



# **FY25 Home and Community-Based Services Employee Scholarship Grant and Loan Forgiveness Program**

GRANT REQUEST FOR PROPOSAL (RFP)

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To obtain this information in a different format, call: 651-201-3838.

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## RFP Part 1: Overview

### 1.1 General Information

- **Announcement Title:** FY25 Home and Community-Based Services Employee Scholarship Grant and Loan Forgiveness Program
- **Minnesota Department of Health (MDH) Program Website:**  
<https://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#hcb>
- **Application Deadline:** February 14, 2025

### 1.2 Program Description

The Home and Community-Based Services (HCBS) Employee Scholarship Grant and Loan Forgiveness Program, authorized by [Minnesota Statutes Section 144.1503](#), assists HCBS provider organizations in funding employee scholarships. The program also repays qualified educational loans for employees nominated by HCBS provider organizations. Scholarships and loan forgiveness cover costs related to education in nursing and other health care fields, in courses of study that lead to career advancement with the provider or in the HCBS field.

### 1.3 Funding and Project Dates

#### Funding

Funding will be allocated through a competitive process. If selected, you may only incur eligible expenditures when the grant agreement is fully executed and the grant has reached its effective date.

Up to one-third of annual funding may be used for loan forgiveness to eligible HCBS employees. Employees nominated by their employer for the loan forgiveness program will be notified by the MDH Office of Rural Health and Primary Care (ORHPC) of how to submit qualified educational loan documentation and other required information.

Funding	Estimate
Estimated Amount to Grant to Employers for Scholarships	\$1,095,000
Estimated Award Range for Grants to Employers for Scholarships	\$12,000-\$125,000
Estimated Number of Grant Awards to Employers for Scholarships	25
Award Amount for Loan Forgiveness Awards to Individuals	\$12,000
Estimated Number of Loan Forgiveness Awards to Individuals	45

#### Match Requirement

No match is required.

## Project Dates

Expected grant period for scholarship grants to employers: June 1, 2025 – May 31, 2028.

Expected time period for loan forgiveness awards to individuals: July 1, 2025 – May 31, 2027.

## 1.4 Eligible Applicants

Nonprofit and for-profit organizations that meet the following criteria are eligible to apply for a grant for HCBS employee scholarships and/or nominate employees for loan forgiveness. An eligible applicant organization must:

- Be located in Minnesota.
- Primarily provide services to individuals who are 65 years of age and older in home and community-based settings. At least 51% of the organization's patients/clients must be age 65 and older.
- Hold one of the following licenses:
  - Assisted living facility as defined in [Sec. 144G.08 MN Statutes, subdivision 7](#)
  - Adult day care facility as defined in [MN Statute 245A.02, subdivision 2a](#)
  - Home care services provider as defined in [MN Statute 144A.43, subdivision 3](#)

**Other types of entities, including nursing homes and hospice facilities, are not eligible for this program.**

An organization may only submit one application. Organizations with multiple sites should submit one application and make clear which sites will be involved.

Grant funds are not transferrable to any other entity. Applicants that are aware of any upcoming mergers, acquisitions, or any other changes in their organization or legal standing, must disclose this information to MDH in their application, or as soon as they are aware of it.

## Collaboration

Collaboration with a qualified educational institution to offer eligible educational programs at the HCBS site is one option for HCBS employers applying for scholarship funding. See RFP section 2.2 for more information.

Additionally, collaboration with secondary and postsecondary schools to recruit new staff who wish to pursue a career in the field of long-term care is encouraged but not required.

## 1.5 Questions and Answers

All questions regarding this RFP must be submitted by email to [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us). All answers will be posted within three business days at <https://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#hcbs>.

Please submit questions no later than 4:30 p.m. Central Time on January 31, 2025.

To ensure the proper and fair evaluation of all applications, other communications regarding this RFP including verbal, telephone, written or internet initiated by or on behalf of any applicant to any employee of the Department, other than questions submitted to as outlined above, are prohibited. **Any violation of this prohibition may result in the disqualification of the applicant.**

### **RFP Information Meeting**

An informational webinar will be held on January 6, 2025, at 10 a.m. Central Time. [Click here to join the meeting](#). Materials from the meeting, including slides and questions and answers, will be posted at <https://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#hcbs>.

## RFP Part 2: Program Details

### 2.1 Priorities

#### Health Equity Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making. [The Policy on Rating Criteria for Competitive Grant Review](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities.

By addressing the need for a well-trained, stable HCBS workforce throughout Minnesota, this grant program serves a diverse population of HCBS providers and recipients. HCBS providers and recipients are diverse with respect to race, ethnicity, age, disability status, and geographic location, among other factors.

Grant outcomes will include:

- An increased number of HCBS employees receiving scholarships and loan forgiveness compared to the year before this funding was awarded.
- Demonstrated retention of direct-care HCBS employees among HCBS employers across Minnesota that are experiencing direct-care workforce retention challenges.

#### Other Competitive Priorities

Priority will be given to:

- HCBS provider organizations outside of the seven-county Twin Cities metropolitan area.
- HCBS provider organizations with operating expenses of \$2 million or less and 50 patients/clients or fewer.
- Projects that pay for employee coursework leading to career advancement, including certification and licensure, in the field of long-term care nursing.
- Employees nominated for loan forgiveness whose educational program led to their licensing as a Licensed Practical Nurse (LPN) or Registered Nurse (RN).

See Attachment A: Application Evaluation Criteria for a complete list of scoring criteria.

### 2.2 Eligible Projects

Grant funds must be used to support workforce development and retention through scholarships, eligible in-house trainings for direct care employees, and/or qualified educational loan forgiveness.

## GRANTS TO HCBS EMPLOYERS FOR EMPLOYEE SCHOLARSHIPS

### Scholarship Program Overview

Eligible HCBS provider organizations may apply for scholarship funds to:

- Award scholarships to employees to cover coursework in eligible programs, and/or
- Offer in-house trainings provided by a qualified educational institution.

HCBS provider organizations that wish to award scholarships to employees to cover coursework in eligible programs must propose an employee scholarship program, including establishing criteria by which funds will be distributed among employees.

HCBS provider organizations that wish to offer in-house trainings provided by a qualified educational institution must partner with an educational institution that provides clinical coursework leading to certification, licensure, or a degree in nursing or other direct-care roles.

### Eligible Scholarship Recipients

To be eligible, a scholarship recipient must be employed in a caregiving role (providing direct care to patients/clients) and must work an average of at least 10 hours per week for the grantee HCBS organization while receiving a scholarship funded by the HCBS Employee Scholarship Grant and Loan Forgiveness Program.

### Courses of Study or Training

Eligible courses of study for scholarships and in-house trainings must:

- Be directly related to the provision of patient or client care in home and community-based settings.
- Lead to career advancement with the provider or in the field of long-term care, including home care, care of persons with disabilities, licensed assisted living director, or nursing within the HCBS field.
- Result in an industry-recognized certification or credential, or include stackable course credits supporting adult basic education, a degree program, a diploma, or a license.
  - The certification resulting from the course of study must be awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to obtain employment or advance within an HCBS occupation.
  - Diploma programs as part of a Health Care Collaborative or other health care pathway program for secondary students leading to an HCBS career are eligible.

Eligible courses of study for scholarships include:

- Nursing, including Certified Nursing Assistant (CNA), Licensed Practical Nurse (LPN), Registered Nurse (RN), or other relevant degrees

- Degree programs in the field of long-term care, including care for persons with disabilities
- Licensed Assisted Living Director (LALD)
- Social work
- Occupational therapy
- Physical therapy

Eligible in-house trainings include:

Patient/client care-related trainings that result in industry-recognized certifications, credentials, or course credits and are ***above and beyond those required for licensure of the organization.***

For example:

- Trained Medication Aide
- Certified Dementia Practitioner
- Wound Care Certification
- Training for medical interpreter services
- Job-related English language learning

### Eligible Scholarship Expenses

All expenses must be directly related to the employee's coursework or training and may include:

- Employee tuition
  - Grantee may pay tuition directly to the educational institution or reimburse the employee upon completion of the course
- Course-related textbooks or materials
- Childcare expenses while the employee is attending classes
- Mileage reimbursement
- Payment to a qualified educational institution for providing approved in-house training
- Entrance or licensure exam fees

Grant funds may not be used for coursework or trainings that took place prior to the start of the grant contract or after the contract ends. Coursework and trainings must take place during the grant period.

Grantee organizations will need to collect documentation of eligible educational expenses from scholarship recipients and submit that documentation to MDH, along with documentation that the organization reimbursed the scholarship recipient or paid the educational institution directly. For in-house trainings, grantee organizations will submit documentation to MDH showing payment for the training costs. MDH will reimburse grantee organizations for eligible expenses each quarter after receiving acceptable documentation.

## Ineligible Scholarship Expenses

Ineligible expenses include but are not limited to:

- Administrative expenses to manage the grant funds
- Employee wages, fringe benefits, or stipends while the employee is attending school
- Courses or training required to maintain an employee's current certification or licensure
- Courses that do not provide a pathway that will lead to the employee's career advancement in the field of long-term care
- Out-of-state travel or lodging
- Food and beverage, except as included in course or training registration fee
- Supplies or equipment not directly related to training/coursework of scholarship recipients
- Capital improvements
- Solicitating donations
- Taxes, except sales tax on goods and services
- Lobbyists, political contributions
- Bad debts, late payment fees, finance charges, or contingency funds

## Reporting Requirements for Scholarship Program

HCBS provider organizations that receive a grant for employee scholarships must report the following data each quarter:

- Amount of funding spent on scholarships
- Number of employees who received scholarships
- For each scholarship recipient: name, current position, amount awarded, educational institution attended, nature of educational program, and expected or actual program completion date

## LOAN FORGIVENESS FOR INDIVIDUAL HCBS EMPLOYEES

### Loan Forgiveness Program Overview

Eligible HCBS provider organizations may apply to MDH for loan forgiveness on behalf of their employees. Employers submit to MDH the names of employees whom they are nominating for loan forgiveness.

MDH sets a standard loan forgiveness award amount. This year the loan forgiveness award is \$12,000 per employee. If an employee's qualifying loan balance is smaller than the standard award, they will receive loan forgiveness for the amount of their loan balance.

The expected time period for loan forgiveness awards to individuals is July 1, 2025 – May 31, 2027. Loans incurred any time prior to the start date of July 1, 2025 are eligible for forgiveness.

MDH will notify HCBS provider organizations of how many loan forgiveness awards have been granted to their employees. Unlike the scholarship component of this grant program, in which

organizations administer scholarship funding to their employees, loan forgiveness awards are disbursed by MDH directly to the individual.

### **Eligible Loan Forgiveness Recipients**

Individuals are eligible for loan forgiveness if they meet the following criteria:

- Employed in a caregiving role, providing direct care to patients/clients, primarily older adults. Licensed assisted living directors are eligible.
- An eligible HCBS employer submits their name to MDH for consideration.
- Agree to work for a minimum of two years, at least 45 weeks per year, for an average of at least 32 hours per week, for a qualifying HCBS employer.
  - The two-year service commitment begins on their loan forgiveness award date, expected to be July 1, 2025.
  - Should employees move to a different employer during their commitment, they remain eligible if they continue to practice with an eligible HCBS provider as outlined in RFP Section 1.4.

Employees nominated for the loan forgiveness program will be notified by ORHPC of how to submit qualified educational loan documentation and other required information. Loan forgiveness recipients will submit an annual confirmation of practice document signed by their employer to verify that they are fulfilling their service commitment. MDH will issue annual loan forgiveness award disbursements.

If an employee does not fulfill the required minimum service commitment, they will be responsible for repaying their loan forgiveness award disbursements with interest.

### **Loans Eligible for HCBS Loan Forgiveness**

Eligible loans meet the following criteria:

- Loans must be for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to graduate or undergraduate education.
- Loans must be for education in nursing and other health care-related fields, including training to become a licensed assisted living director.
- Loans may be government loans, commercial loans, or foundation loans.

### **Ineligible Loan Forgiveness Program Loans**

- Credit card debt
- Loans from family members
- Parent PLUS loans
- Loans in current or active default
  - Previously defaulted loans that have since been completely rehabilitated and are not currently in active default status are eligible

## Reporting Requirements for Loan Forgiveness Program

Individuals who receive loan forgiveness will submit an annual confirmation of practice document signed by their employer to verify that they are fulfilling their service commitment.

## 2.3 Grant Management Responsibilities

### Grant Agreement

Each grantee must formally enter into a grant agreement. The grant agreement will address the conditions of the award, including implementation for the project. Grantee should read the grant agreement, sign, and once signed, comply with all conditions of the grant agreement.

No work on grant activities can begin until a fully executed grant agreement is in place and the State's Authorized Representative has notified the Grantee that work may start.

The funded applicant will be legally responsible for assuring implementation of the work plan and compliance with all applicable state requirements including worker's compensation insurance, nondiscrimination, data privacy, budget compliance, and reporting.

Applicants can view a sample grant agreement on the [MDH Grant Resources webpage](#).

### Accountability and Reporting Requirements

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant agreement have been met.

Reports will be submitted through the MDH Office of Rural Health and Primary Care [online Grants Portal](#). Standard invoice and progress report forms will be provided to grantees. Reports will be due 20 days after each quarter ends per the following schedule:

- January 20
- April 20
- July 20
- October 20

### Grant Monitoring

[Minn. Stat. § 16B.97](#) and [Policy on Grant Monitoring](#) require the following:

- One monitoring visit during the grant period on all state grants over \$50,000.
- Annual monitoring visits during the grant period on all grants over \$250,000.
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants over \$50,000.

## Technical Assistance

Consultation and guidance in completing the online application process is available upon request. MDH will provide forms and templates for invoices and progress reports. MDH is also available to provide technical assistance for grantees. It is the grantee's responsibility to meet all obligations in the contract, and to notify MDH and request approval for any changes to these obligations.

For assistance, contact [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us).

## Grant Payments

Per [State Policy on Grant Payments](#), reimbursement is the method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless MDH has given the grantee a written extension.

The invoicing and payment schedule will be quarterly. Reports will be submitted through the MDH Office of Rural Health and Primary Care online grants portal. Reporting forms will be provided to grantees. Invoices will be due 20 days after each quarter per the following schedule:

- January 20
- April 20
- July 20
- October 20

## 2.4 Grant Provisions

### Affirmative Action and Non-Discrimination Requirements for all Grantees

The grantee agrees to comply with applicable state and federal laws prohibiting discrimination. Minnesota's nondiscrimination law is the Minnesota Human Rights Act (MHRA) ([Minn. Stat. § 363A](#); See e.g. Minn. Stat. § 363A.02 (<https://www.revisor.mn.gov/statutes/cite/363A.02>)). The MHRA is enforced by the Minnesota Department of Human Rights (<https://mn.gov/mdhr/>). Some, but not all, MHRA requirements are reflected below. All grantees are responsible for knowing and complying with nondiscrimination and other applicable laws.

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified.

The grantee agrees not to discriminate in public accommodations because of race, color, creed, religion, national origin, sex, gender identity, sexual orientation, and disability.

The grantee agrees not to discriminate in public services because of race, color, creed, religion, national origin, sex, gender identity, marital status, disability, sexual orientation, and status with regard to public assistance.

The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Minn. Rules, part [5000.3550](#).

## Audits

Per [Minn. Stat. § 16B.98](#), subd. 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## Conflicts of Interest

MDH will take steps to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minn. Stat. § 16B.98](#) and the Office of Grants Management's Policy 08-01, "Conflict of Interest Policy for State Grant-Making."

**Applicants must complete the Applicant Conflict of Disclosure form and submit it as part of the completed application.** Failure to complete and submit this form will result in disqualification from the review process.

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice
- a grantee's or applicant's objectivity in performing the grant work is or might be otherwise impaired
- a grantee or applicant has an unfair competitive advantage

Individual conflicts of interest occur when:

- an applicant, or any of its employees, uses their position to obtain special advantage, benefit, or access to MDH's time, services, facilities, equipment, supplies, prestige, or influence
- An applicant, or any of its employees, receives or accepts money, or anything else of value, from another state grantee or grant applicant with respect to the specific project covered by this RFP/project.

- An applicant, or any of its employees, has equity or a financial interest in, or partial or whole ownership of, a competing grant applicant organization.
- An applicant, or any of its employees, is an employee of MDH or is a relative of an employee of MDH.

In cases where a conflict of interest is perceived, disclosed, or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the grant agreement.

### **Non-Transferability**

Grant funds are not transferrable to any other entity. Applicants that are aware of any upcoming mergers, acquisitions, or any other changes in their organization or legal standing, must disclose this information to MDH in their application, or as soon as they are aware of it.

### **Public Data and Trade Secret Materials**

All applications submitted in response to this RFP will become property of the State. In accordance with [Minn. Stat. § 13.599](#), all applications and their contents are private or nonpublic until the applications are opened.

Once the applications are opened, the name and address of each applicant and the amount requested is public. All other data in an application is private or nonpublic data until completion of the evaluation process, which is defined by statute as when MDH has completed negotiating the grant agreement with the selected applicant.

After MDH has completed the evaluation process, all remaining data in the applications is public with the exception of trade secret data as defined and classified in [Minn. Stat. § 13.37](#), subd. 1(b). A statement by an applicant that the application is copyrighted or otherwise protected does not prevent public access to the application or its contents. ([Minn. Stat. § 13.599](#), subd. 3(a)).

If an applicant submits any information in an application that it believes to be trade secret information, as defined by [Minn. Stat. § 13.37](#), the applicant must:

- Clearly mark all trade secret materials in its application at the time it is submitted,
- Include a statement attached to its application justifying the trade secret designation for each item, and
- Defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless MDH and the State of Minnesota, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense.
- This indemnification survives MDH's award of a grant agreement. In submitting an application in response to this RFP, the applicant agrees that this indemnification survives as long as the trade secret materials are in possession of MDH. The State will not consider the prices submitted by the responder to be proprietary or trade secret materials.

MDH reserves the right to reject a claim that any particular information in an application is trade secret information if it determines the applicant has not met the burden of establishing that the information constitutes a trade secret. MDH will not consider the budgets submitted

by applicants to be proprietary or trade secret materials. Use of generic trade secret language encompassing substantial portions of the application or simple assertions of trade secret without substantial explanation of the basis for that designation will be insufficient to warrant a trade secret designation.

If a grant is awarded to an applicant, MDH may use or disclose the trade secret data to the extent provided by law. Any decision by the State to disclose information determined to be trade secret information will be made consistent with the Minnesota Government Data Practices Act ([Ch. 13 MN Statutes](#)) and other relevant laws and regulations.

If certain information is found to constitute trade secret information, the remainder of the application will become public; in the event a data request is received for application information, only the trade secret data will be removed and remain nonpublic.

## 2.5 Review and Selection Process

### Review Process

Funding will be allocated through a competitive process with review by a committee representing the fields of home and community-based services (HCBS), work force development, and mid-level direct care provider training. The review committee will evaluate all eligible and complete applications received by the deadline.

MDH will review all committee recommendations and is responsible for award decisions. **The award decisions of MDH are final and not subject to appeal.** Additionally:

- MDH reserves the right to withhold the distribution of funds in cases where proposals submitted do not meet the necessary criteria.
- The RFP does not obligate MDH to award a grant agreement or complete the project, and MDH reserves the right to cancel this RFP if it is considered to be in its best interest.
- MDH reserves the right to waive minor irregularities or request additional information to further clarify or validate information submitted in the application, provided the application, as submitted, substantially complies with the requirements of this RFP. There is, however, no guarantee MDH will look for information or clarification outside of the submitted written application. Therefore, it is important that all applicants ensure that all sections of their application are complete to avoid the possibility of failing an evaluation phase or having their score reduced for lack of information.

### Selection Criteria and Weight

The review committee will be reviewing each applicant on a 100-point scale. A standardized scoring system will be used to determine the extent to which the applicant meets the selection criteria.

The scoring factors and weight according to which applications will be judged are detailed in Attachment A: Application Evaluation Criteria.

### **Grantee Past Performance and Due Diligence Review Process**

- It is the policy of the State of Minnesota to consider a grant applicant's past performance before awarding subsequent grants to them.
- State policy requires states to conduct a pre-award risk assessment prior to a grant award. Additional information may be required for proposed budgets of \$50,000 and higher to a potential applicant in order to comply with [Policy on Pre-Award Risk Assessment for Potential Grantees](#).

### **Notification**

MDH anticipates notifying all applicants via email of funding decisions by late March 2025.

## RFP Part 3: Application and Submission Instructions

### 3.1 Application Deadline

All applications **must** be received by MDH no later than 4:30 p.m. Central Time on February 14, 2025.

**Late applications will not be accepted.** It is the applicant's sole responsibility to allow sufficient time to address all potential delays caused by any reason whatsoever. MDH will not be responsible for delays caused by mail, delivery, computer, or technology problems.

**Acknowledgement of application receipt.** The online [Grants Portal](#) will send an automated email to the user who submitted the application to confirm the submission of your application. Additionally, the application status will change from "Draft" to "Submitted" on the Applicant Dashboard and record the date the application was submitted. If the application is still in draft status by the application deadline, you will no longer be able to edit or submit the application. If you do not receive an automated email confirming submission, please contact us promptly at [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us).

If you encounter any issues with the online application submission, please contact us promptly at [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us). We encourage you to submit in advance of the deadline to allow time to address any technical issues.

### 3.2 Application Submission Instructions

ORHPC requires application submissions to be made through an online [Grants Portal](#). Please reference the ORHPC [Grantee Guide](#) for information on account creation, password recovery, application creation, and collaboration.

Read [RFP Part 4: Application Guidance](#) within this RFP document for instructions on how to address the application questions in the Grants Portal.

If you have any questions, please contact [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us).

### 3.3 Application Instructions

You must complete all required fields in the online application form and submit all required attachments for your application to be considered complete.

Incomplete applications will be rejected and not evaluated.

Applications must include all required application materials, including attachments. Do not provide any materials that are not requested in this RFP, as such materials will not be considered nor evaluated. **MDH reserves the right to reject any application that does not meet these requirements.**

FY25 HCBS EMPLOYEE SCHOLARSHIP GRANTS AND LOAN FORGIVENESS

By submitting an application, each applicant warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential grant award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the applicant to suspension or debarment proceedings and other remedies available by law.

**All costs incurred in responding to this RFP will be borne by the applicant.**

## RFP Part 4: Application Guidance

### Section 1. Organization and Applicant Information

Basic information about the applicant entity is requested, including legal and business name, address, and tax identification information for contracting purposes.

### Section 2. Project Information

This section requests contact information for the organization, including the Authorized Organization Representative (AOR). This person is often the CEO of the organization and must have the authority to enter a contract with the State. An additional program contact is also advised.

### Section 3. Organization Background and Capacity

#### Type of HCBS Organization

- Licensed assisted living facility as defined in [Sec. 144G.08 MN Statutes, subdivision 7](#)
- Licensed adult day care facility as defined in [MN Statute 245A.02, subdivision 2a](#)
- Licensed home care services provider as defined in [MN Statute 144A.43, subdivision 3](#)

Note that only these types of entities are eligible.

#### HCBS Facility or Service Location(s)

Indicate the location of the facility or facilities, or the service area for home care services, where employees provide direct care to patients/clients. Check all that apply.

- Outside the 7-county Twin Cities metro
- In the 7-county Twin Cities metro

#### Number of Patients/Clients

What is the number of patients/clients served by your organization as a whole?

#### Percentage of Patients/Clients Over 65

What percentage of patients/clients served by your organization are over 65 years old? Note that for your organization to be eligible for this program, at least 51% of your organization's patients/clients must be over 65.

#### Percentage of Patients/Clients Self-Paying with Insurance

What percentage of your patients/clients are self-paying with private insurance?

#### Percentage of Patients/Clients Self-Paying with Cash

What percentage of your patients/clients are self-paying with cash?

### **Percentage of Elderly Waiver Patients/Clients**

What percentage of your patients/clients are on elderly waiver?

### **Operating Expenses**

Please provide the operating expenses for your organization as a whole (not operating expenses for specific facilities).

### **Caregiving Staff Turnover: 2024 to date**

What is the percentage of caregiving staff turnover in calendar year 2024 to date?

### **Caregiving Staff Turnover: 2023**

What was the percentage of caregiving staff turnover in calendar year 2023?

### **Organization Overview**

Provide a brief overview of your organization, including its history, staffing and administrative structure, and service area(s). Describe the patients/clients served, including their age range and other demographics. Describe any unique characteristics or circumstances pertaining to your organization.

### **Need Statement**

Describe the need for a scholarship program and/or loan forgiveness for employees at your organization. If applying on behalf of more than one facility or location, provide information on any specific needs at each facility or location.

- What are the educational or training needs of your caregiving staff?
- How many more patients/clients could potentially be served by employees who have advanced training?
- Describe any concerns regarding retention and turnover with your caregiving staff.
- Provide any additional information about your organization's clientele, geographic location, and/or business circumstances that demonstrate the need for this grant program.

### **Previous HCBS Funding**

Has your organization previously received MDH HCBS funding for scholarships or loan forgiveness?

### **Years Awarded**

If your organization has previously received MDH HCBS funding, list the years in which you received awards.

## **Impact of Previous HCBS Funding**

Describe how previous HCBS funding has affected employee retention and turnover at your organization and the direct-care services you provide to patients/clients. Discuss any other ways the previous HCBS funding has impacted your organization.

## **Section 4. Project Narrative**

### **Type of Funding Requested**

Indicate whether you are applying for scholarship funding, loan forgiveness for individual employees, or both. Check all that apply.

- Grant funding to your organization to provide employee scholarships and/or in-house trainings
- Loan forgiveness for individual employees

## **APPLICATIONS FOR SCHOLARSHIP FUNDING**

Complete the following questions if you are applying for grant funding to establish a scholarship program.

### **New or Existing Program**

Will you use grant funding to continue or expand an existing scholarship program or to implement a new program?

### **In-house Training**

If you are proposing to use scholarship funding to offer in-house training conducted by a qualified educational institution, please describe the training(s) you plan to offer and which educational institution(s) will provide the training.

Explain how the training(s) will result in industry-recognized certifications, credentials, or course credits that are above and beyond those required for licensure of your organization.

### **Scholarships for Outside Courses of Study**

If you are proposing to use scholarship funding to provide scholarships to employees for their courses of study at qualified educational institutions, please indicate which eligible courses of study your employees are pursuing. Describe the degree, licensure, certification, and/or other training programs you anticipate your scholarships funding.

Explain how these courses of study result in industry-recognized certifications, credentials, or course credits that are above and beyond those required for licensure of your organization.

### **Recruitment and Partnerships**

Describe any recruitment activities you have planned to attract new employees to open direct-care HCBS positions.

Please describe any existing or planned collaborations with educational institutions, Health Care Collaboratives, or other pathway programs to recruit and hire students who wish to pursue a career in the HCBS field.

### **Eligible Employees for Scholarship Program**

How many current employees are eligible for the scholarship program you are proposing? How many new employees do you anticipate hiring during the grant period who will be eligible for the scholarship program?

Eligible employees are those who work an average of at least 10 hours per week providing direct care to patients/clients.

### **Selecting Employees for Scholarships**

Describe your process for selecting eligible employees for scholarships. How will your program prioritize employee coursework leading to career advancement in the field of long-term care nursing?

### **Retaining Employees After Scholarships**

Describe your plans to retain employees after completion of their scholarship.

### **Program Management**

How will your organization track the successful completion of employee trainings and/or coursework? Describe the process for reimbursing employees and/or educational institutions. Describe how your organization will track and report on the following measures:

- Amount of funding spent on scholarships
- Number of employees who received scholarships
- For each scholarship recipient: name, current position, amount awarded, educational institution attended, nature of educational program, and expected or actual program completion date

### **Past Success**

If your organization currently offers or has offered a scholarship program in the past, highlight any successes, including:

- number and percentage of scholarship recipients retained at your organization
- number and percentage of scholarship recipients promoted at your organization
- employee job roles before and after scholarship completion

### **Benefits of Scholarship Program**

How will the coursework and/or training funded by scholarships help your organization recruit and retain employees, improve care for your patients/clients, and/or increase the number of patients/clients served?

## Other Funding Sources

Please identify all other funding sources supporting your scholarship program. For each funding source, indicate the amount of funding going toward the scholarship program.

## NOMINATING EMPLOYEES FOR LOAN FORGIVENESS

Complete the following questions if you are applying for loan forgiveness on behalf of your employees.

### Recruitment and Partnerships

Describe any recruitment activities you have planned to attract new employees to open direct-care HCBS positions.

Please describe any existing or planned collaborations with educational institutions, Health Care Collaboratives, or other pathway programs to recruit and hire students who wish to pursue a career in the HCBS field.

### Eligible Employees for Loan Forgiveness

How many of your organization's current employees work in a caregiving role, providing direct care to patients/clients, for at least 32 hours per week? Include employees who are licensed assisted living directors.

Note that this is a rough number of how many employees are eligible for loan forgiveness, not the number of employees you plan to nominate. Later in the application you will be asked for nomination information.

### Selecting Employees for Loan Forgiveness

Describe your process for selecting eligible employees to nominate for loan forgiveness. How will your organization prioritize employees whose educational program led to their licensing as a Licensed Practical Nurse (LPN) or Registered Nurse (RN)?

### Retaining Employees After Loan Forgiveness

Describe your plans to retain employees after they receive loan forgiveness awards.

### Past Success

If your organization currently offers or has offered loan forgiveness in the past, highlight any successes, including:

- number of caregiving employees recruited by offering loan forgiveness
- number and percentage of loan forgiveness recipients retained at your organization
- number and percentage of loan forgiveness recipients promoted at your organization
- employee job roles before and after loan forgiveness

## Benefits of Loan Forgiveness

How will loan forgiveness help your organization recruit and retain employees, improve care for your patients/clients, and/or increase the number of patients/clients served?

## Number of Loan Forgiveness Slots

Enter the number of slots you are seeking for loan forgiveness nominations.

## Loan Forgiveness Nominations

- Your organization may nominate between 1 and 5 employees, even if you are applying on behalf of multiple facilities.
- For each nominated employee, list: Full Name, Phone Number, Email Address, Position.
- If specific employees have not been identified yet, you may indicate that. You will have an opportunity to identify the employees after being notified of how many loan forgiveness slots your organization has received.
- Please rank the nominated employees in order of priority for loan forgiveness. The employee ranked first is considered highest priority. Employers should prioritize:
  - Employees whose educational program led to their licensing as a Licensed Practical Nurse (LPN) or Registered Nurse (RN), and
  - Employees who have completed their training or are close to completing their training. Loans incurred any time prior to July 1, 2025 will be eligible for forgiveness.

Note that individuals will be given a deadline to respond to the loan forgiveness nomination. Employers will be responsible for facilitating initial communication between MDH and their employees.

## Section 5. Work Plan and Budget

**Complete this section if applying for scholarship funding.**

Applicants will fill in a form that provides a brief description of the type of employee training scholarships or trainings to be provided. This information will serve as the basis for your work plan and budget in a grant contract if your organization receives scholarship funding.

The following information must be provided for **each** type of scholarship or training being proposed:

- **Certification or Credential:** A description of the degree, certification or credential that will result from the training or scholarship. For example, LPN, RN, or LALD.
- **Educational Institution or Training Organization:** Provide a brief description of the educational institution or training organization that scholarship recipients will attend or that will provide in-house trainings. Applicants may state “Employee choice at an accredited college or university” if scholarship recipients will attend nursing programs at various educational institutions, for example.

- **Start date:** The estimated date the first scholarship will be issued, or the date the training program will commence.
- **End date:** The projected completion date that the last scholarship payment will be issued, or the end date for group trainings.
- **Number of Recipients:** Provide the estimated number of scholarship recipients or the number of employees who will attend in-house trainings.
- **Individual Scholarship Costs/Participant Costs:** Provide the amount of the scholarship to be provided. If requesting support for in-house training, calculate the estimated cost per participant for trainings by dividing the total cost of the training (including materials) by the number of projected participants.
- **Total Cost:** Provide the total cost of each certification or credential proposed.

For each training or scholarship type, describe the eligible expenses that make up the total costs you identified. Here is a list of allowable expenses:

- **Employee tuition:** Employee tuition scholarships pay for eligible costs associated with courses and trainings that individual employees take at an educational institution. Employees' salaries, fringe or stipends while attending school are not allowable expenses.
- **Course-related textbooks or materials:** Funds may be used to cover the cost of in-house training materials or the costs of books and materials for employees enrolled in coursework through the assistance of an employee tuition scholarship.
- **Childcare expenses:** Scholarship grant funding may be used to support childcare expenses while the employee is attending classes.
- **Mileage reimbursement:** For travel to trainings and classes at a location other than the workplace. Mileage will be reimbursed at the standard mileage rate issued annually by the Internal Revenue Service.
- **Payment to a qualified educational institution for in-house training:** The costs for in-house trainings provided for employees that measurably advance employees' skills and result in certification, credentials, or stackable course credits that lead to career advancement in the field of long-term care.
- **Entrance or licensure exam fees:** Employers may use grant funds to assist employees in covering the costs of applications to enroll in college, including entrance exams, and the costs of licensure exams when applicable.

Remember that scholarship grant funds may not be used for coursework or trainings that took place prior to the start of the grant contract. Coursework and trainings must take place during the grant period. See RFP section 2.2 for a list of ineligible expenses.

## Section 6: Required Attachments

### **Audited Financial Statements**

Please upload a copy of the most recent independent audit into the online application. If the audit encompasses multiple entities within a system or umbrella organization, please provide additional financial information, such as an income statement, specific to the applicant entity.

### **Due Diligence**

Please complete the Due Diligence Form found on the [MDH Grant Resources](#) webpage and attach to the online application form.

### **Proof of Active Licensure or Registration**

Provide documentation of current licensure for an eligible facility or entity as defined in RFP section 1.4. If your application is on behalf of multiple facilities, provide proof of active licensure for each of the facilities.

## Section 7: Applicant Conflict of Interest Disclosure

Applicants will complete a Conflict of Interest Disclosure form in the online application. See a copy of the form on the [MDH Grant Resources webpage](#).

## **RFP Part 5: Attachments**

- Attachment A: Application Evaluation Criteria

## Attachment A: Application Evaluation Criteria

A numerical scoring system will be used to evaluate eligible applications. Scores will be used to develop final recommendations.

Applicants are encouraged to score their own application using the evaluation score sheet before submitting their application. This step is not required but may help ensure that applications address the criteria evaluators will use to score applications.

### Scoring Guidelines

Rating or Score (10-point questions)	Rating or Score (5-point questions)	Description
Excellent <b>or 9-10</b>	Excellent <b>or 5</b>	Outstanding level of quality; significantly exceeds all aspects of the minimum requirements; high probability of success; no significant weaknesses.
Very Good <b>or 7-8</b>	Very Good <b>or 4</b>	Substantial response; meets and in some cases exceeds the minimum requirements; good probability of success; no significant weaknesses.
Good <b>or 5-6</b>	Good <b>or 3</b>	Generally meets minimum requirements; probability of success; some weaknesses, but correctable.
Marginal <b>or 3-4</b>	Marginal <b>or 2</b>	Lack of essential information; low probability of success; significant weaknesses.
Unsatisfactory <b>or 1-2</b>	Unsatisfactory <b>or 1</b>	Fails to meet minimum requirements; little likelihood of success; needs major revision to make it acceptable.
Did not respond <b>or 0</b>	Did not respond <b>or 0</b>	Applicant did not respond to question.

**Organization Background and Capacity**

Evaluation Criteria	Score	Reviewer Comments: Strengths/Weaknesses
Facility/facilities or service area is outside the 7-county Twin Cities metro.	/5	
Organization has operating expenses of \$2M or less <b>and</b> serves 50 or fewer patients/clients.	/5	
Organization serves a high percentage of patients/clients on elderly waiver.	/5	
Organization overview provides a clear picture of the organization’s history, staffing and administrative structure, service area, patients/clients, and unique characteristics.	/5	
Application clearly identifies need for a scholarship program and/or loan forgiveness for employees, including educational/training needs of caregiving staff, an assessment of how many more patients/clients could be served, concerns regarding retention and turnover, and information about clientele, geographic location, and/or business circumstances.	/10	
If organization previously received HCBS funding, the application demonstrates the impact of that funding. (If no previous HCBS funding, award 5 points.)	/5	
<b>Total points for this section</b>	<b>/35</b>	

**Project Narrative: Scholarship Funding**

Evaluation Criteria	Score	Comments: Strengths/Weaknesses
Application clearly describes in-house training and/or outside courses of study.	/5	
Application demonstrates how in-house training and/or scholarships for outside courses of study will result in industry-recognized certifications, credentials, or course credits above and beyond those required for the organization’s licensure.	/5	
Organization has promising recruitment activities planned, including collaborations with educational institutions and/or pathway programs.	/5	
Number of eligible current employees and planned hires is sufficient to make a scholarship program worthwhile.	/5	
Application describes a clear, thoughtful process for selecting eligible employees for scholarships.	/5	
Organization has clear plans for retaining employees after completion of their scholarship; retention plans seem likely to succeed.	/5	
Application describes effective, feasible methods for tracking successful completion of training/coursework, providing reimbursements, and tracking and reporting on required program measures.	/5	
Organization’s proposed scholarship program seems likely to succeed. If organization has a current or past scholarship program, include its success in your evaluation.	/5	
Application clearly and compellingly demonstrates how training and/or coursework funded by scholarships will help recruit and retain employees, improve patient/client care, and/or increase the number of patients/clients served.	/5	
<b>Total points for this section</b>	<b>/45</b>	

**Budget: Scholarship Funding**

Evaluation Criteria	Score	Comments: Strengths/Weaknesses
Budget and narrative are clear, with enough detail to understand why each cost is included.	/10	
Dollar amounts are reasonable for each individual scholarship, given the eligible courses of study/trainings, educational institutions, duration of courses and other expense descriptions.	/10	
<b>Total points for this section</b>	/20	
<b>Total Score for Scholarship Funding</b> (includes Organization Background and Capacity, Scholarship Project Narrative, and Budget)	/100	

**Project Narrative: Loan Forgiveness Funding**

Evaluation Criteria	Score	Comments: Strengths/Weaknesses
Organization has promising recruitment activities planned, including collaborations with educational institutions and/or pathway programs.	/10	
Number of eligible current employees is sufficient to make loan forgiveness awards worthwhile.	/5	
Application describes a clear, thoughtful process for selecting eligible employees to nominate for loan forgiveness.	/10	
In nominating employees for loan forgiveness, organization prioritizes those whose educational program led to LPN or RN licensure.	/5	
Organization has clear plans for retaining employees after they receive loan forgiveness awards; retention plans seem likely to succeed.	/10	
Loan forgiveness awards to this organization’s employees seem likely to succeed in advancing grant program goals. If organization has a current or past loan forgiveness program, include its success in your evaluation.	/10	
Application clearly and compellingly demonstrates how loan forgiveness will help recruit and retain employees, improve patient/client care, and/or increase the number of patients/clients served.	/10	
Number of loan forgiveness slots requested (and prioritization of nominated employees if applicable) is reasonable based on information applicant has provided.	/5	
<b>Total points for this section</b>	/65	
<b>Total Score for Loan Forgiveness Funding</b> (includes Organization Background and Capacity and Loan Forgiveness Project Narrative)	/100	