

NOTICE OF INTENT

Department of Health and Hospitals Office of Public Health

Community Based and Rural Health Services
(LAC 48:I.15101, 15103 and LAC 48:V.13301, 13303)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Office of Public Health does hereby propose to adopt a rule establishing two distinctly separate processes for the criteria, application, consideration, selection, and awarding of a grant for an urban community-based health care program and a rural health care program. The two aforementioned distinct processes were mandated by Act 363 of the 1995 Louisiana Legislative Session. As mandated by Act 363 of 1995, the emergency rule also establishes separate periodic review and reporting requirements.

This proposed rule is scheduled to become effective September 20, 1996.

Title 48

PUBLIC HEALTH—GENERAL

Part I. General Administration

Subpart 9. Primary Health Services

Chapter 151. Grants

§15101. Funding and Eligibility

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 40:2194-2198.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of Management and Finance, LR 18:54 (January 1992), repealed by the Office of Public Health, LR 22:

§15103. Funding and Eligibility

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 40:2194-2198.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of Management and Finance, LR 18:182 (February 1992), repealed by the Office of Public Health, LR 22:

Part V. Preventative Health Services

Subpart 49. Community Based and Rural Health Services

Chapter 133. Funding Eligibility (formerly Chapter 151 of Part I)

§13301. Rural Health Program (formerly §15101)

A. Contingent upon available funding, the Health Resources Management Section may establish one or more application cycles in any state fiscal year. At the beginning of any application cycle, eligible entities will be notified that applications are being accepted for grant projects.

B. Criteria for Applicants

1. Applicants for primary care clinic grants, demonstration grants, state matching funds for federal grants, and physician salary subsidy must:

- a. be from rural areas as defined by the Department of Health and Hospitals, must be in a federally designated rural health-professional shortage area or medically underserved area of highest need;
- b. be a local governmental entity or a nonprofit (501)(c)(3) organization domiciled in Louisiana;
- c. serve low-income and indigent persons; and
- d. have a sliding scale for payment of services.

2. Applicants for emergency health services grants must:

- a. be small rural hospitals, defined as public and private acute care hospitals licensed for 60 beds or less which have a service municipality with a population of 20,000 people or less;
- b. be in a federally designated rural health-professional shortage area or medically underserved area of highest need; and
- c. serve low-income and indigent persons.

C. The HRM Section will provide forms and/or guidelines for application to apply for program funds. The application shall be received by the deadline date and signed by the authorized representative and submitted to the HRM Section.

D. The HRM Section shall conduct a review of the application for eligibility, completeness and programmatic priority.

E. All applications and/or requests for funding will be referred to the Objective Review Committee for award recommendations. The committee will consider the project and may confer with outside parties as necessary to obtain information on the financial feasibility, and readiness to proceed and make written recommendations to the Health Resources Management Section.

F. Recommendations will be forwarded to the assistant secretary, OPH for approval. The assistant

secretary will act on the application after a time period of proper consideration, but no later than 45 days after the application has been received by the assistant secretary.

G. The HRM Section will notify the applicant of the approval or disapproval of its application within 10 working days of the assistant secretary's action. Written notification of the approval will be accompanied by an agreement to be signed by an authorized representative of the applicant and returned by certified mail.

H. All communications regarding an eligible entity's application shall be directed to the HRM Section.

I. Grant Type Categories:

1. Emergency Health Services

a. Small rural hospitals, defined herein, can apply for grants up to \$75,000 to strengthen their capability to provide high quality emergency health services to indigent and low income persons in rural areas.

b. A letter of intent must be submitted and shall reflect how the funds requested will be utilized.

2. Primary Care Clinic Grants

a. A request for an application kit to establish or enhance a primary care clinic in a rural area may be obtained from the Health Resources Management Section.

b. The proposal must include a needs assessment, a management plan, a detailed budget and budget justification, and other information as defined in the application kit.

c. The proposal including any appendices, may not exceed 50 typed, double-spaced, letter size pages.

d. Grant requests may not exceed \$150,000.

3. Demonstration Grants

a. Applicants must be located in a rural medically underserved area and may apply for a grant to fund a project designed to innovatively, efficiently, and effectively develop and provide out-patient primary care services.

b. Demonstration projects can include, but are not limited to the establishment or acquisition of mobile health clinics, healthy communities projects, school-based clinic projects or others that will then secure other local or federal funding.

c. The grantee will be required to provide a 25 percent match (cash and/or in-kind) from the community or participating organization.

d. The proposal must include a needs assessment, a management plan, a detailed budget and budget justification, and other information as defined in the application kit.

e. Application kits can be obtained from the Health Resources Management Section.

4. Physician Salary Subsidy

a. Local health agencies or communities may apply for state matching funds for physician salary guarantees of \$100,000 annually in salary and benefits to assist in recruiting and/or retain full time primary care physicians in the rural areas.

b. Primary care shall include pediatrics, OB/GYN, internal medicine, family practice, or general practice.

c. Subspecialty training is permitted provided the physician practices only primary care as specified.

d. A *full time primary care physician* is defined as a physician who practices out-patient preventive and primary care medicine at least 32 hours per week in not less than four days.

e. Local health agencies or communities are eligible for more than one award.

f. Only one award per physician is allowable under this program.

g. Eligible physicians must be newly hired or recently employed, as specified above, within the last five years.

h. State salary subsidies will not exceed \$50,000, and the local community must demonstrate its ability to at least match the state amount.

i. The Health Resources Management Section will contract directly with the local health agencies or communities who, in turn, contract with the primary care physician in the rural area. As such, agencies/communities must submit with their request for assistance, a copy of a contract with a physician which shall address the \$100,000 guarantee.

j. The Department of Health and Hospitals will make no payments under this incentive until the physician's actual received income and benefits are reconciled against his/her contract.

5. State Matching Funds for Federal Grants

a. Requests for one time funding only will be accepted for new projects to provide primary care out-patient services to indigent or low income persons as proposed in federal grant applications.

b. Eligible applicants must provide a copy of the federal announcement and completed federal application at the time of request for funding.

J. Eligibility. In order to be eligible to receive a grant through this program, in addition to meeting the criteria set forth in Subsection B, the following requirements must be met by an eligible entity:

1. An eligible entity shall be a community-based organization that may include hospitals, primary care clinics, or other local agencies that provides outpatient primary care in a rural area.

2. An eligible entity shall have a governing board whose membership is generally representative of the

health care underserved area served.

3. An eligible entity which is a primary care clinic shall sustain or provide a minimum level of primary care services through the services of a physician or midlevel practitioner as provided for by Louisiana medical practice law.

a. Services may additionally include, but not be limited to, medical support, diagnostic and treatment services, pharmacy, laboratory, radiology, preventive health services, emergency medical services, mental health, patient follow-up, and/or dental and dental support services.

b. Such services shall be provided in coordination with primary medical care services.

4. An eligible entity shall have policies and procedures which assure that no person will be denied services because of inability to pay.

5. An eligible entity shall comply with all applicable federal, state, and local laws and regulations.

6. An eligible entity shall ensure the grant funds are not utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service:

a. under:

i. any state compensation program;

ii. an insurance policy; or

iii. any federal state health benefits programs; or

b. by an entity that provides health services on a prepaid basis.

7. Other requirements as determined by the department.

K. Review and Reporting Requirements

1. The successful applicant shall sign a Memorandum of Agreement for one-time funding only for the term of one year.

2. The grantee shall then submit programmatic and expenditure reports on a periodic basis as agreed upon in the MOA.

3. An audit report shall be submitted after the end of the contract period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 40:2195, as amended by Act 363 of 1995.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of Public Health, LR 22:

§13303. Urban Community-Based Health Program (formerly §15103)

A. Contingent upon available funding, the Health Resources Management Section may establish one or more application cycles in any state fiscal year. At the beginning of any application cycle eligible entities will be notified that applications are being accepted for grant projects.

B. Applications will only be accepted from entities in a federally designated urban health-professional shortage area or medically underserved area, must:

1. be in an area of highest need;

2. serve low income and indigent persons;

3. have a sliding scale for payment; and

4. be a local governmental entity or a nonprofit (501)(c)(3) organization domiciled in Louisiana.

C. The HRM Section will provide forms and/or guidelines for application to apply for program funds. The application shall be received by the deadline date and signed by the authorized representative and submitted to the HRM Section.

D. The HRM Section shall conduct a review of the application for eligibility, completeness and programmatic priority.

E. All applications and/or requests for funding will be referred to the Objective Review Committee for award recommendations. The committee will consider the project and may confer with outside parties as necessary to obtain information on the financial feasibility, and readiness to proceed and make written recommendations to the Health Resources Management Section.

F. Recommendations will be forwarded to the assistant secretary, OPH for approval. The assistant secretary will act on the application after a time period of proper consideration, but no later than 45 days after the application has been received by the assistant secretary.

G. The HRM Section will notify the applicant of the approval or disapproval of its application within 10 working days of the assistant secretary's action. Written notification of the approval will be accompanied by an agreement to be signed by an authorized representative of the applicant and returned by certified mail.

H. All communications regarding an eligible entity's application shall be directed to the HRM Section.

I. Grant Type Categories

1. Primary Care Clinic Grants

a. A request for an application kit to establish or enhance a primary care clinic in an urban area may be obtained from the Health Resources Management Section. b. The proposal must include a needs assessment, a management plan, a detailed budget and budget justification and other information as defined in the application kit.

c. The proposal, including any appendices, may not exceed 50 typed, double-spaced, letter size pages. Grant requests may not exceed \$150,000.

2. Demonstration Grants

- a. Applicants must be located in an urban health-professional shortage area or medically underserved area and may apply for a grant to fund a project designed to innovatively, efficiently, and effectively develop and provide outpatient primary care services.
- b. Demonstration projects can include, but are not limited to the establishment or acquisition of mobile health clinics, healthy communities projects, school-based clinic projects or others that will then secure other local or federal funding.
- c. The grantee will be required to provide a 25 percent match (cash and/or in-kind) from the community or participating organization.
- d. Application kits can be obtained from the Health Resources Management Section.

3. Physician Salary Subsidy

- a. Local health agencies or communities may apply for state matching funds for physician salary guarantees of \$100,000 annually in salary and benefits to assist in recruiting and/or retaining full time primary care physicians in the inner-city urban areas.
- b. Primary care shall include pediatrics, OB/GYN, internal medicine, family practice, or general practice.
- c. Subspecialty training is permitted provided the physician practice only primary care as specified.
- d. A *full time primary care physician* is defined as a physician who practices outpatient preventive and primary care medicine at least 32 hours per week in not less than four days.
- e. Local health agencies or communities are eligible for more than one award.
- f. Only one award per physician is allowable under this program.
- g. Eligible physicians must be newly hired or recently employed, as specified above, within the last five years.
- h. State salary subsidies will not exceed \$50,000, and the local community must demonstrate its ability to at least match the state amount.
- i. The Health Resources Management Section will contract directly with the local health agencies or communities, who in turn contract with the primary care physician in the urban area. As such, agencies/communities must submit with their request for assistance, a copy of a contract with a physician which shall address the \$100,000 guarantee.
- j. The Department of Health and Hospitals will make no payments under this incentive until the physician's actual received income and benefits are reconciled against his/her contract.

4. State Matching Funds for Federal Grants

- a. Request for one time funding only will be accepted for new projects to provide primary care outpatient services to indigent or low income persons as proposed in federal grant applications.
- b. Eligible applicants must provide federal announcement and completed federal application at the time of request for funding.

J. Eligibility. In order to be eligible to receive a grant through this program, the following requirements must be met by an eligible entity:

1. An eligible entity shall be a community-based nonprofit organization, hospital, primary care clinic, or organization that provides outpatient primary care in an urban health-professional shortage area.
2. An eligible entity shall have a governing board whose membership is generally representative of the health-care underserved area served.
3. An eligible entity which is a primary care clinic shall sustain or provide a minimum level of primary care services through the services of a physician or midlevel practitioner as provided for by Louisiana medical practice law.
 - a. Services may additionally include, but not be limited to, medical support, diagnostic and treatment services, pharmacy, laboratory, radiology, preventive health services, emergency medical services, mental health, patient follow-up, and/or dental and dental support services.
 - b. Such services shall be provided in coordination with primary medical care services.
4. An eligible entity shall have policies and procedures which assure that no person will be denied services because of inability to pay.
5. An eligible entity shall comply with all applicable federal, state, and local laws and regulations.
6. An eligible entity shall ensure the requested funds will not be utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service:
 - a. under:
 - i. any state compensation program;
 - ii. an insurance policy; or
 - iii. any federal state health benefits programs; or
 - b. by an entity that provides health services on a prepaid basis.
7. Other requirements as determined by the department.

K. Review and Reporting Requirements

1. The successful applicant shall sign a Memorandum of Agreement for one-time funding only for the term of one year.

2. The grantee shall then submit programmatic and expenditure reports on a periodic basis as agreed upon in the MOA.

3. An audit report shall be submitted after the end of the contract period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 40:2195, as amended by Act 363 of 1995.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of Public Health, LR 22:

Interested persons may submit written comments or views about the proposed rule to Suzanne Lavergne, Program Manager, OPH, Health Resources Management Section, Box 1349, Baton Rouge, LA 70821, (504) 342-1276.

Bobby P. Jindal
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Community Based and Rural Health Services**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS
(Summary)**

It is estimated that there will be no implementation costs associated with this action.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS
(Summary)**

The proposed rules will have no effect on revenue collections of state or local government units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR
NONGOVERNMENTAL GROUPS (Summary)**

There will be no costs and/or economic benefits to directly affected persons or nongovernmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no effect projected on competition and employment from implementation of these rules.

Bobby P. Jindal
Secretary
9606#036

H. Gordon Monk
Chief Coordinator of the
Legislative Fiscal Office