



**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY**

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# TAX-EXEMPT EQUIPMENT FINANCING PROGRAM

## APPLICATION

915 Capitol Mall, Suite 435  
Sacramento, California 95814  
Phone: (916) 653-2799  
[chffa@treasurer.ca.gov](mailto:chffa@treasurer.ca.gov)

Website: <https://www.treasurer.ca.gov/chffa/programs/tax.asp>

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY  
TAX-EXEMPT EQUIPMENT FINANCING PROGRAM APPLICATION**

**INSTRUCTIONS:** Applications are typically due by the first business day of the month to be considered at that month's scheduled board meeting. Completed applications (including exhibits) may be submitted electronically to [chffabond@treasurer.ca.gov](mailto:chffabond@treasurer.ca.gov). CHFFA staff is available to answer any questions you may have about the application or review process and assist you with the application. CHFFA staff can be reached at (916) 653-2799 or questions can be emailed to [chffa@treasurer.ca.gov](mailto:chffa@treasurer.ca.gov).

**APPLICANT INFORMATION:**

**Legal Name of Applicant:** \_\_\_\_\_

**Address:** \_\_\_\_\_

City, State & ZIP Code: \_\_\_\_\_

County: \_\_\_\_\_

Facility Type: \_\_\_\_\_

**Contact Person:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

**PROJECT INFORMATION:**

**Financing Amount Requested:** \_\_\_\_\_

**Requested Term of Financing (months or years):** \_\_\_\_\_  
(not to exceed 120% of average useful life of equipment)

**Project Description:** Please provide the purpose and projected outcomes for the equipment financing (i.e. updating/replacing equipment for increased efficiency or accuracy, acquiring new equipment to expand services, acquiring additional equipment to increase service capacity, etc.)

### EQUIPMENT INFORMATION:

Please provide the following information for each of the items to be purchased with the bond funds:

- Item(s) name/description
- Cost of item(s)
- Useful life of item
- Location housing item(s) (street address, city and zip code)

### FINANCIAL INFORMATION:

Please provide the most recent three years of audited financial statements. If the most recent three years' statements are posted on the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA) website, submittal of statements is not necessary.

### FINANCING TEAM INFORMATION:

Do you have a financing team (Bond Counsel, Placement Agent, Bank/Lender, Financial Advisor)?  Yes  No

If "Yes", please provide the team's contact information.\*

If "No", do you need CHFFA's assistance selecting a financing team?  Yes  No

### EXHIBITS:

- I. Application Certification (Note: Original signature page must be submitted)
- II. Pass-Through Savings Certification
- III. Legal Status Questionnaire
- IV. Religious Affiliation Due Diligence (Only for applicants with religious affiliation)
- V. Community Service Certification \*\*

### ADDITIONAL INFORMATION \*\*\*:

- Details of financing structure and credit enhancement
- Estimated sources & uses of proceeds
- Estimated amortization schedule
- Financing timeline
- Expected ratings (if any)

\* Bond counsel and underwriter/placement agent, must be in the respective approved pools maintained by the State Treasurer's Office (STO). For more information, see [www.treasurer.ca.gov/bonds](http://www.treasurer.ca.gov/bonds).

\*\* To be submitted as a condition of closing.

\*\*\* Items do not apply to competitive private placement equipment program and information can be provided by other financing team members and submitted under separate cover.

**EXHIBIT I**

**APPLICATION CERTIFICATION**

Please transfer the following certification language onto your organization's letterhead and have the appropriate official sign and date the certification.

Please submit the certification with an original signature via mail (a copy may be submitted with initial application).

Application Certification:

I, (name of signatory), as (name of position), an authorized officer of (name of institution), certify that, to the best of my knowledge, the information contained in this application, including all Exhibits and Attachments contained therein, is true and accurate.

\_\_\_\_\_  
By (Print Name)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## EXHIBIT II

### PASS-THROUGH SAVINGS CERTIFICATION

**Note:** You may respond directly on this form or attach additional pages as needed.

All health facilities seeking tax-exempt bond financing through the Authority are required to demonstrate the performance of “significant community service” in exchange for the provision of tax-exempt bond financing. By signing the Application Certification, you are demonstrating your facility’s satisfaction of this requirement.

- Does your organization maintain a written policy concerning the provision of care to patients regardless of their ability to pay?  **Yes**       **No**

If not, please briefly explain below why such a policy is not maintained by your facility.

- Does your facility treat Medi-Cal eligible patients?  **Yes**       **No**

If not, please briefly explain below why your facility does not treat Medi-Cal eligible patients.

- Does your facility maintain a written charity care policy?  **Yes**       **No**

If so, please provide the Authority with a hardcopy of the current policy or the link to the charity care policy on your website. If not, please briefly explain below why your facility does not maintain a written charity care policy.

- Does your facility take significant steps to address the health care needs of your community, including soliciting input from others to help identify those needs?  **Yes**       **No**

If so, please describe the significant steps your facility has taken over the last year, including an estimate of the resources committed by your facility to address community needs and the actions taken to solicit input from others, or provide the latest version of your community benefits report filed with Office of Statewide Health Planning Department (OSHPD).

## EXHIBIT III

### LEGAL STATUS QUESTIONNAIRE

**Note:** You may respond directly on this form or attach additional pages as needed.

**1. Financial Viability**

Disclose material information relating to any legal or regulatory proceeding or investigation in which the applicant/borrower/project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the applicant/borrower/project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the applicant/borrower/project sponsor that is involved in the management, operation, or development of the project.

Response:

**2. Fraud, Corruption, or Serious Harm**

Disclose any civil, criminal, or regulatory action in which the applicant/borrower/project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation embers, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, matters related to employment conditions (including, but not limited to wage claims, discrimination, or harassment), or matters involving health and safety where there are allegations of serious harm to employees, the public or the environment.

Response:

*Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates; the nature of the allegation(s), charges, complaint or filing; and the outcome.*

## EXHIBIT IV

### RELIGIOUS AFFILIATION DUE DILIGENCE (Only for Applicants with Religious Affiliation)

**Note:** You may respond directly on this form or attach additional pages as needed. CHFFA may request additional information regarding the responses to these questions.

QUESTIONS	ANSWER (Yes or No) Please provide explanations as requested
<ul style="list-style-type: none"><li>• Does the facility admit patients or residents of all religions and faiths?</li></ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No (please explain)
<ul style="list-style-type: none"><li>• Are patients/residents ever turned away because of their religious affiliation?</li></ul>	<input type="checkbox"/> Yes (please explain) <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Does the facility grant any preference, priority or special treatment with respect to admission, treatment, payment, etc., based on religion or faith?</li></ul>	<input type="checkbox"/> Yes (please explain) <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Does the facility focus on the needs of, market to, or target, a particular religious population?</li></ul>	<input type="checkbox"/> Yes (please explain) <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Does the facility discourage individuals from seeking admission to the facility on the basis of religion?</li></ul>	<input type="checkbox"/> Yes (please explain) <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Is it the facility's mission to serve patients/residents of a particular religion?</li></ul>	<input type="checkbox"/> Yes (please explain) <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• What percentage of the patients/residents admitted and treated at the facility are of the same religious denomination as the facility's religious affiliation?</li></ul>	

## EXHIBIT V

### COMMUNITY SERVICE CERTIFICATION

Government Code Section 15459 requires the Applicant to certify that the services of **each** health facility receiving financing will be made available to all persons residing or employed in the respective service areas. To document compliance with this section, each applicant must do the following:

1. Execute the attached Certification and Agreement Regarding Community Service Obligation prior to closing. By executing the document, the applicant agrees to the conditions enumerated therein.

For Acute Care Hospitals Only:

2. **At least one (1) week prior to bond closing** submit a completed physicians list required by Government Code Section 15459.1(b). The physicians list should include all data elements stated in item number 2(b) of the “CERTIFICATION AND AGREEMENT REGARDING COMMUNITY SERVICE OBLIGATION”.
3. Attached with the physicians list, the Applicant also must submit a “CERTIFICATE OF VERIFICATION” similar in form to the attached sample.



**SUPPLEMENT TO EXHIBIT V**

**CERTIFICATION AND AGREEMENT REGARDING  
COMMUNITY SERVICE OBLIGATION**

**PARTICIPATING HEALTH INSTITUTION (“Borrower”):**

**NAMES OF FINANCED FACILITIES:**

**MEDI-CAL CONTRACT(S):    // YES    // NO**

**IF NO, EXPLAIN:**

**Bond Issue Description:**

1. **General Assurance:** Pursuant to Government Code Section 15459, the Borrower hereby certifies that the services of the facility will be made available to all persons residing or employed in the area served by the facility.
2. **Compliance Requirements:** As part of its assurance under Government Code Section 15459, the Borrower agrees to the following conditions:
  - (a) To advise each person seeking services at the facility as to the person's potential eligibility for Medi-Cal and Medicare benefits or benefits from other governmental third-party payers.
  - (b) To make available to the Authority and to any interested person a list of physicians with staff privileges at the facility, which includes all of the following:
    - (1) Name.
    - (2) Specialty.
    - (3) Language spoken.
    - (4) Whether the physician takes Medi-Cal and Medicare patients.
    - (5) Business address and phone number.
  - (c) To inform in writing on a periodic basis all practitioners of the healing arts having staff privileges in the facility as to the existence of the Borrower's community service obligation. Such notice to practitioners shall contain a statement, as follows:

“This facility has agreed to provide a community service and to accept Medi-Cal and Medicare patients. The administration and enforcement of this agreement is the responsibility of the California Health Facilities Financing Authority and this facility.”

- (d) To post notices in the following form, which shall be multilingual where the Borrower serves a multilingual community, in appropriate areas within the facility, including but not limited to, admissions offices, emergency rooms, and business offices:

**“NOTICE OF COMMUNITY SERVICE OBLIGATION**

This facility has agreed to make its services available to all persons residing or employed in this area. This facility is prohibited by law from discriminating against Medi-Cal and Medicare patients. Should you believe you may be eligible for Medi-Cal or Medicare, you should contact our business office (or designated person or office) for assistance in applying. You should also contact our business office (or designated person or office) if you are in need of a physician to provide you with services at this facility. If you believe that you have been refused services at this facility in violation of the community service obligation you should inform (designated person or office) and the California Health Facilities Financing Authority.”

- (e) To provide copies of the notice specified in paragraph (d) for posting to all welfare offices in the county where the facility is located.

**3. Medi-Cal Exceptions:**

All references to Medi-Cal shall be deemed deleted from Section 2 above if, and to the extent any, of the following conditions exist:

- (a) The facility is of a type and in a geographic area subject to Medi-Cal contracting and, following good faith negotiations, the Borrower has not been awarded a Medi-Cal contract;
- (b) The facility is not of a type which provides services for which Medi-Cal payments are available; or
- (c) The facility is, or is a part of, a multi-level facility and the health facility component of the facility is of a size and type designed primarily to serve the health care needs of the residents of the multi-level facility.

Notwithstanding the foregoing, nothing in this Section 3 shall relieve the Borrower of its obligations, if any, under Health and Safety Code Section 1317 (relating to the provision of emergency services and care).

**4. Compliance Reports:**

The Borrower agrees to make available to the Authority and to the public upon request an annual report substantiating compliance with the requirements of Government Code Section 15459. The annual report shall set forth sufficient information and verification therefor to indicate the Borrower's compliance. The report shall include at least the following:

- (a) By category for inpatient admissions, emergency admissions, and where the facility has a separate identifiable outpatient service:
  - (1) The total number of patients receiving services.
  - (2) The total number of Medi-Cal patients served.
  - (3) The total number of Medicare patients served.
  - (4) The total number of patients who had no financial sponsor at the time of service.
  - (5) The dollar volume of services provided to each patient category listed in the above bullets (1), (2) and (3).
- (b) Where appropriate, the actions taken pursuant to Government Code Section 15459.2 and the effect the actions have had on the data specified in paragraph (a).
- (c) Any other information which the Authority may reasonably require.

**5. Notices:**

Notices to the Authority required or permitted by this Agreement shall be given to the Authority addressed as follows: California Health Facilities Financing Authority, 915 Capitol Mall, Suite 435, Sacramento, California 95814, or at such other or additional address as may be specified in writing by the Authority.

**6. Term of Agreement:**

This agreement shall terminate when the loan is no longer outstanding under the terms of the loan agreement or similar agreement securing the loan

By: \_\_\_\_\_ Date: \_\_\_\_\_

Received and Acknowledged:

**California Health Facilities Financing Authority**

By: \_\_\_\_\_  
Executive Director

**(HOSPITAL)**  
**CERTIFICATE OF VERIFICATION**  
**RE: PHYSICIAN DATA**

I,           (NAME OF OFFICIAL \*)          , certify as follows:

1. I am the           (TITLE OF OFFICIAL)           of           (HOSPITAL)          , a California nonprofit public benefit corporation (the “Corporation”) and I am authorized to execute this Certificate on its behalf.
2. Attached hereto is the information for           (HOSPITAL)           containing specific physician data pursuant to Government Code Section 15459.1(b).
3. I certify the accuracy and completeness of the data as submitted to the California Health Facilities Financing Authority.

Date: \_\_\_\_\_

\_\_\_\_\_  
(OFFICIAL SIGNATURE)  
\_\_\_\_\_  
(TYPED NAME & TITLE OF OFFICIAL)  
\_\_\_\_\_  
(HOSPITAL)  
\_\_\_\_\_

\* Chief Financial Officer, Chief Executive Officer or General Counsel