



STATE OF MARYLAND

## Community Health Resources Commission

45 Calvert Street, Room 336 • Annapolis, Maryland 21401

Wes Moore, Governor – Aruna Miller, Lt. Governor  
Edward J. Kasemeyer, Chair – Mark Luckner, Executive Director

October 27, 2023

### **Maryland Community Health Resources Commission Health Equity Resource Communities, Frequently Asked Questions**

**1. Is there a limit to the number of applications that can be submitted by a single entity?**

No, there is no limit to the number of applications submitted by a single entity; however, applicants should be very clear about the differences between each proposal submitted.

**2. Does it matter if an applicant is a current and/or former grantee? Does that weigh in their favor?**

Former/current grantees of the CHRC (including current Pathways grantees) are welcome to submit proposals if they meet the eligibility requirements stated in the Health Equity Resource Communities (HERC) Call for Proposals.

**3. Are current grantees eligible to submit new grant applications?**

Yes, current grantees are welcome to apply for this grant funding if their current project is under implementation and meeting reporting requirements and they meet the eligibility requirements stated in the HERC Call for Proposals. However, applicants are advised that the proposal must be wholly separate and distinct from the current CHRC grant under implementation.

**4. May out-of-state entities submit grant applications.**

Out-of-state lead or coordinating organizations are permitted to submit grant applications if the entity provides services primarily to Maryland residents from service sites located within the State, and the organization meets all of the eligibility requirements defined in the Call for Proposals (e.g., a non-profit hospital or non-profit community-based provider). The application must meet the geographic definition in the Call for Proposals, and clearly serve Maryland residents in the identified zip codes.

**5. Are newly designated 501(c)(3) organizations previously active in the community eligible to apply as a lead applicant or be included as a partnering organization in the proposed project?**

Yes, if the newly designated 501(c)(3) organization applying as the lead or coordinating organization meets the eligibility criteria defined in **Section 7.1** of the Call for Proposals and meets all other requirements defined in the Call for Proposals. If engaged as a partnering organization or coalition member, the lead or coordinating organization (i.e., applicant) would be responsible for assessing the capability and capacity of the partnering organization(s) to deliver the proposed services described in the project plan.

**6. Is there a limit to the number of partnering organizations that can participate in the project?**

No. However, the roles, responsibilities, and project services that each partnering organization or coalition member agrees to provide must be clearly defined in the proposal. The proposal should include a description of the added resource capacity that each partner brings to the project. Only organizations that have a letter of intent, commitment, MOU, or other binding agreement with the lead/coordinating organization will be considered participating partners in the project. In addition, the lead or coordination organization must define how the partnership relationships within a HERC coalition and/or with the various participating partner organizations will be managed. Refer to **Sections 8.2.9 and 8.2.10** of the Call for Proposals for further information.

**7. How would the Commission respond to two independent applications from sources offering complimentary services in the same geographic area?**

Applicants offering complimentary services in the same geographic area should consider a collaboration before submitting grant applications.

**8. Can there be multiple applicants from a zip code, jurisdictional boundary and/or geographic area?**

The Commission will consider multiple applications from a single zip code, jurisdictional boundary and/or defined geographic area that meets the requirements stated in the Call for Proposals. However, applicants are encouraged to explore project partnerships with other eligible entities within the same area(s) to avoid duplication of services and efforts to address the broader health and social needs of the target population.

**9. How many project years can a grant submission cover?**

The HERC Program is a five-year grant funding opportunity. Applicants should submit proposals that reflect a budget request that covers the full five-year project implementation and maintenance periods.

**10. Can a single project address more than one health disparity?**

The full grant application should select and clearly state at least **two** specific health disparities for intervention, but applicants are free to select more than two disparities.

The project proposal should clearly differentiate the strategies and interventions to be used in addressing each health disparity selected.

**11. Should individual projects address all strategic goals/priorities detailed in the Call for Proposals?**

Applicants are required to address all strategic goals of the Maryland Health Equity Resource Act in their grant proposals. These strategic goals will apply to all proposals that are submitted.

**12. How many HERC grants will be awarded?**

The CHRC has a potential total of approximately \$42 million to award in new grant funding to support the five-year HERC projects.

**13. Is there a maximum budget amount for each HERC grant application?**

Applicants may request up to \$1,000,000 per year. The budget request should be commensurate with the scope and intended impact of the proposed HERC project. As noted above, the CHRC has a total of \$42 million to award in new HERC funds for the five-year grant period, so the CHRC encourages all applicants to consider the most cost-effective approaches to delivering services when formulating the proposed budget.

**14. Since the HERC grants are awarded for five years, is it necessary to re-apply for funding annually after the first year of the grant?**

Grantees do not need to re-apply during the five-year project period under the HERC Call for Proposals. However, the program needs to demonstrate performance and progress toward meeting the overall strategic goals of the project, as reflected in regular grantee project status reports that are submitted and reviewed by the CHRC. Grantees that do not comply with these requirements (e.g., not submitting complete reports when due) or do not meet agreed project performance goals may be subject to postponement, cancellation, reversion, or repayment of grant funds during the grant period and may be subject to termination of the grant.

**12. Does the full Year One budget need to be expended before the end of FY 2024 (i.e., June 30, 2024)?**

No. CHRC funds are special funds and do not need to be expended before June 30, 2024.

**13. What are the requirements before a grant is expected to “go live”? Once the funds are awarded and start dates are determined, how much lead-time will be required?**

Once the CHRC makes its grant awards at the February 2024 Commission meeting, grantees are notified that they need to: (1) sign the grant agreement; (2) review and agree to performance metrics and grant reporting schedule; and (3) if requested by the Commission, provide an updated line-item budget for the grant award amount. Grantees are expected to launch project implementation within the first 60-90 days of the grant award.

**14. Is the requirement to submit a financial audit mandatory?**

Yes, submission of the most current financial audit for the lead or coordinating organization is mandatory. The CHRC uses the financial information of the applicants to evaluate the long-term financial solvency of potential grantees and to ensure that limited public grant funding is invested in financially sustainable organizations. If the audit is determined to be “aged,” CHRC staff will contact the applicant to request an updated financial audit. If the applicant does not have a current financial audit available, the CHRC will also accept other financial information such as tax returns or a profit and loss statement. However, submission of tax returns or a profit and loss statement in lieu of a formal, independent financial audit will result in the applicant being flagged as high risk.

**15. Are local health departments required to submit the financial audit?**

No, this requirement does not apply to local health departments.

**16. Are grant funds able to support the costs of addressing social determinants of health (e.g., transportation)?**

Yes, the CHRC aims to support HERC projects that address the identified social determinants of health needs of the proposed geographic area/target population. The proposal should be **very clear** on what three SDOH will be addressed, how grant funds will be used to address these SDOH, what health disparities and health outcomes will be improved by addressing these SDOH, and how the impact on the targeted health disparities and health outcomes will be measured. Proposals that utilize a holistic approach to address social determinants of health needs such as community health workers, patient navigators, multi-sectoral partnerships, and community-based participatory approaches are reviewed favorably by the Commission. Interventions that propose collaborations with multiple entities and community-based partnerships that create social, political, or economic support systems to address the social determinants of health for the proposed geographic area/target population are strongly encouraged.

**17. Is the budget a scored criteria in review of the applications?**

The proposals will be reviewed based on the selection criteria cited in Section 9 of the Call for Proposals. The budget request should be commensurate with the scope and intended impact of the proposed HERC project.

**18. Considering prior legislation approved by the General Assembly, the CHRC is required by the State to honor certain rates for indirect costs on certain State-funded grants and contracts with nonprofit organizations, will the Commission accept rates for indirect costs that exceed 10%?**

Yes, in limited circumstances. In accordance with MD Code Ann., State Finance and Procurement § 2-208, the CHRC will allow for reimbursement of indirect costs to nonprofit organizations in an amount equal to the rate the nonprofit organization has negotiated and received for indirect costs under a direct federal award, or from a non-federal entity based on the cost principles in Subpart E of OMB Uniform Guidance. If requesting a higher indirect rate (above 10%), provide documentation that supports the higher rate.

**19. What are permissible expenses incurred as part of indirect costs?**

Indirect costs include items that are associated with running the organization as a whole and benefit more than one project/program. Allowable indirect costs include items such as administrative staff salaries, rent, utilities, office supplies, insurance, etc. No more than 10% of the total budget can be requested for indirect costs.

**20. What is not allowable under indirect costs?**

Noncash transactions such as depreciation are not allowable indirect costs.

**21. Payroll fringe costs are limited to 25%. Will fringe costs exceeding 25% be considered?**

The Commission advises that the fringe rate be calculated at no more than 25%. If the grantee requests more than 25%, the applicant will be required to provide a compelling rationale for exceeding this amount. The Commission is willing to consider fringe requests above 25% on a case-by-case basis.

**22. Are the Grant Application Cover Sheet and Contractual Obligations forms available as a template?**

Templates for the [Grant Application Cover Sheet](#) and the Contractual Obligations are available on the CHRC website at:

Application Cover Sheet:

<https://app.smartsheet.com/b/form/65389208b69a4cc2aba7e4c9eab3e042>

<https://health.maryland.gov/mchrc/Pages/notices.aspx>

**23. What is the overall page limit for the proposals?**

Applicants are advised to limit the project proposal section of their application (as defined in Section 8 of the Call for Proposals) to **30 pages** in length.

**24. Is there a preferred database to be used in discussing the metrics?**

No. The CHRC suggests starting with the public use health and SDOH data files prepared by the Chesapeake Regional Information System for our Patients (CRISP). Applicants may wish to consult other data sources from the State (e.g., State Health Insurance Program) and are free to propose other data sources that provide the information necessary to identify and characterize the health and social needs of the intended target population as long as these sources are clearly described in the application.

**25. Can grantees hire a third-party evaluation company/consultant to perform program evaluation?**

Yes. Notwithstanding the requirement stated in the Call for Proposals to hire (or formulate a plan to hire) a full-time employee or contractor, the Health Equity Resource Communities Act permits an applicant to contract with a Historically Black College or University (HBCU) in Maryland to provide these evaluation services.

**26. Is there an implicit expectation that grantees will publish the impact and/or outcome of their project in peer-reviewed journals?**

No, but the Commission encourages grantees to disseminate their results to a wider audience. Programs that present sound evaluation plans, the capacity to collect data, and document project impact/ROI, etc. will be favorably reviewed.

**27. Is CRISP able to perform statistical analyses of data collected by individual grantees during or at conclusion of the HERC grant?**

CRISP is unable to provide statistical analysis services to individual HERC grantees during or at conclusion of the program. As noted below under Question 31, the CHRC may elect to use an external evaluator for the HERC Program, but this would be for statistical analysis of data collected and aggregated from across HERC projects based on common data variables provided by each project over the five-year HERC grant period.

**28. Are applicants permitted to request that CRISP provide data on specific diseases or health disparities not currently captured in the public use health data files posted on the CHRC website?**

CHRC staff and CRISP will address all questions related to the availability of data for specific diseases not represented in the public use health data files. When other potential data sources for a specific disease are known to CRISP/CHRC staff, this information will be offered to applicants. The public use health data files provided by CRISP and available on the CHRC website may not identify or address every community in the target community or geographic area, so CRISP suggests that applicants refer to the American Community Survey at [Census Data](#) for additional data to identify specific needs of the proposed target community or geographic area.

Please note, CRISP is not in a position to provide additional analysis for applicants beyond what is provided in the public use health data files. Applicants are welcome to use data from other verifiable sources including qualitative data to supplement their application and show health disparities and the specific SDOH needs of their target community.

**29. Is CRISP able to provide targeted data for residents from racial and ethnic subpopulations within a geographic area who may not seek care at hospitals or from community health care providers and may not be represented or discernable from the public use health and/or SDOH data files?**

CHRC recommends that applicants start their search at the zip code level, using the health and SDOH data files provided by CRISP to the extent possible to identify the needs of the proposed target subpopulations, with the understanding that there are inherent limitations to the publicly available source data. For this reason, the CHRC strongly encourages applicants to seek out **partnerships** and **collaborate** with public/private non-profit community-based organizations that have a strong presence and history of trusted service in these communities, such as advocacy groups, faith-based organizations, agencies that provide refugee and other resettlement services, safety net providers and local government agencies that help to address the needs of these communities. These groups, organizations and agencies may have access to supplemental quantitative and qualitative data that helps to better identify the specific needs of the vulnerable, hard-to-reach communities you seek to serve.

**30. Are letters of support required or desired in addition to the letters of commitment or MOUs with partners and collaborators?**

Only organizations that have a letter of intent, commitment, MOU, or other binding agreement with the lead/coordinating organization will be considered participating partners in the project.

If MOUs are pending at the time of application submission, the CHRC will require that successful applicants submit all fully executed MOUs within 90 days of grant award.

**31. Can one organization serve as the lead for multiple HERC proposals?**

If a lead or coordinating organization decides to pursue this approach, it would need to clearly demonstrate the capacity and capability to oversee more than one HERC project and would need to clearly differentiate the projects from each other in terms of scope and type of services, target population and geographic service area to avoid duplication of effort and the co-mingling of grant funding. In addition, **each** project proposal would need to meet all requirements set forth in the Call for Proposals.

### **32. How are matching private funds or other sources scored?**

CHRC review of other sources of project funding is not a discrete selection criteria listed under Section 9 of the Call for Proposals and would not be directly scored. However, the Call for Proposals does state under Section 8.2.8, that the applicant should describe feasible strategies for long-term sustainability that include acquisition of resources beyond State funding, including generating fee-for-service revenue or in-kind contributions from local community partners and stakeholders as part of a strategic resource mix. Therefore, the inclusion and review of a sustainability plan would fall under the “Other Selection Criteria” category 9.3 (B), when the CHRC reviews proposals for quality and completeness, and would be a potential indicator of self-sustainability as a future HERC. Proposals that present evidence of other funding to support self-sustainability as a future HERC will be viewed more favorably by the Commission.

The use of matching funds should be clearly described and differentiated from CHRC grant funding in the proposed project budget. **NOTE:** A specific amount or percentage of matching public/private funding is not required.

### **33. How will internal evaluators hired by grantees work with the CHRC’s external evaluator to ensure avoiding duplication?**

The responsibilities of an internal evaluator hired or contracted by each HERC project shall include monitoring the operation, effectiveness, and impact of each project, and “coordinating” with the Commission to obtain the data, statistics, and analysis necessary for the Commission to comply with reporting requirements to the Governor and General Assembly. CHRC staff will work closely with the internal evaluators, and we believe this coordination will obviate duplication of effort unless there are questions about the data sets submitted to the Commission. If the CHRC elects to use an external evaluator for the HERC Program, this would be for statistical analysis of data collected and aggregated from across individual HERC projects based on common data variables provided by each project over the five-year HERC grant period.

### **34. If there are multiple partner organizations coordinating together to work on the proposed project, should we list all participating organizations?**

Yes. CHRC recommends that the lead or coordinating organization identify **all** partners that intend to provide any grant funded services and/or provide substantive support to the project during planning and implementation. The proposal should present a clear accountability or management plan that delineates the role and responsibilities of each project partner/service provider and how the lead or coordinating organization will oversee these services and activities. Applicants should also describe how grant funds will be used in relation to services provided by each partner organization. This plan should describe which outcomes will be impacted by the activities of each partner.

### **35. If we aren’t one of the five types of organizations eligible to apply for a HERC grant, how can we address the strategic goals and be a competitive applicant for this grant?**

As noted in the RFP, the Resource Act specifies the types of organizations eligible to apply for and receive a HERC Program grant. The **lead** applicants must be a nonprofit community-based organization; nonprofit hospital; institution of higher education; Federally Qualified

Health Centers; or a local government agency (e.g., local health department). However, to effectively address the strategic goals of the Act and achieve meaningful and measurable impact, a collaborative, collective community-wide approach involving a coalition of healthcare and community support service providers, other community-based organizations (e.g., non-profit social service agencies, faith-based institutions, charities, schools, local businesses), municipal and local government entities, and members of the proposed geographic area is necessary. For this reason, the CHRC **strongly encourages** each lead applicant to adopt a collective impact approach, involving a broad coalition of community partner organizations and community members when developing their HERC project plan.

**36. If the project proposal involves provision of grant services through a partner organization, is a MOU with the partner organization required with submission of the application?**

As noted above, the CHRC does require that letters of commitment between the lead or coordinating organization and the coalition partners and/or partner organizations providing direct services or organizational support under the HERC project be executed prior to and included with submission of the full grant application. Execution of MOUs prior to submission of the application is **strongly encouraged** to avoid delays during project start-up. If MOUs are pending at the time of application submission, the CHRC will require that successful applicants submit all fully executed MOUs within 90 days of grant award.

The project proposal will need to clearly define the role(s) and responsibilities of partner organizations in providing grant funded services.

**37. How quickly will applicants be notified if they will be invited to present their grant proposal?**

CHRC staff will notify applicants of their eligibility to present their grant proposal before the end of January 2024.

**40. Are behavioral health service providers eligible to submit an application?**

Yes, if the applicant is an eligible entity as defined in the Call for Proposals: a) Nonprofit community-based organizations; b) Nonprofit hospitals; c) Institutions of higher education; d) Federally Qualified Health Centers (FQHC); or e) Local government agencies.

**41. Is the CHRC able to provide contact information for the HBCUs to explore options for hiring an evaluator?**

When the CHRC has access to publicly available contact information for these institutions this will be provided on request.

Potential HERC applicants and partners are encouraged to make best use of the community engagement forums scheduled over the next several weeks to connect with other interested entities and meet individuals from other local community organizations.

**42. Are incentives paid directly to individuals from the target community permitted when these are used to address SDOH and/or facilitate access to health and social services?**

Yes, non-tax-based incentives are permitted when used for community-based activities or programs that help address health disparities and social determinants of health needs. Examples include food pantry vouchers, passes to facilities that support increased physical



activity and fitness, transportation access, etc. However, cash payment incentives should be avoided.

**43. Permissible grant expenses may include:**

- a) Salaries and employment benefits for project staff;
- b) Subcontracting and consultant fees;
- c) Data collection and analysis;
- d) Project-related travel, conference calls, and meetings;
- e) Office supplies, expenses, and other indirect costs as approved by the Commission; and
- f) A limited amount of essential equipment and minor infrastructure improvements required by the project.

As described in **Section 7.3.1** of the Call for Proposals, funds may also be used to:

- g) provide loan repayment incentives to induce health care practitioners to practice in the proposed area;
- h) attract health practitioners and Community Health Workers (CHWs) to HERC designated areas;
- i) support innovative public health strategies to reduce health disparities in the proposed area such as the use of community health workers, community health centers, Federally Qualified Health Centers, institutions of higher education, and/or community-based disease management activities; and
- j) support other incentives or mechanisms to address health disparities that focus on ways to expand access to care, expand access to non-medical interventions that promote improved health outcomes, promote hiring, and reduce costs to the health care system.

(1) Of note, the HERC Act does not provide for tax credits as a permissible use of grant funds. Tax credits are only mentioned in the context of the HERC Advisory Committee's duties, specifically for "Proposing strategies for tax incentives and loan repayments to assist Health Equity Resource Communities in achieving their mission."

Funds from operating grants awarded under this subtitle may not be used for:

- a) Major equipment or construction projects (limits apply);
- b) Support of clinical trials;
- c) Medical devices or drugs that have not received approval from the appropriate federal agency; or
- d) Lobbying or political activity.

**44. Are capital expenditures a permissible use of grant funds under the HERC Call for Proposals?**

The Commission will consider reasonable capital expenditures on a case-by-case basis when requested to support interventions proposed by the applicant to address and demonstrate

progress toward achieving the strategic goals of the Resource Act. However, large-scale construction projects (as determined by the type and budget amount proposed) will not be considered under the HERC Grant Program. As noted in the Call for Proposals, grant funds may also be expended for a limited amount of essential equipment and minor infrastructure improvements required by the project. In each case, the applicants will need to clearly demonstrate how the proposed use of grant funding relates to the strategic goals of the Act. Examples of reasonable expenditures include purchasing medical or dental equipment needed to improve or expand the provision of direct services.

**45. Can HERC grant funds be used for home modifications?**

As stated under Question 44, the Commission will consider reasonable expenditures for home modifications (i.e., capital expenditures) on a case-by case basis when requested to support the interventions proposed by the applicant to address and demonstrate progress toward achieving the strategic goals of the Resource Act.

**46. What advice do you have for smaller organizations to proactively find partner organizations (and the right people to speak with within the partner organizations) ahead of the regional meetings?**

We encourage interested organizations, community groups and community members to register for and attend one of the regional in-person or virtual HERC public forums held in October and November as these events offer opportunities for attendees to meet representatives from local health departments, municipal and local government agencies, hospitals, FQHCs, and community-based health providers to explore partnership opportunities for the HERC project. Also, parties interested in serving as the lead or coordinating HERC applicant are encouraged to seek out and engage smaller community organizations and community partners which could include non-profit social service agencies, faith-based institutions, charities, schools, and local businesses with demonstrated experience working in the target population and communities. In hosting these public forums, the CHRC and HERC Advisory Committee are allowing individuals to provide their contact information and are making this information available on the CHRC website after the events. However, to avoid potential conflicts of interest, the CHRC and HERC Advisory Committee are not able to facilitate connections between potential applicants and partner organizations.

**47. Will proposals submitted by current Pathways grantees be eligible for the same “special considerations” that previously designated Health Enterprise Zones (HEZs) receive as described under the Selection Criteria in the Call for Proposals (Section 9.5)?**

No, this “special consideration” only applies to previously designated HEZs or applicants that include “areas previously included in a Health Enterprise Zone” that apply under this Call for Proposals.

**48. Regarding the documentation of referrals to verify if a participant received the services and can be counted under the definition of unduplicated individual served, is it acceptable to consider a referral as closed and count the participant as an unduplicated individual served if they self-report that they received the services?**

No, a self-report alone is not an acceptable method to confirm delivery of referral services. If a project staff member or contractor contacts the service provider(s) and verbally confirms that the services have been provided, this is acceptable as long as it's properly documented by the staff member or contractor, and by the service provider.

**49. Please clarify the process and requirements for submitting the financial audit, MOU and full grant application.**

The financial audit and eligibility documentation need to be submitted electronically to Jen Clatterbuck, CHRC Administrator (jen.clatterbuck@maryland.gov), no later than **12:00 noon on December 5, 2023**. The CHRC requests that the electronic file containing all financial audit and disclosure documentation be submitted as part of the full grant application.

For submission of the **full grant application**:

- a) the full grant application, appendices, and attachments, must be submitted electronically no later than **12:00 noon on December 5, 2023**, to Jen Clatterbuck, CHRC Administrator: **jen.clatterbuck@maryland.com**.
- b) the full grant application must be submitted in Adobe Acrobat .pdf format.
- c) **Two hard-copies** of the entire full grant application, spiral bound and stamped with one copy being stamped "ORIGINAL" on the face page must also be submitted. If the documents are submitted by USPS, the package must be postmarked no later than **December 5, 2023**. If UPS, FEDEX or other express delivery services are used, the shipping documentation must indicate that the "package" was picked up for delivery by the courier no later than COB on **December 5, 2023**.
- d) all applicants will receive confirmation that their application has been received; likewise, applicants will be notified of any omissions or other issues with the application.