

# California Health Facilities Financing Authority (“CHFFA”)

## Lifeline Grant Program

### Frequently Asked Questions (“FAQs”)

#### **General Information**

##### **What is the Lifeline Grant Program?**

The Lifeline Grant Program, codified in [Government Code \(Gov Code\) section 15438.11](#), as the Clinic Lifeline Act of 2017, will provide grant funds to assist small and rural Health Facilities, including community based clinics, that may be adversely financially affected by reductions or eliminations of federal government assistance.

##### **Where can I find more information about the Lifeline Grant Program?**

Please visit the Lifeline Grant Program on the [CHFFA website](#) for general information and updates.

##### **How may the grant funds be used?**

The funds may be used for working capital for core operating support. “Working Capital” is defined in part as “...moneys to be used by, or on behalf of, a participating health institution to pay or prepay maintenance or operation expenses or any other costs that would be treated as an expense item, under generally accepted accounting principles...”

See [Government Code section 15432\(h\)](#)

##### **How much money can each eligible Health Facility request?**

The maximum grant award per Health Facility is \$250,000 dollars. [See regulations section 7218](#).

#### **Eligibility Requirements**

##### **What types of Health Facilities are eligible for this grant?**

The CHFFA Act, [Gov Code section 15438.11, subdivision \(c\)](#), specifies that eligible Health Facilities are those defined in [subdivision \(d\) of section 15432](#). Eligible Health Facilities are required to meet at least one of the requirements listed in [Gov Code 15438.11, subdivision \(c\)\(1\), \(c\)\(2\), or \(c\)\(3\)](#). These requirements include:

- A Health Facility operated by a tax-exempt non-profit corporation licensed by the State of California and the annual gross revenue of the Health Facility does not exceed ten million dollars.
- A Health Facility operated by a tax-exempt nonprofit corporation licensed by the State of California and located in a rural medical service study area.
- The Health Facility is a clinic operated by a district hospital or health care district.

[See regulations section 7214](#).

## **How can the Health Facility demonstrate a negative impact to vulnerable populations?**

The Authority allows the Health Facility to best determine how to demonstrate the negative impact to vulnerable populations. One such method could be to identify the number of vulnerable populations patients/clients served prior to and then after the federal trigger and how the change has affected the Facility's federal funding.

## **How can the percent of vulnerable populations served be calculated if the Health Facility does not collect data on undocumented or immigrant populations?**

The Health Facility must provide supporting documentation that shows a decline in patients served based on the type of information the Health Facility collects and has at its disposal.

## **Can grant funds be used to support services for undocumented residents?**

No. Grant funds shall only be used for working capital.

[See Gov Code section 15432, subdivision \(h\).](#)

## **Where can I find a list of California Medical Service Study Areas (“MSSA”)?**

Information on the Rural Medical Service Study Areas can be found on the Office of Statewide Health Planning and Development (OSHPD) website at: <https://www.oshpd.ca.gov/HWDD/MSSA.html>

[See regulations section 7213, subdivision \(w\).](#)

## **What is a health care district?**

A health care district is a public entity that provides community-based health care services to residents throughout California. The health care district responds to the needs in their district by providing a range of services, which may include a hospital, clinic, skilled nursing facility or emergency medical services; as well as education and wellness programs.

## **How is Annual Gross Revenue defined?**

Annual Gross Revenue is the amount of money earned in one fiscal year from all revenue sources before taxes.

## **Does the \$10 million revenue cap apply to the entire organization or to the individual Health Facility applicant?**

The \$10 million revenue cap applies to the individual Health Facility applicant.

## **Federal Trigger**

### **What is a federal trigger?**

A federal trigger is any federal executive, administrative or legislative action or inaction that impacts any reimbursement or eligibility for participation in any federal program or initiative.

### **Can there be multiple federal triggers?**

Yes. All federal triggers described in the application with supporting documentation will be considered.

### **How does a Health Facility demonstrate a federal trigger?**

It is up to the eligible Health Facilities to “demonstrate” that a federal trigger has occurred. [Regulations section 7219, subdivision \(a\)\(2\)](#) requires the Applicant to “describe the effects to the Health Facility and its operations as a result of any federal government reduction or elimination of funds...” The Applicant must provide the necessary documentation to support the claim of federal reduction or elimination of funds. Such documentation may include but is not limited to written notification from the participating federal agency of a reduction or elimination of funding.

### **Does the federal trigger need to have already occurred to submit an application?**

Yes. The federal trigger must have occurred. However, the effective date of the implementation of the federal trigger can be a future date.

### **What supporting documentation must be sent with the application that demonstrates the impact of a federal trigger?**

The specific documentation provided is determined by the Applicant. The documentation provided should be that which supports/documents reduction or elimination of federal funds to the Health Facility. Documentation may include but is not limited to amount of monthly rent and utility expenses, documentation of staff layoffs and reduction in hours of operation amount of the federal reduction.

### **Do the grant funds have to be returned if a federal trigger does not occur?**

Yes. The grant funds must be returned if a federal trigger does not occur.

[See regulations section 7227.](#)

## **Application**

### **When can I submit an application?**

Applications are currently being accepted. Applications must be received no later than 5:00 p.m. (Pacific Time) on the deadline date posted on the Authority’s website. The deadline date posted is March 26, 2018.

### **What is the process after the application deadline?**

Applications received by the deadline date will be evaluated by and scored by Authority staff and approved by the Authority board.

[See regulations sections 7219 through 7222.](#)

**If a Health Facility manages multiple Facilities/locations, would the Health Facility submit one application or does each Facility/location apply separately?**

Each eligible Health Facility is required to submit one application per Facility/location.

**In the application, are there space limitations to the narratives?**

Yes. In the Evaluation Criteria section of the application, the Applicant is limited to no more than two (2) pages. Supporting documentation does not have page limits.

**How will the applications be scored?**

Applications will be scored based on the criteria outlined in regulations. Applicants are eligible for up to 50 points. Health Facilities located in Rural and Frontier Medical Service Study Areas are eligible for an additional 5 points. Health Facilities located in Federally Qualified Health Centers (FQHC) and FQHC Look-Alikes are also eligible for an additional 5 points.

[See regulations section 7219.](#)

**Disbursement Process**

**What is the disbursement process?**

If a Health Facility is awarded a grant, the Health Facility would submit a Request For Disbursement Form when the funds are needed. The Facility will have until May 1, 2022 to request the grant funds. The disbursement process can take up to 30 days. A copy of the Request for Disbursement Form No. CHFFA 8 LGP-02 (01/2018) is available on the CHFFA website.

[See regulations section 7225.](#)

**Reporting Requirements**

**What is the deadline for Health Facilities to submit the final report to CHFFA?**

The final report is due within 45 days of disbursement of grant funds. The final report shall include a narrative description of how the Grants funds were utilized and an explanation of any variances from the application on Grant fund uses. A copy of the Final Report Form No. CHFFA 8 LGP-03 (01/2018) is available on the CHFFA website.

[See regulations section 7228.](#)

**Who can I contact for more information?**

For more information, contact CHFFA staff at (916) 653-2799 or email inquiries to [chffa@treasurer.ca.gov](mailto:chffa@treasurer.ca.gov).