



WELCOME TO THE CLINIC LIFELINE ACT OF 2017 WEBINAR

PRESENTED BY

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 CAPITOL MALL, ROOM 435

SACRAMENTO, CA 95814

PHONE: 916-653-2799



WELCOME AND INTRODUCTIONS

ACTING EXECUTIVE DIRECTOR
RONALD L. WASHINGTON

PROGRAM MANAGER
ROSALIND BREWER

PROGRAM ANALYSTS
AMY VOONG
ERIN LANE



CLINIC LIFELINE ACT OF 2017 WEBINAR

- For technical issues, contact GoToWebinar (GoToMeeting) at 1-800-263-6317 or <http://support.citrixonline.com/gotomeeting/>
- Presentation slides are available in the Handouts section of your control panel.
- Live captioning is available at www.streamtext.net/text.aspx?event=CDIAC
- **Upcoming Webinar** – Lifeline Grant Program webinar for stakeholders; October 3, 2017



AGENDA FOR TODAY

- CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (CHFFA)
- LIFELINE GRANT PROGRAM
- KEY OBJECTIVES
- ELIGIBILITY
- EVALUATION CRITERIA
- INITIAL AND FINAL ALLOCATIONS
- USE OF GRANT FUNDS
- FUNDING DISTRIBUTION
- THE PROCESS
- PROPOSED TIMELINE



CHFFA BACKGROUND

- ESTABLISHED IN 1979
- NINE MEMBER BOARD CHAIRED BY THE TREASURER
- FINANCE NONPROFIT HEALTH FACILITIES AND DISTRICT HOSPITALS
 - Tax-Exempt Bond Program
 - Healthcare Expansion Loan Program (HELP II)
 - Grant Programs (Please visit website for complete list)
- LEARN MORE AT: WWW.TREASURER.CA.GOV/CHFFA/INDEX.ASP



LIFELINE GRANT PROGRAM BACKGROUND

- GOVERNMENT CODE SECTION 15438.11
 - Clinic Lifeline Act of 2017 (the “Act”)
 - Signed into Law by Governor on July 10, 2017
- ACT AUTHORIZES CHFFA TO DEVELOP PROGRAM EVALUATION CRITERIA AND PROCESS FOR AWARDING GRANTS



LIFELINE GRANT PROGRAM BACKGROUND

(continued)

- SOME FACTORS CONSIDERED:
 - Geographical location
 - Services provided to vulnerable populations
 - Needs of individual populations
 - Utilization of grant funds
 - Leverage of other funding sources in case of reduction or elimination of any government funding

\$20 million grant program

Maximum Grant Award

\$250,000 per health facility

\$750,000 per parent organization



KEY OBJECTIVES

- ASSIST SMALL AND RURAL HEALTH FACILITIES, INCLUDING COMMUNITY-BASED CLINICS, THAT MAY:
 - Be financially affected by a reduction or elimination of any government funding
 - Have little to no access to working capital

- SUPPORT CORE OPERATIONS AS THE FACILITY DEVELOPS LONG-TERM PLANS TO DEAL WITH POTENTIAL LOSS OF ANY GOVERNMENT FUNDING



ELIGIBILITY

- THE HEALTH FACILITY MUST MEET ONE OF THE FOLLOWING REQUIREMENTS UNDER THE ACT:
 - Tax-exempt nonprofit corporation
 - California licensed health facility
 - Annual gross revenue not exceeding ten million dollars (\$10,000,000)
 - Tax-exempt nonprofit corporation
 - California licensed health facility
 - Located in a rural medical service study area (“MSSA”)
 - A clinic operated by a district hospital or health care district



PROPOSED ADDITIONAL ELIGIBILITY REQUIREMENTS

10

- THE HEALTH FACILITY MUST MEET ALL OF THE FOLLOWING REQUIREMENTS:
 - 50% or more of the individuals served participate in Medi-Cal
 - Primarily serves vulnerable populations
 - Provides medical services and one of the additional health services listed

below: *(health facilities in rural MSSA areas are excluded)*

- Dental
- Vision
- Specialty Services



PROPOSED EVALUATION CRITERIA

- APPLICANTS SHALL BE SCORED ON THE FOLLOWING EVALUATION CRITERIA (100 POINTS POSSIBLE):
 - Health facility
 - Location, services provided, overall needs
 - Use of grant funds
 - Populations served
 - Vulnerable populations
 - Medi-Cal
 - Planning and sustainability



INITIAL AND FINAL ALLOCATION

- APPLICATIONS MUST BE RECEIVED BY THE APPLICATION DEADLINE (TO BE DETERMINED)
 - Evaluate and score
 - Completed applications
 - Average score of two staff members
 - Applications will be ranked from the highest to the lowest scores
 - Initial allocation
 - Highest ranked scores
 - Final allocations
 - Approved by the Authority's board



ELIGIBLE USE OF GRANT FUNDS

■ CORE OPERATIONS SUPPORT

○ Innovative use

- Example: staffing a financial consultant or a grant writer to help develop a plan to sustain or increase revenues

○ Working capital

- Example: salaries/payroll, lease/rent or utility bills

○ Small capital expenditures

- Example: renovations that are vital to keeping the doors open



PROPOSED FUNDING DISTRIBUTION

- **OPTION 1:**

- Applications with the highest rank

- **OPTION 2:**

- Applications with the highest rank and geographical distribution limitations. Funding distribution based on the county's population served:

County Regions	Available Funding
Central	\$4,500,000
LA/Ventura	\$6,000,000
Northern	\$4,000,000
Southern	\$5,500,000

- **OPTION 3:**

- Applications with the highest rank and annual gross revenues limitations. Funding distribution based on the annual gross revenues:

Annual Gross Revenues	Available Funding
\$0 - \$3,000,000	\$9,000,000
\$3,000,001 - \$5,000,000	\$5,000,000
\$5,000,001 - \$10,000,000	\$5,000,000
Rural Health Facilities	\$1,000,000



THE PROCESS

- EMERGENCY REGULATIONS
- APPLICANT WEBINAR
- APPLICATION WINDOW
- APPLICATIONS EVALUATED AND SCORED
- CHFFA BOARD APPROVAL
- DISBURSE GRANT AWARDS



PROPOSED TIMELINE

September 2017	<p>Begin reaching out to stakeholders</p> <p>Webinar for <u>stakeholders</u> (September 14th, 2017)</p> <p>Draft Emergency Regulations & related documents</p> <p>Information item at CHFFA's public meeting (September 28th, 2017)</p>
October 2017	<p>Webinar for <u>stakeholders</u> (October 3rd, 2017)</p> <p>Finalize Emergency Regulations & related documents</p> <p>Action item to approve Emergency Regulations (October 26th, 2017)</p> <p>Market the program</p> <p><u>Application</u> Webinar (TBD) <i>pending OAL finalization</i></p>
November 2017	Open application window
January 2018	Close application window
February 2018	Evaluate/Score
March 2018	Initial allocations
April 2018	CHFFA Board approval



QUESTIONS?



CONTACT INFORMATION

***TO EMAIL COMMENTS OR QUESTIONS REGARDING THE
PRESENTATION, PLEASE GO TO:***

CHFFA@TREASURER.CA.GOV