

**Chapter 246-560 WAC**  
**RURAL HEALTH SYSTEM PROJECT**

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**WAC**

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**DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER**

246-560-015 Implementation. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-015, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-020 Review process. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-020, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-030 Time schedule. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-030, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-070 Selection criteria for funded demonstration projects. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-070, filed 8/7/91, effective 9/7/91.] Repealed by WSR 99-03-043, filed 1/14/99, effective 2/14/99. Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080.

246-560-080 Selection criteria for assisted demonstration projects. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-080, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-090 Issuance of contracts. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-090, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-100 Use of project funds. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-100, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-105 Continuation funding. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-105, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-110 Consultation. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-110, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

246-560-120 Periodic reports. [Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-120, filed 8/7/91, effective 9/7/91.] Repealed by WSR 97-20-101, filed 9/29/97, effective 10/30/97. Statutory Authority: RCW 43.70.040.

**WAC 246-560-001 Purpose.** (1) The purpose of these rules is to implement RCW 70.175.010 through 70.175.090, and RCW 70.185.030 through 70.185.080. The Washington health systems resources program includes rural health systems development and community-based recruitment and retention. The health systems resources program was established to provide financial and technical assistance to promote affordable access to health care services in rural and urban underserved populations of the state.

(2) The goals of the health systems resources program are:

(a) To promote affordable access to health care services to residents in rural areas of Washington state.

(b) To assure the availability of health care providers to:

(i) Residents of rural areas; and

(ii) Urban underserved populations.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-001, filed 1/14/99, effective 2/14/99. Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-001, filed 8/7/91, effective 9/7/91.]

**WAC 246-560-002 Implementation.** The department may use the following methods to implement this chapter:

(1) Solicit and select projects as described in WAC 246-560-035 through 246-560-081.

(2) Offer, or contract for, services to carry out the purposes of this chapter.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-002, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-010 Definitions.** For the purpose of this chapter the following words and phrases have the following meanings unless the context clearly indicates otherwise.

(1) "Applicant" means any interested party who has been invited to submit an application proposing a health systems resources project.

(2) "Application" means an invited proposal for a health systems resources project.

(3) "Basic health care services" means organized care modalities to prevent death, disability, and serious illness. The term includes, but is not limited to:

(a) Emergency services;

(b) Primary care physicians, physician assistants, nurse practitioners, and midwifery services;

(c) Short term inpatient care;

(d) Home health care;

(e) Community based care for chronic conditions;

(f) Dental care;

(g) Vision care;

(h) Hearing care;

(i) Hospice care;

(j) Mental health;

(k) Necessary support services; and

(l) Nutrition related services.

(4) "Catchment area" means the Washington state geographic area where people live who are to receive the basic health care services addressed by the project.

(5) "Community" means the resident individuals and organizations in a catchment area who may benefit from the basic health care services addressed by the project.

(6) "Community-based" means that the need is identified by a broad section of the community including providers, institutions in the area, and nonhealth care provider members of the community such as community members of health care boards, economic development council members, organized patient advocacy groups, and others who have an interest in the long-term viability of health care services in the catchment area.

(7) "Department" means the Washington state department of health.

- (8) "Deliverable" means a document that results from project activities. The term includes, but is not limited to:
- (a) A form;
  - (b) An agreement;
  - (c) A plan;
  - (d) Documentation of numbers served;
  - (e) A report; or
  - (f) Presentation material.
- (9) "Health care delivery system" means services, personnel, and how they are organized and financed.
- (10) "Interested party" means an eligible entity that has submitted a letter of interest for a health systems resources project.
- (11) "Letter of interest" means a brief description of a project as described in WAC 246-560-040.
- (12) "Letter of invitation" means a letter inviting an interested party who has submitted a letter of interest to submit an application.
- (13) "Local project administrator" means an individual or organization representing the applicant and authorized to enter into legal agreements on behalf of the applicant.
- (14) "Matching funds" means fifty percent of the total budget for recruitment and retention activities must be from a source other than this program. Matching funds may be in-kind contributions.
- (15) "Outcome" means the anticipated result or impact of the project activities.
- (16) "Project" means a health systems resources project.
- (17) "Rural" means a nonurbanized area.
- (18) "Successful applicant" means an applicant whose project has been selected for contracting.
- (19) "Urban underserved" means an urbanized area that has unmet health care needs.
- (20) "Urbanized area" means an area defined and described as an urbanized or urban area by the United States Department of Census, Bureau of the Census.
- (21) "Workplan" means a written document, usually in matrix form, that shows the detail of what is needed to complete a project. The activities, timeline, party responsible, budget, evaluation plan, and measurable outcome is shown for each deliverable.

[Statutory Authority: RCW 70.175.040 - [70.175.]050 and 70.185.040 - [70.185.]050. WSR 09-01-053, § 246-560-010, filed 12/10/08, effective 1/10/09. Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-010, filed 1/14/99, effective 2/14/99. Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-010, filed 8/7/91, effective 9/7/91.]

**WAC 246-560-011 Activities.** (1) Health systems development activities include:

- (a) The planning, development, and/or implementation of the infrastructure needed to support a cost effective health care delivery system. Examples of infrastructure development include:
  - (i) Telemedicine and other communications systems;
  - (ii) Modeling of managed care systems;
  - (iii) Financial business systems;
  - (iv) Clinical and quality assurance systems;

(v) Development of cooperative agreements and referral arrangements between similar or dissimilar entities to ensure easy transition between care levels for patients and their families; and

(vi) Development of networks of providers and others, organized to share services, negotiate contracts and, plan new services or service delivery systems.

(b) The mobilization of community leaders to design, develop, and implement a project to maintain or improve the viability of the local health care delivery system. Examples of community mobilization include:

(i) Leaders from different governmental jurisdictions evaluate the health care delivery system or parts of the system, determine where changes are needed, and develop a workplan to affect the necessary changes;

(ii) Participants in the health care delivery system determine how to pool resources to eliminate service duplication or gaps, or, to focus on new identified priorities; and

(iii) Participants in the health care delivery system determine how to restructure the system, including the necessary legal, regulatory, fiscal, or practice actions that will accomplish the needed change.

(c) The planning, development, or implementation of a new basic health care service to meet an identified gap in the health care delivery system. Examples of new service development include:

(i) A service previously unavailable in the service area; and

(ii) A service previously unavailable to a portion of the population in the service area.

(2) Recruitment and retention activities may be funded, only to the extent that matching funds are provided. They include, but are not limited to:

(a) An assessment of community characteristics or assets, including school systems, housing, churches, recreational, social and cultural opportunities;

(b) An assessment of the community, physicians and other health care providers, community leaders and citizens about the need for new or replacement health care providers;

(c) A staff development plan;

(d) A recruitment plan;

(e) A recruitment and retention financial plan;

(f) A plan for providing a new practitioner with sufficient professional, intellectual and emotional support;

(g) A plan for call coverage to ensure adequate time off for personal and family pursuits;

(h) An assessment of office and hospital facilities, equipment and support personnel to determine if they are adequate to allow a new practitioner to practice in a high-quality manner; and

(i) A retention plan.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-011, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-025 Requests to receive information.** Any interested party may be placed on the health systems resources mailing list maintained by the Department of Health, Office of Community and Rural Health, or its successor, P.O. Box 7834, Olympia, WA 98504-7834. Con-

tacts on the mailing list will receive instructions for the next funding cycle.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-025, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-035 Eligibility.** (1) An interested party, may be a for-profit, not-for-profit, or governmental entity which is:

(a) Proposing services benefiting the population in a rural catchment area; and/or

(b) Proposing services benefiting an urban underserved area and including recruitment and retention activities.

(2) The majority of basic health services addressed by the project must be provided to people living in Washington state.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-035, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-040 Letters of interest.** An interested party must submit a letter of interest to be considered for a health systems resources project. The department may solicit letters of interest.

The letter of interest must:

(1) Not exceed three pages;

(2) Include the applicant name and address;

(3) Briefly describe the catchment area and the community;

(4) Identify the health systems resources program goal(s) addressed by the project;

(5) Identify the health care problem;

(6) Briefly describe proposed activities and the anticipated outcome;

(7) Identify key health care providers, business representatives, public officials, and community leaders to be involved in the project; and

(8) Indicate projected total project costs and the amount of state funding requested. If the project includes recruitment and retention activities, indicate the source or sources of matching funds.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-040, filed 1/14/99, effective 2/14/99. Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-040, filed 8/7/91, effective 9/7/91.]

**WAC 246-560-045 Letter of interest review and action.** (1) Reviewers shall score letters of interest independently using a scoring system established by the department, which is incorporated by reference.

(2) Copies of the scoring system may be requested by writing to the Washington State Department of Health, Office of Community and Rural Health, P.O. Box 47834, Olympia, Washington 98504-7834.

(3) The director of the office of community and rural health shall make the final decision regarding letters of interest based on

letter of interest scores and the best utilization of resources to promote the goals of the program.

(4) The department will send a written response to all interested parties who submit a letter of interest.

(5) The department may invite applications from some, none, or all of the interested parties who submit a letter of interest.

(a) The invitation will include:

(i) Application content outline;

(ii) Directions for completing applications; and

(iii) Any letter of interest review comments to be addressed in the application.

(b) The department may request combining activities proposed by different interested parties for inclusion in a single application to:

(i) Avoid duplication;

(ii) Increase cooperation; or

(iii) Strengthen the overall health care delivery system serving the catchment area.

(c) The department will set a due date for receipt of applications.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-045, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-050 Criteria for inviting applications.** (1) The

project addresses at least one of the goals of the health systems resources program, as described in WAC 246-560-001.

(2) The project addresses needed improvements in the delivery of basic health care services, including preventive services.

(3) The project reflects a cooperative approach, which may involve several organizations, categories of health care providers, or communities.

(4) The project can serve as a model for other communities.

(5) The project reflects priorities established for a particular funding cycle as set forth in the application materials.

(6) The project addresses access to basic health care services in an area where access is severely limited or inadequate; and

(7) If recruitment and retention of providers is identified as an outcome the application demonstrates:

(a) Recruitment and retention problems have been chronic; or

(b) The community is in need of primary care practitioners; or

(c) The community has unmet health care needs for specific target populations; and

(d) There is a fifty percent local funding match.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-050, filed 1/14/99, effective 2/14/99. Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-050, filed 8/7/91, effective 9/7/91.]

**WAC 246-560-060 Application content.** (1) A completed face sheet.

(2) A description of the applicant and its capacity to manage and oversee the project.

(3) A description of the proposed project including:

- (a) Health systems resources program goal(s) addressed; and
- (b) Health systems resources program priority addressed.
- (4) A statement of the problem, including:
  - (a) The duration of the problem or deficiency;
  - (b) The number of people affected;
  - (c) How the problem has been documented;
  - (d) The community involvement in identifying the problem; and
  - (e) Special needs of the population to be served.
- (5) A description of the catchment area(s) to be served by the project. The catchment area(s) must be a reasonable service delivery area such that:
  - (a) Geographic conditions, health care delivery patterns, other social and economic relationship patterns, and population characteristics make it a reasonable market; or
  - (b) Residents are likely to go to the proposed catchment area as a preferred source for the proposed services.
- (6) A description of any model(s) used in the proposed project.
- (7) A description of the relationship between the proposed project and current or previous programs designed to solve related health care problems in the catchment area.
- (8) A description of the other individuals and entities involved in the project and their relationship with the applicant to implement the project. A copy of an organizational chart for the proposed project, lists of roles and responsibilities, or other items that document the relationship between the applicant and the involved activities may be submitted with the application.
- (9) A workplan for what is needed to accomplish the project. For all major activities, include a timeline, entity responsible, funds needed and source of funds, and measurable outcome(s).
- (10) A description of the evaluation process including measurable outcomes.
- (11) A description of the plan for dissemination of information about the project.
- (12) A detailed budget and budget justification for the project period, including:
  - (a) The amount of state funds requested;
  - (b) The amount, by source, of other financial or in-kind support and evidence of cost participation by the applicant and other entities involved in the project; if the application includes recruitment and retention activities, amounts by source(s) of matching funds must be identified;
  - (c) The steps required to financially sustain the project activities after state support had ended.
- (13) Letters of agreement, support, commitment and contribution from each entity identified as participating in the project.
- (14) Any additional information requested by the department in the letter of invitation.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-060, filed 1/14/99, effective 2/14/99. Statutory Authority: Chapter 70.175 RCW. WSR 91-16-108 (Order 186), § 246-560-060, filed 8/7/91, effective 9/7/91.]

**WAC 246-560-065 Application screening criteria.** (1) The department will screen applications for the following criteria:

(a) Received in the Office of Community and Rural Health, P.O. Box 47834, Olympia, Washington 98504-7834, on or before the due date.

(b) One original application and two unbound copies provided, sufficiently legible to be copied. The department will determine legibility; and

(c) Application contains each of the items described in WAC 246-560-060.

(2) Applications that contain all screening criteria will be reviewed.

(3) If an application fails to contain any screening criterion, it will not be reviewed. The applicant will be notified in writing.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-065, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-075 Reviewer selection.** The department may consider the input of individuals outside the department who have expertise with rural and underserved communities. Selected reviewers must sign a statement:

(1) Agreeing to refrain from discussion of letters of interest or applications outside of the review process; and

(2) Asserting that they do not have a conflict of interest. A conflict of interest includes a reviewer:

(a) Holding a position in an organization under review;

(b) Having a significant financial interest in the outcome of the review; or

(c) Participating in the development of the letter of interest or application under review.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-075, filed 1/14/99, effective 2/14/99.]

**WAC 246-560-077 Application review, selection, and funding.** (1) The department may, based on reviewer recommendations, funding limitations, or other considerations, offer funding to all, some or none of the applicants, and may offer to fund portions of projects.

(2) Reviewers shall score applications independently using a scoring system established by the department which is incorporated by reference.

(3) Copies of the scoring system may be requested by writing to the Washington State Department of Health, Office of Community and Rural Health, P.O. Box 47834, Olympia, Washington 98504-7834.

(4) The director of the office of community and rural health shall make the final decision regarding funding based on application scores, total funds available, and the best utilization of resources to promote the goals of the program.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-077, filed 1/14/99, effective 2/14/99.]



**WAC 246-560-085 Appeal process.** (1) The following departmental actions are subject to administrative appeal:

(a) A decision not to invite an application;

(b) A determination that an application does not meet initial screening criteria and will not be reviewed; or

(c) A decision not to fund all or any portion of a project.

(2) The appeal process is governed by the Administrative Procedure Act (chapter 34.05 RCW), chapter 246-10 WAC, and this chapter.

(3) To initiate an appeal, the applicant must file a written request for an adjudicative proceeding within twenty-eight days of receipt of the department's decision. The request shall be mailed, by a method showing proof of receipt, to the Adjudicative Clerk Office, P.O. Box 47879, 2413 Pacific Avenue, Olympia, Washington 98504-7879.

(4) The request must contain:

(a) A specific statement of the issue or issues and law involved;

(b) The grounds for contesting the department's decision; and

(c) A copy of the department's decision.

[Statutory Authority: RCW 70.175.010 - [70.175.]090 and 70.185.030 - [70.185.]080. WSR 99-03-043, § 246-560-085, filed 1/14/99, effective 2/14/99.]