

## RFA: Assisted Living Program Expansion Initiative

### OVERVIEW

On August 19<sup>th</sup>, the New York State Department of Health (DOH) Office of Primary Care and Health Systems Management released a Request for Applications (RFA) for the Assisted Living Program (ALP) Expansion Initiative. ALP facilities provide supportive housing and home care services to individuals who are medically eligible for placement in a nursing home, but whose needs can be met in a less-restrictive and lower-cost community-based residential setting.

This RFA consists of two components. Component A will award up to 1,000 ALP beds to be located in counties where there is currently no more than one ALP provider or where the current ALP occupancy in the county exceeds 85% (a full list of such counties is available in the RFA). Component B will provide capital funding for some of the projects that are awarded in Component A. Specifically, it will offer up to \$20 million to support capital projects directly related to an approved Component A application establishing a new ALP (within a new Adult Home or Enriched Housing Program) or expand an existing ALP. Such projects include, but are not limited to, activities that:

- Create financially sustainable systems of resident care;
- Preserve or expand essential health care services to residents of the ALP;
- Modernize obsolete facility physical plant and infrastructure; or
- Foster participation in alternative payment arrangements, such as contracts with managed care plans and accountable care organizations.

The full RFA is attached. Applications are due November 14<sup>th</sup>.

### FUNDING

Applicants must submit separate applications for Component A (licensure of new ALP beds) and Component B (capital funding for these new beds), even though they may be part of the same overall project. To receive capital funding through Component B, applicants must be awarded ALP beds through Component A. The awarded ALP bed complement will not exceed 50 beds or 50% of the maximum licensed capacity, whichever is lower.

Capital funding may be used for expenses that include, but are not limited to:

- The planning or design of the acquisition, construction, demolition, replacement, major repair, or renovation of a fixed asset or assets, including the preparation and review of plans and specifications such as engineering and other services;
- Construction costs;
- Renovation costs;
- Asset acquisitions; and
- Equipment costs.

Capital funding awarded through this RFA may not be used for:

- General ongoing operating expenses, such as routine supplies;
- Utilities;
- Lease payments;
- Payment of existing long-term debt;
- Equipment with a useful life less than three years;
- Ongoing, routine training and maintenance costs related to IT projects; and
- Employee salaries and benefits.

Applicants may choose to submit up to three applications for each part. Contracts will last for up to five years, beginning January 1, 2020.

## ELIGIBLE APPLICANTS

ALP beds will only be awarded to:

- Not-for-profit organizations;
- Non-publicly traded business corporations or limited liability companies;
- Public agencies;
- Sole proprietors; or
- Groups of individuals acting as partners.

In addition, to receive ALP beds under this RFA, applicants must:

- Be a legally existing organization and capable of entering into a binding Master Grant Contract with DOH;
- Be an Adult Home or Enriched Housing Program in an eligible county, or be eligible to conduct business in New York State and apply to deliver ALP services in an eligible county; and
- Demonstrate financial feasibility.

ALPs are required to hold dual licenses/certifications as a:

- Licensed Adult Home or Enriched Housing Program, and one of the following:
  - Licensed Home Care Services Agency (LHCSA), or
  - Certified Home Health Agency (CHHA), or
  - Long Term Home Health Care Program (LTHHCP).

Awardees may be one entity with dual licenses/certifications, or two or more entities with identical ownership that, in combination, are approved to operate both the ALP and the LHCSA, CHHA, or the LTHHCP. If the ALP is licensed as a LHCSA, it must contract with a CHHA for the provision of skilled services (i.e., nursing, therapies) to ALP residents.

## APPLICATIONS

Applications will be reviewed based on the following criteria:

- Extent to which the project contributes to the integration of health care services, the long-term sustainability of the applicant, or the preservation of essential health services in the community or communities served by the applicant;
- Consideration of geographic distribution of beds;
- Compliance history and requisite experience operating a health or residential care program in New York State;
- Relationship between applicant and identified community need;
- Access to alternative funding;
- Extent to which the applicant dedicates awarded beds to Medicaid enrollees;
- Engagement in the community;
- Understanding and ability to comply with the federal Home and Community Based Settings (HCBS) final rule; and
- Ability to enter into an agreement with an existing managed care entity and develop and execute collaborative agreements within 24 months of award between a residential health facility and/or general hospital to ensure a continuum of care.

## Timeline

Applications are due on November 14<sup>th</sup>. Applicants may choose to submit an optional Letter of Interest in the Grants Gateway and send a copy to [ALPinitiative@health.ny.gov](mailto:ALPinitiative@health.ny.gov) by September 13<sup>th</sup>.

Questions should be submitted to Nancy Nowakowski at the email address above with a reference to the RFA section and paragraph to which the question refers by September 13<sup>th</sup>. Answer to questions will be posted on the Grants Gateway and the DOH [website](#) on October 8<sup>th</sup>.