



Nursing Facility Transformation Program

Questions and Answers

September 16, 2020

Question 1: Section 2.1: Under option 2 “Targeted, Specialized Nursing Facility Service Capacity Building”

- a. Please define “specialized unit”
 - i. Can it share a floor with traditional SNF residents?
 - ii. Does it need to be physically segregated to its own floor/wing?
 - iii. Can SNF staff/employees be shared?

Answer 1:

A specialized unit needs to meet the licensing restrictions in terms of structural capacity, approved clinical care models, and staffing needs for the specialized population to be served.

Applications will be evaluated in part based on the transformative impact of the proposal.

Question 2: Section 3.6 “Uses of Funds”

- a. This section changed significantly from section 3.7 of the draft.
- b. The two bullets do not address the costs of transforming existing space into a specialized unit, such as design, architect, and construction costs. Are these eligible costs?
- c. Are the following costs eligible:
 - i. Program design
 - ii. Program development and implementation
 - iii. Technology purchases/enhancements (new software, new hardware)
 - iv. Consulting support
 - v. Training

Answer 2:

The purpose of this grant is to mitigate any interruption to business caused by the COVID-19 pandemic. The grant is to encourage the nursing facility industry to explore ways to diversify their business models while remaining viable through the COVID-19 public health emergency. The available grant funds are therefore intended to cover costs resulting from the COVID-19 pandemic from March 1, 2020 to December 30, 2020. Award recipients will be required to document and demonstrate that funds received are spent on the expenses as described in Section 3.6 of the Program Guidance.

Because Award recipients will have this additional funding to mitigate the impact of COVID-19 on their normal operating expenses, **it is expected that they will have additional flexibility to reinvest in planning for the diversification of their current business model.** Section 3.4 Program Evaluation Criteria, and Application Attachments B & C both provide guidance for the expected investments of program applicants. It is expected that the final evidence and outcome of firm plans for such a diversification of the current business model will be a reduction in nursing facility beds and/or reserving beds for specialized capacity.

Question 3: Do you have an example of this attachment [Attachment B Business Proposal] that we can use as a guide?



Answer 3:

Attachment B is an outline of the sections that should be included in the Business Proposal. A summary of the expected content of each section is included in Attachment B.

Question 4: It had been our understanding - there was recognition that award winners must devote resources to the planning, development, start-up of a true “transformation”. For most- it will not be feasible to generate high quality business plans without connecting to consultants, architect /space planners, cost estimators, project plan gurus, clinical experts familiar with best practice, and of course all the financial business experts. While perhaps large entities with inhouse corporate teams may be able to much of this thinking and work without outside experts – it is not feasible for most not for profit or smaller operators to attempt this without help.

We are looking for some validation that Grant winners are prohibited from dedicating some \$ to the Expense of getting advice and counsel.

The first draft Guidelines specifically referenced these kind of expense – the final version does not. There is a reference to consulting costs in the Application at page 5 Attachment B – subsection G Budget Narrative. Any feedback would be helpful here.

Answer 4:

Please see the answer to question 2.

Question 5: Will additional questions be accepted after the September 9th deadline?

Answer 5:

Yes, questions will be accepted and responded to on a rolling basis. Please continue to submit questions to the OHHS.LTSSResiliency@ohhs.ri.gov email address.

Question 6: What types of diversification opportunities are available to nursing facilities?

Answer 6:

EOHHS recommends that nursing facilities investigate revenue enhancement opportunities by transforming either the facility or a section of the facility into a separate unit to provide the following types of services:

- (1) **Assisted Living or supportive housing units**, in accordance with the HCBS rule, with a commitment to immediately accept Medicaid patients, and to provide regular reporting of occupancy/availability to Medicaid in accordance with EOHHS defined templates in order to enable such use
- (2) **Group Home** to support populations with I/DD, mental health or MH/SA needs
- (3) **Adult Day Services or other day support program models**; special priority will be given to those applicants proposing to serve populations with complex medical, Behavioral Health or Memory care needs
- (4) **Permanent Supportive Housing or Independent Living** for Medicaid eligible populations consistent with the principles of the SASH model, and/or the RI BH Access Pilot or similar innovative model
- (5) **Child Care Center**
- (6) **Adult Supportive Care Home**, in accordance with RIGL 23-17.24-1



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- (7) Work with housing authority to create **low income housing apartments coupled with enhanced services** such as assisted living services, SASH model supports, CAPABLE model supports, on site mental health services, etc
- (8) **Respite care services** for family caregivers of children and adults of all ages; or,
- (9) **Other Innovative Diversification Plans;** e.g., Housing developments with set asides for adults with disabilities, Supervised Apartments for Youths in transition, workforce housing for staff of the skilled nursing facility, etc

Question 7: Could you provide a template for **Deliverable #2: Demonstration of Transformation?**

Answer 7:

This deliverable shall be substantiated and documented through a signed letter to the Medicaid Director on facility letterhead (“Letter”), confirming that the facility has reduced beds or has reserved beds for specialized capacity.¹ The Letter must confirm the number of beds reduced and the number of beds reserved for each type of specialized capacity. The Letter must further specify if the beds reduced have been de-licensed or taken out of service. The Letter must further confirm that the beds are currently unoccupied or are currently used for such a specialized capacity. If the specialized capacity is still under development, the beds must also be unoccupied.

The information contained in the Letter must match the information in the Business Proposal submitted with the Application. **A template for the Letter is below:**

Dear Medicaid Director:

I hereby confirm that the undersigned facility has reduced the number of skilled nursing facility beds as follows:

- ____ (#) beds have been taken out of service
- ____ (#) beds have been delicensed
- ____ (#) beds have been reserved for _____ (describe type of specialized capacity) and are either currently unoccupied or currently filled with a population that fits the description of such specialized capacity

I understand that in order to be in compliance with the requirements of the Nursing Facility Transformation Program and to receive the remainder of awarded grant funding, this letter must be accurate and must match the Business Proposal submitted with this facility’s application for the Nursing Facility Transformation Program.

Sincerely,
Nursing Facility Administrator

¹ The Medicaid Director may consider restoring the beds at a future date if occupancy is greater than ninety-five percent (95%) and the facility demonstrates a significant unmet need in Rhode Island. In accordance with the Rhode Island State Plan and the *Nursing Facility Principles of Reimbursement*, the Medicaid Director must approve an increase to the licensed bed capacity, new beds or beds out of service brought back into service, for participation and payment in Title XIX Medicaid.