



The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

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NOTICE OF INTENT TO AWARD A GRANT TO COMMONWEALTH CORPORATION

1. General Information Regarding the Disbursement of Grants

A "grant" is defined under 815 CMR 2.00 as discretionary and non-discretionary (designated or earmarked) funds of financial assistance provided under contractual terms between a grantor department and a grantee to assist the grantee in the achievement or continuation of a specified public purpose to benefit the general public or a segment of the general public consistent with the grantor Department's legislative authorization.

Departments are responsible for disbursing grants using best value, fiscal responsibility and other common sense business practices similar to any other contract or department expenditure. In some cases, the type of grantee most qualified to fulfill the legislative mandate is a public or quasi-public entity established specifically to fulfill the type of public purpose the department seeks. In these circumstances, 815 CMR 2.00 encourages departments to take advantage of partnerships and joint ventures with public and quasi-public entities legislatively established to fulfill a public purpose.

The Legislature presumes that when funds are not designated to be awarded, paid or otherwise made available to a specific individual or entity, that the funds will be disbursed by a department in an open public manner. However, under certain circumstances certain grant awards present a situation in which conducting an open public process does not support the efficient use of administrative, staff resources or effective grant disbursement. In these limited circumstances, and with solid justification, a department may post on COMMBUYS, or other public posting (such as the department's website), a Notice of Intent to Award a grant.

2. Information Regarding the Proposed Grant

As part of the Office of State Auditor's (OSA) mandated comprehensive review on the Massachusetts Health Care Cost Containment Act of 2012 (Chapter 224), the OSA is seeking the assistance of the Commonwealth Corporation (CommCorp) through the proposed grant to provide an assessment and analysis regarding the impact of Chapter 224 legislation on the Commonwealth's health care workforce. This grant is for work to be completed under Phase 1 of a larger project. Additional phases of related work may be completed by a qualified list of vendors who will be selected through a competitive bid process expected to commence in June 2014.

3. Scope of Grant

- a. Selected grantee: Commonwealth Corporation (CommCorp)
- b. Grant amount: \$70,000
- c. Purpose of the grant funding: For an initial assessment of the critical impacts the health care cost containment legislation may have on all levels of the Commonwealth's healthcare workforce sector and the implications those impacts may have on local labor markets.
- d. Scope of performance to be achieved or funded under the grant: Provide initial research and related services regarding the impact of Chapter 224 legislation on the Commonwealth's health care workforce thus far including:
 - Interviews with various stakeholders (employers, state advocacy organizations for both sector industry and professionals) to understand how Chapter 224 is being interpreted by these groups and what changes, if any, they are contemplating;
 - Research and analysis of relevant data to understand the geographic distribution of the Commonwealth's health care workers by industry and occupation;
 - Written reports to the Office of the State Auditor detailing the initial results of the research and related activities which shall include, but not be limited to:
 1. Workforce Baseline Report that offers an understanding of the health care employment sector at the state and local level as it relates to Chapter 224;
 2. Regional Study Plans – proposed approach to implement impact studies of the effect of Chapter 224 on local and statewide health care labor markets.
- e. Duration of grant: Approximately 2.5 months, ending June 30, 2014
- f. Justification of why the selection of the grantee, without an open public process, is necessary, efficient and supports the purposes of the grant: The Commonwealth Corporation is a quasi-public corporation within the Executive Office of Labor and Workforce Development and has proven experience in and knowledge of the Commonwealth's health care workforce sector, including training and education. CommCorp has deep knowledge of the Commonwealth's labor market trends, both regionally and statewide, an understanding of the Commonwealth's healthcare employer sector and knowledge of local professional advocacy organizations in the sector. CommCorp currently administers the Health Care Workforce Transformation Fund, established in 2012 as part of the Chapter 224 legislation. This work enables CommCorp to understand the most pressing issues employers have about the health care labor market in the state and how these issues may affect training and education for these workers.

4. Conclusion

Given Commonwealth Corporation's particular expertise in the Commonwealth's health care workforce landscape, including training and education in this sector, this award is fair and reasonable and in the best interest of the Commonwealth. OSA may proceed with the award if no challenges are filed, or if the challenges that have been filed do not merit an alteration of the award process. However, if significant legitimate challenges are presented (which provide reasonable doubts as to the appropriateness of the award process), OSA should consider conducting an open public grant application process to address these considerations.

Deadline for filing challenges: Friday, April 18, 2014 no later than 2:00PM

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