

NOTICE OF DIRECT AWARD

MEDICARE RURAL HOSPITAL FLEXIBILITY QUALITY IMPROVEMENT PROGRAM

POSTING DATE: FRIDAY, SEPTEMBER 3, 2010 INQUIRY CLOSING DATE: THURSDAY, SEPTEMBER 9, 2010

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DIRECT AWARD JUSTIFICATION

FLEX RURAL VETERANS HEALTH ACCESS PROGRAN

AGENCY BACKGROUND

The Georgia Department of Community Health (DCH) was created in 1999 by Senate Bill 241 to serve as the lead agency for health care planning and purchasing issues in Georgia. DCH is the single state agency for Medicaid and insures over two million people in the State of Georgia, maximizing the State's health care purchasing power, coordinating health planning for State agencies and proposing cost-effective solutions for reducing the number of uninsured.

Within DCH, the State Office of Rural Health (SORH) serves Georgians by improving access to health care in rural and underserved areas to improve health status and reduce health disparities.

PROGRAM BACKGROUND

The Medicare Rural Hospital Flexibility Program (Flex) is a federal funding program designed to improve and sustain access to appropriate and quality health care services in rural areas. Established by the Balanced Budget Act (BBA) of 1997 the Medicare Flex Program:

- Supports the conversion and designation of small rural hospitals to Critical Access Hospital (CAH) status;
- Assists in developing and maintaining quality health care network systems;
- Strengthens and further integrates Emergency Medical Services (EMS) in rural areas; and
- Facilitates the development of state specific model community-based collaborative systems in rural areas.

When the program began in 1999, the primary focus was on the (1) development of an initial State Rural Health Plan (SRHP) and (2) conversion of eligible health care facilities to CAH status. Since then, the program has shifted its focus to sustaining quality rural health care infrastructures wherein CAH facilities serves as the hub of an organization system of health care. Projects funded under the Flex program include those that center around:

- Development and implementation of a SRHP:
- Performance and quality improvement within the rural health care system;
- Supporting CAH facilities;
- Program evaluation;
- Integration of EMS; and
- Networking

PROGRAM OVERVIEW

The Medicare Rural Hospital Flexibility Grant provides funding to Georgia's critical access (CAH) small rural hospitals to furnish 42 hospitals with a structured quality improvement (QI), patient safety (PS) program. The Georgia Hospital Association Research and Education Foundation (GHAREF) will participate as the lead grantee and financial agent in the FLEX Quality Improvement (QI) Program.

AWARD JUSTIFICATION

In consideration of the federal grant requirements to improve and sustain access to appropriate and quality health care services in rural areas the Georgia Hospital Association Research and Education Foundation with its existing infrastructure is the most expedient and cost efficient provider of these requirements. The Medicare Rural Hospital Flexibility (FLEX) Quality Improvement program was first issued to GHAREF in 1999 as a competitive contract. Since this first issuance GHAREF has been the only respondent to the subsequent Request for Applications.

DCH intends to award GHAREF a grant in the amount of \$172,372 and presents this funding as a direct award in that for over ten years GHAREF has been the sole applicant and provider of these services during this time GHAREF has amassed a wealth of proprietary data necessary to properly implement this program. Any applicant seeking funding under this initiative would have to contract with GHAREF for the data.

AWARD(S)

TOTAL DIRECT AWARD FUNDS AVAILABLE: \$ \$172,372.00

TO SUBMIT INQUIRIES TO THIS DIRECT AWARD NOTIFICATION

Kristal Y. Thompson – Black, Grant Administrator at kblack@dch.ga.gov no later than 2:00 PM on Thursday, September 9, 2010