1. Pre-Proposal Tele-Conference Attendance Record: The pre-proposal tele-conference attendance record is posted as a separate document on the Department's website the under IFB DSS26009001.

2. Subparagraph 1.3.6.d.2.a. is Revised.

Subparagraph Revised Via Amendment 02

2. Horizon 1 program eligibility requirements include the following:

a. **Facilities demonstrating financial stress as determined by Days Cash on Hand and financial information reported at the parent hospital or health system level, as reflected in the most recent consolidated balance sheet and income statement, rather than at the individual facility level; and**

3. Subparagraph h 1.3.6.d.3.a is Revised.

Revised Via Amendment 02

a. Hospitals licensed under applicable state law, including general hospitals, critical access hospitals, **Rural Emergency Hospitals (REHs)**, and safety-net hospitals; or

4. Paragraph 1.9.f is Added and Section Numbering is Revised in Section 1.9.

f. **Fixed Equipment: A fixed asset in healthcare is a long-term, tangible property or equipment used to deliver patient care or operate a facility. These assets are expected to last longer than one year, are not easily converted to cash, and are capitalized on a balance sheet and depreciated over their useful life. Common Categories Healthcare fixed assets generally fall into specific groupings that require distinct maintenance and accounting:**

i. Medical Equipment: Critical hardware used for diagnostics and treatment, such as MRI and X-ray machines, ultrasound units, patient monitors, and surgical tools.

ii. Buildings & Infrastructure: The physical facilities themselves, including hospitals, clinics, and building systems like HVAC, plumbing, and elevators.

iii.Furniture & Fixtures: Items needed to keep facilities functional, such as hospital beds, waiting room chairs, and medical carts.

5. Subparagraph 3.1.1.a. is Revised.

The contractor shall be a rural hospital, as defined in the IFB glossary of terms, licensed under applicable state law, and shall demonstrate financial stress per reported Days Cash on Hand and financials reported in their most recent balance sheet and income statement. **Facilities demonstrating financial stress as determined by Days Cash on Hand and financial information reported at the parent hospital or health system level, as reflected in the most recent consolidated balance sheet and income statement, rather than at the individual facility level**. The contractor's facility shall be located in a county(ies) with severely limited alternative access to services (e.g. <2 OBs in county, <10 psychiatrists per 100k population in county, <13 cardiologists per 100k population in county, <50 primary care providers per 100k population in county).

6. Subparagraph 3.1.1.b. is Deleted.

b. The contractor's facility shall be a hospital-affiliated entity applying on behalf of an eligible hospital, where the proposed project shall be at the physical hospital facility; and

7. Subparagraph 3.1.1.c. is Deleted.

c. The contractor shall be a public, nonprofit, or qualifying private hospitals meeting Horizon 1 program requirements.

8. Paragraph 3.1.1.1 is Added.

3.1.1.1 The contractor's facility shall be defined as follows:

a. Hospitals licensed under applicable state law, including general hospitals, critical access hospitals, Rural Emergency Hospitals (REHs), and safety-net hospitals; or

b. Hospital-affiliated entities applying on behalf of an eligible hospital, where the proposed project primarily benefits the hospital facility; or

c. Public, nonprofit, or qualifying private hospitals meeting program requirements.

9. Subparagraph 3.1.6.a. is Added.

a. The contractor shall be limited to one comprehensive Horizon 1 project proposal per eligible hospital facility location. The contractor's proposed Horizon 1 project may consist of multiple, distinct minor renovations or equipment upgrades (e.g., combining an HVAC upgrade with an emergency power generator replacement). All proposed sub-projects under the contractor's proposal must collectively align with Horizon 1 eligibility criteria and the total combined budget must not exceed the maximum award amount of $2,500,000.00.

10. Paragraph 3.4.1 is Revised.

The contractor **shall** not utilize funding for the following

11. Subparagraph 3.4.1.e. is Added.

12. Subparagraph 3.4.1.f. is Added.

The contractor shall not utilize funding for the following:

a. Routine operating expenses unrelated to the approved project;

b. Expansion of services not necessary for safety or access preservation;

c. Duplicate funding of costs supported by other state or federal programs;

d. Projects for purely urban facilities;

e. Purchase of a new Electronic Medical Record (EMR) or

f. New construction.

13. Paragraph 3.7.2 is Revised.

The contractor shall not supplant existing **or ongoing** projects or funding.

14. Paragraph 4.12.5 is Revised.

The contractor shall not store, locate, transfer, transmit or permit access to any portion of the Department's system instance, configuration, customization, documentation, or code related to the contractor's solution, nor any Department data at rest **(including encrypted or de-identified data)**, outside of the United States. The contractor shall also prohibit all personnel from storing Department data on removeable media, including but not limited to USB drives, optical discs, or on mobile or personally owned devices such as tablets, mobile phones, or laptops. Storage of such data is permitted only on devices used exclusively within secured and controlled data centers.

15. Paragraph 6.2.1 is Added and Section Numbering is Revised in Section 6.2.

6.2.1 The vendor shall be limited to submitting one comprehensive proposal per eligible hospital facility location. The vendor may submit multiple projects under their proposal, however, in no event shall the vendor's budget request exceed $2,500,000.00 for all projects proposed. In the event the vendor submits more than one proposal per location, the Department will only evaluate the last proposal submitted before the deadline and will reject all others.

16. Paragraph renumbered as 6.2.6 is Deleted.

To ensure software compatibility, the vendor should submit the bid response document and any attachment(s) in Microsoft Word, Microsoft Excel, or Adobe PDF. A vendor's failure to follow these instructions and instead use a different software method for completion and submission of attachments could render some or all of the vendor's response to be unreadable which could negatively impact the evaluation of the vendor's response.

17. Subparagraph 6.4.1.b. most text is Deleted.
18. Subparagraph 6.4.1.c. some text is Deleted.

Subparagraph Most Text Deleted Via Amendment 02

b. The contract shall be awarded to the lowest and best bid.

Subparagraph Some Text Deleted Via Amendment 02

c. The maximum award amount under this contract is $2,500,000.00. A vendor may request funding below this maximum award amount based on demonstrated project need. Any request above the maximum award amount shall be considered a non-responsive proposal, and therefore, not evaluated.

19. Subparagraph 6.4.1.f. is Added.

f. If a vendor's proposal includes multiple distinct renovation projects for their eligible physical hospital location, the evaluation committee will assess the collective merit, feasibility, and community impact of the comprehensive proposal. However, the Department reserves the right to evaluate each distinct project independently to determine its specific alignment with Horizon 1 safety and access preservation goals.

20. Subparagraph 6.4.1.g. is Added.

g. The Department may unilaterally remove any budget line item(s) from the vendor's proposed Exhibit D – Contractor Budget and Budget Narrative that the Department or evaluation committee determines to be ineligible, unsupported, or not recommended for funding. Following the removal of such item(s), the Department reserves the right to award the vendor the remaining approved balance of the proposed budget for a vendor's project(s).

21. Paragraph 6.6.5 is Added

6.6.5 Vendors submitting a consolidated proposal containing multiple projects are advised that the inclusion of lower-priority, poorly justified, or ineligible projects may negatively impact the overall Technical Bid score of the consolidated proposal.

22. Paragraph 6.8.1 is Revised.

The Department anticipates awarding contracts to qualified, responsive vendors **based on a lowest and best determination**.

23. Paragraph 6.8.4 is Revised.

    Paragraph Revised Via Amendment 02

    6.8.4 The Department reserves the right to make partial awards**. In the event a vendor proposes multiple distinct projects within a single consolidated proposal, the Department may, at its sole discretion, award funding only for specific projects while declining to fund other projects within the same proposal. Any partial award will be based on the project's individual evaluation score, its demonstrated severity of need, and the availability of program funds.**

24. Subparagraph 6.8.4.a. is Added.

    Subparagraph Added Via Amendment 02

    a. As part of a partial award, the Department retains the authority to exclude specific costs or budget item(s) proposed by the vendor. If the evaluation committee or the Department determines that certain proposed budget item(s) are ineligible, cost-prohibitive, or not recommended for award, the Department may strike those items from the proposal and issue a contract award based solely on the remaining balance of the approved budget for any project proposed under the vendor's single proposal.

25. Exhibit A is Revised.

    Directions for Vendor: The vendor should present a written plan for performing the requirements as outlined herein. The Proposed Methodology, Approach, and Work Plan for the Contractor's Proposed Renovation Project should be no longer than 25 pages. Standard fonts, 11 point or above, should be used. **If the vendor is proposing multiple renovation projects within a consolidated single bid, the vendor must clearly delineate this for each distinct project(s).**

26. Exhibit C, 2.2, is Revised, a "Note" is Added.

    Note: If submitting multiple projects, the vendor should provide a separated scope of work for each distinct project.

27. Exhibit D, 1.2, is Revised, language Added.

    1.2 Budget Narrative (All fields required; enter $0 if not applicable). If the proposal includes multiple distinct renovation projects, the vendor's Budget and Budget Narrative must be broken down by project, clearly attributing specific personnel, materials, and subcontractor fees to their respective project.