



**TEXAS**  
**Health and Human Services**

**TEXAS DEPARTMENT OF STATE HEALTH SERVICES**

**OPEN ENROLLMENT (OE)**  
**for**  
**Federally Qualified Health Center Incubator**  
**Project Based Program**

**Open Enrollment # HHS0016898**

**NIGP Class/Item No.: 948-47**

**Date of Release: 2026**

**Response Due: July 31, 2026, 5:00pm Central Time**

## TABLE OF CONTENTS

<b>SECTION 1. SCHEDULE OF EVENTS</b>	4
<b>SECTION 2. OVERVIEW</b>	4
2.1. INTRODUCTION	4
2.2. LEGAL AUTHORITY	5
2.3. NO GUARANTEE OF VOLUME, USAGE, OR COMPENSATION	5
<b>SECTION 3. DEFINITIONS AND ACRONYMS</b>	5
<b>SECTION 4. GENERAL INFORMATION</b>	7
4.1. SOLE POINT OF CONTACT	7
4.2. CHANGES, MODIFICATIONS AND CANCELLATION	7
4.3. OFFER PERIOD	8
4.4. COSTS INCURRED	8
4.5. OE QUESTIONS OR CLARIFICATIONS	8
<b>SECTION 5. HUB SUBCONTRACTING PLAN (HSP) REQUIREMENTS</b>	10
<b>SECTION 6. CONTRACT TERM</b>	10
6.1. TERM OF CONTRACT	10
6.2. EXTENSION OPTION	10
<b>SECTION 7. MINIMUM QUALIFICATIONS</b>	10
7.1. ELIGIBILITY CRITERIA	11
7.2. Licensure and Accreditation	11
7.3. DRAFT WORKPLAN	12
7.3.1. INTRODUCTION	12
7.3.2. DRAFT WORKPLAN REQUIREMENTS	12
<b>SECTION 8. STATEMENT OF WORK</b>	14
8.1. PROJECT OVERVIEW	14
8.2. STATEMENT OF WORK TO BE CONDUCTED	14
8.3. DSHS CONTRACT ADMINISTRATION	19
8.4. PERFORMANCE CRITERIA	20
8.4.1. SPECIFIC PERFORMANCE STANDARDS	20
8.5. CONTRACTOR PERSONNEL PERFORMANCE	20
8.6. NOTICE OF CRIMINAL ACTIVITY	21
8.7. NOTICE OF INSOLVENCY OR INDEBTEDNESS	22
8.8. INVOICE REQUIREMENTS AND PAYMENT	22
8.8.1. INVOICE REQUIREMENTS	22
8.8.2. PAYMENT	23
8.9. TERMS AND CONDITIONS	23
8.10. STANDARDS OF CONDUCT FOR VENDORS	23
<b>SECTION 9. INSURANCE</b>	24
9.1. MALPRACTICE INSURANCE	24
9.2. CONTRACTOR INSURANCE	24

**SECTION 10. PERMITS, LICENSES, AND CERTIFICATIONS** Contractor is required to maintain all required permits, licenses, and certifications for the business throughout the term of the Contract. Contractor and Contractor's personnel and subcontractors, if any, must also maintain individual required permits, licenses, and certifications during the term of the Contract. Contractor is responsible for ensuring all Contractor staff and subcontractors, if any, hold current, valid, and applicable licenses

and/or certifications in good standing. Contractor shall provide copies of licenses and/or certifications at DSHS's request. ....	24
<b>SECTION 11. CONFIDENTIAL OR PROPRIETARY INFORMATION</b> .....	25
<b>11.1. PUBLIC INFORMATION ACT</b> .....	25
<b>11.2. APPLICANT WAIVER – INTELLECTUAL PROPERTY</b> .....	27
<b>SECTION 12. BINDING OFFER</b> .....	27
<b>SECTION 13. REQUIRED APPLICATION DOCUMENTS</b> .....	27
<b>SECTION 14. APPLICATION SUBMISSION REQUIREMENTS</b> .....	28
<b>14.1. E-MAIL SUBMISSION</b> .....	29
<b>14.2. RECEIPT OF APPLICATION</b> .....	30
<b>SECTION 15. SCREENING OF APPLICATIONS</b> .....	30
<b>SECTION 16. AWARD PROCESS</b> .....	32
<b>16.1. CONTRACT AWARD AND EXECUTION</b> .....	32
<b>16.2. COMPLIANCE FOR PARTICIPATION IN STATE CONTRACTS</b> .....	32
<b>16.2.1. REQUIRED PRE-AWARD VERIFICATIONS</b> .....	32
<b>16.2.2. ADDITIONAL REQUIRED PRE-AWARD VERIFICATIONS</b> .....	34
<b>16.3. AWARD TO GOVERNMENTAL ENTITIES</b> .....	34
<b>SECTION 17. DISCLOSURE OF INTERESTED PARTIES</b> .....	35

## SECTION 1. SCHEDULE OF EVENTS

<b>Enrollment Period Opens</b> (Posted to HHS OE Opportunities webpage)	<b><i>February 2026</i></b>
<b>Enrollment Period Closes</b> (Final date for RECEIPT of Applications)	<b><i>July 31, 2026</i></b>
<b>Anticipated Contract Start Date</b>	<b>The effective date of a Contract, if any, awarded to an Applicant will be determined at the sole discretion of DSHS.</b>

Applications must be **received** by Texas Department of State Health Services (DSHS) prior to the closing date of **July 31, 2026** as indicated in this Schedule of Events or as changed via an Addendum posted to the HHS Open Enrollment Opportunities webpage. Every Applicant is solely responsible for ensuring its Application is received before the submission period closes on **July 31, 2026**. DSHS is not responsible for lost, misdirected, or late applications.

The dates in the Schedule of Events are tentative. DSHS reserves the right to modify these dates at any time by posting an Addendum to the HHS Open Enrollment Opportunities webpage.

By submitting an Application, the Applicant represents and warrants that any 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 resulting contract.

### Withdrawal of Application:

Applications may be withdrawn from consideration or amended at any time prior to the "Enrollment Period Closes" date by emailing a request to the Point of Contact, Section 4. The e-mail subject line should contain the OE number and title as indicated on the cover page. The Applicant is solely responsible for ensuring requests are received timely by DSHS. DSHS is not responsible for lost, misdirected or late emails.

## SECTION 2. OVERVIEW

### 2.1. INTRODUCTION

DSHS is an agency within the Texas Health and Human Services (HHS) system.

DSHS is seeking Applications for the purpose of establishing contracts under the Federally Qualified Health Center (FQHC) Incubator - Project Based Program (PBP). Contracts will be awarded to existing Federally Qualified Health Centers (FQHCs) and FQHC Look-alikes for \$650,000 under this OE. The aim of this

program is to expand services or access to care at existing FQHCs and FQHC Look-alikes.

To be considered for an award, Applicants must submit a comprehensive Application which meets all eligibility requirements outlined in this OE and includes all requested documentation.

## **2.2. LEGAL AUTHORITY**

This OE is entered into pursuant to Texas Government Code Chapters 532 and 540, Texas Health and Safety Code Chapters 12 and 1001, Texas Human Resources Code Chapter 32, Texas Government Code Section 2155.144, and Senate Bill 1, 89<sup>th</sup> Legislature, Regular Session, 2025.

## **2.3. NO GUARANTEE OF VOLUME, USAGE, OR COMPENSATION**

DSHS does not guarantee any volume, usage, or compensation to be paid to any Contractor under any Contract resulting from this OE. Additionally, all contracts resulting from this OE are subject to appropriations, the availability of funds, and termination.

## **SECTION 3. DEFINITIONS AND ACRONYMS**

Unless the context clearly indicates otherwise, throughout this OE, the definition given to a term below applies whenever the term appears in this OE, in any Application submitted in response to this OE, and in any Contract awarded as a result of this OE. All other terms have their ordinary and common meaning.

<b>TERM</b>	<b>DEFINITION</b>
<b>Addendum</b>	A written clarification or revision to this OE. All Addenda will be posted to the HHS OE Opportunities web page.
<b>Application</b>	All information and materials submitted by an Applicant in response to this OE.
<b>Applicant</b>	Any person or entity that submits an Application in response to this OE.
<b>Contract</b>	Any Contract(s) awarded resulting from this OE.
<b>Contractor (Provider)</b>	Each Applicant, if any, awarded a Contract as a result of this OE. May also be referred to as Provider. Unless the context clearly indicates otherwise, all terms and conditions of this OE and resulting Contract that refer to Applicant apply with equal force to Contractor (Provider).

<b>TERM</b>	<b>DEFINITION</b>
<b>Federally Qualified Health Center (FQHC)</b>	A Federally Qualified Health Center (FQHC) is a community-based health care center that receives funds from the Health Resources & Services Administration (HRSA) Health Center Program to provide high quality Primary Care Services to underserved populations consistent with <a href="#">Health Center Program requirements</a> .
<b>FQHC Look-alike</b>	A FQHC Look-alike is a HRSA designated community-based health center that provides high quality Primary Care Services consistent with <a href="#">Health Center Program requirements</a> to underserved populations. They do not receive Health Center Program funding but are eligible for other benefits from the HRSA.
<b>HHS Agency</b>	The Health and Human Services Commission (HHSC) and the DSHS may be identified separately as a 'HHS Agency' or collectively as the 'HHS Agencies' in this OE or any resulting Contract(s)
<b>HHS Open Enrollment Opportunities</b>	The HHS web page where OEs are posted: <a href="https://apps.hhs.texas.gov/pcs/openenrollment.cfm">https://apps.hhs.texas.gov/pcs/openenrollment.cfm</a>
<b>Health professional Shortage Area (HPSA)</b>	A geographic area, population group, or health care facility that has been designated by the Health Resources and Services Administration (HRSA) as having a shortage of health professionals. There are three categories of HPSAs, Primary Care, Dental Health, and Mental Health.
<b>Health Resources and Services Administration (HRSA)</b>	The Federal agency that oversees the Health Center Program (including FQHCs and FQHC Look-alikes).
<b>HUB</b>	A Historically Underutilized Business, as defined by Chapter 2161, Texas Government Code.
<b>HUB Subcontracting Plan or HSP</b>	The Historically Underutilized Business Subcontracting Plan (HSP) required by Chapter 2161 of the Texas Government Code for contracts with an expected value of \$100,000 or more and where subcontracting opportunities have been determined to be probable.
<b>Medically Underserved Area (MUA)</b>	Counties, a group of counties or civil divisions, or a group of urban census tracts in which residents have a shortage of personal health services. The Index of Medical Underservice designates MUAs as a subset of a Medically Underserved Community. More information can be found on the <a href="#">HRSA website</a> .

<b>TERM</b>	<b>DEFINITION</b>
<b>Medically Underserved Population (MUP)</b>	Federally designated population groups having a shortage of personal health services, often defined as groups who face economic, cultural, or linguistic barriers to health care, and limited access to services. The Index of Medical Underservice designates MUPs. More information can be found on the <a href="#">HRSA website</a> .
<b>Open Enrollment (OE)</b>	This document, including all exhibits, attachments, and addenda, as applicable, posted on the OE Opportunities webpage.
<b>Statement of Work</b>	The description of services and deliverables in this OE that the Contractor (Provider) is required to provide under the Contract.

## **SECTION 4. GENERAL INFORMATION**

### **4.1. SOLE POINT OF CONTACT**

All questions, requests for clarification, or other communication about this OE shall be made in writing only to the DSHS sole point of contact listed below.

Attempts to ask questions by phone or in person will not be allowed or recognized as valid.

Mimi Alegria, MPA, CTCM  
Contract Administration Manager  
Email: [FQHCIncubator.Contracts@dshs.texas.gov](mailto:FQHCIncubator.Contracts@dshs.texas.gov)

**To be considered for contract award, applications must only be submitted to this address. See Section 14 for submission requirements.**

**Do not contact other HHS Agency personnel regarding this OE.**

**This restriction, as to only communicating in writing with the DSHS sole point of contact identified above, does not preclude discussions between Applicant and agency personnel for the purposes of conducting business unrelated to this OE.**

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

### **4.2. CHANGES, MODIFICATIONS AND CANCELLATION**

DSHS reserves the right to change, amend, modify or cancel this OE at any time.

All Applications, including those submitted after cancellation of the OE, become the property of DSHS upon receipt.

#### **4.2.1. ADVERTISEMENT OF CHANGES, MODIFICATIONS OR CANCELLATION**

If DSHS determines that the OE needs to be changed or modified, either an addendum will be posted on the OE Opportunities webpage, or the OE will be canceled. The action to be taken will be determined at the sole discretion of DSHS. Furthermore, if the OE will be canceled, DSHS will determine, in its sole discretion, if a new OE will be posted.

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 Open Enrollment Opportunities webpage.

It is the responsibility of each Applicant to monitor the Open Enrollment Opportunities webpage for any Addenda or additional information regarding this OE. Failure to monitor the Open Enrollment Opportunities webpage will in no way release or relieve any Applicant or Contractor of its obligations to fulfill the requirements as posted.

#### **4.3. OFFER PERIOD**

By submitting an Application in response to this OE, Applicant agrees that its Application will remain a firm and binding offer to enter into a Contract under all terms and conditions of this OE for at least 240 days from the date applications are due, as stated in **Exhibit A, HHS Solicitation Affirmations**, unless withdrawn by the Applicant before the Enrollment Period closes.

An Applicant may extend the time for which its Application will be honored and include the extended period in the Application.

#### **4.4. COSTS INCURRED**

DSHS accepts no obligations for costs incurred in preparing, submitting, and screening an Application, including, but not limited to, costs or expenses related to contract execution.

Applicants understand that issuance of this OE or retention of Applications in no way constitutes a commitment by DSHS to award a Contract. All Applications shall be prepared simply and economically, providing a straightforward, concise delineation of the Applicant's capabilities to satisfy the requirements of this OE and submitted at the sole expense of the Applicant.

#### **4.5. OE QUESTIONS OR CLARIFICATIONS**



#### **4.5.1. QUESTIONS AND REQUESTS FOR CLARIFICATION**

Written questions and requests for clarification regarding this OE are permitted if submitted by e-mail to the Sole Point of Contact, Section 4.1.

Responses to questions and requests for clarification will not be posted. However, if DSHS determines, based on a question, request for clarification, or any other factor (including, but not limited to notices of ambiguity, conflict, or discrepancy as referenced in Section 4.5.3, below), that the OE needs to be amended or clarified, either an addendum will be posted on the Open Enrollment Opportunities webpage, or the OE will be canceled. The action to be taken will be determined at the sole discretion of DSHS. Furthermore, if the OE is canceled, DSHS will determine, in its sole discretion, if a new OE will be posted.

#### **4.5.2. QUESTION AND CLARIFICATION FORMAT**

Questions and requests for clarification must include the following information:

- a. the OE Number
- b. the question or request for clarification, providing the following information:
  - OE language, topic, section heading
  - Section, Paragraph and Page number(s) or Exhibit/Attachment

The requestor must provide the following contact information:

- Legal Business Name
- Legal Business Representative Name
- Phone Number
- E-Mail address

#### **4.5.3. AMBIGUITY, CONFLICT, DISCREPANCY**

Applicants must notify the Sole Point of Contact, Section 4.1, of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the OE. Notices must be submitted in the same manner for submitting questions.

Each Applicant submits its Application at its own risk.

If an Applicant fails to properly and timely notify the Sole Point of Contact, Section 4.1, of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the OE, the Applicant, whether awarded a contract or not:

- a. shall have waived any claim of error or ambiguity in the OE and any resulting contract,
- b. shall not contest the interpretation by DSHS of such provision(s), and
- c. shall not be entitled to additional compensation, relief, or time by reason of ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error or its later correction.

## **SECTION 5. HUB SUBCONTRACTING PLAN (HSP) REQUIREMENTS**

It is the policy of HHS to promote and encourage contracting and subcontracting opportunities for State of Texas-certified Historically Underutilized Businesses (HUBs) in all contracts in compliance with [Chapter 2161 of the Texas Government Code](#) and [Title 34, Part 1, Chapter 20, Subchapter D, Division 1 of the Texas Administrative Code](#).

Applicants who may be eligible are encouraged to become HUB certified and may access more information including the State of Texas HUB Application at the CPA website at: <https://comptroller.texas.gov/purchasing/vendor/hub/>.

HHS has determined subcontracting opportunities are not probable under this OE; therefore, a **HSP is not required to be submitted with the Application.**

## **SECTION 6. CONTRACT TERM**

### **6.1. TERM OF CONTRACT**

DSHS may award one or more Contracts under this OE.

Any Contract resulting from this OE will be effective on the signature date of the latter of the Parties to sign the agreement and will expire on August 31, 2027, unless terminated earlier pursuant to the terms and conditions of the Contract.

### **6.2. EXTENSION OPTION**

DSHS, at its sole option and subject to availability of funding, may extend the Contract beyond the initial term for up to one year as necessary to ensure continuity of service, to process a new OE to award new contract(s), for purposes of transition, or as otherwise determined to serve the best interest of the State of Texas.

## **SECTION 7. MINIMUM QUALIFICATIONS**

To be eligible to apply for a Contract and receive an award, Applicant(s), must be eligible, qualified, and meet all requirements of this OE. Applicant requirements apply with equal force to Contractors and Providers awarded contracts under this OE.

### **7.1. ELIGIBILITY CRITERIA**

- A. Applicant must meet the eligibility criteria.
- B. Applicant must provide as part of its Application all documentation necessary to demonstrate to the satisfaction of DSHS that Applicant meets the eligibility criteria below.
- C. If Applicant is currently debarred, suspended, or otherwise excluded or ineligible for participation in Federal or State assistance programs, Applicant is ineligible to apply for funds under this OE.

#### **ELIGIBILITY REQUIREMENTS:**

##### **A. Existing FQHCs and FQHC Look-alikes**

- a. Existing FQHCs and certified FQHC Look-alikes are eligible to apply for a Contract.
- b. Applicant must provide as part of its Application the following:
  - i. Existing FQHCs: A copy of Applicant's HRSA FQHC designation as an existing FQHC along with current federal Notice of Award (NOA). If any conditions exist on the NOA, include documentation that indicates work has been completed or is on-going to remove the condition(s).
  - ii. Existing FQHC Look-alikes: Written proof of your FQHC Look-alike status from HRSA.

- B. If an Applicant is awarded a contract under the HHS0016860 Open Enrollment, they will not be eligible for a contract under this Open Enrollment.

### **7.2. Licensure and Accreditation**

For the purposes of this OE, it is essential that both the Contractor and any designated personnel or technicians possess all requisite permits, licenses, and certifications as mandated by prevailing laws.

Staff members, potentially inclusive of department heads or roles of equivalent seniority, who are entrusted with tasks that legally mandate a professional license or certification, must maintain an up-to-date, valid, and compliant license and/or certification recognized by the state of Texas.

The Contractor bears the responsibility of ensuring that all employees and any subcontractors involved hold current and valid credentials, all in good standing with the relevant authorities.

The Contractor is obligated to retain all legally required business permits, licenses, and certifications for the duration of the contract. Additionally, each individual staff member and any subcontractors are required to maintain their respective, individual credentials throughout the Contract term. Copies of all such credentials should be securely stored and readily accessible for verification purposes and be available upon request. This practice ensures that not only copies of all credentials are diligently retained but also emphasizes the individual responsibility of each staff member and subcontractor to uphold the validity of their credentials throughout the entire contract duration. These measures are essential to uphold the highest standards of professionalism, compliance, and accountability within the organization.

### **7.3. DRAFT WORKPLAN**

#### **7.3.1. INTRODUCTION**

At the time of submission, Applicants shall provide with its Application a draft workplan (in the form of **Form E: Workplan Template: FQHC Incubator - Project Workplan**) (a "Draft Workplan"). DSHS may request additional information and clarification regarding the Draft Workplan. DSHS must approve the Draft Workplan prior to Contract award.

#### **7.3.2. DRAFT WORKPLAN REQUIREMENTS**

- A. Describe how the proposed project will expand available services at your FQHC or FQHC Look-alike or improve access to care at your FQHC or FQHC Look-alike.
- B. Indicate the address or addresses for the proposed project or projects to be completed and provide a brief summary of the service area this project will serve. Include the counties served by the project and the ID# of the MUA/MUP or HPSA that will be served at this location.
- C. Indicate all the requested Funding Types that Applicant desires to receive funding for under this OE.
- D. If Applicant selects the Technical & Development Enrichment Activities, the Draft Workplan must include the following information in the Enrichment subsection:
  - a. Clearly outline the specific activities such as conferences, trainings, workshops, professional organization memberships, grant consulting, recruitment, legal services, or materials you plan to engage in or procure using estimated costs, dates, and times for each planned activity, if applicable. Specify the staff members designated to attend or partake in these activities, along with their roles within the organization.
- E. If Applicant selects the Staffing Funding Opportunity, the Draft Workplan must include the following information in the Staffing Funding Opportunity subsection:

- i. Describe with specificity how Applicant will use the funds to (i) increase the hours of existing employees or contractors or (ii) hire new employees or contractors. Funding cannot be used to pay for existing employees' wages, salaries, or benefits unless those employees are:
      1. being promoted into a new position with different job duties, and the position they are leaving will be replaced with another staff.
      2. moving from part-time work to full time work (for example, if the employee currently works 20 hours per week, but will be moving to a 40 hour per week schedule).
    - ii. Describe each position's job duties, expected work hours, estimated annual salary (include per hour rate if applicable to the position) and the amount of their salary that will be paid for using this funding.
    - iii. Applicant must submit a proposed organizational chart that demonstrates the proposed new positions funded under the OE. The organizational chart should include the current number of Employees at the Health Center and the number of employees once the new positions are filled.
- F. If Applicant selects Capital Funding, the Draft Workplan must include the following information in the Capital Funding subsection:
  - a. Describe the activities pursuant to this Funding Type. Funding uses may include, but are not limited to, purchasing medical equipment or furnishings, renovation of an existing building, or building a new clinical site.
  - b. If construction is planned, describe the scope of work in detail and the site of the work.
    - i. If the planned site for construction is a leased space, please provide **Form F: Landlord Letter of Consent for Construction on Leased Spaces** with the Application.
    - ii. If the planned site for construction is owned, please provide proof of ownership.
- G. Provide a sustainability plan, outlining the strategies and measures your center intends to implement to maintain financial viability and continue offering services to your target population once FQHC Incubator Funding is exhausted. If you plan to hire staff using FQHC Incubator funding, please ensure you describe clearly how staff salaries will be maintained after the contract is completed.
- H. Provide a summary of any additional funding outside of the OE that Applicant intends to use towards the identified activities. Please note, if outside funding is received by the Applicant **before or during** the Contract term under this OE and requires Davis-Bacon Wage Reporting, Capital Improvement funding **CANNOT be used towards labor costs**. Other construction related costs, for example architect fees, permitting, construction management will still be eligible for reimbursement.

- I. Provide a draft timeline for project completion. All activities in the Draft Workplan must be completed by August 31, 2027. Please include specific timelines for all proposed activities that prove the feasibility of the planned activities in the time allotted.
- J. Create a proposed budget (**using Form G: FQHC Budget Template**) to delineate how funding will be used.
- K. **Please note**, if an applicant has previously received FQHC Incubator Program funding under OE HHS0012233, HHS0014148, or HHS0014260, the proposed workplan must be for a project that is new and distinct from the previously funded project. For example, if a physician was hired with funding from OE HHS0012233, HHS0014148, or HHS0014260, then ongoing salary support for this physician would not be an eligible expense under this OE.

## **SECTION 8. STATEMENT OF WORK**

### **8.1. PROJECT OVERVIEW**

FQHCs and FQHC Look-alikes provide essential health services to underserved and uninsured Texans. Expanding services provided by these organizations improves the ability of those with low-income to access necessary health services.

Senate Bill 1, **89<sup>th</sup>** Legislature, Regular Session, **2025**, directed DSHS to continue the FQHC Incubator Program.

Funds must be used to meet program expectations necessary to meet the applicable Goal as described in Section 2.1.

Contracts will be awarded on a first come-first served basis. Applicants must propose projects where all project deliverables can be completed by **August 31, 2027** in order to receive funding. DSHS does not guarantee Applicant an award for the amount requested by an Applicant under this OE. Only those requests that are reasonable and appropriate as determined by DSHS will be granted.

### **8.2. STATEMENT OF WORK TO BE CONDUCTED**

#### **1. Contractor Responsibilities**

1. Contractor must submit to DSHS all deliverables associated with selected Funding Opportunities as required by the Contract.
2. Contractor may be reimbursed by DSHS up to the award amount indicated in the Final Workplan for approved activities based on Contractor's demonstrated successful achievement of deliverables.
3. Contractor must maintain documented expenditures relating to the Contract. Such documentation will be used in part to support reimbursement of Contractor's expenditures.
4. A Contract cannot exceed the identified maximum funding and will be subject to the availability of state funds.

5. Funding awarded to Contractor under the Contract must not overlap with funding from other sources (such as other DSHS grant program or federal programs).
6. Contractor must submit additional information to DSHS as may be requested to be eligible to receive funding.
7. Other specific performance criteria are listed below (Section 8.4).
8. Contractor is strongly encouraged to apply for any additional HRSA funding or benefits that they would qualify for during the term of the Contract, such as New Access Point Funding, Service Area Competition funding, or any other HRSA supported grants. If Contractor submits such an application, Contractor must notify DSHS by email: [FQHCIncubator.contracts@dshs.texas.gov](mailto:FQHCIncubator.contracts@dshs.texas.gov) of the application submission date, and submit a one paragraph summary of what has been applied for.
9. The Parties may amend the Contract and/or the Final Workplan in writing as necessary in accordance with the terms of the Contract.

## 2. **DSHS Responsibilities**

1. DSHS must approve a deliverable prior to the payment of any funds for such deliverable under the Contract.
2. DSHS may require Contractor to provide additional information as deemed necessary by DSHS in connection with DSHS's review of a deliverable.
3. DSHS may reimburse Contractor up to the total award amount indicated in the Final Workplan for approved activities based on Contractor's demonstrated successful achievement of deliverables.

## 3. **Deliverables**

### A. **Final Workplan (Award: \$100,000)**

- i. Due 30 days post Contract Effective Date.
- ii. Contractor must submit a final workplan in the form of **Form E: Workplan Template: FQHC Incubator Project Workplan (Form E: Workplan Template)** to DSHS on or before 30 calendar days after the Contract Effective Date (the "Final Workplan"). Final Workplan should include any requested updates or changes from DSHS from the Draft Workplan submitted with the application.
- iii. The **Final Workplan (Form E: Workplan Template)** must:
  1. Describe how the proposed project will expand available services at your FQHC or FQHC Look-alike or improve access to care at your FQHC or FQHC Look-alike.
  2. Indicate the address or addresses for the proposed project or projects to be completed and provide a brief summary of the service area this project will serve. Include the counties served and the MUA/MUP or HPSA that will be served at this location.
  3. Indicate all the requested Funding Types that Contractor desires to receive funding for under a Contract.
  4. If the Contractor selects the Technical & Development Enrichment Activities, the Final Workplan must include the following information in the Enrichment subsection of **Form E: Workplan Template**:

- a. Clearly outline the specific activities such as conferences, trainings, workshops, professional organization memberships, grant consulting, recruitment, legal services, or materials you plan to engage in or procure using estimated costs, dates, and times for each planned activity, if applicable. Specify the staff members designated to attend or partake in these activities, along with their roles within the organization.
5. If Contractor selects the Staffing Funding Opportunity, the Final Workplan must include the following information in the Staffing Funding Opportunity subsection of **Form E:**

**Workplan Template:**

- a. Describe with specificity how Contractor will use the funds to (i) increase the hours of existing employees or contractors or (ii) hire new employees or contractors. Funding cannot be used to pay for existing employees' wages, salaries, or benefits unless those employees are either:
    1. being promoted into a new position with different job duties, and the position they are leaving will be replaced with another staff, or;
    2. moving from part-time work to full-time work (for example, if the employee currently works 20 hours per week, but will be moving to a 40 hour per week schedule).
  - b. Describe each position's job duties, expected work hours, estimated annual salary (include per hour rate if applicable to the position) and the amount of their salary that will be paid for using this funding.
  - c. Contractor must re-submit a proposed organizational chart that incorporates the proposed new positions funded under the OE if there have been any changes to this section of their workplan since the draft Workplan was submitted with their Application.
6. If Contractor selects Capital Improvement Funding, the Final Workplan must include the following information in the Capital Improvement subsection of **Form E: Workplan Template:**
- a. Describe the activities pursuant to this Funding Type. Funding uses may include, but are not limited to, purchasing medical equipment or furnishings, renovation of an existing building, or building a new clinical site.



- b. If construction is planned, describe the scope of work in detail and the site of the work.
  - c. If the planned site for construction is a leased space AND there are significant changes to your construction plan in your Final Workplan (as compared to your Draft Workplan from your Application), DSHS may request an updated **Form F: Landlord Letter of Consent for Construction** on Leased Spaces.
- 7. Provide a sustainability plan, outlining the strategies and measures your center intends to implement to maintain financial viability and continue offering services to your target population once FQHC Incubator Funding is exhausted. If you plan to hire staff using FQHC Incubator funding, please ensure you describe clearly how staff salaries will be maintained after the Contract term is completed.
- 8. Provide an updated summary of any additional funding outside of the Contract that Contractor intends to use towards the identified activities. Please note, if outside funding is received by the Contractor **before or during** the Contract term under this OE and requires Davis-Bacon Wage Reporting, Capital Improvement funding **CANNOT be used towards labor costs**. Other construction related costs, for example architect fees, permitting, construction management, etc. will still be eligible for reimbursement.
- 9. Provide a draft timeline for project completion below. All activities in the Final Workplan must be completed by August 31, 2027. Please include specific timelines for all proposed activities that prove the feasibility of the planned activities in the time allotted.
- 10. Create an updated proposed budget (**using Form G: FQHC Budget Template**) to delineate exactly how funding will be used.

## B. Progress Reports

- a. There will be four Progress Reports due throughout the Contract term, with each attached to a specific funding amount (*see below*) that will be available upon successful completion of the Progress Report Deliverable. Each Progress report will consist of 5 forms, as applicable: Technical and Developmental Enrichment Activities (Appendix A:); Staffing List (Appendix B); Capital Improvement Activities (Appendix C); PBP Progress Statement (Appendix D); and Budget Sheet (Appendix E). A summary of the required forms is below.
  - i. **Technical and Developmental Enrichment Activities List (Appendix A)** consisting of:

1. Detailed description of activities completed since the last reporting period.
2. Milestones achieved.
3. Progress against the previous reporting period.
- ii. **Staffing List (Appendix B)** consisting of:
  1. A list of proposed staff from the workplan and each staff member's hiring status, including number of interviews conducted, offers made, and positions filled.
  2. Updated Organizational chart with new positions once hired as applicable.
- iii. **Capital Improvement Activities (Appendix C)** consisting of:
  1. Detailed description of activities completed since the last reporting period.
  2. Description of progress, work initiated or completed to date, and alignment with the project's timeline.
  3. Demonstration of how all work is on track to be completed by August 31, 2027.
- iv. **Progress Statement (Appendix D)** consisting of:
  1. A summary of work that has been done in the reporting period.
  2. Update on any delays or concerns regarding workplan activities.
- v. **PBP Budget Sheet (Appendix E):** to track requested funds versus expended funds in each selected Funding Category.
- b. **Progress Report example:** Contractor selected the Staffing Funding and the Capital Improvement Funding in their Final Workplan. Documents to submit with their Progress Report will include the Staffing List (Appendix B), the Capital Improvement Activities (Appendix C), the Progress Statement (Appendix D), and the Budget Sheet (Appendix E). Since Technical and Development Enrichment Activities funding was not selected, submitting an Appendix A is not required for this example. **\*NOTE: the Progress Statement (Appendix D) and the Budget Sheet (Appendix E) are required and must be submitted with each progress report, regardless of funding selected.**
- c. DSHS must approve all appendices in order to award the full award pursuant to this reporting period under a Contract.
- d. Failure to provide these forms in a timely and accurate manner may result in penalties as stipulated in the Contract.
- e. **Due Dates for Progress Reports:**
  - i. Progress Report #1
    1. Due no later than 06/30/2026.
    2. Reporting Period is from contract execution date to date Report #1 is submitted.

3. DSHS must approve Progress Report #1 prior to the payment of funds pursuant to the funding under a Contract. Such payment will be \$125,000 for the approved deliverable.
- ii. Progress Report #2
  1. Due no later than 10/31/2026.
  2. Reporting Period is from date of receipt of Progress Report #1 until date Progress Report #2 is submitted.
  3. DSHS must approve Progress Report #2 prior to the payment of funds pursuant to the funding under a Contract. Such payment will be \$125,000 for the approved deliverable.
- iii. Progress Report #3
  1. Due no later than 02/28/2027.
  2. Reporting Period is from date of receipt of Progress Report #2 until date Progress Report #3 is submitted.
  3. DSHS must approve Progress Report #3 prior to the payment of funds pursuant to the funding under a Contract. Such payment will be \$125,000 for the approved deliverable.
- iv. Progress Report #4
  1. Due no later than 05/31/2027.
  2. Reporting Period is from date of receipt of Progress Report #3 until date Progress Report #4 is submitted.
  3. DSHS must approve Progress Report #4 prior to the payment of funds pursuant to the funding under a Contract. Such payment will be \$175,000 for the approved deliverable. Please note, if funding to date has not been expended fully, DSHS reserves the right to withhold Progress Report #4's reimbursement until Contractor can show previous funding received has been fully expended.

#### **C. Final Impact Report**

1. Contractor must submit a Final Report to DSHS (see **Appendix F: FQHC Incubator Final Report**) by August 31, 2027 to detail activities conducted with funding under the Contract.

### **8.3. DSHS CONTRACT ADMINISTRATION**

DSHS will designate a Contract Manager and provide the Contract Manager's information to the Contractor.

After the award of a Contract, all communications related to the awarded Contract will be processed through the designated Contract Manager. Additional requirements apply to legal notices which must be provided to the HHS Chief Counsel as well as the Contract Manager.

#### **8.4. PERFORMANCE CRITERIA**

DSHS will look solely to the Contractor(s) for the performance of all contractual obligations resulting from an award based on this OE.

No Contractor will be relieved of its obligations for any nonperformance by its subcontractors. Contractor must ensure that its subcontractors abide by all requirements, terms, and conditions of this Contract. Unless the context clearly indicates otherwise, every requirement and every prohibition set forth in this OE and any resulting contract that applies to a Contractor applies with equal force to its employees, agents, representatives, and subcontractors.

##### **8.4.1. SPECIFIC PERFORMANCE STANDARDS**

Contractor shall comply with all obligations and duties under the Contract. In addition, the Contractor shall adhere to the following performance standards:

1. Contractor must meet all deliverables and provide all documentation necessary in accordance with the Contract.
2. Contractor must submit all required reports including the Final Report by the due dates established by DSHS.

#### **8.5. CONTRACTOR PERSONNEL PERFORMANCE**

- A. Contractor shall not employ or contract with or permit the employment of unfit or unqualified persons or persons not skilled in the tasks assigned to them.
- B. The Contractor shall at all times employ sufficient personnel to carry out functions and services in the manner and time prescribed by the Contract.
- C. The Contractor shall be responsible for the acts and omissions of the Contractor's employees, agents (including, but not limited to, lobbyists) and subcontractors and shall enforce strict discipline among the Contractor's employees, agents (including, but not limited to, lobbyists) and subcontractors performing the services under the Contract.
- D. DSHS, at its sole discretion, may request in writing the immediate removal of any Contractor personnel or subcontractor personnel from the services being provided under the Contract. Upon such request, Contractor shall immediately remove the subject personnel and submit in writing to DSHS, within ten (10) calendar days of DSHS's request for

removal, confirmation of the removal and assurance of continued, compliant Contract performance.

## **8.6. NOTICE OF CRIMINAL ACTIVITY**

At the time of submission, Applicants shall provide confirmation that the Applicant, any person with ownership or controlling interest in Applicant, and Applicant's agents, employees, subcontractors and volunteers who will be providing the required services:

- a. have not engaged in any activity that does or could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; and
- b. have not been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program, or sex crime.

This is a continuing disclosure requirement; prior to Contract award, if any, Applicants must notify the DSHS Sole Point of Contact within five (5) days of the date Applicant learns of actions set forth in subsections (a) and (b) above. Additionally, this is a continuing disclosure requirement for each Contractor, during the term of the Contract, to immediately report, in writing, to the DSHS Contract Manager when Contractor learns of or has any reason to believe it or any person with ownership or controlling interest in Contractor, or any of Contractor's agents, employees, subcontractors or volunteers has: engaged in any activity that does or could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; or been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to the involvement in any financial matter, federal or state program, or sex crime.

Contractor shall not permit any person who engaged, or was alleged to have engaged, in any activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed in writing by the DSHS Contract Manager.

Personnel with convictions or histories related to sex offenses, child or adult abuse, or fraud are strictly prohibited from providing services under this Contract. For the purpose of this clause, "fraud" is defined as intentional deception to secure unfair or unlawful gain, or to deprive a victim of a legal right, and may include activities such as forgery, embezzlement, or fraudulent billing.

Additionally, they will not be granted access to any HHS Agency property, facilities, or documents.

Key personnel who have misdemeanor convictions must secure prior approval from the HHS Agency before they can be permitted to work under this contract. For the purposes of this clause, a 'misdemeanor' is defined as a criminal offense that is less severe than a felony and generally involves less severe punishments, such as fines or imprisonment for less than one year.

DSHS, at its sole discretion, may terminate any Contract if Contractor, its agents, employees, subcontractors, or volunteers are arrested, indicted, or convicted of any criminal activity.

## **8.7. NOTICE OF INSOLVENCY OR INDEBTEDNESS**

At the time of submission, Applicants shall provide with the Application detailed written descriptions of any insolvency, incapacity, and outstanding unpaid obligations of Applicant owed to the Internal Revenue Service (IRS) or the State of Texas, or any agency or political subdivision of the State of Texas. This is a continuing disclosure requirement; prior to Contract award, if any, Applicants must notify the DSHS Sole Point of Contact within five (5) days of the date Applicant learns of such financial circumstances after submission of the Application. Additionally, Contractors are under a continuing obligation to notify the DSHS Contract Manager, as applicable, within five (5) days of the date Contractor learns of such financial circumstances after Contract award.

## **8.8. INVOICE REQUIREMENTS AND PAYMENT**

### **8.8.1. INVOICE REQUIREMENTS**

Contractor shall submit to DSHS detailed and accurate invoice(s) which include the information below. Each invoice must be submitted by e-mail, using the State of Texas Purchase Voucher (Form B-13) located at <https://www.dshs.state.tx.us/grants/forms/shtm> and not later than 30 calendar days after completion of each deliverable.

The by e-mail address for submitting an invoice is: [invoices@dshs.texas.gov](mailto:invoices@dshs.texas.gov) and to [cmsinvoices@dshs.texas.gov](mailto:cmsinvoices@dshs.texas.gov).

The invoice shall include, at a minimum:

- a. Contractor's Name;
- b. Remit to Address;
- c. Federal ID or Texas CPA Payee ID;

- d. Accounts Receivable telephone number;
- e. Contract and/or Purchase Order Number;
- f. Identification of services provided;
- g. Service date(s); and
- h. Deliverable date(s)

No payment will be made under this Contract without submission of detailed, accurate invoices submitted as outlined and approved by DSHS. Final invoices must be submitted on or before 30 calendar days after the Contract has ended.

#### **8.8.2. PAYMENT**

Contracts awarded under this OE will be paid based on the completion of deliverables and associated payment amounts listed in the Contract Statement of Work. Completion and verification of each project deliverable must be achieved, as determined by DSHS in its sole discretion, before payment will be remitted. All deliverables must be completed by August 31, 2027.

If Contractor is unable to expend all the funds received by the Contract end date of August 31, 2027, then the Contract will be required to return the unused funds.

#### **8.9. TERMS AND CONDITIONS**

Submission of an Application in response to this OE constitutes acceptance of all Terms and Conditions attached to, referenced, or set forth in the OE. Applicant shall not submit additional or different terms and conditions.

Any term, condition, or other part of an Applicant's submitted application that has been rejected by DSHS, that is not accepted in writing by DSHS, or that conflicts with applicable law, this OE, any resulting Contract, or applicable terms and conditions will not constitute part of the Contract.

#### **8.10. STANDARDS OF CONDUCT FOR VENDORS**

Pursuant to 1 TAC 391.405(a), contractors, respondents, and vendors interested in working with HHS are required to implement standards of conduct to apply to all matters involving, or related to, those solicitations and contract(s) between themselves and HHS. These standards must adhere to ethics requirements adopted in rule, in addition to any ethics policy, or code of ethics approved by the HHSC Executive Commissioner and must be at least as restrictive as those applicable to HHS personnel in the applicable ethics law and policy provisions.

The standards of conduct must include the ten standards of ethical conduct set forth in Section I of the HHS Ethics Policy and requirements to comply with ethical standards set forth in federal and state law (including, but not limited to, 1 TAC Chapter 391, Subchapter D).

The standards of conduct, together with the responsibilities and restrictions incorporated herein, also apply to subcontractors of contractors, respondents and vendors.

Standards of conduct of any contractor, respondent or vendor may be reviewed and/or audited by the State Auditor and HHSC. Additionally, pursuant to 1 TAC 391.405(a), HHS may examine a respondent's standards of conduct in the evaluation of a bid, offer, proposal, quote, or other applicable expression of interest in a proposed purchase of goods or services.

Any vendor or contractor that violates a provision of 1 TAC Chapter 391, Subchapter D may be barred from receiving future contracts or have an existing contract canceled. Additionally, HHSC may report the vendor's actions to the Comptroller of Public Accounts for statewide debarment, or law enforcement.

## **SECTION 9. INSURANCE**

### **9.1. MALPRACTICE INSURANCE**

For the full term of the Contract, Contractor shall maintain malpractice coverage in no less than the minimum amounts required by the State of Texas for all medical staff working for Contractor who may be subject to malpractice claims arising out of their employment. Contractor will provide DSHS with a description of that coverage and its limitations in a form satisfactory to DSHS as requested and will notify DSHS immediately in writing if any changes are made.

### **9.2. CONTRACTOR INSURANCE**

Contractor and each subsidiary must maintain in full force and effect insurance coverage that is customary for comparably situated companies for the business being conducted and properties owned or leased by Contractor and each subsidiary, and Contractor believes such insurance coverage to be adequate against all liabilities, claims and risks against which it is customary for comparably situated companies to insure. Contractor shall not materially reduce the insurance coverages and will notify DSHS immediately in writing if any changes are made.

## **SECTION 10. PERMITS, LICENSES, AND CERTIFICATIONS**

Contractor is required to maintain all required permits, licenses, and certifications for the business throughout the term of the Contract. Contractor and Contractor's personnel and subcontractors, if any, must also maintain individual required permits, licenses, and certifications during the term of the Contract. Contractor is responsible



for ensuring all Contractor staff and subcontractors, if any, hold current, valid, and applicable licenses and/or certifications in good standing. Contractor shall provide copies of licenses and/or certifications at DSHS's request.

## **SECTION 11. CONFIDENTIAL OR PROPRIETARY INFORMATION**

### **11.1. PUBLIC INFORMATION ACT**

#### **Applicant Requirements Regarding Disclosure**

Applications and contracts 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 HHSC to post certain contracts and Applications on HHSC's website and to provide such information to the Legislative Budget Board for posting on its 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:

#### **a. Mark Original Application:**

- (1)** Mark the original Application, on the top of the front page, the words "CONTAINS CONFIDENTIAL INFORMATION" in large, bold, capitalized letters (the size of, or equivalent to, 12-point Times New Roman font or larger); and
- (2)** 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);

#### **b. Certify in Original Application - HHS Solicitation Affirmations**

**(attached as Exhibit A to this OE):** certify, in the designated section of the HHS Solicitation Affirmations, Applicant's confidential information assertion and the filing of its Public Information Act Copy; and

#### **c. 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 OE). The Public Information Act Copy must meet the following requirements:

- (1)** 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 or larger);
- (2)** Each portion Applicant claims is exempt from public disclosure must be redacted; and
- (3)** Applicant must identify, adjacent to each redaction, the claimed exemption from disclosure. Each identification provided as required in

subsection (c) of this section must be identical to those set forth in the original Application as required in section a.(2), 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 to this OE, Applicant agrees that, if Applicant does not mark the original Application, provide the required certification in the HHS Solicitation Affirmations, and submit the Public Information Act Copy, Applicant's 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 HHSC's and/or DSHS's public website, and posted on the Legislative Budget Board's website.**

**If Applicants submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, DSHS, 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.**

Applicant should not 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 HHSC and all other state agencies, without cost or liability.

DSHS will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this OE process, Applicant acknowledges that all information, documentation, and other materials submitted in the Application in response to this OE may be subject to public disclosure under the PIA. HHSC 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. DSHS 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, 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). The *Public Information Act Handbook* may be accessed at:

<https://www.texasattorneygeneral.gov/open-government/members-public>

## **11.2. APPLICANT WAIVER – INTELLECTUAL PROPERTY**

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

## **SECTION 12. BINDING OFFER**

All Applications should be responsive to the OE as issued or amended through written and posted Addenda, not with any assumption that DSHS will negotiate any or all terms, conditions, or provisions of the OE. Furthermore, all Applications constitute binding offers. **Any Application that includes any type of disclaimer or other statement indicating that the Application submitted in response to this OE does not constitute a binding offer may be disqualified.**

## **SECTION 13. REQUIRED APPLICATION DOCUMENTS**

### **Documentation Required for Applicants**

#### **Documentation Required for Submission**

All documentation listed must be returned for a complete Application. Provide the documentation in the same sequence as outlined below by using the Item number(s) and title(s) as necessary. **Applications received with documents out of sequence will be returned to sender to place in the correct sequence before being processed.**

#### **1. Exhibit A – HHS Solicitation Affirmations Version 2.9**

Must be completed and signed.

**Important Note: Applications received without the signed Exhibit A will be disqualified.**

#### **2. Exhibit B – HHS Uniform Terms and Conditions – Vendor, Version 3.4**

For reference only.

#### **3. Form A: Face Page**

Must be completed and signed.

<b>4. Form B: Open Enrollment Application Checklist</b> For Reference Only.
<b>5. Form C: Contact Person Information Form</b> Must be completed.
<b>6. Form D: Vendor Information Form</b> Must be completed and signed.
<b>7. Form E: Workplan Template: FQHC Incubator Project Workplan</b> Must be completed.
<b>8. Form F: Landlord Consent for Construction on Leased Spaces.</b> Must be completed as applicable for planned construction projects in leased spaces.
<b>9. Form G: FQHC Budget Template</b> Must be completed and signed.
<b>10. Notice of Insolvency or Indebtedness – Reference Section 8.7</b> Provide with the Application detailed written descriptions of any insolvency, incapacity, and outstanding unpaid obligations of Applicant owed to the Internal Revenue Service (IRS) or the State of Texas, or any agency or political subdivision of the State of Texas.
<b>11. Public Information Act Copy of Application, if applicable – Reference Section 11.1.</b>
<b>The following appendices are not required to be submitted as part of the Application and are included for informational purposes only. Appendices will be used when submitting deliverables.</b>
<b>12. Appendix A - Enrichment Activities</b> Must be completed as applicable.
<b>13. Appendix B - Staffing List</b> Must be completed as applicable.
<b>14. Appendix C - Capital Improvement Activities</b> Must be completed as applicable.
<b>15. Appendix D – Progress Statement</b> Must be completed.
<b>16. Appendix E - PBP Budget Sheet</b> Must be completed.
<b>17. Appendix F – Final Impact Report</b> Must be completed.

## **SECTION 14. APPLICATION SUBMISSION REQUIREMENTS**

The Application must be submitted in accordance with this section and Section 13.

The complete Application must be submitted to:

DSHS FQHC Incubator Program

Email: [FQHCIncubator.Contracts@dshs.texas.gov](mailto:FQHCIncubator.Contracts@dshs.texas.gov)

Each Applicant is solely responsible for ensuring its Application is submitted in accordance with all OE requirements and ensuring timely receipt by DSHS.

**In no event will DSHS be responsible or liable for any delay or error in**

## **submission or delivery.**

The Application must be submitted by e-mail. Applications submitted by facsimile, or any other method not specified in this OE, will NOT be accepted or considered.

### **14.1. E-MAIL SUBMISSION**

Each Applicant is solely responsible for ensuring its Application is submitted in accordance with all OE requirements, including, but not limited to, the Section 13, Required Application Documents and ensuring timely e-mail receipt by DSHS.

The Application, including all documentation outlined in Section 13, must be sent in its entirety in one or more e-mails.

**In no event will DSHS be responsible or liable for any delay or error in delivery. Applications must be RECEIVED by DSHS before the OE period closes as identified in Schedule of Events, Section 1, or subsequent Addenda.**

The e-mail subject line should contain the OE number, title as indicated on the cover page and number of e-mails if more than one (e.g., E-mail 1 of #, etc.). The Applicant is solely responsible for ensuring that Applicant's complete electronic Application is sent to, and actually RECEIVED by DSHS at the proper destination server before the submission deadline.

The Application documentation must not be encrypted so as to prevent DSHS from opening the documents.

IMPORTANT NOTE: DSHS recommends a 10MB limit on each attachment. This may require Applicants to send multiple e-mails to DSHS at [e-mail address] to ensure all documentation contained in an Application is received.

All documents should be submitted in Microsoft office® formats (Word® and Excel®, as applicable) or in a form that may be read by Microsoft office® software. Any documents with signatures shall be submitted as an Adobe® portable document format (pdf) file. DSHS is not responsible for documents that cannot be read or converted. Unreadable applications may be, in DSHS's sole discretion, rejected as nonresponsive.

Please be aware Internet Service Providers may limit file sizes on outgoing emails; therefore, it is recommended Applications not contain graphics, pictures, letterheads, etc., which consume a lot of space. These typically include \*.tif/\*.tiff, \*.gif, & \*.bmp file extensions, but may use others, as well. DSHS's firewall virus protection runs at all times, so during times of new active virus alerts, incoming traffic may be delayed while virus software scans emails with attachments. DSHS

takes no responsibility for e-mailed Applications that are captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any DSHS anti-virus or other security software.

Applicants may email the Point of Contact, Section 4.1 to request confirmation of receipt.

#### **14.2. RECEIPT OF APPLICATION**

All Applications become the property of DSHS upon receipt and will not be returned to Applicants.

DSHS will NOT be held responsible for any Application that is mishandled by the Applicant, any Applicant's delivery or mail service or for Applications sent by e-mail that are captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any DSHS anti-virus or other security software.

Applications received after the OE Period closes will not be considered.

### **SECTION 15. SCREENING OF APPLICATIONS**

Neither issuance of this OE nor retention of Applications constitutes a commitment on the part of DSHS to award a Contract. DSHS maintains the right to reject any or all Applications and to cancel this OE if DSHS, in its sole discretion, considers it to be in the best interests of DSHS to do so.

Submission and retention of Applications by DSHS confers no legal rights upon any Applicant.

DSHS reserves the right to select qualified Applicants to this OE with or without discussion of the Applications with Applicants. It is understood by Applicant that all Applications, contracts, and related documents are subject to the Texas Public Information Act.

#### **15.1. INITIAL SCREENING OF APPLICATIONS**

An initial screening of Applications will be conducted by DSHS to determine which Applications are deemed to be responsive and qualified for further consideration for award. This screening includes a review to determine that each Applicant meets the minimum requirements, qualifications and each Application includes all required documentation.

DSHS reserves the right to:

- a. Ask questions or request clarification from any Applicant at any time during the OE and screening process, and
- b. Conduct studies and other investigations as necessary to evaluate any Application.

**Informalities:**

DSHS reserves the right to waive minor informalities in an Application. A "minor informality" is an omission or error that, in DSHS's determination if waived or modified when screening Applications, would not give an Applicant an unfair advantage over other Applicants or result in a material change in the Application or OE requirements.

DSHS, at its sole discretion, may give an Applicant the opportunity to submit missing information or make corrections. The missing information or corrections must be submitted to the Point of Contact e-mail address in Section 4.1 by the deadline set by DSHS. Failure to respond before the deadline may result in DSHS' rejecting the Application and the Applicant not being considered for award.

Note: Any disqualifying factor set forth in this OE does not constitute an informality (e.g., Exhibit A, HHS Solicitation Affirmations, which must be signed and submitted with the Application).

## **15.2. VERIFICATION OF PAST VENDOR PERFORMANCE**

DSHS reserves the right to conduct studies and other 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 DSHS.

Applicants may be rejected as a result of unsatisfactory past performance under any 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 contract include but are not limited to:

- a. 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,
- b. Applicant is currently under a corrective action plan through DSHS, OR,

- c. Applicant has had repeated, negative vendor performance reports for the same reason, OR,
- d. Applicant has a record of repeated non-responsiveness to vendor performance issues, OR,
- e. Applicant has contracts or purchase orders that have been cancelled in the previous 12 months for non-performance or sub-standard performance.

In addition, DSHS may examine other sources of vendor performance which may include information provided by any governmental entity, whether an agency or political subdivision of the State of Texas, another state, or the Federal government.

The performance information may include, but is not limited to:

- Notices of termination,
- Cure notices,
- Assessments of liquidated damages,
- Litigation,
- Audit reports, and
- Non-renewals of contracts.

Further, DSHS, at its sole discretion, may initiate investigations or examinations of vendor performance based upon media reports. Any negative findings, as determined by DSHS in its sole discretion, may result in DSHS's removing the Applicant from further consideration for award.

## **SECTION 16. AWARD PROCESS**

### **16.1. CONTRACT AWARD AND EXECUTION**

DSHS, at its sole discretion, reserves the right to cancel this OE at any time or decline to award any contracts as a result of this OE.

DSHS intends to award one or more contracts as a result of this OE.

All awards are contingent upon approval of the HHSC Executive Commissioner or the HHSC Executive Commissioner's designee.

### **16.2. COMPLIANCE FOR PARTICIPATION IN STATE CONTRACTS**

#### **16.2.1. REQUIRED PRE-AWARD VERIFICATIONS**

In addition to the initial screening process, the following verification checks are required to be conducted for each Applicant to determine compliance for participating in State contracts.



The Applicant's Legal Name and, if applicable, Assumed Business Name (D.B.A.) will be used to conduct these checks.

Applicants found to be barred, prohibited, or otherwise excluded from contract award will be disqualified from further consideration.

**Note: If a link does not work, copy and paste the link into browser bar.**

**A. State of Texas Debarment**

Must not be debarred from doing business with the State of Texas through the Comptroller of Public Accounts (CPA):

<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/debarred-vendors.php>

**B. System of Award Management (SAM) Exclusions List - Federal**

Must not be excluded from contract participation at the federal level. This verification is conducted through SAM, official website of the U.S. Government which may be accessed at this link:

<https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

**C. Divestment Statute Lists**

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>

1. Companies that boycott Israel;
2. Scrutinized Companies with Ties to Sudan;
3. Scrutinized Companies with Ties to Iran;
4. Designated Foreign Terrorist Organizations; and
5. Scrutinized Companies with Ties to Foreign Terrorist Organizations.

**D. HHS Office of Inspector General**

Must not be listed on the HHS Office of Inspector General Texas Exclusions List for people or businesses excluded from participating as provider: <https://oig.hhsc.texas.gov/exclusions>

**E. U.S. Department of Health and Human Services**

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 participation as provider, unless a valid waiver is currently in effect: <https://exclusions.oig.hhs.gov/>

### **16.2.2. ADDITIONAL REQUIRED PRE-AWARD VERIFICATIONS**

After the checks performed in Section 16.2.1, the following verifications will be conducted for each Applicant. The verifications will be based on the legal name and, if applicable, the Assumed Business Name (D.B.A.), and/or the Secretary of State (SOS) charter number, the Federal ID or Texas Payee ID numbers, or the CPA Franchise Tax number provided, as applicable, on Exhibit A, HHS Solicitation Affirmations.

The results of the checks below will be used to further consider an Applicant for award and may result in disqualification.

#### **A. Texas Franchise Tax Status**

The Texas franchise tax is a privilege tax imposed on each taxable entity formed or organized in Texas or doing business in Texas. Although not all entities are required to file or pay franchise taxes, DSHS will process a search of the Applicant through the CPA Franchise Tax system to verify the Applicant is in good standing.

Franchise tax checks may reveal as to applicable entities (1) debts or delinquencies owed to the state (implicating contracting limitations) and (2) forfeiture of the right to transact business in Texas.

#### **B. Texas Warrant Hold Status**

The check for warrant holds through the CPA is required to determine if an Applicant is on hold for any reason. [Texas Government Code Section 2252.903](#) requires agencies to verify the warrant hold status no earlier than the seventh day before and no later than the day of contract execution for transactions involving a written contract. In accordance with Section 3.3 of Exhibit B, Uniform Terms and Conditions, payments under any contract resulting from this OE will be applied directly toward eliminating the Applicant's debt or delinquency regardless of when it arises.

#### **C. Texas Secretary of State**

Must be registered, if required by law, with the Texas Secretary of State as a public or private entity eligible to do business in Texas: <https://direct.sos.state.tx.us/acct/acct-login.asp>

### **16.3. AWARD TO GOVERNMENTAL ENTITIES**

If Applicant is a governmental entity, responding to this OE in its capacity as a governmental entity, certain terms and conditions may not be applicable including, but not limited to, any HSP requirement. Furthermore, to the extent permitted by law, if an Application is received from a governmental entity, DSHS reserves the right to enter into an interagency or interlocal agreement with the governmental entity.

## **SECTION 17. DISCLOSURE OF INTERESTED PARTIES**

Subject to certain specified exceptions, Section 2252.908 of the TEX. GOV'T CODE ANN., Disclosure of Interested Parties, applies to a contract of a state agency that has a value of at least \$1 million or that is for services that would require a person to register as a lobbyist under Chapter 305 or that requires an action or vote by the governing body of the agency before the contract may be signed. 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 state agency at the time the business entity submits the signed contract to the agency.

Applicant represents and warrants that, if selected for award of a contract as a result of this OE, Applicant will submit to DSHS, if applicable, a Certificate of Interested Parties at the time Applicant submits the signed contract. Form 1295 involves an electronic process through the Texas Ethics Commission (TEC).

Information regarding the on-line process for completing Form 1295 is available on the Texas Ethics Commission's website:

[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

For further information:

Reference Section 2252.908 of the Texas Government Code which can be accessed at:

<https://statutes.capitol.texas.gov/Docs/GV/htm/GV.2252.htm#2252.908>

Title 1, Chapter 46, Disclosure of Interested Parties of the Texas Administrative Code which can be accessed at:

[https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=1&pt=2&ch=46&rl=Y](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=2&ch=46&rl=Y)

If the potential awardee does not timely submit a completed, certified and signed TEC Form 1295 to DSHS, DSHS is prohibited by law from executing a contract, even if the potential awardee is otherwise eligible for award.