§ 2825. Capital restructuring financing program. 1. A capital restructuring financing program is hereby established under the joint administration of the commissioner and the president of the dormitory authority of the state of New York for the purpose of enhancing the quality, financial viability and efficiency of New York's health care delivery system by transforming the system into a more rational patient-centered care system that promotes population health and improved well-being for all New Yorkers. The issuance of any bonds or notes hereunder shall further be subject to the approval of the director of the division of the budget, and any projects funded through the issuance of bonds or notes hereunder shall be approved by the New York state public authorities control board, as required under section fifty-one of the public authorities law.

2. For the period April first, two thousand fourteen through March thirty-first, two thousand twenty-one, funds made available for expenditure pursuant to this section may be distributed by the commissioner and the president of the authority, in consultation with the commissioners of the office of mental health, office for people with developmental disabilities and office for alcoholism and substance abuse services, as applicable, for:

(a) capital grants to general hospitals, residential health care facilities, diagnostics and treatment centers, and clinics licensed pursuant to this chapter or the mental hygiene law, assisted living programs, primary care providers, and home care providers certified or licensed pursuant to article thirty-six of this chapter (collectively "applicants") that qualify for payments under the delivery system reform incentive payment program (DSRIP), in which case funding under this paragraph shall be requested in such applicant's DSRIP application. Such capital grant projects include, but are not limited to; closures, mergers, restructuring, improvements to infrastructure, development of primary care service capacity, development of telehealth infrastructure, the promotion of integrated delivery systems that strengthen and protect continued access to essential health care services and other transformational projects as determined by the commissioner and the president of the authority.

(b) capital grants to general hospitals, residential health care

facilities, diagnostic and treatment centers, and clinics licensed pursuant to this chapter or the mental hygiene law, assisted living programs, primary care providers, home care providers, certified or licensed pursuant to article thirty-six of this chapter (collectively "applicants") that are non-qualifying and non-participating applicants under paragraph (a) of this subdivision, for capital non-operational works or purposes that support the purposes set forth in this section. Such capital grant projects include, but are not limited to; closures, mergers, restructuring, improvements to infrastructure, development of primary care service capacity, development of telehealth infrastructure, the promotion of integrated delivery systems that strengthen and protect continued access to essential health care services.

3. The commissioner and the president of the authority shall enter into an agreement, subject to approval by the director of the budget and subject to section sixteen hundred eighty-r of the public authorities law, as added by a chapter of the laws of two thousand fourteen, for the purposes of awarding, distributing, and administering the funds made available pursuant to this section. To the extent practicable, funds shall be awarded regionally in proportion to the applications received from the request for application issued by or before May first, two thousand fifteen. Projects awarded under sections twenty-eight hundred twenty-five-a and twenty-eight hundred twenty-five-b of this article shall not be eligible for grants or awards made available under this section.

(a) For capital grant projects under paragraph (a) of subdivision two of this section, the evaluation of applications shall be submitted pursuant to the process described in paragraph (b) of subdivision twenty of section twenty-eight hundred seven of this article; provided, however, that such capital grant projects shall not be subject to review by the federal Centers for Medicare and Medicaid services.

(b) For monies allocated under paragraph (b) of subdivision two of this section:

(i) the department shall post on its website, for a period of no less than thirty days:

(A) the process by which such applications shall be reviewed;

(B) the criteria by which such applications shall be judged; and

(C) a list of approved and denied applications subsequent to such determination.

(ii) the evaluation of applications shall be reviewed by the department, pursuant to a process to be determined by the department. Applications shall then be subject to review by the panel established pursuant to paragraph (b) of subdivision twenty of section twenty-eight hundred seven of this article, which shall submit its recommendations to the commissioner for final determination. Determination of awards for funds allocated under paragraph (b) of subdivision two of this section, shall include, but not be limited to the following criteria:

(A) eligibility requirements for applicants;

(B) statewide geographic distribution of funds;

(C) minimum and maximum amounts of funding to be awarded under the program;

(D) the relationship between the project proposed by an applicant and identified community need;

(E) the extent to which the applicant has access to alternative financing;

(F) the extent to which the proposed project furthers the purposes set forth in this section;

(G) the extent that the proposed project furthers the development of primary care;

(H) the extent to which the proposed project benefits Medicaid enrollees and uninsured individuals;

(I) the extent to which the proposed project addresses potential risk to patient safety and welfare;

(J) the extent that the proposed project involves an applicant that receives or has applied for a temporary rate adjustment pursuant to applicable regulations; and

(K) the extent to which the proposed project will contribute to the long term sustainability of the applicant.

The commissioner shall provide a report on a quarterly basis to the chairs of the senate finance, assembly ways and means, senate health and assembly health committees. Such reports shall be submitted no later than sixty days after the close of the quarter, and shall conform to the reporting requirements of subdivision twenty of section twenty-eight

hundred seven of this article, as applicable.