




**Small and Rural Hospital Relief Program**

# Program Introduction


*HCAI Webinar – October 18, 2023*

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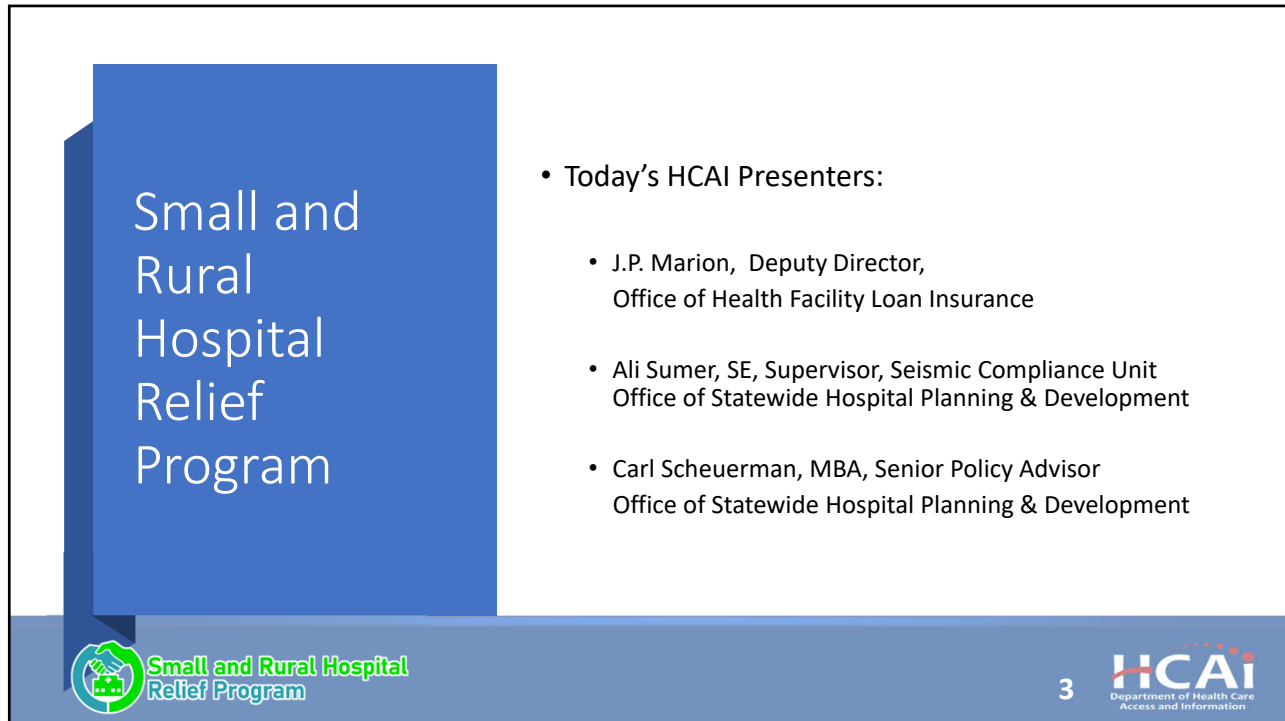


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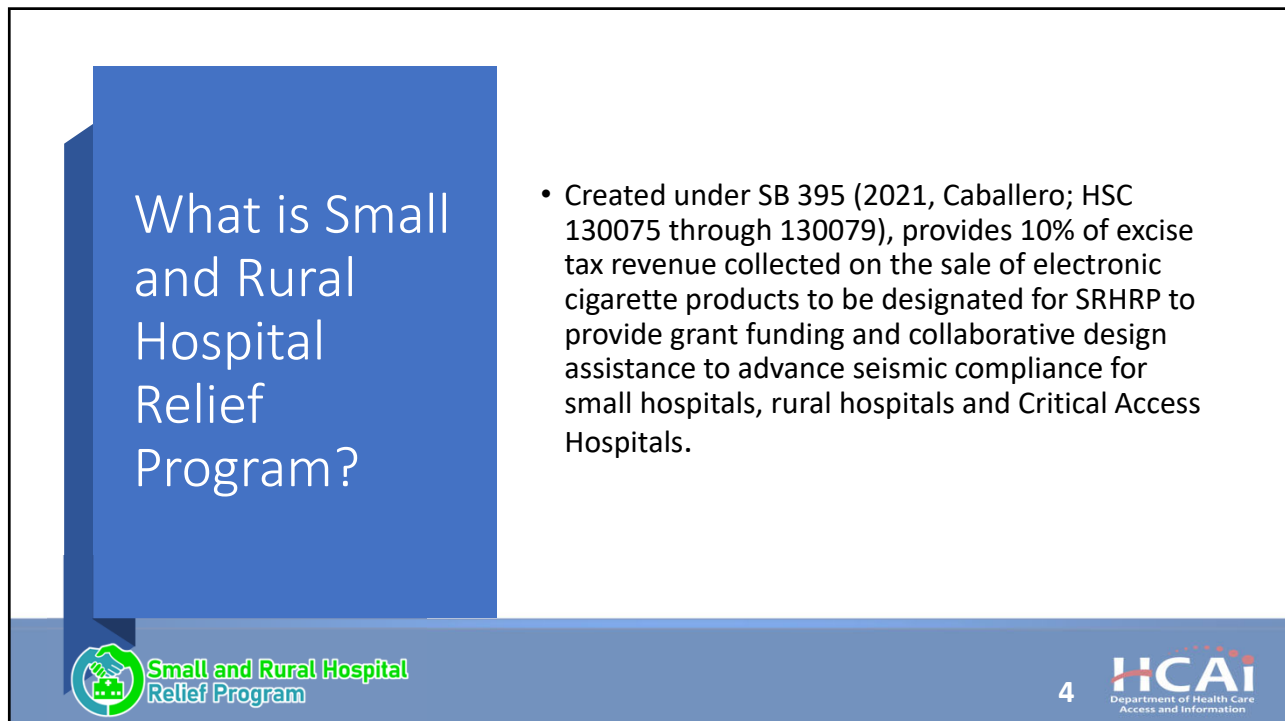


Small and Rural Hospital Relief Program

- Today’s HCAI Presenters:
  - J.P. Marion, Deputy Director, Office of Health Facility Loan Insurance
  - Ali Sumer, SE, Supervisor, Seismic Compliance Unit Office of Statewide Hospital Planning & Development
  - Carl Scheuerman, MBA, Senior Policy Advisor Office of Statewide Hospital Planning & Development



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What is Small and Rural Hospital Relief Program?



- Created under SB 395 (2021, Caballero; HSC 130075 through 130079), provides 10% of excise tax revenue collected on the sale of electronic cigarette products to be designated for SRHRP to provide grant funding and collaborative design assistance to advance seismic compliance for small hospitals, rural hospitals and Critical Access Hospitals.

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# SRHRP Mission

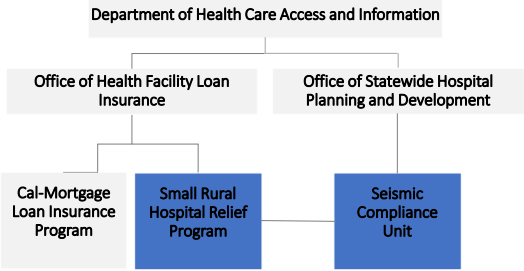
- “The mission of the Small and Rural Hospital Relief Program (SRHRP) is to support and enhance the effort of small, rural and Critical Access hospitals to preserve access to general acute care for the communities they serve through provision of state grant funding and technical assistance to advance building seismic safety and resiliency. “





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# SRHRP Administration

- SRHRP is administered by HCAI’s Office of Health Facility Loan Insurance (OHFLI) with technical support and assistance from Office of Statewide Hospital Planning & Development’s (OSHPD) Seismic Compliance Unit.





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graph TD; D[Department of Health Care Access and Information] --> OHFLI[Office of Health Facility Loan Insurance]; D --> OSHPD[Office of Statewide Hospital Planning and Development]; OHFLI --> CMLIP[Cal-Mortgage Loan Insurance Program]; OHFLI --> SRHRP[Small Rural Hospital Relief Program]; OSHPD --> SCU[Seismic Compliance Unit]; SRHRP --- SCU;
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## Who Can Participate?

- A hospital meeting one of the following criteria may be admitted to the program for grant eligibility and technical assistance:
  - A small hospital (HSC §130076(d)(1))– fewer than 50 beds; or,
  - A rural hospital (HSC §130076(d)(2)) – as defined by Medical Service Study Areas; or,
  - A Critical Access Hospital (HSC §130046(d)(3))– CMS designated
- To qualify for grant funding, a hospital must also indicate that seismic compliance imposes a burden that could result in loss of services for a community.





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## How Does it Work? Collaborative Engagement

- Applicants accepted into the program are assigned a Seismic Compliance Unit Senior Structural Engineer as Liaison for project packages.
- The role of the Liaison is to engage with an applicant’s design professionals to explore ways to minimize scope and cost for each project package.




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## SCU Technical Assistance

- Help explain process
- Help on identify seismic compliance scope
- Help on coordinating and communicating various parties
- Provide recommendations on minimum required seismic scope. Ex: MTCAP – reduction in number of tests, minimizing NPC/SPC-4D scope
- Continue to support during region review process, help reduce scope by reviewing previously approved scope.
- Help on applying to grant program
- Continue to support during construction



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## Eligible Projects

Projects must be seismic compliance related only

- 1) Evaluation & Predesign
  - Material Testing and Condition Assessment Program (MTCAP)
  - Material Testing and Condition Assessment Results (MTCAR)
  - SPC 4D evaluation reports
  - NPC evaluation reports
  - Feasibility studies
- 2) Design phase activities
  - SPC 4D, NPC Construction drawings (structural, arch, mech etc.)
- 3) Construction phase



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# NOT Eligible Projects

Scope that is not seismic compliance related, but desired to be done at the same time with seismic project should be submitted to HCAI as a separate project and will not be included in the grant application.

SCU liaison will work with the facility to split non-seismic scope.



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# How Does it Work? Phase 1 Step 1

- Apply for program participation:
  - Applications are submitted HCAI’s Electronic Services Portal to create an “HRPE” project application:
    - eSP eClient Access url = <https://esp.oshpd.ca.gov>
    - Log in to submit a project
    - Select the Small Rural Hosp tab:



eServices Portal

Home Projects Enforcement Preapproval **Small Rural Hosp**

Search Applications



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## How Does it Work?


### Phase 1 Step 2

- Submit an updated Seismic Compliance Plan. The compliance plan serves as a hospital's "roadmap" for their overall compliance efforts. Plan requirements have been simplified per PIN 71:
  - [PIN 71\\_Small and Rural Hospital Relief Program\\_060122.pdf \(ca.gov\)](#)

**SUBJECT**  
Compliance Plan Requirements for Participants in the Small and Rural Hospital Relief Program


**PIN:** 71  
**Effective:** 06/01/2022

**PURPOSE**



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## How Does it Work?


### Phase 1 Step 2

- Compliance Plan contents:
  1. Cover sheet – facility name, ID and document title
  2. Brief narrative of current compliance status
  3. Current key plan
  4. Existing building matrix
  5. Brief narrative describing compliance effort:
    - A. Approach to SPC
    - B. Approach to NPC
  6. Future complaint campus key plan



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## How Does it Work?

### Phase 1 Step 2

7. Future building status matrix
8. Schedule for key activities
  - A. Evaluation submissions and anticipated approval dates
    - i. SPC-4D retrofit schemes
    - ii. NPC evaluations
  - B. Plan submission and review dates
  - C. Anticipated construction start and completion
9. List of services by building (Appendix A)



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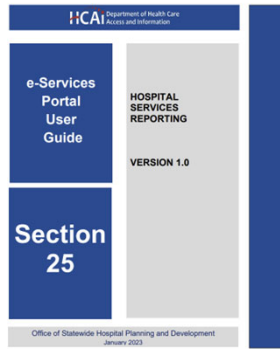



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## GACSERV - New Services Reporting Tool


- In lieu of submitting services using PIN 71 Appendix A, applicants are encouraged to submit the same information using the e-Services Portal Guide Section 25
- Required for all hospitals by 1/1/2024

[AB 1882 Hospital Services Reporting \(ca.gov\)](#)





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How Does it Work?  
Phase 1 Complete

- Qualifications are reviewed in Phase 1 Step 1 but the HRPE application is not complete until the updated Seismic Compliance Plan in Step 2 has been approved.
- Hospital and their design professionals are then ready to receive technical assistance.




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How Does it Work?  
Phase 2

- Phase 2 is the grant application and review process for hospitals that have established eligibility. Sequential applications for specific phases allowed.



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## How Does it Work?

### Phase 2 Grant Review & Approval

- Grant applications and review:
  - Grant applicants must complete both steps in Phase 1 before a request can be considered.
  - Projects receiving grants must conform with the Compliance Plan “roadmap” that demonstrates compliance can be achieved by the statutory deadline (January 1, 2030).
  - OHFLI performs an in-depth review of an applicant’s financial eligibility and confirms OSHPD’s findings on the appropriateness of scope and cost-efficiency.

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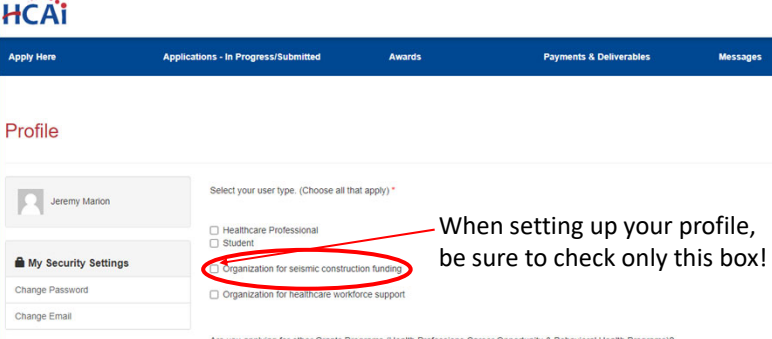
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## How to Apply


- Go to <https://funding.hcai.ca.gov/>
- Click on “Create an Account”.
- Setup your profile and click “Submit”.



The screenshot shows the HCAI Profile page. At the top, there is a navigation bar with links: Apply Here, Applications - In Progress/Submitted, Awards, Payments & Deliverables, and Messages. Below this is the 'Profile' section. On the left, there is a user profile for 'Jeremy Marion' and a 'My Security Settings' section with links for 'Change Password' and 'Change Email'. On the right, there is a section titled 'Select your user type. (Choose all that apply)\*' with four checkboxes: 'Healthcare Professional', 'Student', 'Organization for seismic construction funding', and 'Organization for healthcare workforce support'. A red circle highlights the 'Organization for seismic construction funding' checkbox, and a red arrow points from this circle to the text 'When setting up your profile, be sure to check only this box!'.

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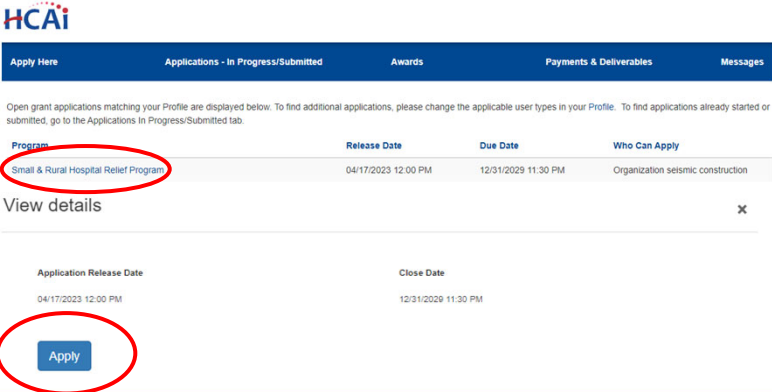
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How to Apply continued...

- Click on the “Small and Rural Hospital Relief Program” link.
- Then click the “Apply” button.






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Application Review and Award Process

- Applications are reviewed by OHFLI and OSHPD staff quarterly.
- Review factors such as program eligibility, community need, financial plan to complete the project, project’s appropriateness to meet seismic compliance, project costs, and project readiness.
- Determine awards based on scores from these factors, sized based on the funding on hand.
- Determine project milestones that must be achieved to receive awards.
- Circulate award notices and Grant Agreements.




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## What's Next?


- Financial forecast estimates ~\$2.6 million available the first year, issued to SRHRP quarterly.
  - Expect grants to cover a percentage of budget per project scope.
- Applications are currently being accepted on an ongoing basis.
- OHFLI anticipates grant award notices for the first handful of awardees will be going out shortly.
- Future awards will be made on a quarterly cycle.
- OHFLI is currently automating it's award documentation process. Future awardees will be able to approve and sign Grant Agreements electronically through AdobeSign.
- 2023-24 Budget Act designated one-time additional funding of \$50 million.



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- Program Website:
  - <https://hcai.ca.gov/loans-scholarships-grants/small-and-rural-hospital-relief-program/>
  - Links to Check Eligibility or Apply
  - Grant Guide

Contact Us with Questions:


[SRHRP@hcai.ca.gov](mailto:SRHRP@hcai.ca.gov)

(916) 319-8800





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