

RFA: Statewide Health Care Facility Transformation Program IV/V

OVERVIEW

On January 2nd, the New York State Department of Health (DOH) and the Dormitory Authority of the State of New York (DASNY) released a Request for Applications (RFA) for health information technology, cybersecurity, and telehealth transformation projects under Phases Four and Five of the Statewide Health Care Facility Transformation Program (SHCFTP). Like the previous rounds of this program, SHCFTP awards will support capital projects, working capital, or other non-capital projects directly related to a capital project with the goal of facilitating health care transformation activities.

However, this RFA will provide funding specifically for “technological and telehealth transformation projects” as specified in the 2023 and 2024 Enacted Budgets, which included total funding pools of \$150 million and \$500 million for such projects, respectively. As a result, the expected total funding pool for awards allocated through this RFA is up to \$650 million, although this is not specified in the RFA. An additional \$1.24 billion in capital funding allocated for Phases Four and Five for more general construction and renovation projects, including debt relief for hospitals, is expected to be awarded through one or more separate RFAs.

Applicants may submit a project proposal focused on **one** of the following four categories:

- Electronic Health Records and other health information technology (HIT);
- Cybersecurity;
- Health Management Tools (may include infrastructure to aggregate clinical and administrative functions, support value-based contracting, or enable delivery models such as remote patient monitoring); or
- Telehealth, with a particular focus on improving access to care in regions/areas with limited providers (such as pediatric behavioral health).

The full RFA is available [here](#). Applications are due on March 13th.

ELIGIBLE COSTS

Eligible capital expenditures may include, but are not limited to:

- Project management expenses, including in-house personnel expenses;
- Consulting costs related to cloud or on-premises system design and architecture of the system;
- System development and vendor costs for testing prior to operational “go-live”;
- Information technology equipment, including software costs or licensing fees; and
- Construction costs necessary for implementation, including:
 - Renovation costs;
 - Asset acquisitions;
 - Equipment costs; and
 - Consultant fees and other expenditures associated with the preparation of Certificate of Need (CON) applications required for the proposed initiative (as applicable).

Projects should generally consider improvements to providers’ technology infrastructure to promote interoperability with the Statewide Health Information Network (SHIN-NY).

Eligible non-capital expenditures may include:

- Use of consultants to develop strategic plans, security frameworks, or planned system enhancements that increase functionality and interoperability of information; and
- Start-up operating expenses directly connected to the project.

Funding may not be used for general ongoing operating costs, including routine training and maintenance costs, recurring licenses or telehealth subscriptions, or employee salaries and benefits.

DOH will determine award amounts at its discretion, regardless of the amount requested, although priority may be given to projects with a greater amount of eligible expenditures. Contracts will last for five years beginning on October 1, 2024.

ELIGIBLE APPLICANTS

Organizations eligible for funding include:

- Hospitals;
- Residential care facilities;
- Adult care facilities;
- Nursing homes;
- Assisted living programs;
- Article 28 diagnostic and treatment centers;
- Licensed clinics (including those under the Mental Hygiene Law);
- Article 31 licensed children’s residential treatment facilities (RTFs);
- Licensed behavioral health facilities under Article 31 or 32;
- Home care providers;
- Primary care providers;
- Independent Practice Associations (IPAs) or organizations;
- Hospice agencies;
- Residential facilities or day programs licensed or certified by the Office for People with Developmental Disabilities (OPWDD) under Article 16;
- Midwifery birth centers; and
- Community-based programs funded under the Office of Mental Health (OMH), Office of Addiction Services and Supports (OASAS), OPWDD, or through local governments.

Only one application will be accepted per eligible applicant. Applicants may not receive awards for duplicative expenditures under both this RFA and any other state or federal opportunity, including the DASNY Nonprofit Infrastructure Capital Investment Program (NICIP).

APPLICATION

Applicants must submit a robust description of the proposed project, including:

- The extent to which the project contributes to the long-term financial sustainability of the applicant;
- Details on how the project improves essential health services in the community, including the impact on health equity and the benefits to Medicaid/Medicare enrollees and uninsured individuals;

- An estimate of the total costs of the project, including the amount of funding requested from this RFA and any alternative funding necessary to fully fund the project, if applicable; and
- A plan to engage the community in the project’s development.

DOH will assign applications ratings of “Good,” “Acceptable,” “Poor,” and “Not Responsive.” Awards will be made to all applications rated within each successive tier until funds are exhausted. When funds are insufficient to cover all requests within the next remaining tier, DOH will choose awardees based on a determination that the project is in the best financial interest of the State and/or provides the greatest impact to improve quality of care, patient outcomes, and patient experiences. The capability of an applicant to access debt or institutional funds for all or a portion of the project costs will also be an award consideration.

As with previous rounds, this RFA is non-competitive. As such, determinations by DOH are final and there is no right of appeal for either application denials or the amount of funding awarded.

Timeline

Proposals must be submitted by March 13th. Questions should be submitted to Daniel Oliver at statewide4HIT@health.ny.gov by January 26th with a reference to the RFA section and paragraph to which the question refers.