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**DENALI COMMISSION**  
**Information Document**  
**Request For Letter of Interest**  
**Youth Psychiatric Facilities for Bring The Kids Home (BTKH)**  
Open Process – Updated July 2007

**THIS DOCUMENT**

The purpose of this document is to provide a resource for assistance in submitting a Letter of Interest (LOI) to the Denali Commission for consideration to proceed in the planning, design and/or construction/renovation of facilities. The goal of this program is to meet facility needs for programs expanding to serve youth at risk for or youth currently placed in an out-of-state residential facility. This LOI request is the first step in a process for identifying potential projects; however this is not an application for funding. Projects that meet the minimum requirements will be provided the opportunity to proceed in the planning, design or construction of proposed project. This will include engaging in the business plan process as a means for demonstrating adherence to the Denali Commission policies as a condition for potential funding.

This document provides information about the minimum requirements and scoring criteria for an LOI submission. In addition, the Denali Commission policies are cited in this document for reference in preparation for a potential business plan submission.

**LETTER OF INTEREST**

The intent for this request for LOI is to assist the Denali Commission and its partners in determining need and readiness for expanded or enhanced facilities by agencies that serve or have the desire to serve Alaska's children experiencing severe emotional disturbances (SED). The Denali Commission, the Alaska Mental Health Trust (Trust), the Alaska Native Tribal Health Consortium (ANTHC), and the Alaska Department of Health and Social Services (DHSS) are working together to identify potential projects related to expanding bed capacity in Alaska for SED youth.

Submission of a LOI is not an application of funding, but rather, submissions will be used for statewide planning to meet the goals of the BTKH initiative in terms of facility development.

**FORMAT AND SUBMISSION INFORMATION**

The Denali Commission Bring the Kids Home Initiative Letter of Interest Response Form can be filled out by printing the document and checking applicable boxes by hand. The content of the LOI should then be developed as an attachment following the sequential format in the response form.

**Funding**

No funding will be awarded through this phase of the process. Projects that meet minimum requirements will be invited to engage in business planning process. Projects that demonstrate completed due diligence this construction season will be considered for funding as funds are available. Projects that meet the minimum requirements, but are not construction ready will be provided technical assistance, if desired, to assist in becoming construction ready in future funding years.

**Contact Information**

*There is no deadline for submissions, this is an open process.*

*Please contact the Commission at 907.271.1414 in Anchorage or toll free at 1.888.480.4321 in other areas if you have questions.*

**DUNS #**

\*To find out if your organization has a DUNS number or to obtain a DUNS number, contact Dun & Bradstreet at 1-866-705-5711. This will take about 10 minutes and is free of charge. Have the following information ready when you call:

- Name of government, business or entity
- Address
- Local Phone Number
- Name of the Chief Executive
- Legal Structure (government, corporation, partnership, proprietorship, etc.)
- Year entity started
- Primary line of business
- Total number of full and part time employees

**MINIMUM REQUIREMENTS**

The following minimum requirements have been established to determine applicability to this initiative and project readiness. Responses to this section should be narrative, brief and concise. These requirements may also be used to determine potential needs for pre-developmental planning or technical assistance depending on the situation.

**1. Medicaid Billing Number**

To meet minimum requirements for capital funding, your agency must have a Medicaid billing number for Mental Health, Substance Abuse or BRS. Please indicate the billing number. If your organization does not have a number, please explain intentions of acquiring Medicaid billing number.

**2. Expansion of Services**

Your project must indicate either new or expanded facility to provide sustainable therapeutic residential alternatives for children and youth experiencing severe emotional disturbances (SED)? To meet this minimum requirement, please indicate how your project will expand services and in what amount. Renovation of existing facilities that do not provide an expansion of services will not be considered.

### 3. Targeted Services

Federal funding through the Denali Commission resulting in grants managed by DHSS will allow for the acquisition, development, or rehabilitation of real property that provides new or additional residential beds or facility improvements for Alaska's children experiencing SED ages 3-11 and youth ages 12-21, particularly those children at risk of moving in out-of-state or more restrictive environments, and/or those children stepping down from out-of-state placements. These children frequently have difficulties transitioning back to community based placements.

Priority populations of children include those experiencing:

- a) Difficult to treat diagnoses:
  - 1) Psychosis
  - 2) Dual diagnosis (Substance use disorder and SED)
  - 3) Eating disorders
  - 4) Medical co-morbidity superimposed with SED.
  - 5) Fetal alcohol spectrum disorders
  - 6) Low intellectual functioning or developmental disability.
  - 7) Traumatic Brain injury
  
- b) Difficult to treat presentations:
  - 1) Runaway Behavior
  - 2) Aggressive Behavior
  - 3) Pregnancy
  - 4) Fire Setting Behavior
  - 5) Sexual Offenses
  
- c) Underserved youth populations:
  - 1) Under 12 years of age
  - 2) Older adolescents transitioning to the adult system
  - 3) Children from rural areas.
  - 4) Children from different cultures
  - 5) Girls

The Statewide Youth Psychiatric and Step Down Facilities for the Bring the Kids Home Initiative is seeking interest throughout Alaska in providing sustainable therapeutic residential alternatives for children and youth experiencing SED close to their homes and communities. To the extent possible, these alternatives will allow children to remain engaged in school, job training, preparation for employment, and/or learning life skills. Typically, these children and youth present with issues related to multiple factors including mental/emotional/behavioral health, substance use, physical health and/or developmental factors. The service array required is complexly individualized and includes: medication monitoring, clinical services, rehabilitative services and other services or supports in accordance with each child's individualized behavioral health treatment plan.

**Please provide a summary (2 pages or less) addressing these specific elements:**

- A. Compliance and current status with national accreditation.
- B. Compliance with State grant obligations.

- C. Admission philosophy articulating client profile that the residential program is designed to treat.
- D. Please describe the detailed steps involving the Screening, Intake, and Assessment process (include ASAM criteria).
- E. Describe the Treatment Planning and Service Delivery process that includes problem specific client level of change assessment, cultural awareness and sensitivity, and trauma.
- F. Describe staffing patterns that will support and deliver services.
- G. Describe the ancillary services, to include maintaining connection with the family of origin, medications, medical services, and social/recreational activities.
- H. Describe programming that facilitates the placement of the child back into their community of origin.
- I. Describe programming that addresses relevant and parallel treatment for the family.
- J. Describe the philosophy, program capacity, and history to achieve successful completion of treatment recipients.
- K. Describe the program philosophy and program capacity to successfully maintain the clients' current level of care.
- L. Describe how this proposal reflects the service delivery needs identified in the community planning process.
- M. Describe the appropriate level of clinical supervision to staff (structure, frequency, etc), and identify specifically the staff who will provide this supervision.
- N. Describe the philosophy and program capacity for outcomes driven services, including assessment and reporting, and follow-up.

## SCORED RESPONSES

**1. (30 points) Is there an unmet need in your community/region to provide sustainable therapeutic residential alternatives for children and youth experiencing Severe Emotional Disturbances (SED)?** Include the specific target sub-population your agency plans to serve, as identified by the BTKH Initiative and the CAYNA Report located on A-DHSS, Division of Behavioral Health website at [www.hss.state.ak.us/dbh/](http://www.hss.state.ak.us/dbh/)

*Documentation of unmet need is worth 30 points. Please concisely cite documentation of applicable reports to support the proposed served population.*

**2. (30 points) Has your organization conducted a needs assessment as part of a local behavioral health care planning process that documents this unmet need?** You may refer to the Division of Behavioral Health (DBH) website addresses and/or the ANTHC Rural Needs Assessment at [www.anthc.org/cs/chs/behavioral](http://www.anthc.org/cs/chs/behavioral)

*If a needs assessment has been conducted, please cite its findings. If a needs assessment has not been conducted, please indicate how your project would go about conducting a needs assessment to document the proposed service population for the project. This information will be used to determine potential planning needs.*

**3. (10 points) Does your community have a community/regional plan that documents this unmet need?** Include a status of a community/regional plan that documents your agency's efforts toward partnering with other organizations to include services and facility management. Include a copy of the document.

*Documentation of a planning process to support the proposed service delivery model will be required. Please concisely document planning efforts to date, including partner organizations and other entities with a vested interest in serving this population in your community.*

**4. (10 points) What is the current status of your facility planning?** Include timelines, design stage, site control or other facility related activities completed thus far.

*Information about construction readiness will be important for determining at what stage your project is at. If a design is underway, provide the status. Conceptual drawings may be submitted in 8X11 format. Projected timeline should detail acquisition of cost share as a factor for proceeding in addition to organization's financial dedication to proceeding with design, site acquisition, etc.*

**5. (10 points) Associate your project with the DHB behavior health continuum of care showing that services proposed are appropriate for your community size.** The continuum is available at:

[www.hss.state.ak.us/dbh/system\\_redesign/service\\_delivery\\_system.htm](http://www.hss.state.ak.us/dbh/system_redesign/service_delivery_system.htm)

*Consistency with the DBH continuum of care model will be scored up to 10 points. Provide a narrative of how your project is consistent with the DBH continuum of care model.*

**6. (10 points) Please describe your organization's continued operation and sustainability plan.**

*Sustainability will be determined later in the process through a business plan. For this section, provide a narrative outlining the plan for supporting this program in the long term as well as the facility maintenance strategy. Take into consideration efficiencies or increases in utilities, etc. Staffing plan should also be considered as part of a sustainability plan.*

## **PROJECT READINESS**

The following facility information will not be scored, however will be used to determine potential planning needs and/or project readiness.

- 1. Please check one of the following that best describes your plan for new facilities or the increase of the number of beds for a community-based system of care to better serve children with severe emotional disturbances and their families.**
  - a. Construct new facility      Number of new beds \_\_\_\_\_
  - b. Renovate existing facility      Number of children to serve per year \_\_\_\_\_
  - c. Purchase facility
  - d. Other, please describe

*This information will be used to assess the type of project being proposed. No narrative is needed unless "other" is checked in which case response should be kept brief.*

2. Please describe planning activities your agency has conducted thus far for the proposed project.

3. What is the anticipated total project cost: \$ \_\_\_\_\_

*This information will be used for potential budgeting purposes of the program. Please indicate the total project cost (not needed funding) and provide brief narrative describing how that number was derived. An attached capital budget may be submitted.*

4. If applicable, please indicate design status. If a contract has been procured, please explain the process used to hire contractor(s).

5. If funds were available, what level of cost share match can your agency provide for construction or acquisition? (minimum = 50% unless distressed, see attachment "A" for distressed determination resources)

*Please refer to cost share match requirements in this document under Denali Commission policies.*

6. Is your organization the proposed owner of the facility? If not, please explain the status of pending agreements with regard to ownership.

*If a partner organization will take ownership, please indicate the status of agreements for this arrangement.*

7. Please address organization's ability to and willingness to take on debt service for this project as a match source.

*Cost share match in the form of debt service is acceptable, however ability to or not to handle debt service will need to be addressed. Please indicate briefly why or why not your organization is appropriate for handling some form of debt service for this project.*

## **DENALI COMMISSION ELIGIBILITY**

If your project is selected to proceed in this process, the following policies will need to be demonstrated through a business plan submission. This detail is provided here for your information as it will not be used in the review of LOI submissions, however all of the below policies will be considered as conditions for funding.

**A. Investment Policy:** Provides factors for consideration with regard to Investment of Federal funds. To read the policy in full, go to:  
<http://www.denali.gov/Policies/Investment%20Policy%20-%20Final%2004-23-2004.pdf>

**B. Open Door Policy:** Commission funded projects require documented proof that all individuals will be seen based on their ability to pay for services.

**C. Private Enterprise Policy:** Commission projects/funding should not augment or supplant existing private enterprise within communities. To read the policy in full, go to: <http://www.denali.gov/Policies/Private%20Enterprise%20Policy.pdf>

**D. Sustainability Policy (Denali Commission Resolution 01-15):** Commission funded projects must provide documentation of the sustainability of infrastructure, for the useful life of the facility (30 years). To read the policy in full, go to: <http://www.denali.gov/Policies/Resolution01-15.pdf>

*i. Security Arrangements*

Successful applicants will be required to appropriately secure the State's interest in the capital project. As applicable, this shall be secured by: a Deed of Trust or Assignment of Lease interest for real property and a UCC-1 (Uniform Commercial Code) for moveable property over \$1,000.00. Time periods for the security arrangements are the same as those for site control below. No security arrangements are needed for planning or design projects.

*ii. Evidence of Site (Land) Control*

Applicants must demonstrate evidence of site control over the useful life of the proposed project. Generally, this is five (5) years for equipment grants up to \$10,000; 10-15 years for non-moveable equipment; and 10-20 years for real property renovation, construction or acquisition. Examples of evidence of site control include long term lease agreements, purchase options, or earnest money agreements.

\*These security arrangements are required in lieu of documentation of a 30 year lease agreement, which through this amendment is no longer a mandatory requirement for responses to this solicitation only. All other programs subject to the 30 year lease requirement remain intact with that policy as a requirement.

**E. National Environmental Policy Act (NEPA):** Infrastructure projects funded with federal dollars, including Commission funding, are required to comply with NEPA. Applicants will be required to submit and receive approval for NEPA documents, including an Environmental Assessment (EA) or Environmental Impact Statement (EIS) as appropriate.

**F. Site Plan Checklist.** This document can be found at: [www.denali.gov](http://www.denali.gov) and is completed by an assigned third party by the Denali Commission. This checklist will include completion of the NEPA requirement.

**G. Cost Share Match:** Cost Share Match is required for Denali Commission projects, and is determined by a community's "distressed/non-distressed" classification. The Department of Labor provides an annual update to the Commission. See the link below for the most current community classifications:

[http://www.denali.gov/Resource\\_Center/Program\\_Documents/Denali%20Commission%20Distressed%20Community%20Criteria%20May%202005%20Update.pdf](http://www.denali.gov/Resource_Center/Program_Documents/Denali%20Commission%20Distressed%20Community%20Criteria%20May%202005%20Update.pdf)

*Distressed* communities are required to provide a 20% cost share match for construction funds, while *non-distressed* communities are required to provide a 50% cost share match for construction funds.

**For example:**

All of the cost share match for a project must be secured by the applicant for a project to be considered “Construction Ready” (see definition of “construction ready” below).

Documentation that the applicant’s cost share match is “secured” includes (but is not limited to)

- Letters from any funding source relied on by the hospital for funding all or a portion of their submitted project and that indicates cost share match funds have been approved and will be/have been transmitted to the applicant; or
- Financial statements that indicate the cost share funds are in the applicant’s account.

“Cost share match” may include cash, grant funding from other funders or organizations, local community contributions (not to include “in-kind” donations), land/site improvements specific to the proposed project, loan funds from a State or Federal source, and property valuation. For the purposes of establishing cost share match, all property valuations and site improvement valuations must be conducted by a third-party, independent firm, such as Estimations Inc., or be based on documented city, municipal, or federal property valuation. Note that leased land is not an eligible source of cost share match.

Types of cost share other than those described above may be eligible sources and will be determined on a case-by-case basis by Denali Commission Staff.

**H. Community Plan:** The Denali Commission requires that all infrastructure projects it funds be accompanied with a community plan. The plan should identify the project in question as a priority. The State of Alaska, Department of Community, Commerce and Economic Development, Division of Community Advocacy, maintains a website of community plans: [http://www.commerce.state.ak.us/dca/commdb/CF\\_Plans.cfm](http://www.commerce.state.ak.us/dca/commdb/CF_Plans.cfm)

**I. Competitive Contract Bidding, Selection and Procurement:** The Denali Commission requires bidding, selection, and procurement in keeping with the Federal Acquisition Regulations (FAR) and applicable Office of Management and Budget (OMB) circulars. In general, the Denali Commission requires that bidding, selection and procurement be fair and open, or that when applicable sole source justifications are in place. In addition, the Denali Commission requires that all projects with an estimated construction cost greater than \$3 million are competitively bid (low cost bid selection is not required), or requires an applicant to demonstrate why the competitive bidding process is not in the best interest of the Denali Commission and the Federal Government for a given project.