

Capital Restructuring Financing Program

In conjunction with, and to further support the goals of the Delivery System Reform Payment (“DSRIP”) Program, the Capital Restructuring Financing Program (“CRFP”) was established pursuant to Section 2825 of the Public Health Law as a new State of New York grant program to be jointly administered by the Department of Health (“DOH”) and the Dormitory Authority of the State of New York (“DASNY”). A total of \$1.2 billion is expected to be available over the next six years for capital projects that will enhance the quality, financial viability and efficiency of the health care delivery system in New York State (the “State”) by transforming the system into a more rational patient-centered care system that promotes population health and improved well-being for all New Yorkers. A competitive Request for Applications (“RFA”) is expected to be released this Fall by which eligible entities as described below participating in the DSRIP (as well as those eligible entities not so participating) may apply for CRFP funding. All applications are expected to be reviewed and scored by DOH and DASNY staff and to be reviewed by, among others, the advisory panel to be established pursuant to Paragraph (b) of Subdivision 20 of Section 2807 of the Public Health Law prior to determination of awards by the Commissioner of DOH in consultation with the President of DASNY.

It is anticipated that providers with operating certificates issued by DOH, the Office of Mental Health (“OMH”), the Office for People with Developmental Disabilities (“OPWDD”) or the Office for Alcoholism and Substance Abuse Services (“OASAS”) would be eligible applicants.

Capital grant projects include but are not limited to closures, mergers, restructuring, improvements to infrastructure, development of primary care service capacity, development of telehealth infrastructure, the promotion of integrated delivery systems that strengthen and protect continued access to essential health care services and other transformational projects. It is anticipated that all CRFP grants will be funded solely from proceeds of bonds that constitute “state supported debt” for purposes of State Finance Law. Therefore, expenditures eligible for funding from CRFP are expected to include:

- The planning or design of the acquisition, construction, demolition, replacement, major repair or renovation of a fixed asset or assets, including the preparation and review of plans and specifications including engineering and other services.
- Construction costs;
- Renovation costs;
- Asset acquisitions; and
- Equipment costs, including capital costs for health information technology.

Excluded Expenses are expected to include amounts incurred for operational purposes, such as ordinary or recurring operating expenses or personal services, or for working capital purposes including paying down liabilities, loans or lease payments.

DSRIP applicants should anticipate submitting one CRFP grant application per Performing Provider System at the same time that they submit the DSRIP Project Plan application. CRFP grant applications may include multiple projects, but each project is expected to be separately scored.

A strong preference is anticipated for CRFP projects that demonstrate a close nexus between the proposed capital project and the DSRIP program's health system transformational goals and a significant investment beyond CRFP funding. Additionally, all applications are expected to be scored consistent with the criteria set forth in Paragraph (b)(ii) of Subdivision 3 of Section 2825 of the Public Health Law.