

ALP OPPORTUNITY FOR DEVELOPMENT FREQUENTLY ASKED QUESTIONS, ROUND 2

Q1. There is a section of the application which states: 5. FINANCIAL INFORMATION Estimate of Total Project Cost: The total cost must be provided by applicants who are proposing new construction or rehabilitation/purchase of an existing structure, or are planning to purchase a licensed ACF. Examples of costs that should be included are land acquisition (if applicable), cost of building (purchase price of licensed facility, cost of new construction or cost of rehabilitation of existing building), site development, architect cost, soft costs, and any applicable RHCF decertification costs. Is this information being requested to gauge the capital costs to the state? i.e.: Will there be a mechanism in the ALP rate structure to provide property reimbursement to the operator? If so, will this reimbursement be structured similarly to that of the SNF capital rate? When considering the costs of new construction and/or renovation of an existing structure, and when considering the ALP and SSI rates currently paid to operators, achieving financial feasibility is not likely unless an adequate and appropriate capital component is paid to the provider.

A1. *Financial information, as well as other types, are typically required by the State during the application process. ALPs receive capital reimbursement as part of an all-inclusive pricing rate consistent with 10 NYCRR 86-7. ALPs that meet the criteria referenced in Public Health Law 3614(6)(a) may receive a capital cost component that reflects interest and depreciation related to approved costs in their ALP rate.*

Q2. Does the Department of Health have any need data for ALP services broken down by region, for example, number of Physical A's and Physical B's in the nursing home population?

A2. *This information is not readily available.*

Q3. How will capital reimbursement be handled for ALPs which are approved under this initiative?

A3. *The method of reimbursement remains unchanged under existing regulations and applicable Public Health Law.*

Q4. Does DOH have any construction cost standards, similar to the Department's nursing facility per bed cost guidelines, to guide prospective applicants with respect to acceptable total project costs for the construction of ALP beds?

A4. *Should prospective applicants meet the criteria outlined in Public Health Law 3614(6)(a), the Department is in the process of developing guidelines.*

Q5. When will the 2011 and 2012 ALP rates be released?

A5. *The 2010 ALP rates are currently still in effect. The Department is updating and obtaining subsequent approval for the 2011 rates.*

Q6. Is there any further discussion or acknowledgement for capital reimbursement as part of the law which gave rise to this OFD?

A6. *Not specifically, although this issue has been discussed in the context of long term care reform*

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Q7. An Applicant is in the process of getting an ALP application ready for the July 18th deadline. I realize that you are only to accept written questions until May 18, 2012, however, this is a decision that the Board made very late in order to try to save this historic home and they need help. Is there any other place to go to ask questions? I have been through the FAQ's online. If you are able to forward these questions on to someone - my questions are as follows:

The applicant is an adult home and licensed through the state as an adult home. Do they need to obtain a LHCSA or a CHHA license through the addendum to the application?

Does the contract with the Social Services Department need to be in place prior to submitting the application?

The legal structure is documented through a deed what is the "appropriate purposes language" you are looking for.

Do you need to see referrals? If so from whom?

*A7. To clarify- the proposal submitted in response to the OFD is **not** an "ALP application". If selected under the OFD, The Adult Home should apply for a LHCSA or CHHA license when filing their ACF/ALP CON. (The contract with the Social Services Department does not need to be executed at this time.) A letter of intent from the Social Services Department will suffice. The legal documentation required, in addition to the deed, includes the Articles of Incorporation/Organization. Additional information regarding the establishment, operation or maintenance of a health related facility can be found at this link:*

http://www.health.ny.gov/permits/cert_of_incorp_and_articles_of_org.htm

Q8. This question relates to Q&A 17 re the ALP OFD initiative, copied below. I am trying to understand what the implications of a "bed" being both an ALP and EALR. Would this essentially increase the ALP retention standards? Would the facility still be able to bill Medicaid if the resident exceeds the ALP retention standards? Or would they be 'discharged' from the ALP and instead in the EALR? Any clarification is appreciated.

Q17. If an operator of a currently certified Adult Care Facility that is licensed as an Assisted Living Residence submits an Opportunity for Development response, is selected and awarded ALP beds, is the ALR bed capacity reduced by the number of awarded ALP beds?

A17. Adult Care Facility beds can be both ALP beds and Assisted Living Residence beds with certification as Enhanced or Special Needs beds. For example, facilities may consider this for their Dementia Units. Applicants who are awarded ALP beds may elect to have such beds remain designated as ALR or ALR with EALR and/or SNALR.

A8. This does increase the retention standards.

Q9. If an applicant was awarded a grant under the Health Efficiency and Affordability Law (HEAL) NY Phase 21 funding opportunity, must this applicant file an Opportunity for Development (OFD) proposal?

A9. Yes, HEAL 21 awardees must file an OFD.