

Once the applications are opened, the name and address of each applicant and the amount requested is public. All other data in an application is private or nonpublic data until completion of the evaluation process, which is defined by statute as when MDH has completed negotiating the grant agreement with the selected applicant.

After MDH has completed the evaluation process, all remaining data in the applications is public with the exception of trade secret data as defined and classified in <u>Minn. Stat. § 13.37</u>, subd. 1(b). A statement by an applicant that the application is copyrighted or otherwise protected does not prevent public access to the application or its contents. (<u>Minn. Stat. § 13.599</u>, subd. 3(a)).

If an applicant submits any information in an application that it believes to be trade secret information, as defined by <u>Minn. Stat. § 13.37</u>, the applicant must:

- Clearly mark all trade secret materials in its application at the time it is submitted,
- Include a statement attached to its application justifying the trade secret designation for each item, and

- Defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless MDH and the State of Minnesota, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense.
- This indemnification survives MDH's award of a grant agreement. In submitting an application in response to this RFP, the applicant agrees that this indemnification survives as long as the trade secret materials are in possession of MDH. The State will not consider the prices submitted by the responder to be proprietary or trade secret materials.

MDH reserves the right to reject a claim that any particular information in an application is trade secret information if it determines the applicant has not met the burden of establishing that the information constitutes a trade secret. MDH will not consider the budgets submitted by applicants to be proprietary or trade secret materials. Use of generic trade secret language encompassing substantial portions of the application or simple assertions of trade secret without substantial explanation of the basis for that designation will be insufficient to warrant a trade secret designation.

If a grant is awarded to an applicant, MDH may use or disclose the trade secret data to the extent provided by law. Any decision by the State to disclose information determined to be trade secret information will be made consistent with the Minnesota Government Data Practices Act (<u>Ch. 13 MN Statutes</u>) and other relevant laws and regulations.

If certain information is found to constitute trade secret information, the remainder of the application will become public; in the event a data request is received for application information, only the trade secret data will be removed and remain nonpublic.

2.5 Review and Selection Process

Review Process

Upon receipt of the grant application Letter of Intent (LOI), MDH will calculate the total dollar amount of Qualifying EMA Claims from all eligible applicants. This total dollar amount will only include Qualifying EMA Claims submitted to MDH for this grant – if an eligible hospital does not apply for this grant, any potential Qualifying EMA Claims will not be included in the total dollar amount used for the grant calculation. After the total dollar amount is calculated, each eligible hospital will receive a percentage of the available funding. The percentage will be calculated as a ratio of the dollar amount from each hospital's qualifying EMA claims in relation to the total dollar amount of all qualifying EMA claims.

The award decisions of MDH are final and not subject to appeal. Additionally:

- MDH reserves the right to withhold the distribution of funds in cases where proposals submitted do not meet the necessary criteria.
- The RFP does not obligate MDH to award a grant agreement or complete the project, and MDH reserves the right to cancel this RFP if it is considered to be in its best interest.
- MDH reserves the right to waive minor irregularities or request additional information to further clarify or validate information submitted in the application, provided the

application, as submitted, substantially complies with the requirements of this RFP. There is, however, no guarantee MDH will look for information or clarification outside of the submitted written application. Therefore, it is important that all applicants ensure that all sections of their application are complete to avoid the possibility of failing an evaluation phase or having their score reduced for lack of information.

Notification

MDH anticipates notifying all applicants via the email of their grant formula distribution by April 29, 2025.

RFP Part 3: Application and Submission Instructions

LETTER OF INTENT

Applicants MUST submit a Letter of Intent by April 11, 2025 at 4:30 p.m. Central Time. If the Letter of Intent is not received by the deadline, then any application in response to this RFP will **NOT** be accepted and considered. Submitting a Letter of Intent does not obligate the sender to submit an application to this RFP.

All Letter of Intent (LOI) applications must be submitted online through the grants portal no later than 4:30 p.m. Central Time, on April 11, 2025.

3.1 Application Deadline

Once the grant distribution is determined and sent back to the hospitals, all Year 1 work plan and budget applications must be received by MDH no later than 4:30 p.m. Central Time, on May 9, 2025.

Late applications will not be accepted. It is the applicant's sole responsibility to allow sufficient time to address all potential delays caused by any reason whatsoever. MDH will not be responsible for delays caused by mail, delivery, computer, or technology problems.

Acknowledgement of application receipt. The Online Grants Portal

(https://www.grantinterface.com/Home/Logon?urlkey=mdh) will send an automated email to the user who submitted the application to confirm the submission of your application. Additionally, the application status will change from "Draft" to "Submitted" on the Applicant Dashboard and record the date the application was submitted. If the application is still in draft status by the application deadline, you will no longer be able to edit or submit the application.

If you do not receive an automated email confirming submission, or encounter any other issues with the online application, please contact Bekah Ehlebracht promptly at <u>health.SafetyNetGrants@state.mn.us</u>, 651-201-3780. We encourage you to submit in advance of the deadline to allow time to address any technical issues.

3.2 Application Submission Instructions

Applications must be submitted electronically through the ORHPC online Grants Portal.

- Existing users: If your organization has a grant with the ORHPC, and you already have a user account, please enter your credentials and log-in. If you forgot your passwords, please use the "Forgot your Password?" link to reset your password.
- New users: If your organization does not already have a profile in the system, you will need to create an account. Please click on "Create New Account" to complete the registration process and create your logon credentials.
- Not sure? If you think that you or someone at your organization has already registered your organization in the system, do not create a new account. Please contact the

program administrator at <u>health.SafetyNetGrants@state.mn.us</u> to receive a username and password.

Once in the system, click on the link "apply" located on the upper tool bar on the home page. You will be redirected to a list of open applications in the system; select the appropriate program. Refer to RFP Section 3.3: Application Instructions for further instructions on how to address application questions outlined in the online portal.

If you have any questions, please submit them to: <u>health.SafetyNetGrants@state.mn.us.</u>

3.3 Application Instructions

You must submit the following in order for the application to be considered complete:

Online Letter of Intent Required Fields:

- Organization Description (1-3 paragraphs)
- Upload Qualifying EMA Claims Data (Please upload your EMA Claims Data from January 1, 2024 December 31, 2024)
- Total number of EMA claims in excess of \$50,000 between January 1, 2024 December 31, 2024.
- Total dollar amount of EMA claims in excess of \$50,000 between January 1, 2024 December 31, 2024.
- Applicant Conflict of Interest Disclosure
 - Applicants will complete a Conflict of Interest Disclosure form in the online application. A copy of the form can be found on the <u>MDH Grant Resources</u> <u>webpage (www.health.mn.gov/about/grants/resources.html).</u> This form is considered public data under <u>Minn. Stat. § 13.599</u>.

Online Application Questions:

After award amounts are communicated, applicants will be asked to submit their application for funding. The application includes the work plan and budget and will be due by May 9, 2025 at 4:30 p.m. Central Time.

Work Plan Narrative

Describe the activities that will be funded by this grant. (1 - 3 sentences)

Budget Narrative

Provide a detailed justification of the estimated project expenses. The budget explanation should be broken down by each budget category. The narrative should provide information on the need for specific expenditures and how they will offset the costs of treating EMA enrollees. They should also clearly state how the budget line item was calculated.

Budget Categories

- <u>Salaries</u>: Salaries should include the costs of personnel who work directly for the applicant and are paid a salary or wage directly from the applicant organization. This should not include administrative staff included in the indirect rate. Salaries can be calculated and described in the Budget Narrative as an hourly wage with total hours estimated to be spent on the project, or an annual salary with the estimated percentage of the total FTE.
- <u>Fringe:</u> This category includes share of pay roll tax, health insurance costs, Medicare/Medicaid, etc. for employees billed to this grant under the "salaries" category. If the applicant has expenses in this category they should explain how they were calculated in the Budget Narrative. This is often calculated at a percentage of salary. Example, \$50,000 x .25% fringe = \$12,500
- <u>Travel</u>: This category includes travel expenses necessary to complete the grant project.
- <u>Supplies:</u> This category includes supplies needed specifically for the grant project. It cannot include existing program expenses.
- <u>Contracted</u>: This category includes expenses for individuals or organizations the applicant contracts with to complete the project, including facilitators and trainers.
- <u>Equipment/Capital:</u> This category includes funding used to purchase equipment or to make capital improvements necessary to complete the grant project. Equipment has a value of \$10,000 or over. Items below \$10,000 are considered supplies.
- <u>Other expenses:</u> Use the "other" categories to enter expenses that do not fit in the rest of the budget categories, for examples stipends intended for community members attending planning meetings.

Grant Budget Line-Item Request

Grantees may choose to use the <u>Budget Worksheet Form</u> (www.health.state.mn.us/facilities/ruralhealth/funding/grants/excel/samplebudget.xlsx) to calculate budget cost before entering them in the application portal.

Incomplete applications will be rejected and not evaluated.

Applications must include all required application materials, including attachments. Do not provide any materials that are not requested in this RFP, as such materials will not be considered nor evaluated. **MDH reserves the right to reject any application that does not meet these requirements.**

By submitting an application, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential grant award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the applicant to suspension or debarment proceedings and other remedies available by law.

All costs incurred in responding to this RFP will be borne by the applicant.

RFP Part 4: Attachments

Attachment A: Sample Progress and Financial Reports

Progress Report:

- During the reporting period did your organization provide Emergency Medical Assistance (EMA) care with claims of over \$50,000?
- Are you seeing your EMA claims increase, decrease, or remain the same?
- Do you need any technical assistance?

Financial Report:

• Submit documentation for costs invoiced according to budget

Year Two Application:

- Submit Qualifying EMA Claims Data (Please upload your EMA Claims Data from January 1, 2025 December 31, 2025)
- Submit Year Two work plan and budget request