



TEXAS

Health and Human Services

Cecile E. Young, Executive Commissioner

Request for Applications (RFA)

Grant for

Rural Hospital Improvement

RFA No. HHS0015677

APPLICATION SUBMISSION DEADLINE

April 9, 2025, by 10:30 a.m. Central Time

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Section I. Executive Summary, Definitions, and Statutory Authority

1.1 EXECUTIVE SUMMARY

The Texas Health and Human Services Commission (HHSC), the System Agency, is accepting applications for the Rural Hospital Improvement Grant.

The purpose of this program is to provide time-limited financial support during the term of the Grant Agreement for any qualified Rural Hospital in Texas to support hospital improvement activities aimed to improve the financial stability of the hospital.

Applicants should reference **Section II, Scope of Grant Project**, for further detailed information regarding the purpose, background, eligible population, eligible activities and requirements.

Grant Name:	Rural Hospital Improvement
RFA No.:	HHS0015677
Deadline for Applications:	April 9, 2025, by 10:30 AM Central Time
Deadline for Submitting Questions or Requests for Clarifications:	Please see Section 7.1, Schedule of Events
Estimated Total Available Funding:	\$11,550,000.00
Estimated Total Number of Awards:	33
Estimated Max Award Amount:	\$350,000.00
Match Required, if any:	No match required
Anticipated Project Start Date:	August 2025
Length of Project Period:	The Project Period is upon execution of the Grant Agreement and continues through August 31, 2026 .
Eligible Applicants:	Classified as a Rural Hospital in Texas (see Section 1.2, Definitions and Acronyms)

To be considered for screening, evaluation and award, Applicants must provide and submit all required information and documentation as set forth in **Section VIII, Application Organization and Submission Requirements** and **Section XIII, Submission Checklist** by the Deadline for Submission of Applications established in **Section 7.1, Schedule of Events**, or subsequent Addenda. See **Section 9.2, Initial Compliance Screening for Applications**, for further details.

1.2 DEFINITIONS AND ACRONYMS

Unless a different definition is specified, or the context clearly indicates otherwise, the definitions and acronyms given to a term below apply whenever the term appears in this RFA. All other terms have their ordinary and common meaning.

Refer to all exhibits to this RFA for additional definitions.

[“Addendum”](#) means a written clarification or revision to this RFA, including exhibits, forms, and attachments, as issued and posted by HHSC to the HHS Grants RFA website. Each Addendum will be posted and must be signed by the Applicant and returned with its Application.

[“Applicant”](#) means any person or legal entity that submits an Application in response to this RFA. The term includes the individual submitting the Application who is authorized to sign the Application on behalf of the Applicant and to bind the Applicant under any Grant Agreement that may result from the submission of the Application. May also be referred to in this RFA as [“Respondent”](#).

[“Application”](#) means all documents the Applicant submits in response to this RFA, including all required forms and exhibits. May also be referred to in this RFA as [“Solicitation Response”](#).

[“Budget”](#) means the financial plan for carrying out the Grant Project, as formalized in the Grant Agreement, including awarded funds and any required Match, submitted as part of the application in response to this RFA. An Applicant’s requested Budget may differ from the System Agency-approved Budget executed in the final Grant Agreement.

[“CFR”](#) means the Code of Federal Regulations which is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the federal government.

[“Change of Ownership”](#) means an event that results in a change to the federal taxpayer identification number of the license holder of a hospital. The substitution of a personal representative for a deceased license holder is not a Change of Ownership.

[CMS](#) means the Centers for Medicare and Medicaid Services.

[Critical Access Hospital](#) means a designation made by CMS in accordance with Title 42, Part 485 of the Code of Federal Regulations.

“Equipment” pursuant to 2 CFR § 200.1, means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$10,000. See 2 CFR §200.1 for capital assets, computing devices, general purpose equipment, information technology systems, special purpose equipment, and supplies.

“Grant Agreement” means the agreement entered into by the System Agency and the Grantee as a result of this RFA, including the Signature Document and all attachments and amendments. May also be referred to in this RFA as “Contract”.

“Grantee” means the Party receiving funds under any Grant Agreement awarded under this RFA. May also be referred to as “Subrecipient” or “Contractor”.

“HHS” includes both the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS).

“HHSC” means the Health and Human Services Commission.

“Project” or “Grant Project” means the specific work and activities that are supported by the funds provided under the Grant Agreement as a result of this RFA.

“Project Period” is the initial period of time set forth in the Grant Agreement during which grantees may perform approved grant-funded activities to be eligible for reimbursement or payment. Unless otherwise specified, the Project Period begins on the Grant Agreement effective date and ends on the Grant Agreement termination or expiration date, and represents the base Project Period, not including extensions or renewals. When referring to the base project period plus anticipated renewal or extension periods, “Grant Term” is used.

“RFA” means this Request for Applications, including all parts, exhibits, forms, attachments and addenda posted on the HHS Grants RFA website. May also be referred to herein as “Solicitation”.

“Rural Hospital” means a hospital that:

- (A) is located in a Texas county with 68,750 or fewer persons according to the 2020 U.S. Census;
- (B) is designated by Medicare as a Critical Access Hospital (CAH), a Sole Community Hospital (SCH), or a Rural Referral Center (RRC) that is not located in a Metropolitan Statistical Area (MSA), as defined by the U.S. Office of Management and Budget; or
- (C) meets all of the following:
 - (i) has 100 or fewer beds;
 - (ii) is designated by Medicare as a CAH, an SCH, or an RRC; and
 - (iii) is located in an MSA.

“Rural Referral Center” (RRC) is a classification made by CMS in accordance with Section 1886(d)(5)(C)(i) of the Social Security Act and the requirements set forth in Title 42, Section 412.96 of the Code of Federal Regulations.

“Sole Community Hospital” (SCH) is a designation made by CMS in accordance with Section 1886(d)(5)(D) (iii) of the Social Security Act.

“State” means the State of Texas and its instrumentalities, including the System Agency and any other state agency, its officers, employees, or authorized agents.

“System Agency” means HHSC, DSHS, or both, that will be a party to any Grant Agreement resulting from the RFA.

“TxGMS” means the Texas Grant Management Standards published by the Texas Comptroller of Public Accounts.

1.3 STATUTORY AUTHORITY

System Agency is requesting applications under Article II, Rider 88 (Rural Hospital Grant Program) of the Texas General Appropriations Act, Acts of the 88th Legislature, Regular Session (2023). All awards are subject to the availability of appropriated state funds and any modifications or additional requirements that may be imposed by law.

1.4 STANDARDS

Awards made as a result of this RFA are subject to all policies, terms, and conditions set forth in or included with this RFA as well as applicable statutes, requirements, and guidelines including, but not limited to applicable provisions of the TxGMS and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

Section II. Scope of Grant Project

2.1 PURPOSE

This funding opportunity invites grant applications requesting funding for the Rural Hospital Improvement Grant. The purpose of this grant is to provide time-limited financial support for any qualified Rural Hospital in Texas to support hospital improvement activities aimed to improve the financial stability of the hospital.

2.2 PROGRAM BACKGROUND

There are many reasons a hospital may close or eliminate services ranging from declining reimbursement levels, shrinking population, uncompensated care, and increasing operating cost. When a rural hospital closes, affected communities are without access to hospital services unless residents travel long distances. Closures have a ripple effect in the community by cutting jobs, reducing sales tax revenue to local government, reducing school student numbers that drive down state payments to the local public-school districts, increasing the travel burden on residents, negatively impacting the housing market, and hurting local businesses across the community.

Due to the significant and long-term negative impact that a hospital closure has on a community, HHSC is providing time-limited financial assistance to support Rural Hospitals improve their financial stability through hospital improvements activities.

2.3 ELIGIBLE SERVICE AREAS

The service areas eligible for project funding under this RFA are any counties or regions in the State of Texas.

2.4 ELIGIBLE ACTIVITIES

This grant program may fund activities and costs as allowed by the laws, regulations, rules, and guidance governing fund use identified in the relevant sections of this RFA. Only grant-funded activities authorized under this RFA are eligible for reimbursement and payment under any Grant Agreement awarded as a result of this RFA.

2.5 PROGRAM REQUIREMENTS

All Grant Projects funded under this RFA must meet the following program requirements:

1. Grantee shall continue to provide hospital services without interruption to the general public.
2. Grantee shall only use the funds provided under this Grant Agreement for expenses or costs for goods or services to foster hospital improvement and financial stabilization in accordance with their respective HHSC-approved Plan.
3. Grantee shall attend any scheduled meetings or trainings and complete surveys as directed by HHSC. During the Grant Term, HHSC may provide surveys and/or

schedule virtual meetings and/or trainings for technical assistance, with advance notice, regarding Grant activities and the use of funding.

4. Grantee shall attend all meetings scheduled by HHSC, unless otherwise agreed to by HHSC. Meetings will be held every 2 months. Participation in the meetings will be by video conference, unless otherwise mutually agreed.
5. Grantee shall provide additional documentation or clarification as requested by HHSC.
6. This grant program may fund activities and costs as allowed by the laws, regulations, rules, and guidance governing fund use identified in the relevant sections of this RFA.

2.6 REQUIRED REPORTS

The System Agency will monitor Grantee’s performance, including, but not limited to, through review of financial and programmatic reports and performance measures, under any Grant Agreement awarded as a result of this RFA.

Each Grantee awarded a Grant Agreement as a result of this RFA must submit the following reports by the due dates in the following table:

REPORT	DUE DATE
Hospital Financial Stability Improvement Plan	By or before 15 calendar days after the Effective Date of the Grant Agreement.
Financial Impact Report – Quarterly	By or before 30 calendar days from the end of the State Fiscal Year quarter being reported.
Supporting Documentation	By or before 90 calendar days from submission of the Financial Impact Report. By or before 45 calendar days from submission of the final Financial Impact Report

Grantee shall provide all applicable reports in the format specified by System Agency in an accurate, complete, and timely manner and shall maintain appropriate supporting backup documentation. Failure to comply with submission deadlines for required reports or other requested information may result in System Agency, in its sole discretion, placing the Grantee on financial hold without first requiring a corrective action plan in addition to pursuing any other corrective or remedial actions under the Grant Agreement.

2.6.1 Hospital Financial Stability Improvement Plan

Grantee shall submit a Hospital Financial Stability Improvement Plan (the “Plan”) to HHSC for review and approval on the form prescribed by HHSC. The Plan must comprise a one 1-page narrative and delineate a 1-year plan that outlines the steps that demonstrate Grantee’s planned progress towards providing greater financial stability of the hospital by the end of the Grant Term. Additionally, the Plan must include any updated information about the proposed Project, its outcomes, and impacts that were documented in the Applicant’s submitted Narrative Proposal from its Application.

The Plan must commence on or before the date of the payment of the grant funds to Grantee. HHSC written approval of the Plan must be obtained by Grantee before HHSC will disperse awarded grant funds to Grantee. Grantee shall maintain compliance with the HHSC-approved Plan during the Grant Term.

2.6.2 Financial Impact Reports

Grantee shall submit a Financial Impact Report (FIR) quarterly to HHSC for HHSC review and assessment. Grantee shall submit each FIR timely as long as funds are being expended.

Through submission of a FIR, Grantee certifies that (1) any applicable invoices have been reviewed to ensure all grant-funded purchases of goods or services have been completed, performed or delivered in accordance with Grant Agreement requirements; (2) all Grantee-performed services have been completed in compliance with the terms of the Grant Agreement; (3) that the amount of the FIR added to all previously approved FIRs does not exceed the maximum liability of the grant award; and (4) all expenses shown on the FIR are allocable, allowable, actual, reasonable, and necessary to fulfill the purposes of the Grant Agreement.

2.6.3 Supporting Documentation

Grantee shall submit to HHSC detailed and accurate evidence of expenditures (e.g., copies of “paid” invoices or copies of receipts) for the corresponding FIR that identify the eligible expenses or costs that were incurred by Grantee using grant funds.

Each “paid” invoice or receipt must include, at a minimum, the following information: (1) Grantee’s name; (2) “remit to” address; (3) Federal ID or other applicable unique identifier; (4) telephone number of Grantee’s accounts receivable contact person or department; and (5) identification of qualifying expenses paid for with grant funds awarded under the Grant Agreement.

Upon HHSC request, Grantee shall submit other documentation in the form, format, and manner prescribed by HHSC.

2.7 PERFORMANCE MONITORING

The System Agency will look solely to Grantee for the performance of all Grantee obligations and requirements in a Grant Agreement resulting from this RFA. Grantee shall not be relieved of its obligations for any nonperformance by its subgrantees or subcontractors, if any.

Grant Agreement(s) awarded as a result of this RFA are subject to the System Agency's performance monitoring activities throughout the duration of the grant Project Period. This evaluation may include an assessment of project activities.

Grantee shall regularly collect and maintain data that measures the performance and effectiveness of activities under a Grant Agreement resulting from this RFA in the manner, and within the timeframes specified in this RFA and resulting Grant Agreement, or as otherwise specified by System Agency.

As directed by System Agency, Grantee shall submit the necessary information and documentation regarding all requirements, including reports and other deliverables, in the form and format prescribed by System Agency.

If requested by System Agency, the Grantee shall report on the progress towards completion of the grant project and other relevant information as determined by System Agency during the Grant Project Period.

2.8 DATA USE AGREEMENT

By submitting an Application in response to this RFA, Applicant agrees to be bound by the terms of **Exhibit G, HHS Data Use Agreement (DUA) – Standard Version 8.5** or, as applicable, **Exhibit G-1, HHS Data Use Agreement – Governmental Entity Version 8.5**, including but not limited to the terms and conditions regarding **Exhibit G-2, Texas HHS System - DUA Attachment – Attachment 2, Security and Privacy Inquiry (SPI)**, attached to this RFA.

2.9 LIMITATIONS ON GRANTS TO UNITS OF LOCAL GOVERNMENT

Pursuant to the General Appropriations Act, Article IX, Section 4.04,

In each Grant Agreement with a unit of local government, grant funds appropriated under the General Appropriations Act will be expended subject to limitations and reporting requirements similar to those provided by:

- (1) Parts 2, 3, and 5 of Article IX of the General Appropriations Act (except there is no requirement for increased salaries for local government employees);
- (2) Sections 556.004, 556.005, and 556.006 of the Government Code; and
- (3) Sections 2113.012 and 2113.101 of the Government Code.

(b) In this section, "unit of local government" means:

- (1) A council of governments, a regional planning commission, or a similar regional planning agency created under Chapter 391, Local Government Code;
- (2) A local workforce development board; or

(3) a community center as defined by Health and Safety Code, §534.001(b).

Section III. Applicant Eligibility Requirements

3.1 LEGAL AUTHORITY TO APPLY

By submitting an Application in response to this RFA, Applicant certifies that it has legal authority to apply for the Grant Agreement that is the subject of this RFA and is eligible to receive awards. Further, Applicant certifies it will continue to maintain any required legal authority and eligibility throughout the entire duration of the Grant Term, if awarded. All requirements apply with equal force to Applicant and, if the recipient of an award, Grantee and its subgrantees or subcontractors, if any.

Each Applicant may only submit one Application for this RFA.

3.2 APPLICATION SCREENING REQUIREMENTS

In order to be considered an Applicant eligible for evaluations, Applicant must be classified as a Rural Hospital.

Applications will be reviewed to assure a complete application was submitted by the deadline established in **Section 7.1, Schedule of Events**, and in accordance with **Section XIII, Submission Checklist**. All complete Applications will move forward to the evaluation stage.

3.3 GRANT AWARD ELIGIBILITY

By submitting an Application in response to this RFA, Applicant certifies that:

1. Applicant and all of its identified subsidiaries intending to participate in the Grant Agreement are eligible to perform grant-funded activities, if awarded, and are not subject to suspension, debarment, or a similar ineligibility determined by any state or federal entity;
2. Applicant is in good standing under the laws of Texas and has provided HHS with any requested or required supporting documentation in connection with this certification;
3. Applicant shall remain in good standing and eligible to conduct its business in Texas and shall comply with all applicable requirements of the Texas Secretary of State and the Texas Comptroller of Public Accounts;
4. Applicant is currently in good standing with all licensing, permitting, or regulatory bodies that regulate any or all aspects of Applicant's operations; and
5. Applicant is not delinquent in taxes owed to any taxing authority of the State of Texas as of the effective date of this Grant Agreement.

3.4 GRANTS FOR POLITICAL POLLING PROHIBITED

Pursuant to the General Appropriations Act, Article IX, Section 4.03, none of the funds appropriated by the General Appropriations Act may be granted to or expended by any entity which performs political polling. This prohibition does not apply to a poll conducted by an academic institution as part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party. By submitting a response to

this RFA, Applicant certifies that it is not ineligible for a Grant Agreement pursuant to this prohibition.

Section IV. Project Period

4.1 PROJECT PERIOD

The Project Period begins upon execution of the Grant Agreement and continues through **August 31, 2026**.

4.2 PROJECT CLOSEOUT

System Agency will programmatically and financially close the grant award and end the Grant Agreement when System Agency determines Grantee has completed all applicable actions and work in accordance with Grant Agreement requirements. The Grantee must submit all required financial, performance, and other reports as required in the Grant Agreement. The project close-out date is 60 calendar days after the termination or expiration of the Grant Agreement, unless otherwise noted in the Grant Agreement.

Funds not expended by Grantee by the termination or expiration of the Grant Agreement will revert to System Agency, and Grantee shall refund to System Agency the unexpended amount upon the earlier of either (1) written request of System Agency or (2) Project closeout date.

Section V. Grant Funding and Reimbursement Information

5.1 GRANT FUNDING SOURCE AND AVAILABLE FUNDING

The Texas Legislature appropriated \$25 million per year for the 2024-25 biennium for rural hospital grants beginning September 1, 2023. The grants will be used for financial stabilization and sustaining maternal care operations for rural hospitals. The Rural Hospital Improvement Grant is a grant program created with these funds. This grant is intended to provide time-limited financial support for operational costs to support hospitals in attaining long-term financial solvency and sustainability. If the facility receives these grant funds, it acknowledges that these grant funds are time-limited and that the allocation methods for the funds will vary from year-to-year and there is no guarantee of future funding beyond the duration for which the funding is awarded.

For this RFA, the total amount of state funding available for the Rural Hospital Improvement Grant is **\$11,550,000.00** for the entire Project Period. It is the System Agency's intention to make one or more awards to applicants that successfully demonstrate a need for hospital improvement activities that improve the financial stability of the hospital. Thirty-three (33) Hospital Improvement grants will be awarded with the maximum amount of \$350,000 per award.

Grant funds must only be used for actual, allowable, and allocable expenses that occur within the Project Period, and grant funds must not be used for spending or costs incurred prior to the effective date of the Grant Agreement.

5.2 NO GUARANTEE OF DISBURSEMENT AMOUNTS

There is no guarantee of total disbursements to be paid to any Grantee under any Grant Agreement, if any, resulting from this RFA. Grantee should not expect to receive additional or continued funding under future RFA opportunities and should maintain sustainability plans in case of discontinued grant funding. Any additional funding or future funding may require submission of a new Application through a subsequent RFA.

Receipt of an Application in response to this RFA does not constitute an obligation or expectation of any award of a Grant Agreement or funding of a grant award at any level under this RFA.

5.3 GRANT FUNDING PROHIBITIONS

Grant funds may not be used to support the following services, activities, and costs:

1. Any use of grant funds to replace (supplant) funds that have been budgeted for the same purpose through non-grant sources, unless approved in writing by System Agency;
2. Inherently religious activities such as prayer, worship, religious instruction, or proselytization;

3. Lobbying or advocacy activities with respect to legislation or to administrative changes to regulations or administrative policy (cf. 18 U.S.C. § 1913), whether conducted directly or indirectly;
4. Any portion of the salary of, or any other compensation for, an elected or appointed government official;
5. Vehicles for general agency use; to be allowable, vehicles must have a specific use related to Project objectives or activities;
6. Entertainment, amusement, or social activities and any associated costs including but not limited to admission fees or tickets to any amusement park, recreational activity or sporting event unless such costs are incurred for components of a program approved by the grantor agency and are directly related to the program's purpose;
7. Costs of promotional items, and memorabilia, including models, gifts, and souvenirs;
8. Food, meals, beverages, or other refreshments, except for eligible per diem associated with grant-related travel, where pre-approved for working events, or where such costs are incurred for components of a program approved by the grantor agency and are directly related to the program's purpose;
9. Membership dues for individuals;
10. Any expenses related to litigation and/or settlement;
11. Any expense or service that is readily available at no cost to the grant Project;
12. Any activities related to fundraising;
13. Any other prohibition imposed by federal, state, or local law; and
14. Other unallowable costs as listed under TxGMS, Appendix 7, Selected Items of Cost Supplement Chart and/or 2 CFR 200, Subpart E – Cost Principles, General Provisions for Selected Items of Cost, where applicable.

5.4 COST SHARING OR MATCHING REQUIREMENTS

Matching funds are not a requirement of this RFA.

5.5 PAYMENT METHOD

System Agency will disperse to Grantee(s) the grant funds awarded under the Grant Agreement upon execution of a Grant Agreement(s) resulting from this RFA and receipt and acceptance of the Hospital Financial Stability Improvement Plan (see **Section 2.6.1, Hospital Financial Stability Improvement Plan**).

Section VI. Application Forms and Exhibits for Submission

Note: Applicants must refer to **Section XIII, Submission Checklist**, for the complete checklist of documents that must be submitted with an Application under this RFA.

6.1 NARRATIVE PROPOSAL

Using **Form B** attached to this RFA, Applicant must provide a written explanation demonstrating how it proposes to use the grant funds to improve financial stability of the Rural Hospital through hospital improvement activities. At a minimum, the response must provide the following information:

1. A description of the proposed Project and how the Project will improve its financial stability;
2. The intended goals and outcomes of the Project;
3. How the Project builds on prior progress or connects to related work by other organizations in the community, making it more timely or compelling;
4. The proposed plan and methodology to sustain the Project or outcomes after grant funds are exhausted;
5. The anticipated impact of the Project in the community served by the Applicant's hospital. Response must specifically address the following:
 - a. Population impact;
 - b. Geographic impact; and
 - c. Financial impact; and
6. The estimated cost of the Project and the impact the grant funding would provide.

6.2 NARRATIVE PROPOSAL PAGE LIMIT AND FORMATTING

The narrative proposal, described in **Section 6.1, Narrative Proposal**, must not exceed two (2) pages. The narrative proposal should be organized in a logical manner and address all information as set forth in **Section 6.1, Narrative Proposal**.

The narrative proposal must be properly paginated, formatted as an 8 ½" x 11" page with 1-inch margins, and use a 12 point or larger font, except that a smaller font may be used for page headers and footers, footnotes, and illustrations such as tables, charts, diagrams, figures, graphs and other visual aids. If a font smaller than 12 point is used, the text when printed on 8 ½" x 11" paper must not require magnification to be legible. Times New Roman font is preferred.

The narrative proposal must not include other documents embedded as electronic files within the text and must not include hypertext links. The narrative proposal, submitted as an electronic file, should be pre-formatted for printing on 8 ½" x 11" paper.

6.3 ADMINISTRATIVE APPLICANT INFORMATION

Using **Form A** attached to this RFA, Applicant must provide requested information that supports its eligibility, and that is completed and signed to receive an Award.

Section VII. RFA Administrative Information and Inquiries

7.1 SCHEDULE OF EVENTS

EVENT	DATE/TIME
Funding Announcement Posting Date Posted to HHS Grants RFA website	March 11, 2025
Applicant Conference Attendance is Optional	March 14, 2025, at 11:30 AM Central Time
Deadline for Submitting Questions or Requests for Clarification	March 18, 2025, at 5:00 PM Central Time
Tentative Date Answers to Questions or Requests for Clarification Posted	On or after March 25, 2025, at 5:00 PM
Deadline for Submission of Applications NOTE: Applications must be <u>RECEIVED</u> by HHSC by this deadline if not changed by subsequent Addenda to be considered eligible.	April 9, 2025, by 10:30 a.m. Central Time
Anticipated Notice of Award	July 2025
Anticipated Project Start Date	August 2025

Applicants must ensure their applications are received by HHSC in accordance with the Deadline for Submission of Applications (date and time) indicated in this Schedule of Events or as changed by subsequent Addenda posted to the [HHS Grants RFA](#) website.

All dates are tentative and HHSC reserves the right to change these dates at any time. At the sole discretion of HHSC, events listed in the Schedule of Events are subject to scheduling changes and cancellation. Scheduling changes or cancellation determinations made prior to the Deadline for Submission will be published by posting an Addendum to the [HHS Grants RFA](#) website. After the Deadline for Submission, if there are delays that significantly impact the anticipated award date, HHSC, at its sole discretion, may post updates regarding the anticipated award date to the [Procurement Forecast](#) on the HHS Procurement Opportunities [web page](#). Each

Applicant is responsible for checking the HHS Grants RFA website and Procurement Forecast for updates.

7.2 SOLE POINT OF CONTACT

All requests, questions or other communication about this RFA shall be made by email **only** to the Grant Specialist designated as HHSC's Sole Point of Contact listed below:

Name	John Norton
Title	Grant Specialist, HHSC Procurement and Contracting Services
Address	Procurement and Contracting Services Building 1100 W 49th St. MC: 2020 Austin, TX 78756
Phone	(512) 776-6140
Email	John.Norton2@hhs.texas.gov

Applicants shall not use this e-mail address for submission of an Application. Follow the instructions for submission as outlined in Section VIII, Application Organization and Submission Requirements.

However, if expressly directed in writing by the Sole Point of Contact, Applicant may communicate with another designated HHS representative, e.g., during grant negotiations as part of the normal grant review process, if any.

Prohibited Communications: Applicants and their representatives shall not contact other HHS personnel regarding this RFA.

This restriction (on only communicating in writing by email with the sole point of contact identified above) does not preclude discussions between Applicant and agency personnel for the purposes of conducting business unrelated to this RFA.

Failure of an Applicant or its representatives to comply with these requirements may result in disqualification of the Application.

7.3 RFA QUESTIONS AND REQUESTS FOR CLARIFICATION

Written questions and requests for clarification of this RFA are permitted if submitted by email to the Sole Point of Contact by the deadline established in **Section 7.1, Schedule of Events**, or as may be amended in Addenda, if any, posted to the HHS Grants RFA websites.

Applicants' names will be removed from questions in any responses released. All questions and requests for clarification must include the following information. Submissions that do not include this information may not be accepted:

1. RFA Number;
2. Section or Paragraph number from this Solicitation;
3. Page Number of this Solicitation;
4. Exhibit or other Attachment and Section or Paragraph number from the Exhibit or other Attachment;
5. Page Number of the Exhibit;
6. Language, Topic, Section Heading being questioned; and
7. Question.

The following contact information must be included in the e-mail submitted with questions or requests for clarification:

1. Name of individual submitting question or request for clarification;
2. Organization name;
3. Phone number; and
4. E-mail address.

Questions or other written requests for clarification must be received by the Sole Point of Contact by the deadline set forth in this Section 7.1, Schedule of Events, or as may be amended in Addenda, if any, posted to the HHS Grants RFA website.

HHSC may review and, at its sole discretion, may respond to questions or other written requests received after the deadline.

7.4 AMBIGUITY, CONFLICT, DISCREPANCY, CLARIFICATIONS

Applicants must notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the RFA in the manner and by the deadline for submitting questions. Each Applicant submits its Application at its own risk.

If Applicant fails to properly and timely notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the RFA, Applicant, whether awarded a Grant Agreement or not:

1. Shall have waived any claim of error or ambiguity in the RFA and any resulting Grant Agreement;
2. Shall not contest the interpretation by the HHSC of such provision(s); and
3. Shall not be entitled to additional reimbursement, relief, or time by reason of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error or its later correction.

7.5 RESPONSES TO QUESTIONS OR REQUEST FOR CLARIFICATIONS

Responses to questions or other written requests for clarification will be consolidated and HHSC will post responses in one or more Addenda on the [HHS Grants RFA](#) website. Responses will not be provided individually to requestors.

HHSC reserves the right to amend answers previously posted at any time prior to the deadline for submission of Applications. Amended answers will be posted on the [HHS Grants RFA](#) website in a separate, new Addendum or Addenda. It is Applicant's responsibility to check the [HHS Grants RFA](#) website or contact the Sole Point of Contact for a copy of the Addendum with the amended answers.

7.6 CHANGES, AMENDMENT OR MODIFICATION TO RFA

HHSC reserves the right to change, amend, modify or cancel this RFA. All changes, amendments and modifications or cancellation will be posted by Addendum on the HHS Grants RFA website.

It is the responsibility of each Applicant to periodically check the HHS Grants RFA website for any additional information regarding this RFA. Failure to check the posting website will in no way release any Applicant or awarded Grantee from the requirements of posted Addenda or additional information. No HHS agency will be responsible or liable in any regard for the failure of any individual or entity to receive notification of any posting to the websites or for the failure of any Applicant or awarded Grantee to stay informed of all postings to these websites. If the Applicant fails to monitor these websites for any changes or modifications to this RFA, such failure will not relieve the Applicant of its obligation to fulfill the requirements as posted.

7.7 EXCEPTIONS AND ASSUMPTIONS

Applicants are highly encouraged, in lieu of including exceptions in their Applications, to address all issues that might be advanced by way of exceptions or assumptions by submitting questions or requests for clarification pursuant to **Section 7.3, RFA Questions and Requests for Clarification**.

No exception, nor any other term, condition, or provision in an Application that differs, varies from, or contradicts this RFA, will be considered to be part of any Grant Agreement resulting from this RFA unless expressly made a part of the Grant Agreement in writing by the System Agency.

7.8 APPLICANT CONFERENCE

HHSC will conduct an Applicant conference on the date and time set out in **Section 7.1, Schedule of Events**, to review the key elements of this RFA. Attendance is optional and not required, however, is strongly encouraged.

People with disabilities who wish to attend the meeting and require auxiliary aids or services should contact the Sole Point of Contact identified in **Section 7.2, Sole Point of Contact**, at least seventy-two (72) hours before the meeting in order to have reasonable accommodations made by HHSC.

The conference may be held by webinar, conference call or both. Attendees are required to sign a conference attendance log and those joining via conference call are required to send an email to the Sole Point of Contact (see **Section 7.2, Sole Point of Contact**)

advising of participation in the conference. Whether signing the conference attendance log in person or sending email notification, each attendee must provide his/her name, attendee's company name, and attendee email address.

All questions and requests for clarification must be presented in writing at the conference. Reference **Section 7.3, RFA Questions and Requests for Clarification**, for the required format and information to be included.

During the conference, HHSC may provide responses; however, HHSC will consolidate the official responses to all questions and requests for clarifications received during the conference and include in an Addendum posted on the HHS Grants RFA website.

HHSC reserves the right to amend responses to questions and requests for clarification after posting at any time prior to the Deadline for Submission of Applications. Amended answers will be posted on the HHS Grants RFA website in a separate, new Addendum or Addenda.

WEBINAR INFORMATION:

The conference will be held through GoToWebinar, which may be accessed at:

<https://attendee.gotowebinar.com/register/4793446731478195037>.

Webinar Instructions:

- (1) Enter Webinar ID: 437-101-171
- (2) Enter Attendee's business email
- (3) To register, the participants must have the following information ready:
 - First and last name of each attendee/registrant
 - E-mail address for the attendee/registrant
 - Applicant's legal name
 - Job title of attendee/registrant

Section VIII. Application Organization and Submission Requirements

8.1 APPLICATION RECEIPT

Applications must be received by HHSC by the Deadline for Submission of Applications specified in **Section 7.1, Schedule of Events**, or subsequent Addenda. HHSC will date and time stamp all Applications upon receipt. Applications received after the Deadline for Submission of Applications may be ruled ineligible. Applicants should allow for adequate time for submission before the posted Deadline for Submission.

No HHS agency will be held responsible for any Application that is mishandled prior to receipt by HHSC. It is the Applicant's responsibility to ensure its Application is received by HHSC before the Deadline for Submission of Applications. No HHS agency will be responsible for any technical issues that result in late delivery, non-receipt of an Application, inappropriately identified documents, or other submission issue that may lead to disqualification.

Note: All Applications become the property of HHSC after submission and receipt and will not be returned to Applicant.

Applicants understand and acknowledge that issuance of this RFA or retention of Applications received in response to this RFA in no way constitutes a commitment to award Grant Agreement(s) as a result of this RFA.

8.2 APPLICATION SUBMISSION

By submitting an Application in response to this Solicitation, Applicant represents and warrants that the individual submitting the Application and any related documents on behalf of the Applicant is authorized to do so and to bind the Applicant under any Grant Agreement that may result from the submission of an Application.

8.3 REQUIRED SUBMISSION METHOD

Applicants must submit their completed Applications by the Deadline for Submission of Applications provided in the **Section 7.1, Schedule of Events**, or subsequent Addenda, using one of the approved methods identified below. Applications submitted by any other method (e.g., facsimile) will not be considered and will be disqualified.

Submission Option #1 HHS Online Bid Room: Applicants shall upload the following documents to the Online Bid Room utilizing the procedures in **Exhibit E, HHS Online Bid Room. File Size Limitation:** Restriction to 250MB per file attachment.

1. One (1) copy marked as "Original Application" that contains the Applicant's entire application, see **Section XIII, Submission Checklist**, in a Portable Document Format ("PDF") file.

2. One (1) copy of the complete Application marked as “Public Information Act Copy,” if applicable, in accordance with **Section 12.1, Texas Public Information Act**, in a Portable Document Format (“PDF”) file.

Submission Option #2 Sealed Package with USB Drives: Applicants shall submit each of the following on separate USB drives:

1. One (1) USB drive with the complete Application file, as set forth in **Section XIII, Submission Checklist**, marked as “Original Application” in a Portable Document Format (“PDF”) file. Include the USB in a separate envelope within the sealed Application package and mark the USB and envelope with “Original Application.”
2. One (1) USB drive with a copy of the complete Application file marked as “Public Information Act Copy,” if applicable and in accordance with **Section 12.1, Texas Public Information Act**. The copy must be in a Portable Document Format (“PDF”) file. Include the USB in a separate envelope within the sealed package and mark the USB and envelope with “Public Information Act Copy” or “PIA Copy.”

Sealed packaged must be clearly labeled with the following:

1. RFA Number
2. RFA Title
3. Application Response Deadline
4. Sole Point of Contact’s name
5. Applicant’s legal name

Applicants are solely responsible for ensuring the USB drives are submitted in sealed packaging that is sufficient to prevent damage to contents and delivered by U.S. Postal Service, overnight or express mail, or hand delivery to the addresses below. No HHS agency will be responsible or liable for any damage.

Overnight/Express/Priority Mail	Hand Delivery
Health and Human Services Commission ATTN: John Norton Tower Building Room 108 1100 W. 49th St., MC 2020 Austin, Texas 78756	Health and Human Services Commission ATTN: John Norton Procurement & Contracting Services Building 1100 W. 49th St., MC 2020 Austin, Texas 78756

8.4 COSTS INCURRED FOR APPLICATION

All costs and expenses incurred in preparing and submitting an Application in response to this RFA and participating in the RFA selection process are entirely the responsibility of the Applicant.

8.5 APPLICATION COMPOSITION

All Applications must:

1. Be responsive to all RFA requirements;
2. Be clearly legible;
3. Be presented using font type Verdana, Arial, or Times New Roman, font size 12 pt., with one (1) inch margins and 1.5 line spacing; the sole 12-point font size exception is no less than size 10 pt. for tables, graphs, and appendices;
4. Include page numbering for each section of the proposal; and
5. Include signature of Applicant's authorized representative on all exhibits and forms requiring a signature. Copies of the Application documents should be made after signature.

8.6 APPLICATION ORGANIZATION

The complete application file PDF must:

1. Be organized in the order outlined in the **Section XIII, Submission Checklist**, and include all required sections (e.g., "Administrative Information", "Narrative Proposal", "Exhibits to be Submitted with Application", and "Addenda").
2. Each Application section must have a cover page with the Applicant's legal name, RFA number, and Name of Grant identified.
3. Include all required documentation, exhibits, and forms completed and signed, as applicable. Copies of forms are acceptable, but all copies must be identical to the original. All exhibits must be submitted and obtained directly from the posted RFA package; previous versions and copies are not allowed or acceptable.

8.7 APPLICATION WITHDRAWALS OR MODIFICATIONS

Prior to the Deadline for Submission of Applications set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda, an Applicant may:

1. Withdraw its Application by submitting a written request to the Sole Point of Contact; or

2. Modify its Application by submitting an entirely new submission, complete in all respects, using one of the approved methods of submission set forth in this RFA. The modification must be received by HHSC by the Deadline for Submission of Applications set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda.

No withdrawal or modification request received after the Deadline for Submission of Applications, set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda, will be considered. Additionally, in the event of multiple Applications received, the most timely received and/or modified Application will replace the Applicant's original and all prior submission(s) in its entirety and the original submission(s) will not be considered.

Section IX. Application Screening and Evaluation

9.1 OVERVIEW

A three-step selection process will be used:

1. Application screening to determine whether the Applicant meets the minimum requirements of this RFA;
2. Evaluation based upon specific criteria (**see Section 9.4, Evaluation Criteria**); and
3. Final selection based upon State priorities and other relevant factors, as outlined in **Section 10.1, Final Selection**.

9.2 INITIAL COMPLIANCE SCREENING OF APPLICATIONS

All Applications received by the Deadline for Submission of Applications as outlined in **Section 7.1, Schedule of Events**, or subsequent Addenda, will be screened by HHSC to determine which Applications meet all the minimum requirements of this RFA and are deemed responsive and qualified for further consideration. See **Section 3.2, Application Screening Requirements**.

At the sole discretion of HHSC, Applications with errors, omissions, or compliance issues may be considered non-responsive and may not be considered. The remaining Applications will continue to the evaluation stage and will be considered in the manner and form as which they are received. HHSC reserves the right to waive minor informalities in an Application. A “minor informality” is an omission or error that, in the determination of HHSC if waived or modified, would not give an Applicant an unfair advantage over other Applicants or result in a material change in the Application or RFA requirements. **Note:** Any disqualifying factor set forth in this RFA does not constitute an informality.

HHSC, at its sole discretion, may give an Applicant the opportunity to submit missing information or make corrections at any point after receipt of Application. The missing information or corrections must be submitted to the Sole Point of Contact e-mail address in **Section 7.2, Sole Point of Contact**, by the deadline set by HHSC. Failure to respond by the deadline may result in the rejection of the Application and the Applicant’s not being considered for award.

9.3 QUESTIONS OR REQUESTS FOR CLARIFICATION FOR APPLICATIONS

System Agency reserves the right to ask questions or request clarification or revised documents for a submitted Application from any Applicant at any time prior to award. System Agency reserves the right to select qualified Applications received in response to this RFA without discussion of the Applications with Applicants.

9.4 EVALUATION CRITERIA

Applications will be evaluated and scored in accordance with the following scoring criteria. See **Exhibit D, Rural Hospital Improvement Evaluation Tool**.

Scoring Criteria: Qualified Applications shall be evaluated based upon:

1. Proposed Project (50%);
2. Community Impact (40%); and
3. Cost (10%).

9.5 PAST PERFORMANCE

System Agency reserves the right to request additional information and conduct investigations as necessary to evaluate any Application. By submitting an Application, the Applicant generally releases from liability and waives all claims against any party providing information about the Applicant at the request of System Agency.

System Agency may examine Applicant's past performance which may include, but is not limited to, information about Applicant provided by any governmental entity, whether an agency or political subdivision of the State of Texas, another state, or the Federal government.

Past performance information regarding Applicants may include, but is not limited to:

- Notices of termination;
- Cure notices;
- Assessments of liquidated damages;
- Litigation;
- Audit reports; and
- Non-renewals of grants or contracts based on Applicant's unsatisfactory performance.

Applicants also may be rejected as a result of unsatisfactory past performance under any grant(s) or contract(s) as reflected in vendor performance reports, reference checks, or other sources. An Applicant's past performance may be considered in the initial screening process and prior to making an award determination.

Reasons for which an Applicant may be denied a Grant Agreement at any point after application submission include, but are not limited to:

1. If applicable, Applicant has an unfavorable report or grade on the CPA Vendor Performance Tracking System (VPTS). VPTS may be accessed at:

<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>, OR,

2. Applicant is currently under a corrective action plan through HHSC or DSHS, OR,
3. Applicant has had repeated, negative vendor performance reports for the same reason, OR,
4. Applicant has a record of repeated non-responsiveness to vendor performance issues, OR,
5. Applicant has contracts or purchase orders that have been cancelled in the previous 12 months for non-performance or substandard performance, OR
6. Any other performance issue that demonstrates that awarding a Grant Agreement to Applicant would not be in the best interest of the State.

9.6 COMPLIANCE FOR PARTICIPATION IN STATE CONTRACTS

Prior to award of a Grant Agreement as a result of this RFA and in addition to the initial screening of Applications, all required verification checks will be conducted.

The information (e.g., legal name and, if applicable, assumed name (d/b/a), tax identification number, DUNS number) provided by Applicant will be used to conduct these checks. At System Agency's sole discretion, applicants found to be barred, prohibited, or otherwise excluded from award of a Grant Agreement may be disqualified from further consideration under this solicitation, pending satisfactory resolution of all compliance issues.

Checks include:

1. State of Texas Debarment and Warrant Hold

Applicant must not be debarred from doing business with the State of Texas (<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/debarred-vendors.php>) or have an active warrant or payee hold placed by the Comptroller of Public Accounts (CPA).

2. U.S. System of Award Management (SAM) Exclusions List

Applicant must not be excluded from contract participation at the federal level. This verification is conducted through SAM, the official website of the U.S. Government which may be accessed at: <https://sam.gov/content/exclusions/federal>

3. Divestment Statute Lists

Applicant must not be listed on the Divestment Statute Lists provided by CPA, which may be accessed at: <https://comptroller.texas.gov/purchasing/publications/divestment.php><https://comptroller.texas.gov/purchasing/publications/divestment.php>

- a. Companies that boycott Israel;
- b. Companies with Ties to Sudan;
- c. Companies with Ties to Iran;
- d. Foreign Terrorist Organizations; and
- e. Companies with Ties to Foreign Terrorist Organizations.

4. HHS Office of Inspector General

Applicant must not be listed on the HHS Office of Inspector General Texas Exclusions List for people or businesses excluded from participating as a provider: <https://oig.hhsc.state.tx.us/oigportal2/Exclusions>

5. U.S. Department of Health and Human Services

Applicant must not be listed on the U.S. Department of Health and Human Services Office of Inspector General's List of Excluded Individuals/Entities (LEIE), excluded from participation as a provider, unless a valid waiver is currently in effect: <https://exclusions.oig.hhs.gov/>.

Additionally, if a subrecipient under a federal award, the Grantee shall comply with requirements regarding registration with the U.S. Government's System for Award Management (SAM). This requirement includes maintaining an active SAM registration and the accuracy of the information in SAM. The Grantee shall review and update information at least annually after initial SAM registration and more frequently as required by 2 CFR Part 25.

For grantees that may make procurements using grant funds awarded under the Grant Agreement, Grantee must check SAM Exclusions that contain the names of ineligible, debarred, and/or suspended parties. Grantee certifies through acceptance of a Grant Agreement it will not conduct business with any entity that is an excluded entity under SAM.

HHSC reserves the right to conduct additional checks to determine eligibility to receive a Grant Agreement.

Section X. Award of Grant Agreement Process

10.1 FINAL SELECTION

After initial screening for eligibility and Application completeness, and initial evaluation against the criteria listed in **Section 9.4, Evaluation Criteria**, the System Agency may apply other considerations such as program policy or other selection factors that are essential to the process of selecting Applications that individually or collectively achieve program objectives. In applying these factors, the System Agency may consult with internal and external subject matter experts. The funding methodology for issuing final Grant Agreements will include the following identified factors:

1. Impact of the improvement on the Rural Hospital's financial stabilization;
2. Reasonableness and appropriate use of funds; and
3. Geographic distribution across the state.

The System Agency will make final funding decisions based on Applicant eligibility, evaluation rankings, the funding methodology above, and state priorities, availability of funding, cost-effectiveness, and other relevant factors.

All funding recommendations will be considered for approval by the HHSC Program Deputy Executive Commissioner, or their designee.

10.2 NEGOTIATIONS

After selecting Applicants for award, the System Agency may engage in negotiations with selected Applicants. As determined by System Agency, the negotiation phase may involve direct contact between the selected Applicant and HHS representatives by virtual meeting, by phone and/or by email. Negotiations should not be interpreted as a preliminary intent to award funding unless explicitly stated in writing by the System Agency and is considered a step to finalize the application to a state of approval and discuss proposed grant activities. During negotiations, selected Applicants may expect:

1. An in-depth discussion of the submitted Application and Requested Budget; and
2. Requests from the System Agency for revised documents, clarification or additional detail regarding the Applicant's submitted Application. These clarifications and additional details, as required, must be submitted in writing by Applicant as finalized during the negotiation.

10.3 DISCLOSURE OF INTERESTED PARTIES

Subject to certain specified exceptions, Section 2252.908 of the Texas Government Code, Disclosure of Interested Parties, applies to a contract of a state agency that has a value of \$1 million or more; requires an action or vote by the governing body of the entity or agency before the contract may be signed; or is for services that would require a person to register as a lobbyist under Chapter 305 of the Texas Government Code.

One of the requirements of Section 2252.908 is that a business entity (defined as “any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation”) must submit a Form 1295, Certificate of Interested Parties, to the System Agency at the time the business entity submits the signed contract.

Applicant represents and warrants that, if selected for award of a Grant Agreement as a result of this RFA, Applicant will submit to the System Agency a completed, certified and signed Form 1295, Certificate of Interested Parties, at the time the potential Grantee submits the signed Grant Agreement.

The Form 1295 involves an electronic process through the Texas Ethics Commission (TEC). The on-line process for completing the Form 1295 may be found on the TEC public website at: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. .

Additional instructions and information to be used to process the Form 1295 will be provided by the System Agency to the potential Grantee(s). Grantee may contact Sole Point of Contact or designated Contract Manager for information needed to complete Form 1295.

If the potential Grantee does not submit a completed, certified and signed TEC Form 1295 to the System Agency with the signed Grant Agreement, the System Agency is prohibited by law from executing a contract, even if the potential Grantee is otherwise eligible for award. The System Agency, as determined in its sole discretion, may award the Grant Agreement to the next qualified Applicant, who will then be subject to this procedure.

10.4 EXECUTION AND ANNOUNCEMENT OF GRANT AGREEMENT(S)

The System Agency intends to award one or more Grant Agreements as a result of this RFA. However, not all Applicants who are deemed eligible to receive funds are assured of receiving a Grant Agreement.

At any time and at its sole discretion, System Agency reserves the right to cancel this RFA, make partial award, or decline to award any Grant Agreement(s) as a result of this RFA.

The final funding amount and the provisions of the grant will be determined at the sole discretion of System Agency.

HHSC may announce tentative funding awards through an “Intent to Award Letter” once the HHSC Program Deputy Executive Commissioner and relevant HHSC approval authorities have given approval to initiate and/or execute grants. Receipt of an “Intent to Award Letter” does not authorize the recipient to incur expenditures or begin project activities, nor does it guarantee current or future funding.

Upon execution of a Grant Agreement(s) as a result of this RFA, HHSC will post a notification of all grants awarded to the [HHS Grants RFA](#) website.

Section XI. General Terms and Conditions

11.1 GRANT APPLICATION DISCLOSURE

In an effort to maximize state resources and reduce duplication of effort, the System Agency, at its discretion, may require the Applicant to disclose information regarding the application for or award of state, federal, and/or local grant funding to the Applicant or subgrantee or subcontractor (i.e., organization who will participate, in whole or in part, in the operation of the Project) within the past two (2) years to provide hospital improvement activities.

11.2 TEXAS HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

In procuring goods and services using funding awarded under this RFA, Grantee must use HUBs or other designated businesses as required by law or the terms of the state or federal grant under which this RFA has been issued. See, e.g., 2 CFR 200.321. If there are no such requirements, System Agency encourages Applicant to use HUBs to provide goods and services.

For information regarding the Texas HUB program, refer to CPA's website: <https://comptroller.texas.gov/purchasing/vendor/hub/>.

Section XII. Application Confidential or Proprietary Information

12.1 TEXAS PUBLIC INFORMATION ACT – APPLICATION DISCLOSURE REQUIREMENTS

Applications and resulting Grant Agreements are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request. Other legal authority also requires System Agency to post grants and applications on its public website and to provide such information to the Legislative Budget Board for posting on its public website.

Under the PIA, certain information is protected from public release. If Applicant asserts that information provided in its Application is exempt from disclosure under the PIA, Applicant must:

1. **Mark Original Application:**
 - a. Mark the Original Application, at the top of the front page, with the words “CONTAINS CONFIDENTIAL INFORMATION” in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font); and
 - b. Identify, adjacent to each portion of the Application that Applicant claims is exempt from public disclosure, the claimed exemption from disclosure (NOTE: no redactions are to be made in the Original Application);
2. **Certify in Original Application – HHS Solicitation:** Certify, in the designated section of the **Exhibit A, HHS Solicitation Affirmations**, Applicant’s confidential information assertion and the filing of its Public Information Act Copy; and
3. **Submit Public Information Act Copy of Application:** Submit a separate “Public Information Act Copy” of the Original Application (in addition to the original and all copies otherwise required under the provisions of this RFA). The Public Information Act Copy must meet the following requirements:
 - a. The copy must be clearly marked as “Public Information Act Copy” on the front page in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font);
 - b. Each portion Applicant claims is exempt from public disclosure must be redacted (blacked out); and
 - c. Applicant must identify, adjacent to each redaction, the claimed exemption from disclosure. Each identification provided as required in **Subsection (3) of this section** must be identical to those set forth in the Original Application as required in **Subsection 1(b)**, above. The only difference in required markings and information between the Original Application and the “Public Information Act Copy” of the Application will be redactions – which can only be included in the “Public Information Act Copy.” There must be no redactions in the Original Application.

By submitting an Application under this RFA, Applicant agrees that, if Applicant does not mark the Original Application, provide the required certification in Exhibit A, HHS Solicitation Affirmations, and submit the Public Information Act Copy, the Application will be considered to be public information that may be released to the public in any manner including, but not limited to, in accordance with the Public Information Act, posted on the System Agency's public website, and posted on the Legislative Budget Board's public website.

If any or all Applicants submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, the System Agency, in its sole discretion, reserves the right to (1) disqualify all Applicants that fail to fully comply with the requirements set forth in this section, or (2) to offer all Applicants that fail to fully comply with the requirements set forth in this section additional time to comply.

No Applicant should submit a Public Information Act Copy indicating that the entire Application is exempt from disclosure. Merely making a blanket claim that the entire Application is protected from disclosure because it contains any amount of confidential, proprietary, trade secret, or privileged information is not acceptable, and may make the entire Application subject to release under the PIA.

Applications should not be marked or asserted as copyrighted material. If Applicant asserts a copyright to any portion of its Application, by submitting an Application, Applicant agrees to reproduction and posting on public websites by the State of Texas, including the System Agency and all other state agencies, without cost or liability.

The System Agency will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this RFA, Applicant acknowledges that all information, documentation, and other materials submitted in its Application may be subject to public disclosure under the PIA. The System Agency does not have authority to agree that any information submitted will not be subject to disclosure. Disclosure is governed by the PIA and by rulings of the Office of the Texas Attorney General. Applicants are advised to consult with their legal counsel concerning disclosure issues resulting from this process and to take precautions to safeguard trade secrets and proprietary or otherwise confidential information. The System Agency assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Applicants.

For more information concerning the types of information that may be withheld under the PIA or questions about the PIA, please refer to the Public Information Act Handbook published by the Office of the Texas Attorney General or contact the attorney general's Open Government Hotline at (512) 478-OPEN (6736) or toll-free at (877) 673-6839 (877-OPEN TEX). To access the Public Information Act Handbook, please visit the attorney general's website at <http://www.texasattorneygeneral.gov>.

12.2 APPLICANT WAIVER – INTELLECTUAL PROPERTY

SUBMISSION OF ANY DOCUMENT TO ANY HHS AGENCY IN RESPONSE TO THIS SOLICITATION CONSTITUTES AN IRREVOCABLE WAIVER, AND AGREEMENT BY THE SUBMITTING PARTY TO FULLY INDEMNIFY THE STATE OF TEXAS AND HHS FROM ANY CLAIM OF INFRINGEMENT REGARDING THE INTELLECTUAL PROPERTY RIGHTS OF THE SUBMITTING PARTY OR ANY THIRD PARTY FOR ANY MATERIALS SUBMITTED TO HHS BY THE SUBMITTING PARTY.

Section XIII. Submission Checklist

HHSC, in its sole discretion, will review all Applications received and will determine if any or all Applications which do not include complete, signed copies of these exhibits and/or addenda, will be disqualified or whether additional time will be permitted for submission of the incomplete or missing exhibits. If additional time is permitted, Applicants will be notified in writing of the opportunity to provide the missing documentation by a specified deadline. Failure by an Applicant to submit the requested documentation by the deadline WILL result in disqualification. Applications that do not include Exhibit A, HHS Solicitation Affirmations (completed and signed) will be disqualified. See Section 9.2, Initial Compliance Screening of Applications for further detail.

This Submission Checklist identifies the documentation, forms, and exhibits that are required to be submitted as part of the Application.

The Application must be organized in the order below and include each required section and the forms and exhibits identified within a section:

1. Administrative Information

- a. Form A: Rural Hospital Improvement Applicant Information _____

(NOTE: Ensure the document is SIGNED.)

2. Narrative Proposal

- a. Form B: Rural Hospital Improvement Narrative Proposal _____

3. Exhibits to be Completed, Signed, and Submitted with Application

- a. Exhibit A – HHS Solicitation Affirmations v. 2.6, Effective November 2004 _____

Exhibit A is mandatory and must be completed, signed and submitted for the Application to be considered responsive. Applications received without Exhibit A or with an unsigned Exhibit A may be disqualified.

- b. Exhibit F – Exceptions and Assumptions Form (if applicable) _____

- c. Exhibit G-2, Texas HHS System - Data Use Agreement – Attachment 2, Security and Privacy Inquiry (SPI) _____

4. Addenda: Each Addendum, if any, must be signed and submitted with the Application.

Section XIV. List of Exhibits and Forms Attached to RFA

Exhibits

Exhibit A – HHS Solicitation Affirmations v. 2.6, Effective November 2024

Exhibit B – HHS Uniform Terms and Conditions – Grant, version 3.5, Effective September 2004

Exhibit C – Additional Provisions – Grant Funding, Version 1.0

Exhibit D – Rural Hospital Improvement Evaluation Tool

Exhibit E – HHS Online Bid Room

Exhibit F – Exceptions and Assumptions Form

Exhibit G – HHS Data Use Agreement (DUA) – Standard Version 8.5

Exhibit G-1 – HHS Data Use Agreement - Governmental Entity Version 8.5

Exhibit G-2 – Texas HHS System - Data Use Agreement – Attachment 2, Security and Privacy Inquiry (SPI)

Forms

Form A – Rural Hospital Improvement Applicant Information

Form B – Rural Hospital Improvement Narrative Proposal