



Nursing Facility Transformation Program Application

ATTACHMENT B: BUSINESS PROPOSAL OUTLINE

The Business Proposal should include the following sections. The Business Proposal should not exceed ten (10) pages. Attachments may be included outside the page limit.

A. Executive Summary

Section should include a summary of the proposed transformation, expected investment, timeline, and plan for sustainability.

B. Community Impact Assessment/Marketing Plan

Section should include an assessment of the need in the community for the transformation proposed and details on the types of outreach the facility will undertake in order to create awareness and identify potential users of the new business or specialized capacity proposed. Describe how the outreach approach will be person-centered and culturally competent.

C. Organizational Capacity

Section should include description of leadership commitment, mission and goals of organization, governance and ownership structure, proposed functional organization for new business or specialized capacity, and other supporting evidence of ability to undertake this transformation. Include description of mitigation strategies conducted to address the impact of COVID-19.

D. Financial Stability

Section should include evidence of financial strength to take on this transformation, including but not limited to, current financial ratios, summary of cash position, intended structure of financing, and debt load.

E. Partnerships

Section should include description of partnerships either existing or planned that will contribute to the Applicant's ability to launch this transformation. Partnership agreements or letters of support from potential partners may be included as attachments.

F. Workplan

Section should include tasks and timelines to achieve the business transformation proposed. The workplan should include identification of responsible parties to lead the work and their qualifications.

G. Budget Narrative

In support of the business plan submitted with this Application, create a budget narrative that supports and explains the Financial plan provided as Attachment C, and specifically:

- *Capital Investments:* Describe the capital investment needed to launch the transformation, including the anticipated grant funds and other sources of investment that will be used, and the anticipated expenses including construction costs, licensure costs, consulting expense, etc.
- *Operating Revenue:* Operating revenue projections should include a multi year model of volume, utilization, projected revenues by payer, etc. Revenue projections should note any gaps between anticipated Medicaid revenue per patient and revenue required for sustainability.



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- *Operating expense*: Operations expense of the diversified business or specialized service capacity should include staffing costs, supplies and equipment costs, ongoing maintenance costs, training, etc.
- *Partnerships*: Describe financial arrangements with partners.

H. Sustainability Plan

Section should include a plan for how the diversified business or specialized capacity can be self-supporting once investment from this Program ends. Include any targeted revenue increases needed to support the program on an ongoing basis.

Financial plans should specify any additional rate requirements from EOHHS to support the new program once grant funds are exhausted. EOHHS may consider targeted rate adjustments to support specialized populations as part of the 2022 budget package, effective July 2021. Any change in rates would require legislative approval and are not guaranteed.