Medical Education & Research Cost (MERC) Funding

APPLICATION INSTRUCTIONS - Minnesota Clinical Training Sites

Fiscal Year 2025 Clinical Training

Minnesota Department of Health
PO Box 64975
St. Paul, MN 55164-0975
health.merc@state.mn.us
MERC (http s://www.health.state.mn.us/facilities/ruralhealth/merc/index.html)

07/27/2026

To obtain this information in a different format, call: 651-201-3838.

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Overview

General Information

Title: Medical Education and Research Cost (MERC) Program
Program Website (http s://www.health.state.mn.us/facilities/ruralhealth/merc/index.html)
Application Portal (http s://merc.web.health.state.mn.us)
Application Deadline: September 30, 2026

MERC Program Description

The Medical Education and Research Cost (MERC) Program, authorized by Minnesota Statute 62J.692, provides funding to support clinical medical education throughout Minnesota. Established in 1996 and first funded in 1997, MERC was created in response to a competitive health care environment in which payers became increasingly unwilling to reimburse the additional costs associated with services at teaching facilities.

Clinical education often involves substantial overhead costs that are not covered through standard reimbursement mechanisms. These financial pressures made it increasingly difficult for teaching facilities to maintain education programs without supplemental support.

Because teaching facilities compete directly with non-teaching counterparts, they face persistent challenges in sustaining medical education programs that were historically funded by patient care revenues.

Since 1998, the Commissioner of Health has administered the MERC program to address this funding gap and preserve Minnesota's capacity for high-quality clinical training.

Reporting Period

Applications must reflect clinical training activities that occurred during **fiscal year 2025.**

Eligible Applicants

MERC applications are divided into three organizational roles. Each plays a distinct function in the medical education ecosystem:

Role	Definition Summary
Minnesota Clinical Training Site	The Minnesota Health Care Program (MHCP) enrolled practice site (location) where students/residents receive inpatient or outpatient (ambulatory) clinical training.

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Role	Definition Summary
Minnesota Teaching Program	An accredited program at a Minnesota institution responsible for the trainee's enrollment, overall education, and coordination of clinical training.
Minnesota Sponsoring Institution	A hospital, school, or consortium located in Minnesota that sponsors and maintains responsibility for the organizational and financial oversight of a clinical medical education program. Must be accountable to an accrediting body.

Minnesota Clinical Training Site

A clinical training site must meet the following requirements:

Location & Eligibility

- Site must be in Minnesota.
- Site must be actively enrolled in the Minnesota Health Care Program (MHCP) and have a valid National Provider Identifier (NPI).
- Clinical training must occur in, or under the scope of, an inpatient or ambulatory setting funded in part by patient care revenue.
    - Satellite clinics or other facilities are separate applicants.
    - Site must have Minnesota public program reimbursement revenue on record with the Minnesota Department of Human Services during CY2025 from Medical Assistance/Prepaid Medical Assistance (MA/PMAP).
    - Individual preceptors and departments within a facility should not apply; application must represent the entire facility.

⚠️ Training that occurs in nursing facilities, hospital swing bed units, rural health clinics, or federally qualified health centers is not eligible.

Trainee Requirements

Eligible FTE is defined by Minnesota Statute 62J.692, Subd. 1 (h):

"Eligible trainee FTE's means the number of trainees, as measured by full-time equivalent counts, that are at training sites located in Minnesota with currently active medical assistance enrollment status and a National Provider Identification (NPI) number where training occurs as part of or under the scope of either an inpatient or ambulatory patient care setting and where the training is funded, in part, by patient care revenues. Training that occurs in nursing facility settings, rural health clinics, or federally qualified health centers is not eligible for funding under this section."

- Site must host eligible trainees from an accredited Minnesota medical education program sponsored by a Minnesota sponsoring institution.
- Site must provide at least 0.10 FTE (208 hours) of eligible clinical training in fiscal year 2025.
    - FTE minimum is determined by combining FTEs from all eligible sponsoring institutions, teaching programs, and provider types.

- Trainees may receive clinical training in community, home, or school settings – if outside the hospital or clinic, a separate application is required if the site can be or is enrolled in MHCP.

Financial Requirements

- Site must incur a minimum of $5,000 in clinical training expenditures related to eligible trainees.
- The use of funds is limited to expenses related to clinical training program cost for eligible programs.

Minnesota Teaching Program

Defined by Minnesota Statute 62J.692, Subd. 1(d):

"Clinical medical education program means the accredited clinical training of physicians (medical students and residents), doctor of pharmacy practitioners (pharmacy students and residents), doctors of chiropractic, dentists (dental students and residents), advanced practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), physician assistants, dental therapists and advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers."*

Accreditation Requirements

- Program must be accredited by a body recognized by:
  - The U.S. Department of Education
  - The Centers for Medicare and Medicaid Services (CMS)
  - Other nationally approved accreditation entities reviewed and approved by the Commissioner of Health.
- Accreditation must be active at the time of training and ongoing.
- Program must be located in Minnesota.
- The program must have students/residents that received clinical training that was funded in part by patient care revenues and occurred in either an inpatient or ambulatory patient care training sites during fiscal year 2025.

⚠️ **Special Requirements for Advanced Practice Nurse Sponsorship**

Under Minnesota Statute 62J.692 Subd. 3(b), training programs for *Advanced Practice Nursing must be sponsored by:

- University of Minnesota Academic Health Center
- Mayo Foundation
- Institutions part of the Minnesota State Colleges and Universities System
- Institutions that are members of the Minnesota Private College Council

Minnesota Sponsoring Institution

Defined by Minnesota Statute 62J.692, Subd. 1(e):

" A hospital, school, or consortium located in Minnesota that sponsors and maintains primary organizational and financial responsibility for a clinical medical education program in Minnesota, and which is accountable to the accrediting body."

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Funding

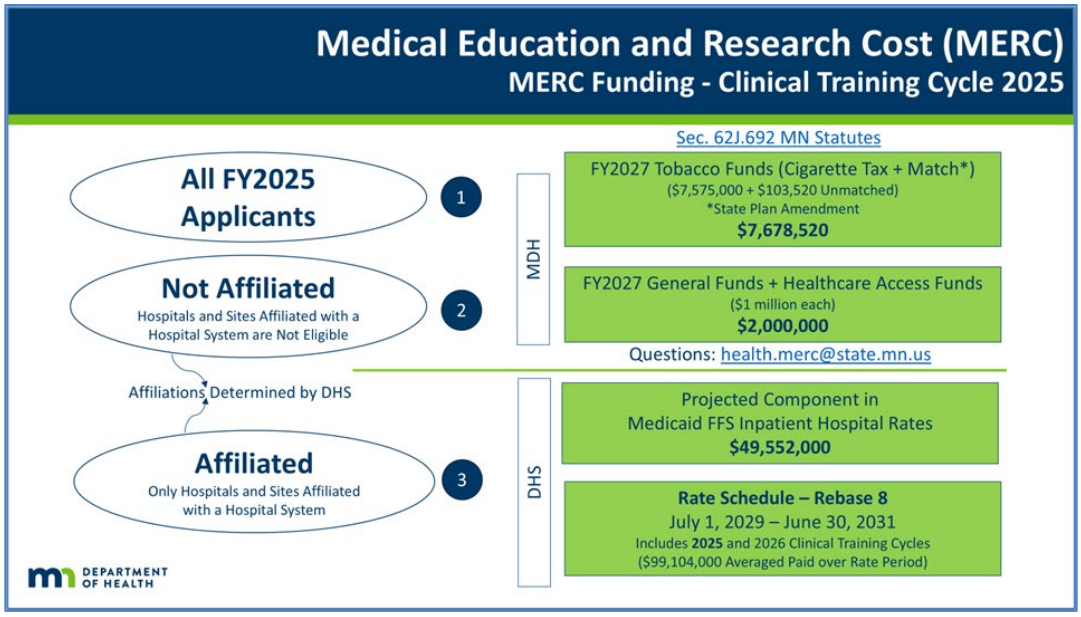
Funding Summary

Funding for the MERC Program in state fiscal year 2027 is sourced from:

MERC Funding Source	Estimated Amount
Cigarette Tax/Match	$7,678,520
General Fund	$1,000,000
Health Care Access Fund	$1,000,000
Estimated Number of Awards	Unknown (formula-based)
Estimated Award Maximum	Unknown (formula-based)
Estimated Award Minimum	$5,000 (must meet eligibility formula)

Eligible hospitals and affiliated sites may also qualify for a medical education rate factor through the Department of Human Services (DHS) Fee-for-service (FFS) rates.

Figure 1

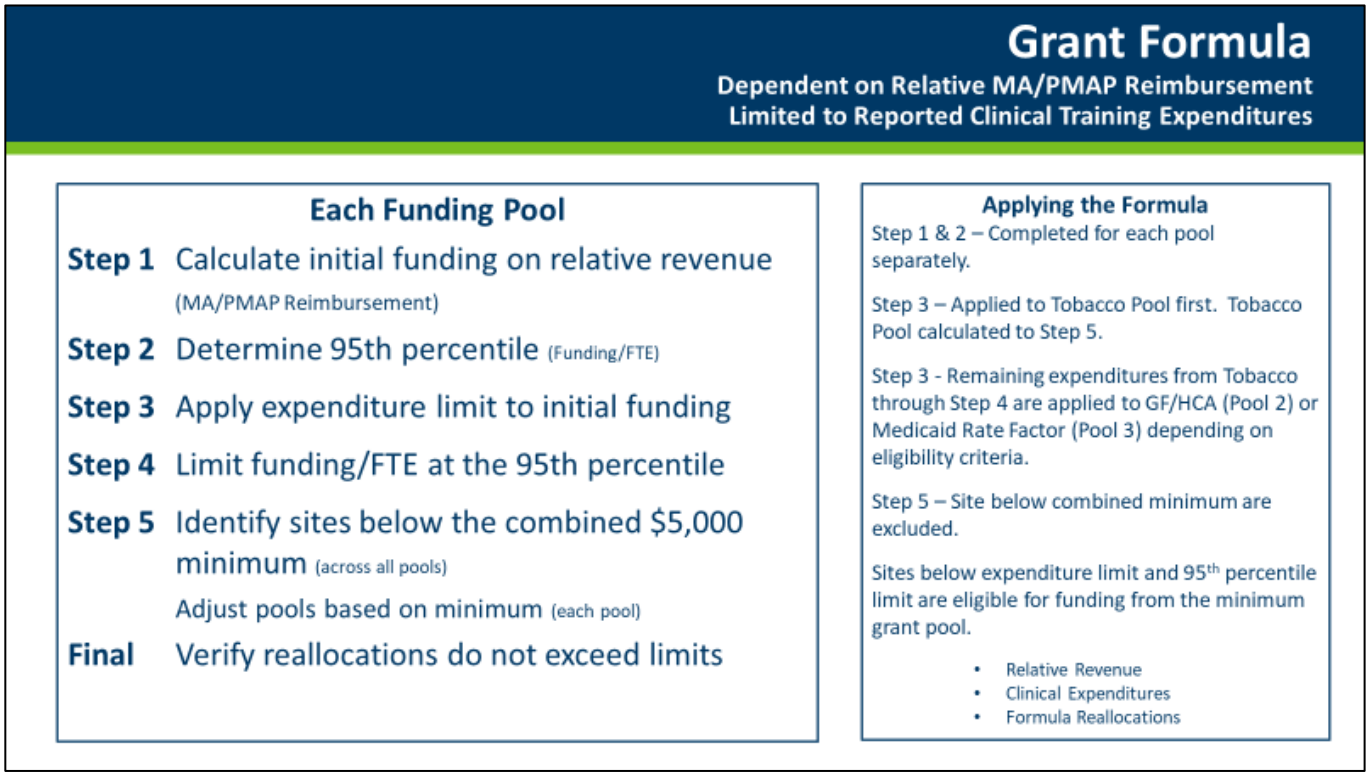


Formula Determination

Funding is determined using the eligibility criteria and distribution formula defined in Minnesota Statute 62J.692, which accounts for Medical Assistance and Prepaid Medicaid Assistance (MA/PMAP) reimbursements on record with the Department of Human Services (DHS), clinical training expenditures and trainee FTEs at qualifying sites.

Figure 2

MERC Application Instructions



Announcement & Distribution

MERC funding will be announced by April 30, 2027, via GovDelivery (see Communication regarding signup).

- A summary of funding will be posted on the MERC website under publications.
- Detailed funding reports will be available to applicants in the application portal.
  - See Reports and Grant Verification Reporting (GVR).
- Funding will be awarded to eligible sites through their sponsoring institution.
  - The sponsoring institution will distribute funding in accordance with their grant agreement.
  - Sites can expect funding the earlier of 60-days after the announcement or by June 30, 2027.
  - Selected clinical training sites must submit their Grant Verification Reporting (GVR) and a system generated accounting report or statement showing receipt of funding from the sponsors.

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Application Deadline

Clinical training sites must complete a two-step process to apply.

⚠️ **Both steps must be submitted by 4:30 p.m. Central Time on the respective deadlines.**

📖 Detailed instructions and screen examples are provided in the following pages.

Step One – Initial Application

- **Opens: September 1, 2026**
- **Due: September 30, 2026**

  - Using trainee data from the teaching program, identify the practice location, facility type, and associated sponsoring institution(s) and teaching program(s).
  - The application will automatically link to the associated teaching program(s) upon submission.
  - The sponsoring institution(s)/teaching program(s) must approve the application before including it in their submission MDH.

⚠️ **Important:** Site that do not submit Step One by the deadline will not be considered.

Step Two – Expenditure Reporting

- **Opens: November 15, 2026**
- **Due: December 15, 2026**

  - Clinical training expenditures must be provided for the trainees included in the initial application.
  - These expenditures are used in the distribution formula.

⚠️ **Important:** Site that do not submit Step Two by the deadline will be disqualified.

Late Submission Policy

MDH will not accept late submissions under any circumstance. It is the sole responsibility of the applicants to plan ahead and account for any potential delays.

⏰ MDH recommends completing submissions at least **three calendar days before each deadline** to avoid unforeseen complications. MDH will not be responsible for delays caused by notification, computer, or technology problems. This extends to the submission of information between the clinical training sites and their teaching programs and sponsoring institutions.

MERC Application Instructions

Key Dates & Milestones

Pre-Application

Activity	Date
Registration – Portal Opens	August 15, 2026
Collect Trainee Reports from the Teaching Programs	August 15-31, 2026

Step One – Initial Application

Activity	Date
Complete Site Demographics	After Pre-Application Steps
Begin Site Application	September 1, 2026
Application Deadline	September 30, 2026
Verify Submission to Teaching Programs	September 30, 2026
Verify Approval of Teaching Programs	October 15-20, 2026
Verify Final Submission by Sponsor	October 31, 2026

Applicants must actively monitor their application status in the portal after submitting to the teaching program.

Step Two – Expenditure Reporting

Activity	Date
Expenditure Reporting Opens	November 15, 2026
Expenditure Report Deadline	December 15, 2026

Post-Submission & Funding Milestones

Activity	Date
Funding Announcement	April 30, 2027 (or before)
Funding Released to Eligible Sites by Sponsors	Within 60 days of Announcement

Final Reporting

Activity	Date
Grant Verification Report (GVR) Opens	May 15, 2027 (or before)
GVR Deadline (selected sites)	July 15, 2027 (or before)
MERC Portal/Cycle Closes	July 30, 2027

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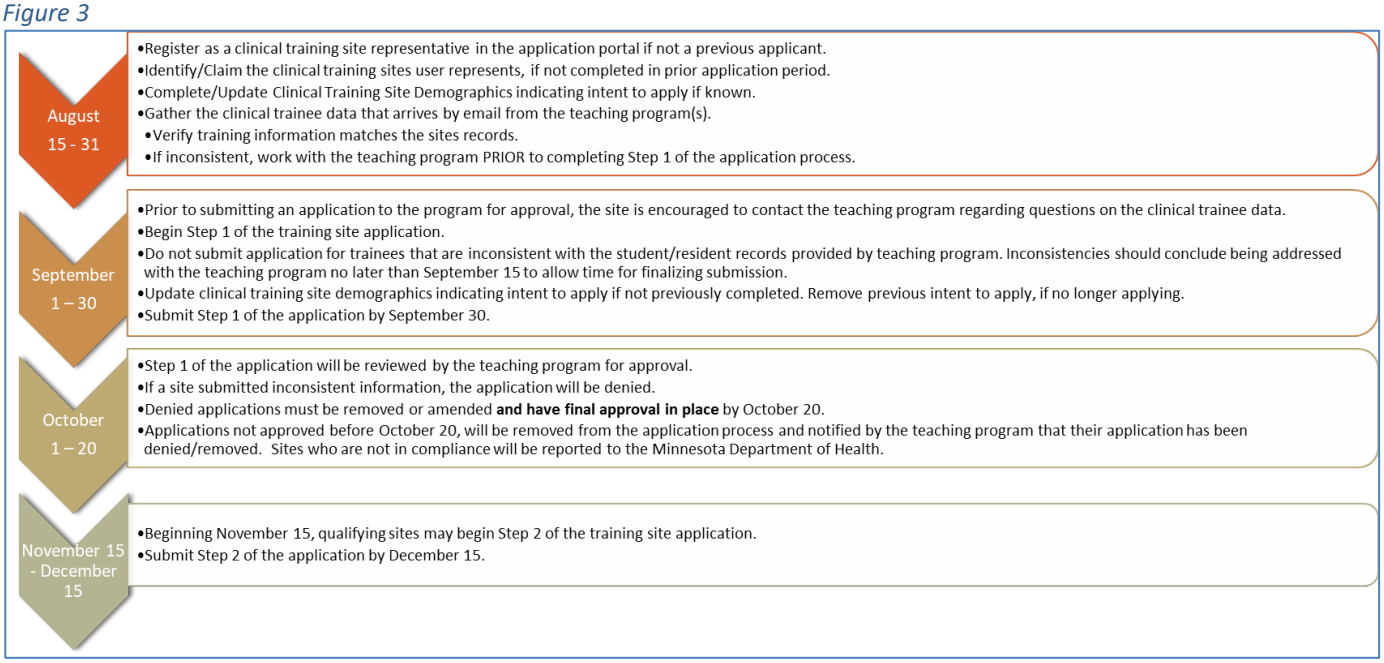
The Submission Timeline (PDF) below can also be found on the MERC website.

Figure 3



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Workflow

Figure 4

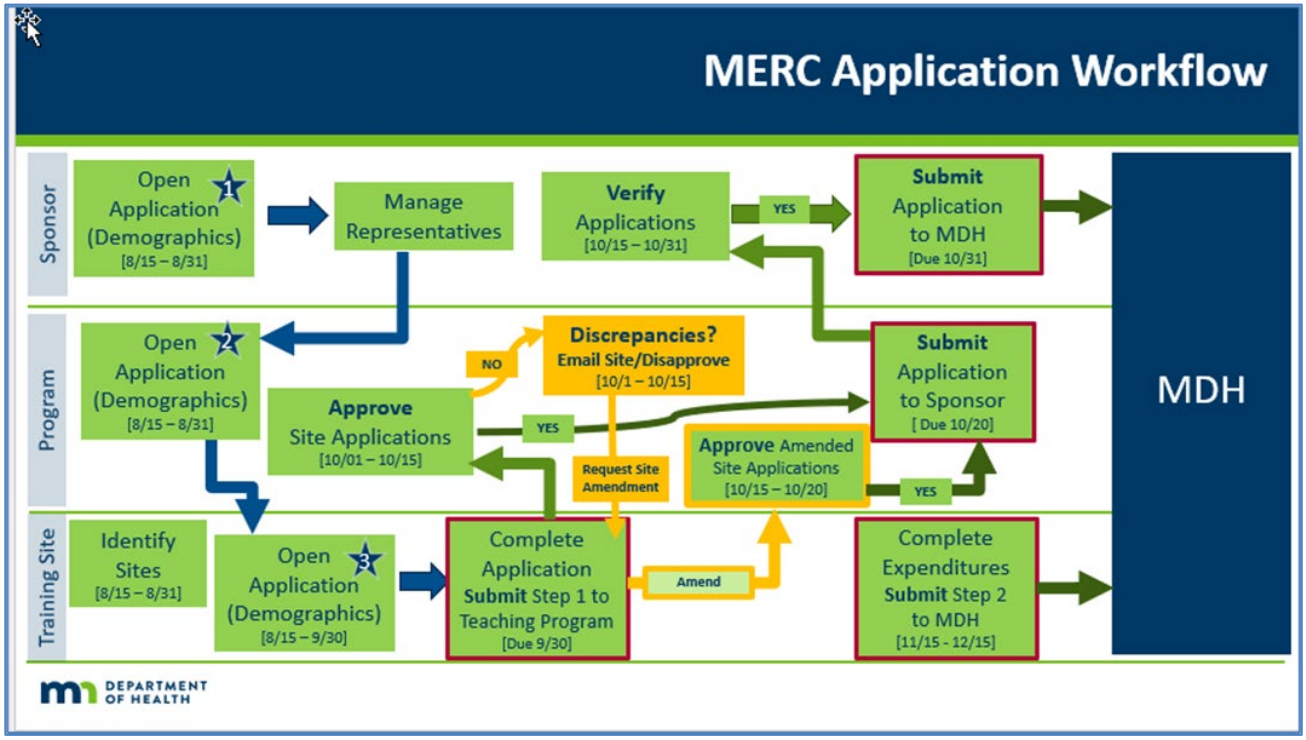
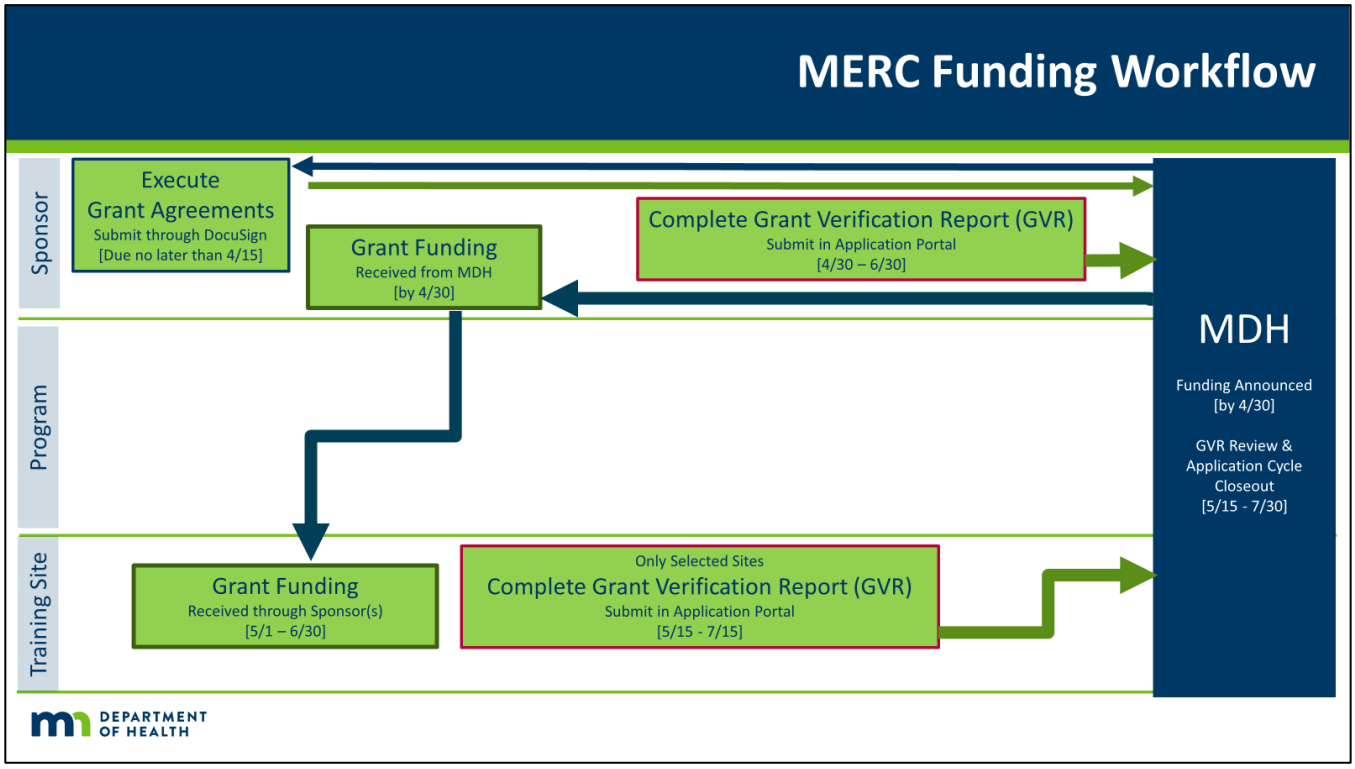


Figure 5



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Questions & Communication

Please submit questions in writing by **4:30 p.m. Central Standard Time (CST), on September 25, 2026**.

Program	Email
MERC Program	health.merc@state.mn.us
Site-Sited Clinical Training (SBCT) Program	ClinicalTraining.MDH@state.mn.us

⚠️ Identify the Application ID Number and clinical training site name in all correspondence.

Stay Informed

Subscribe to GovDelivery to receive MERC notifications and announcements.

Quick References

- MERC Information
- Healthcare Workforce & Education Committee
- MERC Definitions
- MERC History
- Legislation
- MERC Publications

- New Representatives or Email Change
  - Register for account in the portal.
  - Update User Profile
- Completing an Application
  - Identifying New Applicants
  - Clinical Training Site Demographics
  - Clinical Training Site Application - Step One
  - Clinical Training Site Expenditures - Step Two
- Reports
  - Training Site Reports
  - Grant Verification Reports

MERC Application Instructions

Application and Submission Instructions

This section outlines the role of the Minnesota Clinical Training Site in the application process.

Key Portal Features – Dual Application

The application portal supports submissions for both the Medical Education and Research Cost (MERC) Program and the Site-Based Clinical Training (SBCT) Program. While this manual focuses on the MERC Program, the following integration details are important for Minnesota clinical training sites who may apply for:

- MERC only
- SBCT only
- Both MERC and SBCT

⚠️ **Important:** When completing the training site's demographics, the site must elect the application type to begin the process. Both MERC and SBCT must be opened if applying simultaneously to both programs.

Shared Portal Functions: To streamline the process, the portal collects additional data from the training site required for SBCT without affecting MERC's core submission steps.

Separate Grant Verification Reports (GVRs): After funding is determined, the portal generates distinct GVRs to ensure accurate tracking and distribution of funds.

SBCT Program Eligibility: The SBCT program supports clinical training sites as defined in Minnesota Statutes 144.1508. Visit the SBCT Grant webpage for eligibility and program guidance.

SBCT Administration: The SBCT program is administered independently. Direct questions about SBCT eligibility or application assistance to ClinicalTraining.MDH@state.mn.us.

Application Process

Minnesota Clinical Training Site

A training site is where the students/residents gain clinical training experience in an inpatient or ambulatory patient care setting in Minnesota.

Application Components

Each training site must complete/submit:

- Site Demographics
- Application
- Expenditure Report

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Prior to the Application: Collecting Clinical Trainee Reporting

Before starting the application, training sites that hosted fiscal year 2025 trainees will receive an email from the accredited teaching program that placed students/residents at the site. This email is expected by August 31, 2026, and will contain trainee data required for the application.

Purpose of the Data

Training sites will rely on this data to:

- Complete their application
- Submit the site's clinical training expenditures

Data Elements

At a minimum, the trainee data will include:

- Training site name and address.
- Sponsoring institution name.
- Teaching program name and contact information.
- Trainee/Program type (provider category): Advanced Dental Therapists, Advanced Practice Nurses, Chiropractic Students, Clinical Social Workers, Community Health Workers, Community Paramedics, Dental Residents, Dental Students, Dental Therapists, Medical Residents, Medical Students, PharmD Residents, PharmD Students, Physician Assistants, or Psychologists.
- Trainee setting: Inpatient, Ambulatory, or Both.
- Dates of training.
- Fulltime Equivalent (FTE) clinical trainee count.

FTE = Clinical Training Hours ÷ 2,080 (maximum of 1.0 FTE per individual)

- Clinical Training Hours = ((Student/Resident x Weeks in Rotation) x Hours per Week)
- 1.0 FTE = 2,080 hours, 52 weeks, or 260 days.
- One person cannot exceed 1.0 FTE.
  FTEs must be truncated at four decimal places (do not round).

⚠️ **Important:** Any inconsistency in the trainee data **must be resolved** with the teaching program **before** submitting the application. Inaccurate or unmatched data may result in denial of the application.

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Accessing the Application Portal

All grant applications must be completed electronically through the online portal:
http s://merc.web.health.state.mn.us.

Figure 6

Portal Navigation

- Top menu bar: Quick links for navigation.
- Breadcrumb links below the black menu bar: Navigate to previous pages.
- The Home screen contains links to instructions/materials and general MERC program details.
- **Start the application by clicking Sign in the top menu (Figure 6)**.

🔔 MDH may post system alerts/notices below the top menu bar. Always refer to these messages when using the portal.

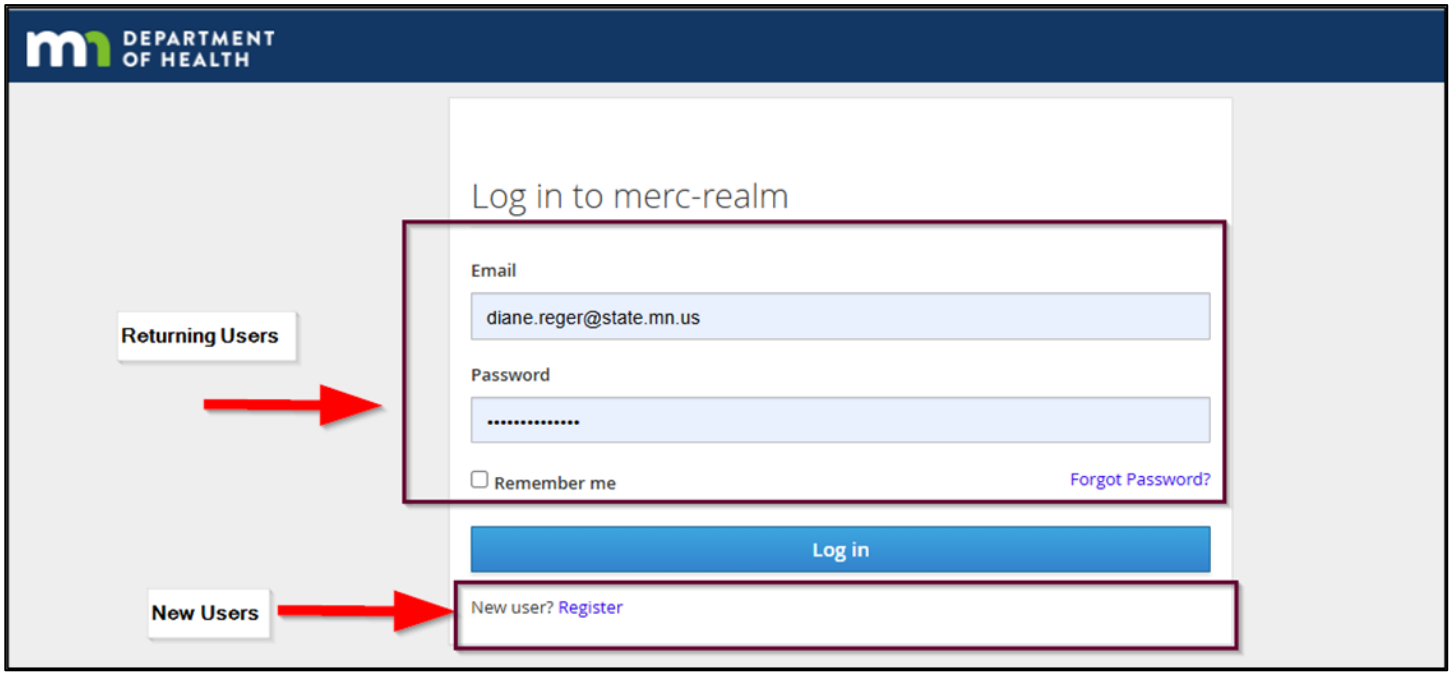
⚠️ **Important Usage Notes:**

- Do not use browser autocomplete for names and addresses.
- Only submit data relevant to fiscal year 2025 clinical training.
- Step-by-step screens and examples are provided for reference only (Figure 6).

MERC Application Instructions

Applicant Registration & Sign In

Figure 7



Once you click Sign in on the top menu bar, you'll be asked to log in or register.

Registration Guidelines

- Usernames are email-based and must belong to your organization.
- Each user must register separately.
- Emails must be verified promptly to activate your account.
- Passwords are case sensitive.
- The application will time out after 15 minutes of inactivity. Unsaved data will be lost.

(See Figure 8 for a registration example.)

New Users

If you're accessing the portal for the first time:

- Click Register (Figure 7).
- Complete all registration fields (Figure 8).
    1. Your username must be a unique organizational email address (no personal emails).
    2. Click Register to submit.
    3. Verify your email address within 15 minutes by following the instructions in the email.
        - If you do not receive an email to verify registration, check your junk mail/spam folder (add health.merc@state.mn.us to your email safe senders).

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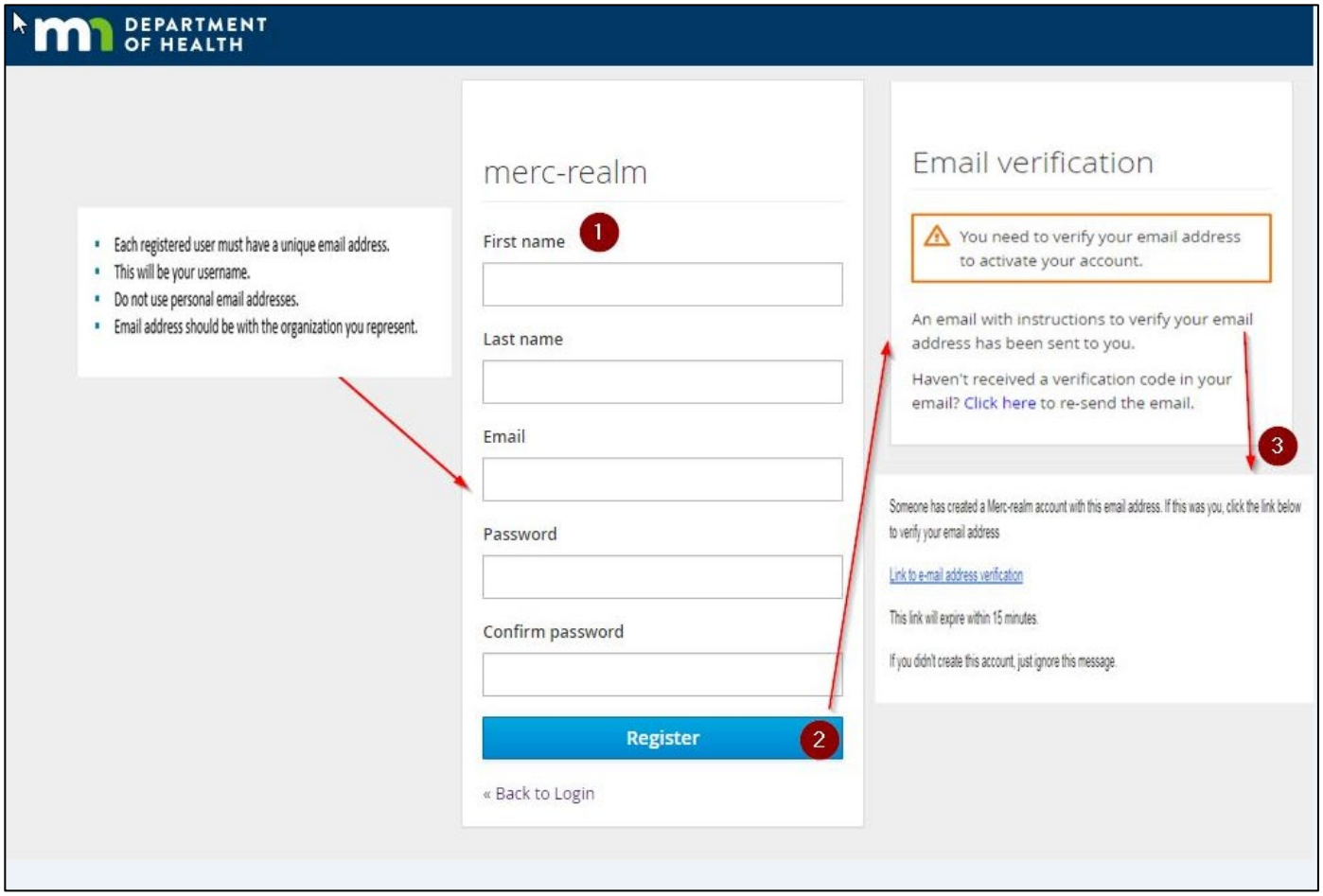
Returning Users

If you've previously registered:

- Enter your username (email address) and password.
- Click Log In to access your account.
- Proceed to User Profile (see Figure 9).

🔐 Forgot your password? Click on Forgot Password and follow the prompts.

Figure 8



Profile Setup

Your user profile is tied to your email (username). Each applicant must complete:

- Full name
- Job title
- Work phone number
- Employer name
- Organizational address

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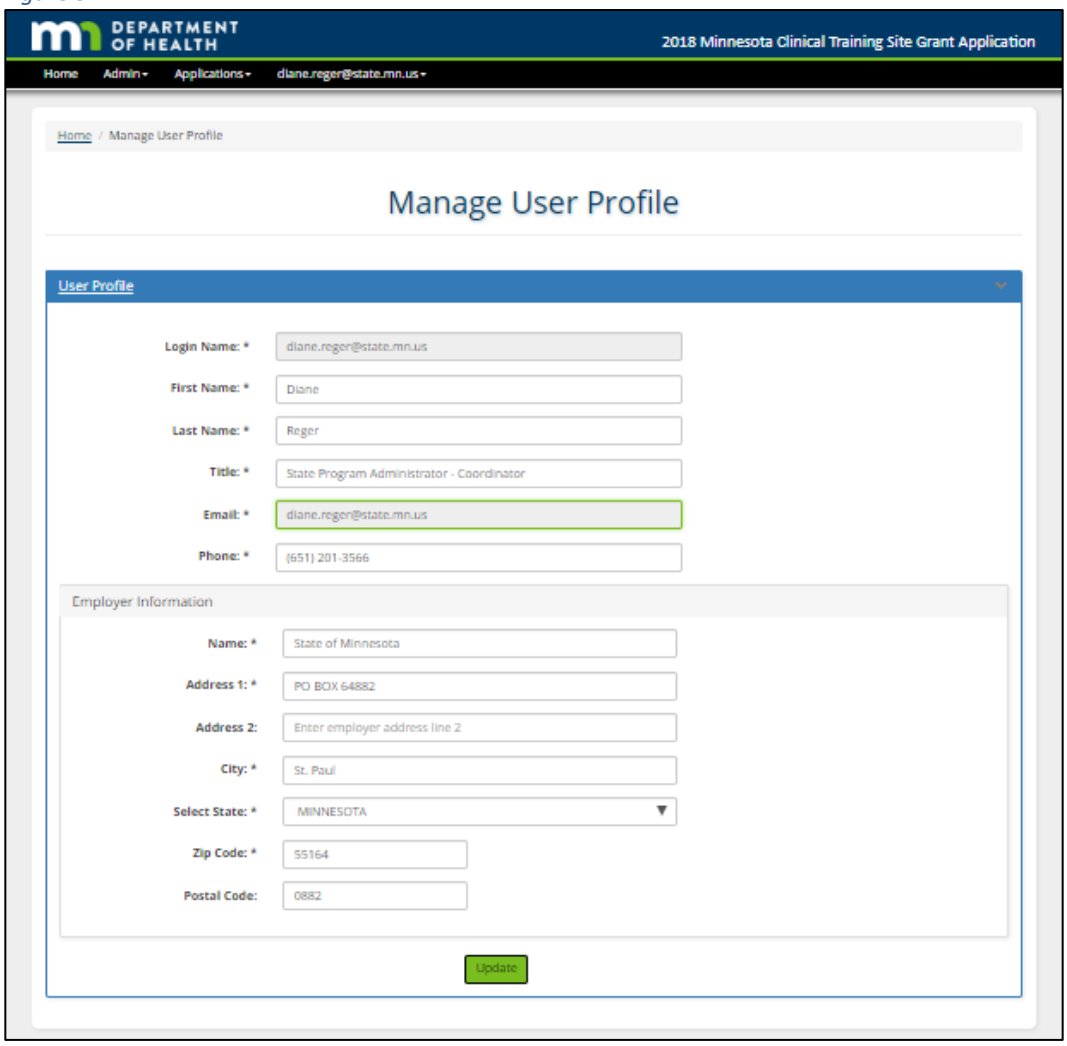
Figure 9



Profile Management

- After logging in, click Continue or Update to verify your information.
- You must review your profile each time you access the portal.
    - Changes will be reflected throughout the portal.
    - If no changes are needed, scroll to the bottom and confirm.
- **Email addresses cannot be changed.**
    - If your email is no longer valid, you'll need to create a new account (see New Users).

You can also manage your user profile via the top menu bar or Home Screen (see Figure 10).

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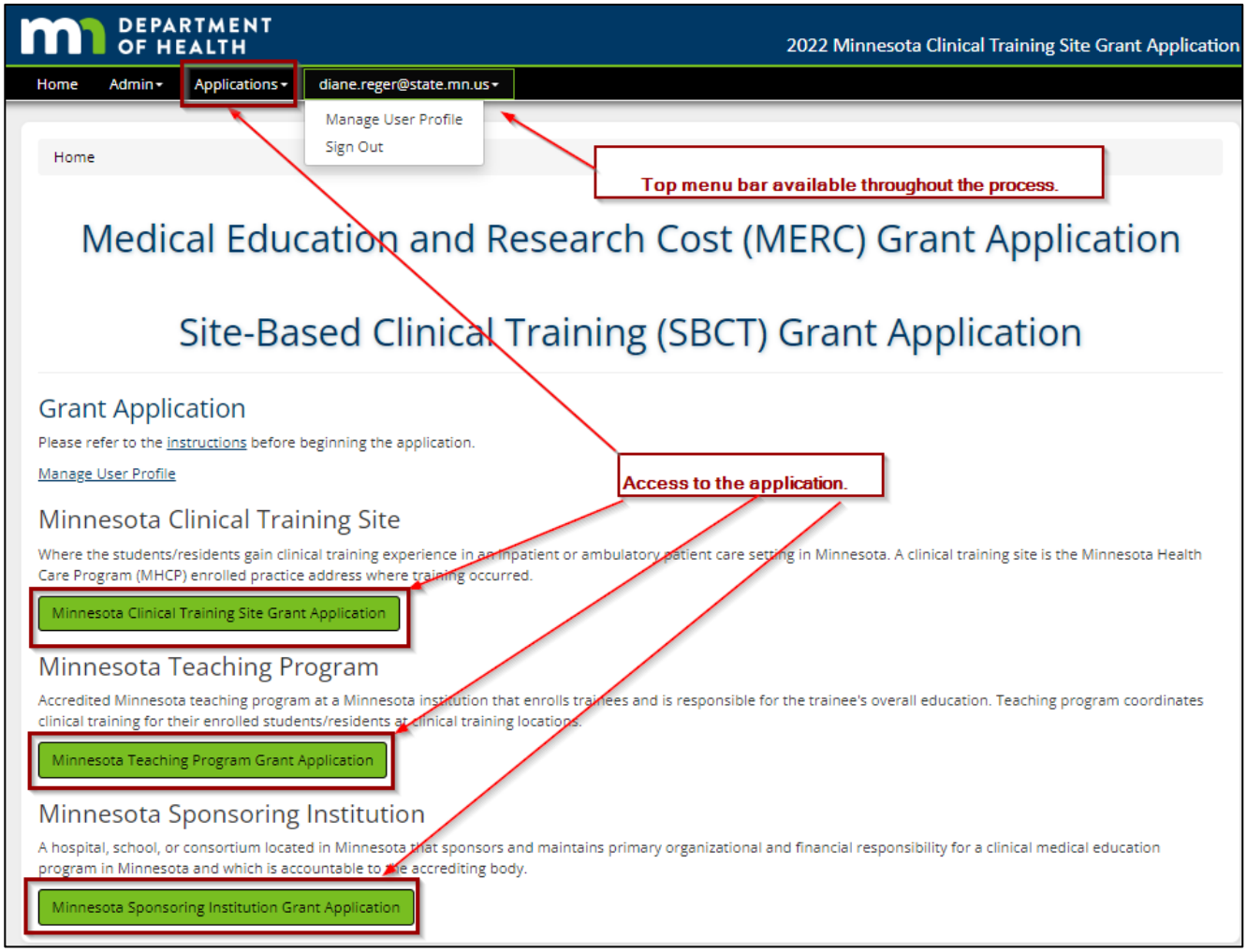
Home Screen Overview

Once you've signed in and confirmed your user profile, you'll be directed to the Home Screen (Figure 10). This screen is your central hub for accessing applications and user management tools.

Figure 10



Accessing the Application

You can start your application using either of the following methods:

Option 1: Mid-Screen

- Each applicant type is listed mid-screen with a short definition.
- By clicking on the green box to open:
  - Minnesota Clinical Training Site Grant Application

Option 2: Top Menu Navigation

- Use the top menu bar and select Applications.
- Choose:
  - Minnesota Clinical Training Site Grant Application

Additional Home Screen Links

- Link to this instruction manual.
- Access and manage your User Profile.
- Sign Out of the portal.

Signing Out

To sign out of the application portal:

- Click the email address on the menu bar (See Figure 10).
- Select Sign Out from the dropdown menu.

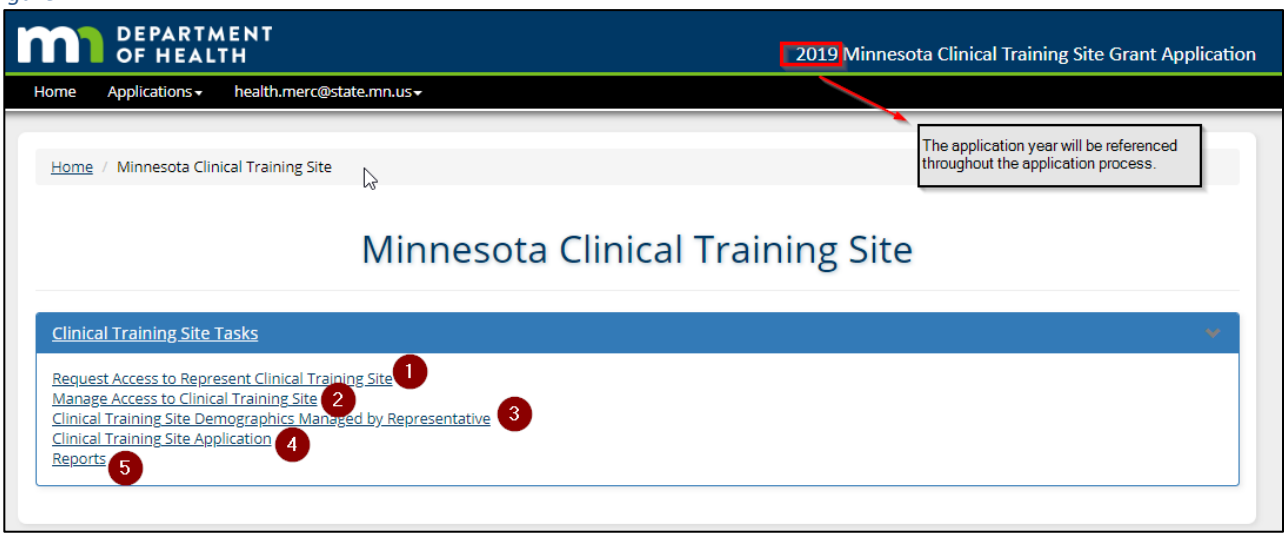
Step One: Minnesota Clinical Training Site Application Instructions

Minnesota Clinical Training Site Applicants

This section outlines required tasks and responsibilities for representatives involved in the application process.

📌 Refer to Figures in your manual for visual aids and system screenshots.

Figure 11



MERC Application Instructions

Task Overview

Applicants must complete the following tasks in order. Each has detailed instructions on subsequent pages.

Order	Task	Timing	Key Actions
1	Request Access to Represent the Clinical Training Site(s)	Starting August 15	• Identify sites user represents.
2	Manage Access to Clinical Training Site(s)	As Needed	• Approve additional representatives.
3	Clinical Training Site Demographics Managed by Representative	Starting August 15	• Complete demographic details. • Open the application process.
4 4a.	Clinical Training Site Application: Initial Application - Step 1	September	• Submit application to Teaching Program(s) and Sponsoring Institution(s) for approval.
4b.	Expenditure Reporting - Step 2	November 15-December 15	• Submit expenditures.
4c.	Grant Verification Report (GVR) Process	May 15 - July 15	• Confirm funding receipt. • Submit verification if selected.
5	Reports	As Needed	• Export application content to Excel.

📅 For timing-specific actions, consult Key Dates & Milestones and Application Deadlines.

Task 1: Request Access to Represent Clinical Training Site

Requirements for Representatives:

- Must be a representative of the site.
- Must understand the site's clinical training activities.
- Must understand the site's MHCP enrollment and know the facility type and identification number used for Medical Assistance (MA)/Prepaid Medical Assistance (PMAP) billing.

⚠️ **Important Note:** IDs provided in the application will link to reimbursement records with the Minnesota Department of Human Services (DHS). These records are essential in gathering data for formula calculation.

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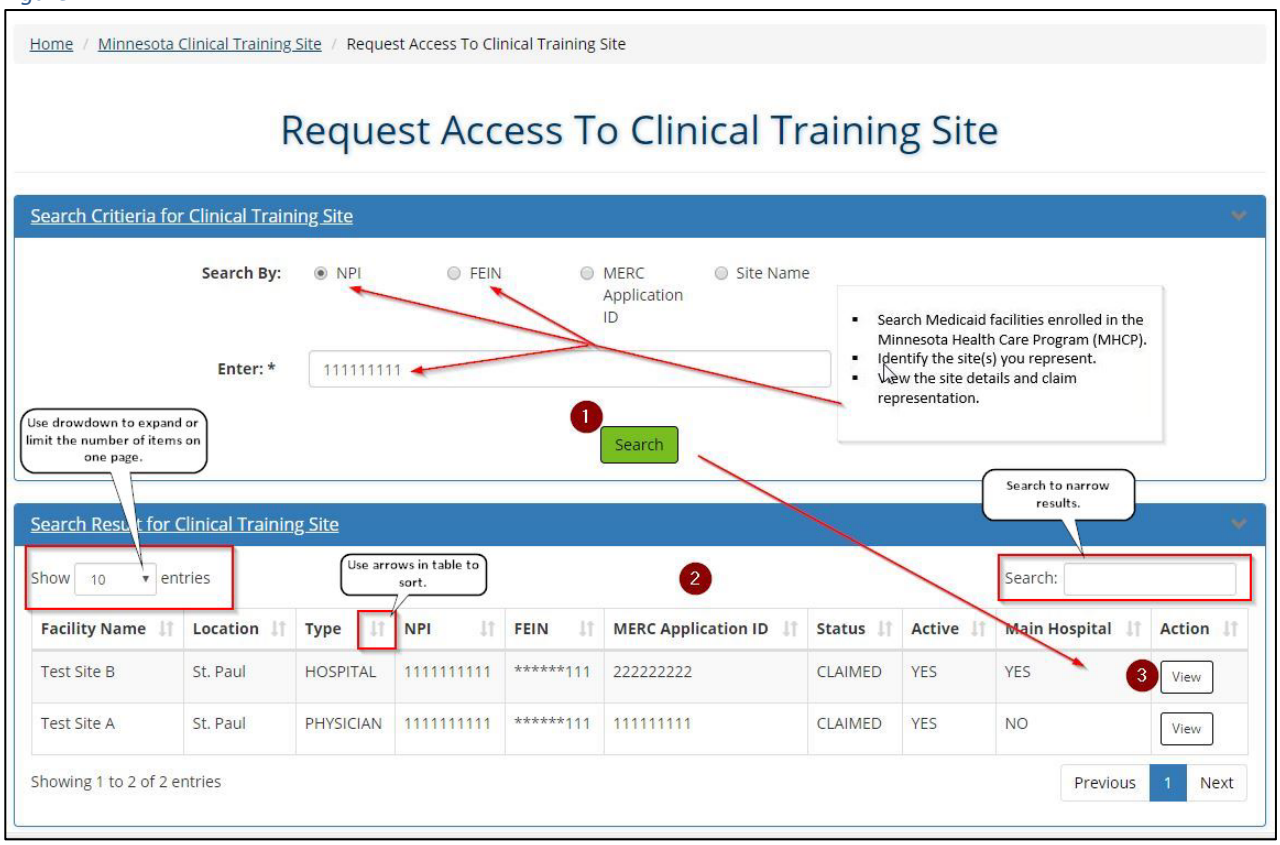
Figure 12



Steps to Request Access:

Representatives must identify each clinical training site they are authorized to represent in the grant application process.

Once identified, this information will stay in place until the representative revokes their authorization or MDH is notified.

From the main Minnesota Clinical Training Site screen:

1. Click Request Access to Represent Clinical Training Site.
2. Enter Site Credentials:
   - Select the Search Criteria.
   - Enter the training location's National Provider Identification Number (NPI) or Federal Tax ID Number (FEIN).
   - Click Search.

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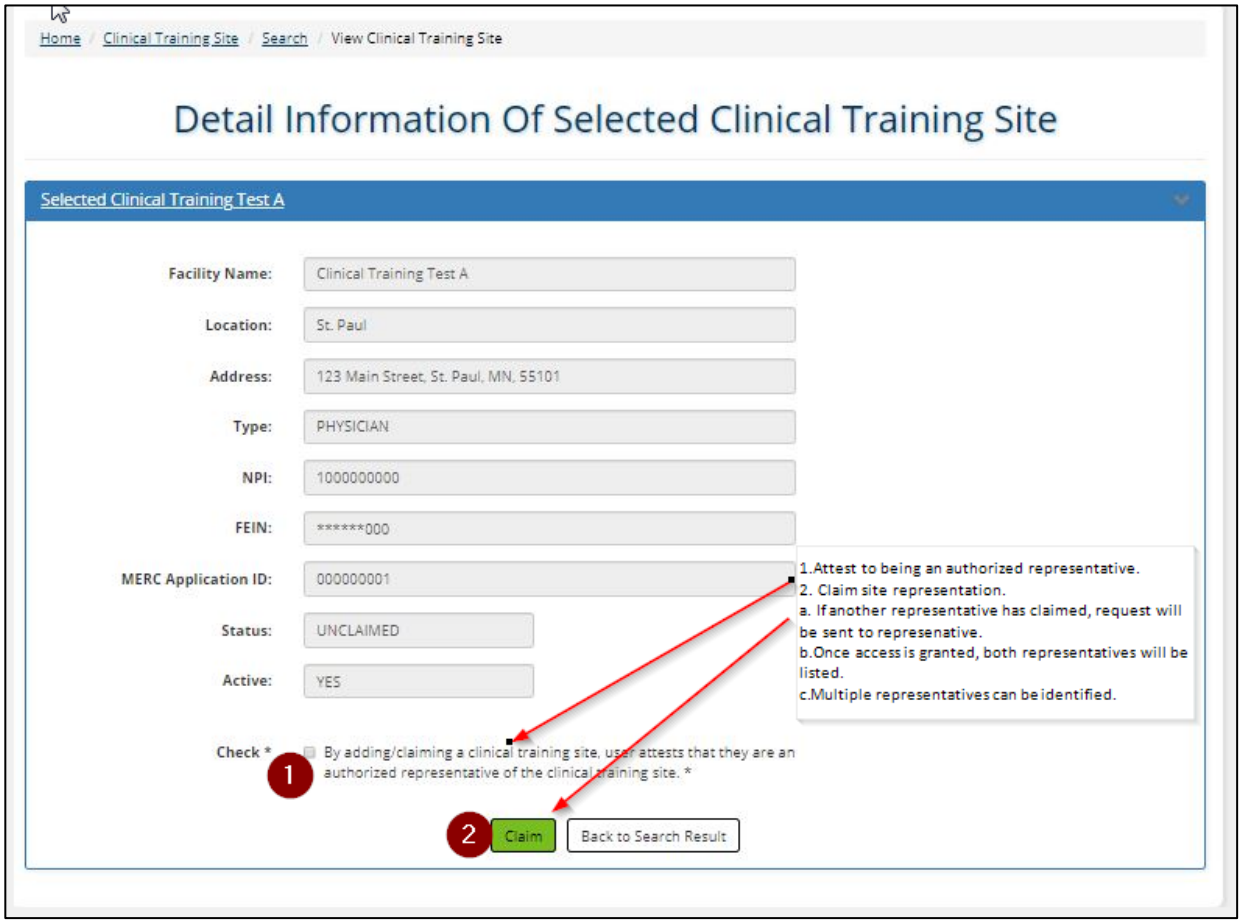
3. Review Search Results & Attest:
   - Results show MHCP Provider enrollment as of July 8, 2026.
   - Representatives claim site(s) they represent in this part of the process.
   - Click View to open the site details.
     - Review the MHCP enrolled practice location.
   - Attest to being an authorized representative of the site.
     - If the site is unclaimed, the first user will gain access. Multiple representatives are allowed and encouraged for backup.
     - If another representative has already claimed the site:
       - The first representative must approve additional access requests.
       - The system will generate an email notification that is sent to the first representative.
       - See Manage Access to Clinical Training Site for details and next steps.
   - Repeat the steps to claim multiple enrolled locations or facility types.

⚠️ **Special Note for Hospitals**:

- Claim each component/subpart where training took place.
- This ensures accurate MA/PMAP reimbursement data for grant calculations.
- Further details are covered in the site demographics section.

Figure 13

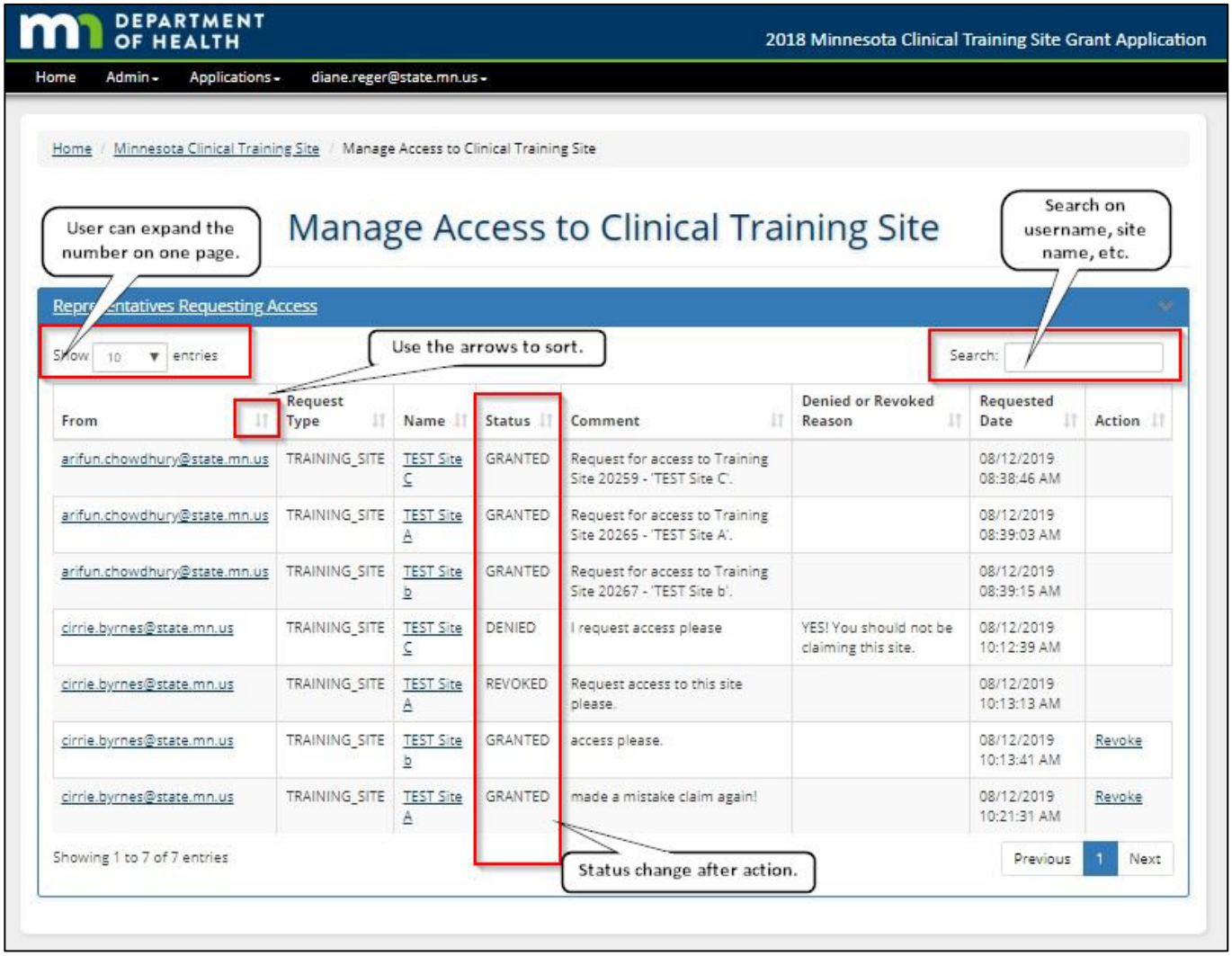


MERC Application Instructions

Task 2: Manage Access to Clinical Training Site

The task applies to the original representative who claimed a clinical training site in Task 1. That representative holds the authority to grant, deny, or revoke access to additional authorized users.

Figure 14



Manage User Access

In this section, representatives can perform the following actions:

View Request Details

- Click a username to view information about the individual requesting access.
- Click on the site name to view additional information about the site associated with the request.

Approve, Deny, or Revoke Access

- Use the action column to:
    - Grant Access/Deny Access to additional representatives.
    - Revoke access (if necessary).
        - A new representative must be in place prior to revoking access.

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⚠️ Access Permissions: Once access is granted, all representatives have equal authority within the portal to manage the site's application process.

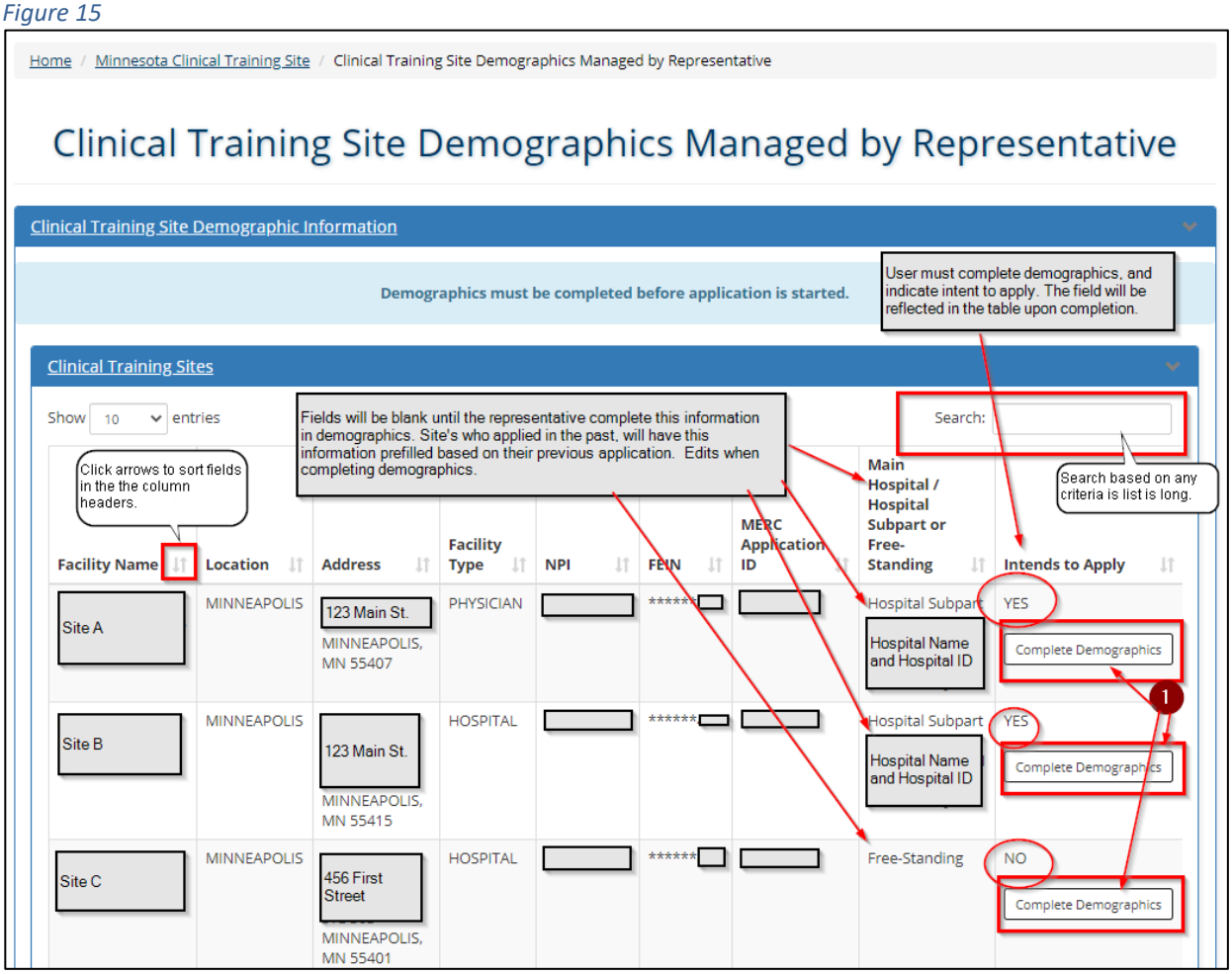
System Notification

- The system will send an automatic email notification to the user indicating whether their access has been granted, denied, or revoked.

Task 3: Clinical Training Site Demographics Managed by Representative

This task must be completed before a clinical training site application can be initiated. Each site claimed by the representative will appear on a table on the Demographics page.

Figure 15



Steps to Complete Site Demographics

- Identify Sites
  - Demographics table includes sites claimed by the representative during Task 1.
- Complete Demographics
  - Click 'Complete Demographics'.

Site Demographics

Refer to: Figures 16 – 21

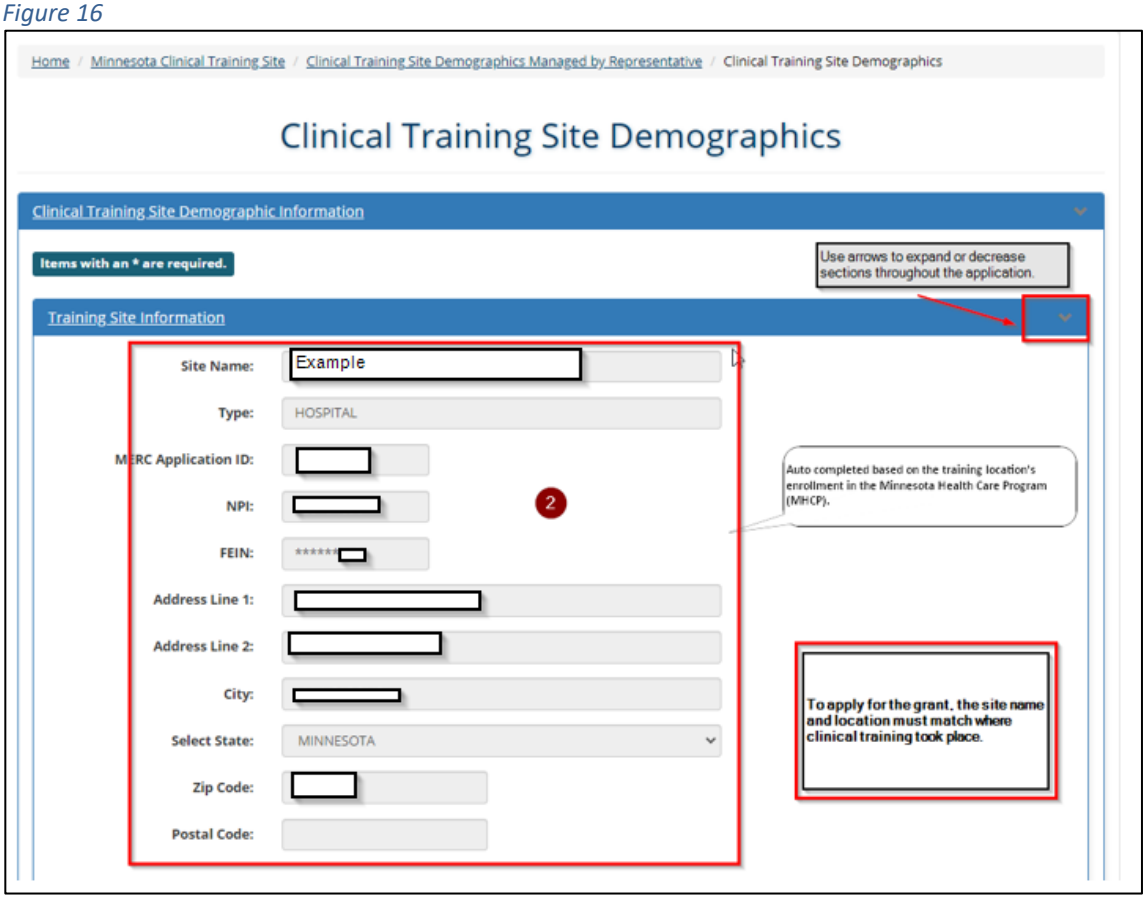
MERC Application Instructions

When Applying:

- The site must be actively enrolled in the MHCP to maintain eligibility.
- Ensure all information matches the actual location of clinical training.
    - These details are transmitted to the Minnesota Department of Human Services (DHS) when the MERC program requests MA/PMAP reimbursement data to calculate funding.
    - If needed, return to Task 1: Request Access to Represent Clinical Training Site to claim a different location.

⚠️ If the site applies, the demographics, application, and expenditure report must be completed in its entirety.

Figure 16



Training Site Information

These fields are prefilled based on the site's **Minnesota Health Care Program** (MHCP) enrollment:

- Site name
- Address
- Facility type
- NP (National Provider Identifier)
- FEIN (Federal Tax Identification Number)
- MERC Application ID

MERC Application Instructions

Hospital or Free-Standing

Refer to: Figure 17a, Figure 17b, and Figure 18

Figure 17a

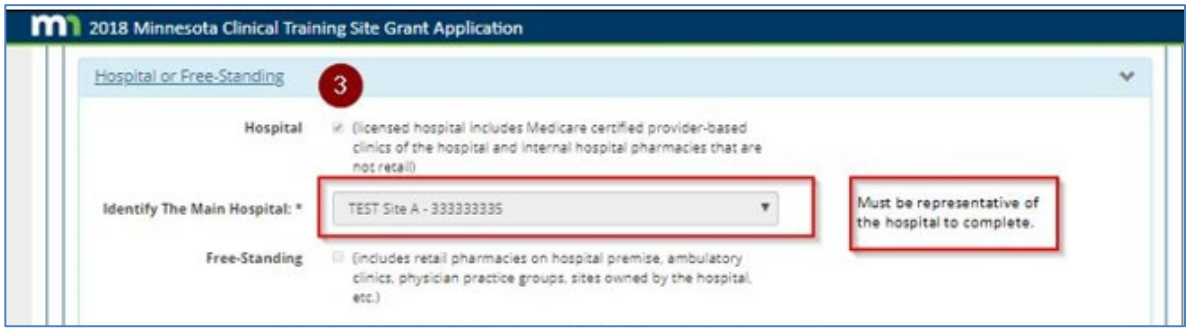
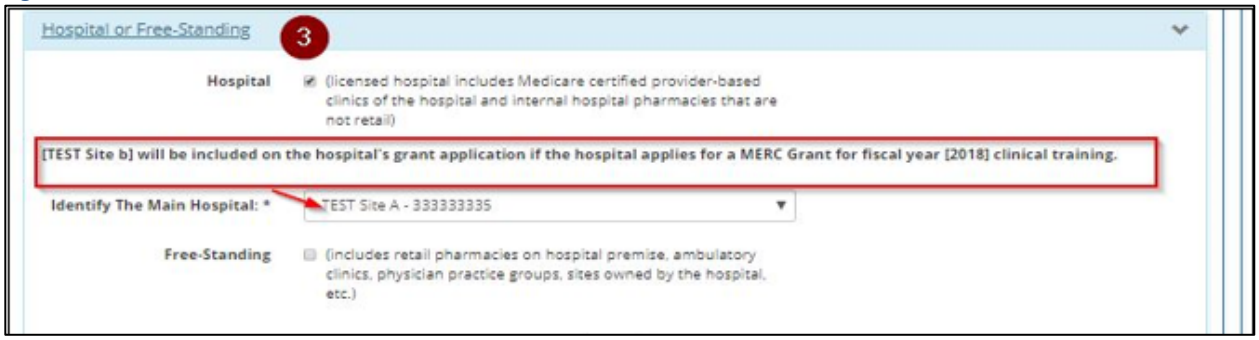


Figure 17b



⚠️ Accurate reporting is critical. The hospital is responsible for meeting CMS requirements and providing valid subpart data for MA/PMAP reimbursement.

Hospital

Refer to: Figure 17a and 17b

Licensed hospitals include Medicare-certified provider-based clinics and internal pharmacies that are not retail.

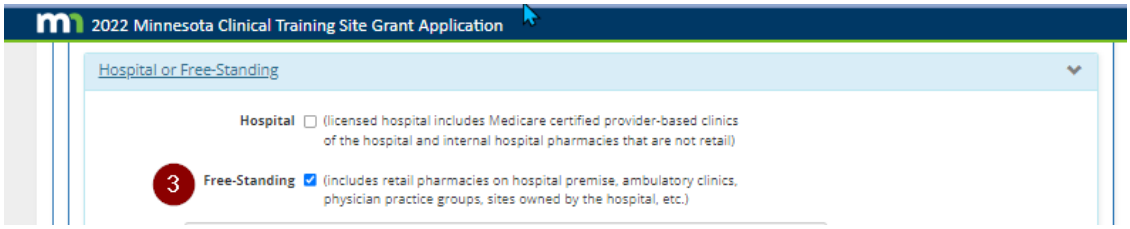
- **Main Hospital**: Demographics for the main hospital are prefilled. *(Refer to: Figure 17a)*
- **Hospital Subpart:** Hospitals with multiple components (subparts) and identification numbers covering the licensed hospital must be identified. *(Refer to: Figure 17b)*
  - Select the hospital name from the drop-down list.
    - If the list is blank, return to the previous step of the application to indicate you are the authorized representative for the main hospital and *Request Access*.
    - Resume completing demographics.
  - Verify accuracy of historical demographics if prefilling occurs.

Free-Standing

Refer to: Figure 18

Figure 18

MERC Application Instructions



Examples include, but are not limited to:

- Retail pharmacies on hospital premise
- Ambulatory clinics
- Physician practice groups
- Hospital-owned sites that do **not** meet hospital criteria

Opening the Application

Refer to: Figure 19

⚠️ Special Demographic Requirement for Site-Based Clinical Training (SBCT)

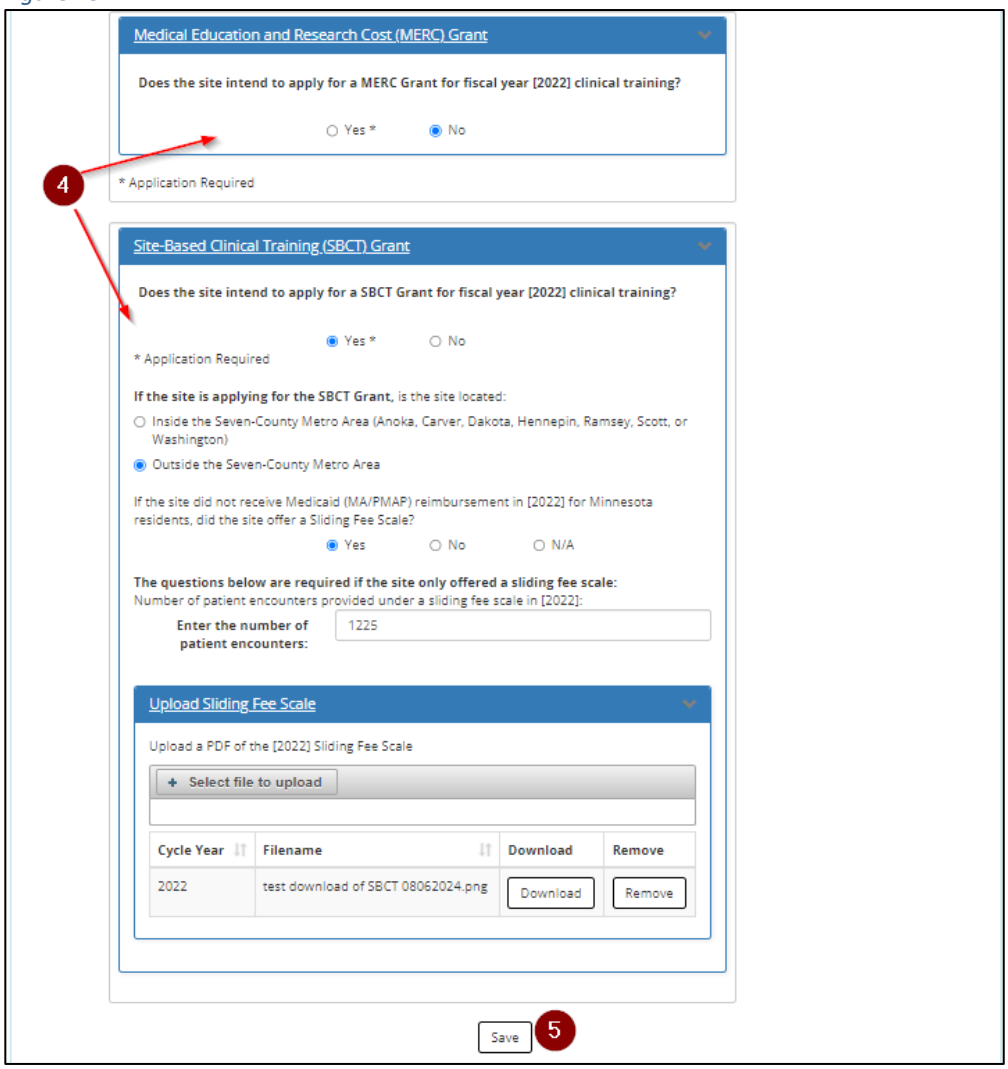
Closely aligned with MERC administration, additional fields will be collected in the application portal for administration of the Site-Based Clinical Training Grant. The Site-Based Clinical Training Grant program provides funding to clinical training sites that meet additional eligibility criteria as outlined in Minnesota Statutes 144.1508.

If the site is applying for SBCT funding, be prepared to answer:

- Is the site applying for the SBCT Grant for fiscal year 2025 training?
- Is the site inside or outside the Seven-County Metro Area?
  - Seven-County Metro Area is defined as:
    - Anoka County
    - Carver County
    - Dakota County
    - Hennepin County
    - Ramsey County
    - Scott County
    - Washington County
- If the site **does not** have MA/PMAP reimbursement in 2025:
  - Was a sliding fee scale offered to Minnesota residents in 2025?
    - Provide number of patient encounters provided under a sliding fee scale in 2025.
    - Upload a PDF of the sliding fee scale offered in 2025.

MERC Application Instructions

Figure 19



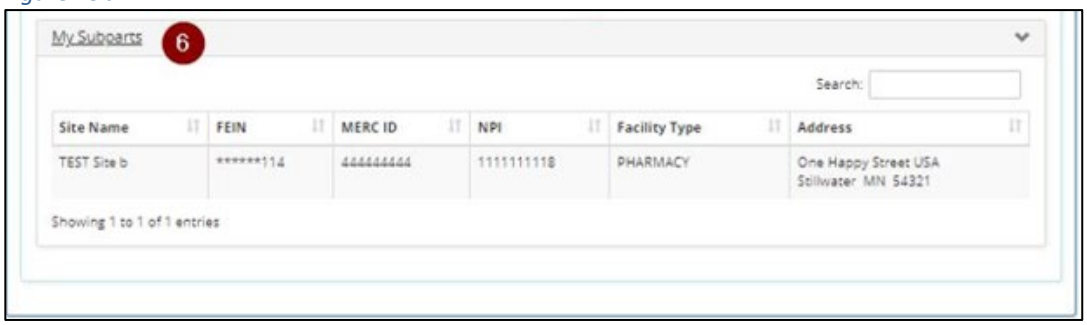
4. Must indicate intent to apply **before** an application can be started.
   - Applicants must identify if they are opening an application for:
     - MERC + SBCT (Dual Application)
     - MERC Application Only
     - SBCT Application Only
   - Additional questions must be answered if applying for SBCT funding (*Refer to: Special Demographic Requirements for SBCT*).

⚠️ **Important:** This election cannot be changed once an application is in progress.

5. Click 'Save' before scrolling to the next section.

Hospital - Subpart Verification

Figure 19b

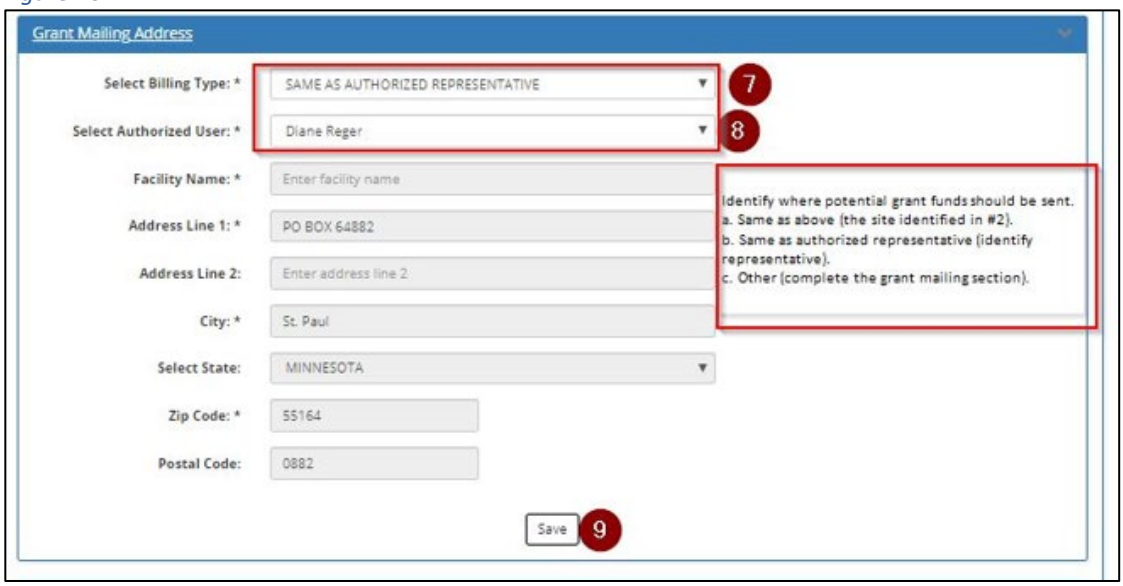


6. Visible only to the main hospital (see Figure 19b).
   - Review and verify components/subparts identified in the subpart's demographics.
   - Components must align with CMS hospital criteria.

Grant Mailing Address

Section only appears if the site indicates an intent to apply in #4 above (Refer to Opening the Application).

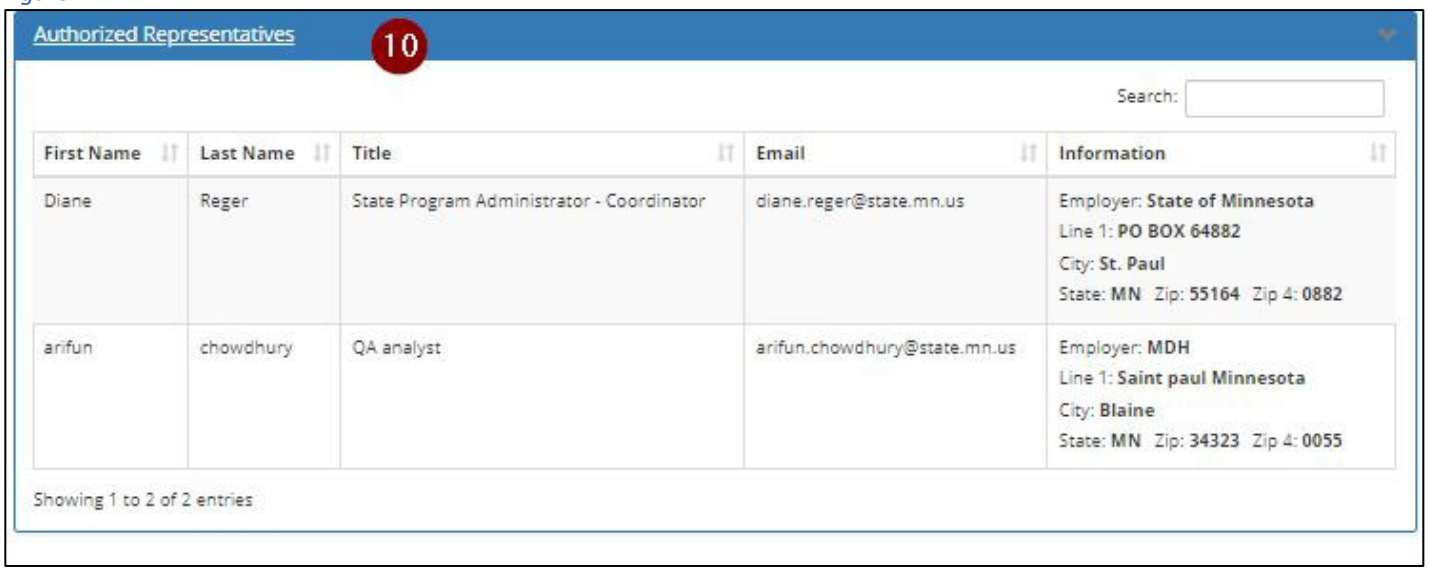
Figure 20



7. Choose where potential grant funds should be mailed (update as needed):
   - Same as above (default - MHCP facility address)
   - Same as Authorized Representative (based on representative's user profile)
   - Other (custom entry – enter the address)
8. If authorized representative is selected:
   - Identify the representative.
     - Update when representative changes occur.
9. Click Save to complete this step.

Authorized Representative – Clinical Training Site

Figure 21



10. This section lists all representatives associated with the site.
    - No manual entry is required.
    - Information is tied to user profiles.
    - To remove a representative who is no longer associated with the organization:
        - See Manage Access to Clinical Training Site (Figure 14).

⚠️ If you represent multiple sites, complete demographics for each.

🔁 Once demographics entries are complete, return to the Minnesota Clinical Training Site screen and proceed to Task 4.

Task 4: Clinical Training Site Applications

Sites that opened an application in Task 3 are identified in the table.

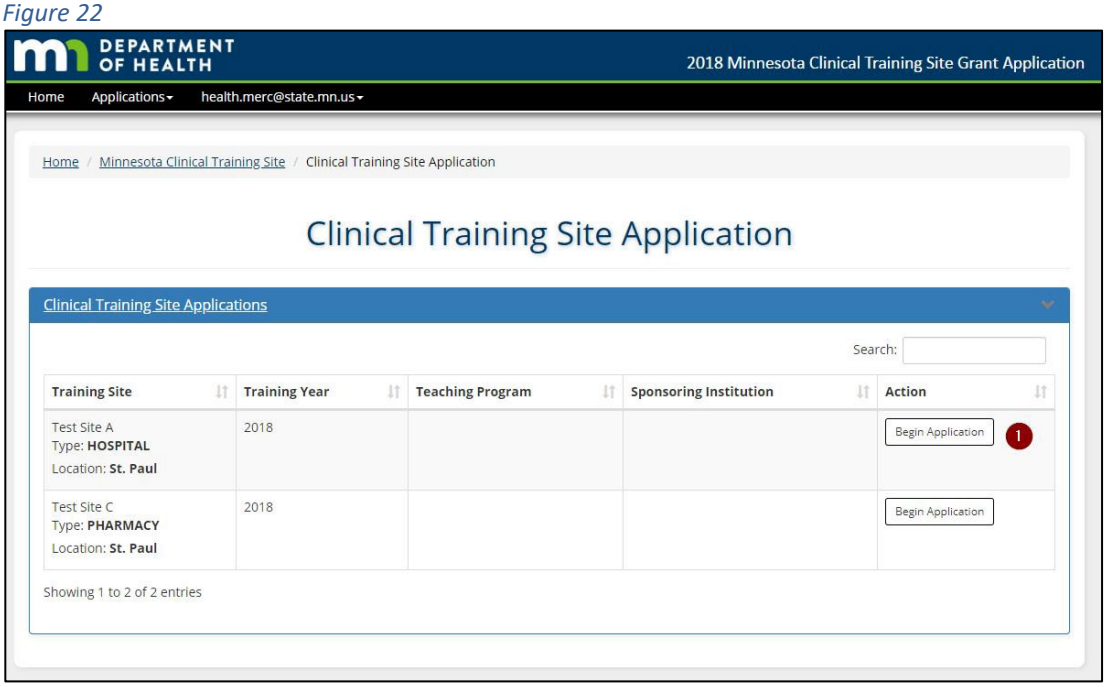
- Verify the table identifies the site where training took place in fiscal year 2025.
- To add additional sites or remove an incorrect location:
    - Return to Clinical Training Site Demographics.
    - Update the site's intent to apply.
- The teaching program and sponsoring institution fields on the table will remain blank until the application is in process.
- Verify the Application Status prior to the deadline.

📅 Submit the application **by 4:30 pm (Central Time) on September 30, 2026**. Late or unsubmitted applications will not be accepted.

MERC Application Instructions

Begin the Application

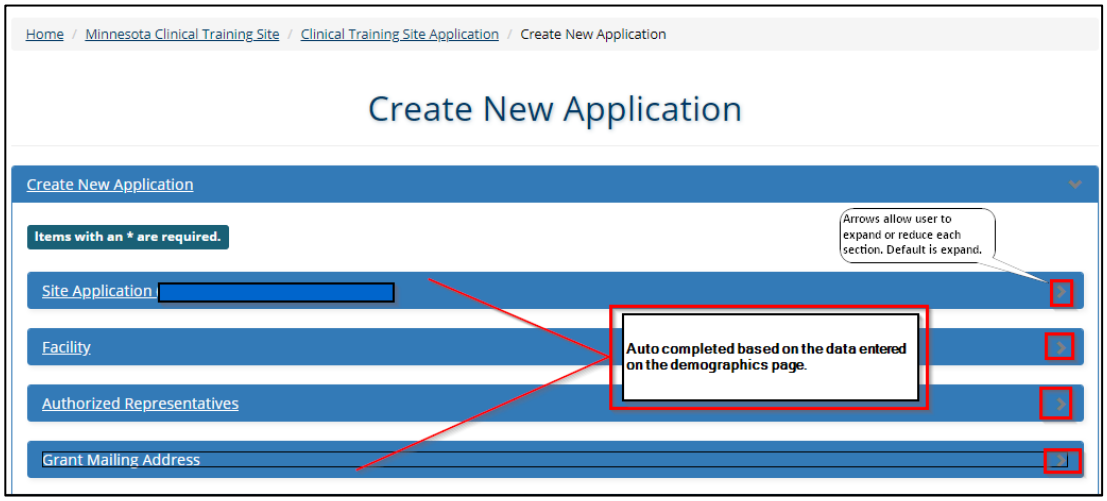
Figure 22



1. Complete/Begin the application.
   - The first section of the application (Figure 23) is automatically completed based on information provided in Clinical Training Site Demographics.
     - Verify that the site information matches the location where training took place.
       - Hospital applications will include the hospital component identified during completion of the site's demographics (Figure 24).
       - Return to Clinical Training Site Demographics to correct any errors before completing the next section.

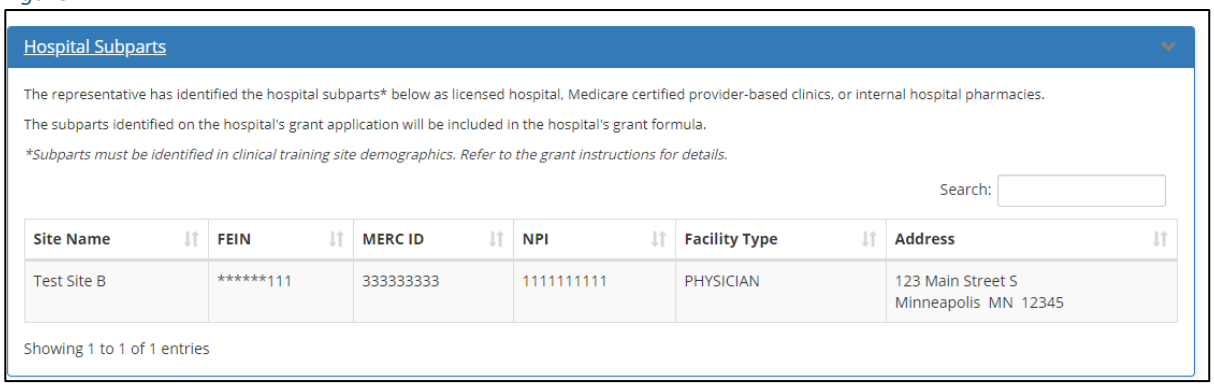
📌 Each section of the application can collapse or expand (shown in Figure 23). By default, sections will display the full details.

Figure 23



MERC Application Instructions

Figure 24



Clinical Trainees at the Facility

Complete this section using the trainee data provided by the sponsoring institution or teaching program.

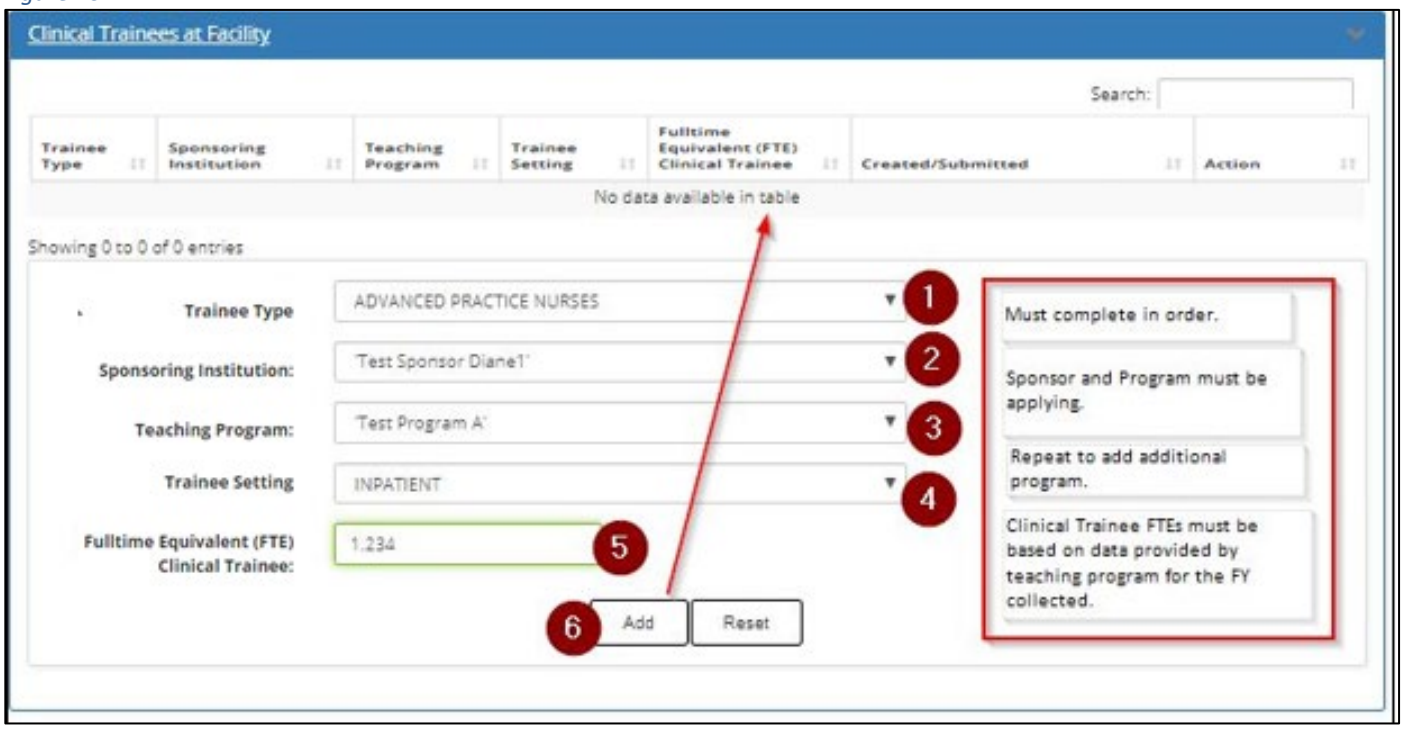
- Questions regarding the trainee data must be directed to the teaching program representative.

Complete each field in order:

- Select from the available options on the drop-down menu.
- Wait for each field to load before proceeding.
- Options are limited to sponsors and programs registered in the application portal.
- Applications cannot be submitted if programs are not applying – an error will be shown.
    - Sponsors/programs open their applications for their fiscal year 2025 clinical training by August 31, 2026.

If the site provided clinical training to student/residents from multiple Minnesota teaching programs, repeat Steps 1 – 6 below for each program (Figure 25).

Figure 25



MERC Application Instructions

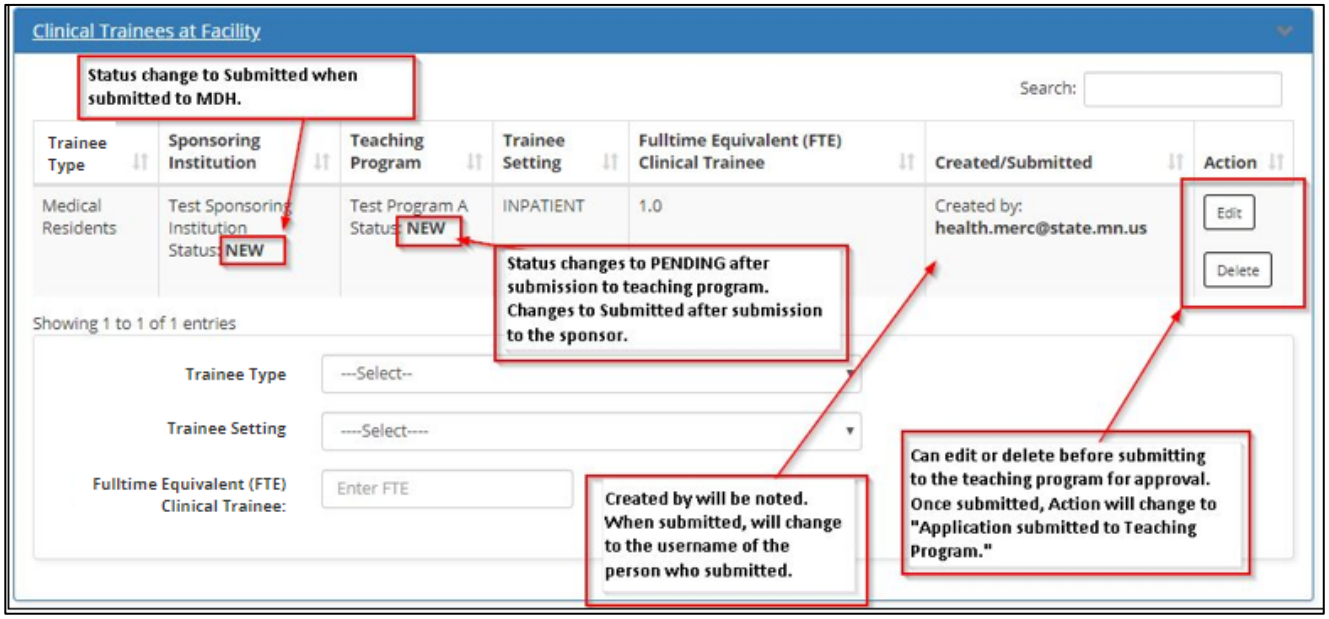
Steps:

1. Program Type - Select the trainee/program type.
2. Sponsoring Institution - Choose the sponsoring institution.
3. Teaching Program - Select the teaching program name.
4. Trainee Setting - Choose the training setting: inpatient, ambulatory, or both.
5. FTE Clinical Trainee Count - Enter the FTEs count out to four decimal places (do not round).
6. Add / Reset – Click Add to list the program or Reset to clear the fields.
    - As programs are added, they will appear in the table.
    - Prior to submission, entries can be edited or deleted (Figure 26).

🔔 Add all teaching programs **before** submitting the application. Additional teaching programs will not be accepted after the deadline.

⚠️ Sites with less than 0.1000 total FTE trainees will not qualify for MERC funding.

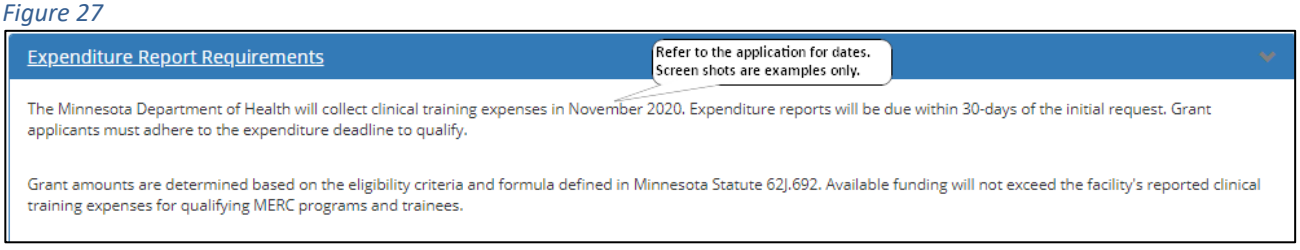
Figure 26



Notice of MERC Expenditure Report Requirements

Applicants meeting the required 0.1000 FTE trainee minimum must submit their clinical training expenditures in Step 2 of the MERC application process.

Figure 27



- Expenditure Reporting (Step 2) opens on November 15, 2026.
    - See Step Two: Minnesota Clinical Training Site Expenditure Instructions for details.

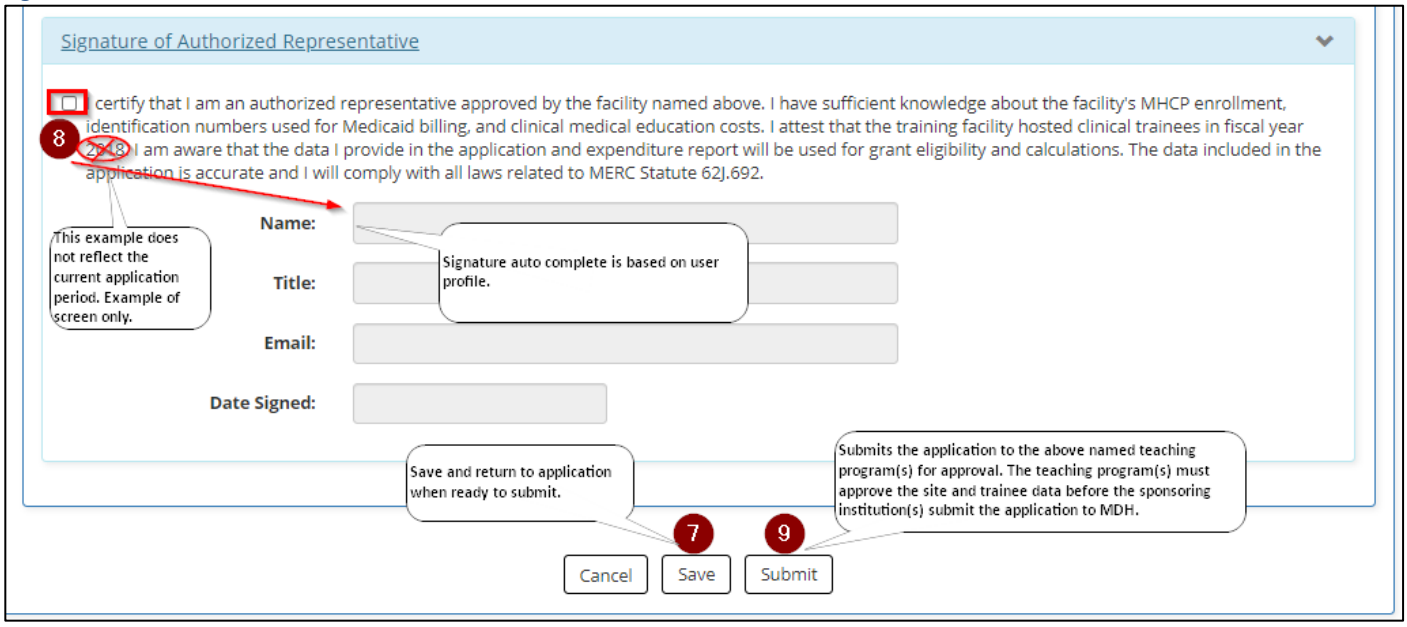
MERC Application Instructions

⏰ Expenditure reports are due **by 4:30 pm (Central Time) on December 15, 2026**.

⚠️ Sites with fewer than 0.1000 FTE trainees, clinical training expenditures below $5,000 or not meeting the formula criteria will not qualify for MERC funding.

Signature & Submission to Teaching Program(s)

Figure 28



7. Save the Application
    - The application can be Saved if it's not ready for submission.
    - A confirmation message will be displayed at the top of the screen.

    ⚠️ Application is saved, not submitted!

Complete Steps 8 and 9 once you're ready to submit the application.

8. E-Signature
    - Check the box to apply your electronic signature.
9. Final Submission
    - The application will be submitted electronically to the sponsors/teaching programs named in the clinical trainee section.
    - After submission:
        - The application will be verified by the teaching programs and sponsoring institutions prior to submission to MDH.
        - See Application Status to verify submission and progress.

📅 **Submit** the application **by 4:30 pm (Central Time) on September 30, 2026**. Late applications will not be accepted.

MERC Application Instructions

Printing

Use the print function at the top right of the page to generate a PDF of the application. The document should be saved as part of your internal records.

Application Status

Status updates appear on the Clinical Training Site Application table. Each section reflects the applicant's status using the following code:

- SP = Sponsoring Institution
- TP = Teaching Program
- TS = Training Site

Status	Definition
NEW	Application opened.
PENDING	Awaiting action.
DISAPPROVED	Disapproved due to needed corrections.
APPROVED	Approved, awaiting submission by Program/Sponsor to MDH.
SUBMITTED	Submitted.

Denied/Disapproved Applications

Once the clinical training site application is submitted, the site's training is verified by the teaching program and sponsoring institution. If the submission does not align with the teaching program's records, the teaching program will notify the site representative.

- Sites must verify their application status by October 15, 2026 *(Figure 30)*.
    - No additional applications will be accepted after the September 30, 2026, deadline.
- Disapproved application must be either:
    - Amended
        - Return to the site's application to amend the section where Clinical Trainees at the Facility were reported.
        - Save and resubmit the application to the teaching program.
    - Removed
        - Return to the site's application to the section where the Clinical Trainees at the Facility were reported.
            - Delete the submission disapproved by the teaching program.
            - This action removes the application to the teaching program.
            - Save the application after the teaching program is removed.
            - There is no application to resubmit.
        - If applications do not exist after the denied application is removed (sites with no clinical trainees), the site must close their application cycle.
            - Once all teaching programs are removed/deleted from the Clinical Trainees at the Facility table:
                - Return to the Site's Demographics and edit Opening the Application.
            - Remove the intent to apply.
            - Verify the site application is no longer found on the Task 4: Clinical Training Site Applications table.
- Applications not approved by the teaching program by October 20, 2026, will be disqualified.
    - In extremely rare instances, the teaching program may remove the application and report the site for non-compliance to the Minnesota Department of Health.

MERC Application Instructions

Figure 29

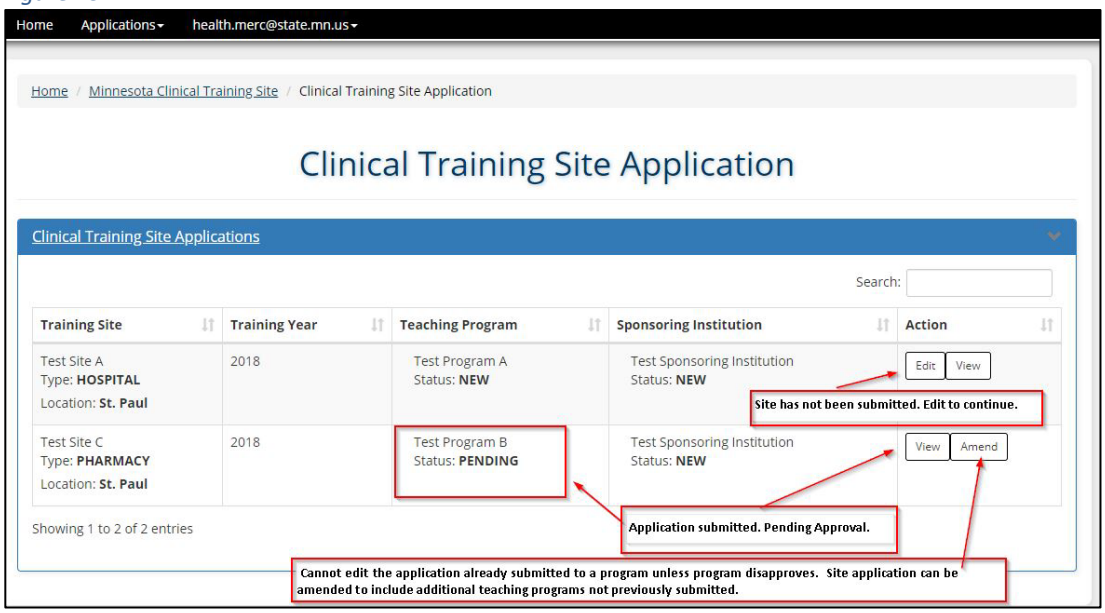
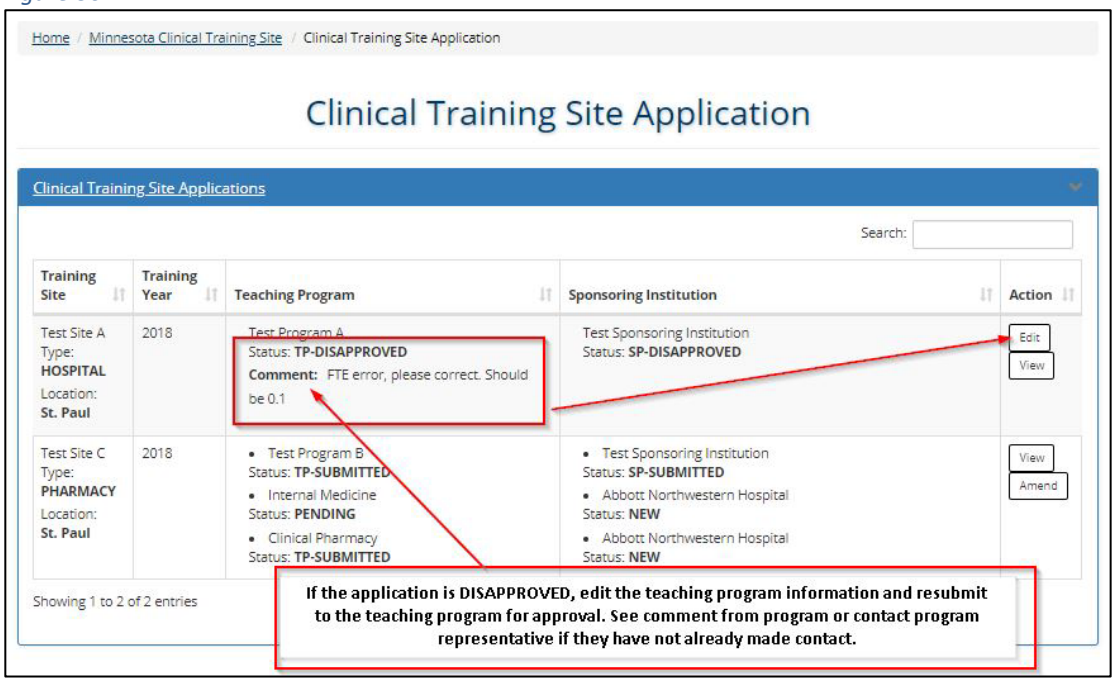


Figure 30



MERC Application Instructions

Task 5: Reports

Reports are available to applicants throughout the application cycle.

- Grants determinations will be added to the report by April 30, 2027.

Figure 31

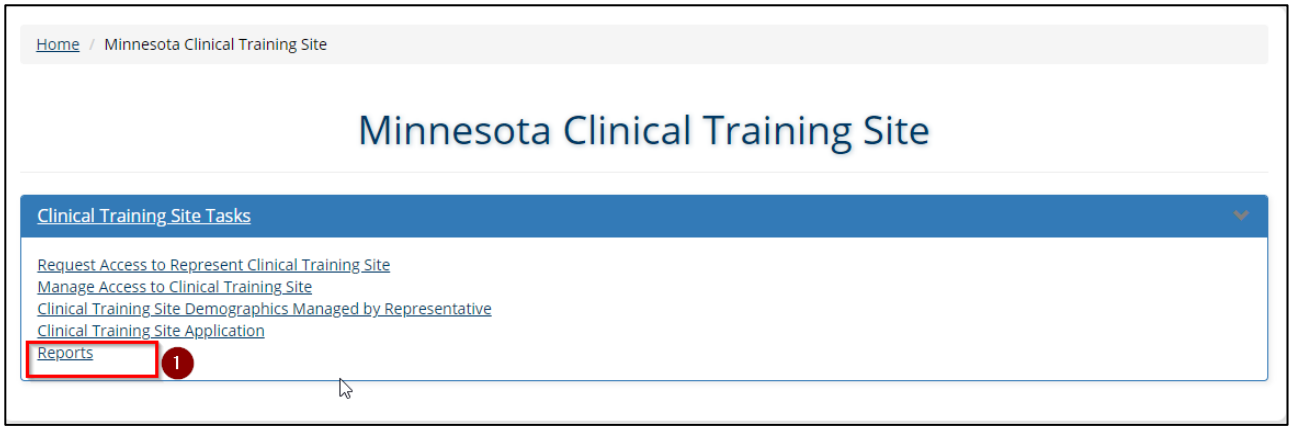
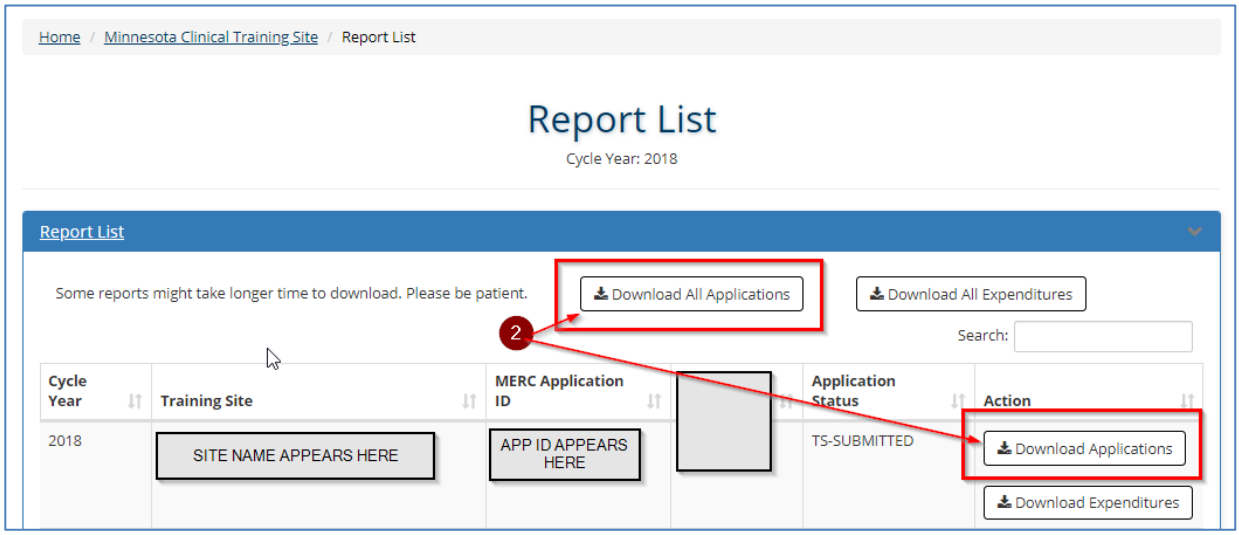


Figure 32



Steps:

1. Click Reports.
2. Choose your desired report format:
   - Download all – Combine multiple applications into one Excel file (ideal for representatives managing several sites).
   - Download – Pulls reports for individual applications.
3. Save the Excel Document – Retain reports as part of your grant records.

MERC Application Instructions

Step Two: Minnesota Clinical Training Site Expenditure Instructions

Timeline

- **Portal Opens:** November 15, 2026
- **Deadline to Submit/Withdraw:** 4:30 pm (Central Time) on December 15, 2026
- **Minimum Threshold:** Sites must host a minimum of 0.10 FTE eligible trainees and have $5,000 in qualifying clinical training expenditures.

Grantees are responsible for maintaining records for six years from the end of the grant period.

Task 1: Preparation Spreadsheet

Before Step 2 opens, review the expenditure instructions and complete the Prepare for Expenditure Reporting Worksheet (Excel). The worksheet will assist training sites in gathering clinical training expenditures that will be reported and submitted in the application portal when Step 2 opens on November 15, 2026.

Spreadsheet Components and Tabs:

Tab Color	Purpose
Gray	Definitions and technical instructions
Green	Worksheet for gathering expenditure that will be input into the portal.
Blue	Calculations and supporting documentation

📌 Retain a copy of the Excel worksheet for record-keeping.

🖩 Calculations may vary slightly due to rounding. Figures are truncated where possible.

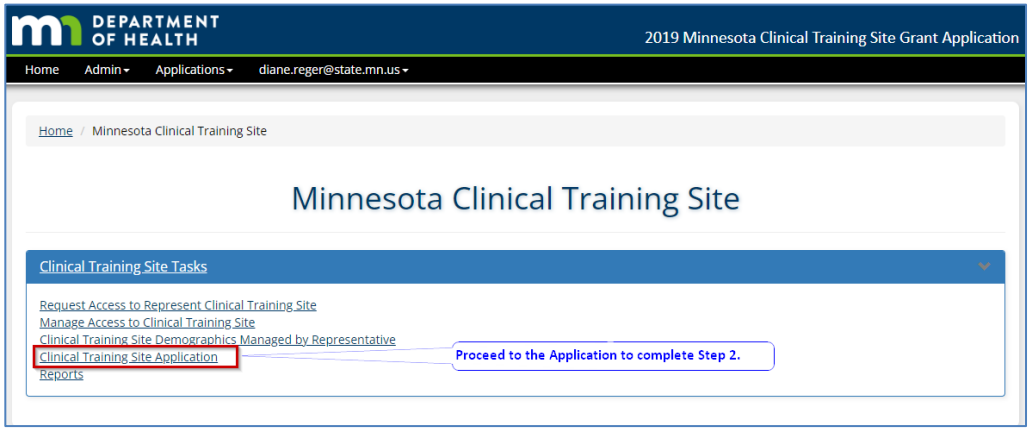
Spreadsheet includes:

- Technical Assistance (gray tab)
- Definitions (gray tab)
- MERC Expenditures (green tab)
- Preceptor Time Factor (green tab)
- Trainee Stipends & Benefits (blue tab)
- Preceptors Stipends & Benefits (blue tab)
- Direct Operating Costs (blue tab)
- Incurred by Teaching Hospital (blue tab)
- Indirect Costs (blue tab)
- Federal Indirect Rate Agreement (blue tab)
- Funding & Support Received (blue tab)
- Additional Worksheets 1, 2, 3, 4, 5, 6, 7, 8, & 9 (blue tab)

MERC Application Instructions

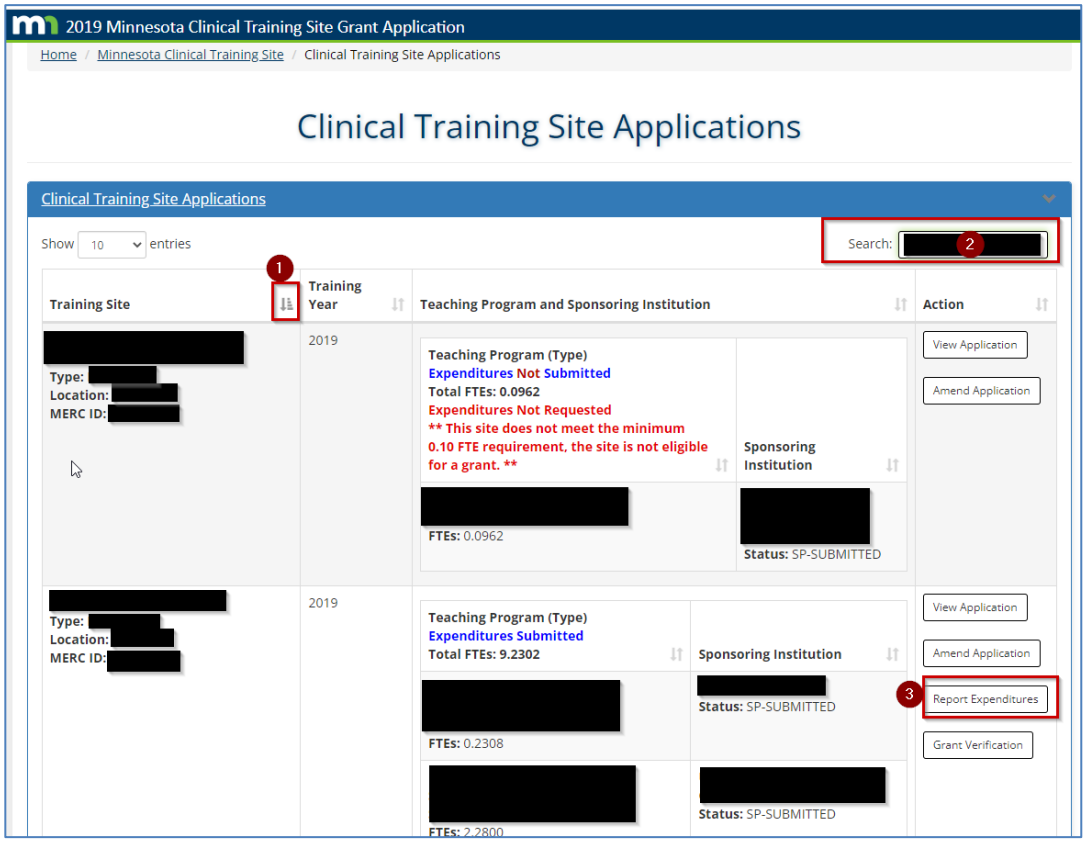
Task 2: Reporting Expenditures

Figure 33



- Go to MERC Portal (http s://merc.web.health.state.mn.us)
- Select Minnesota Clinical Training Site
- Click Clinical Training Site Application

Figure 34

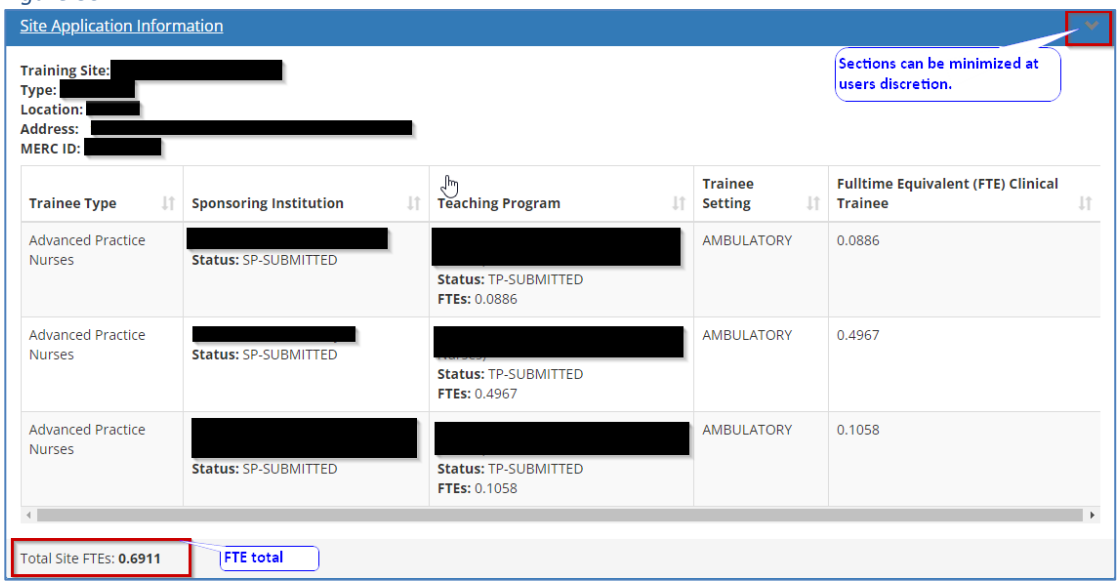


- Use search/sort features as needed (See Figure 34, 1-2)
- Click Report Expenditures

⚠️ Expenditure button will not appear if total FTEs are below the required 0.10 FTE trainee minimum. Message will indicate Expenditures Not Requested.

MERC Application Instructions

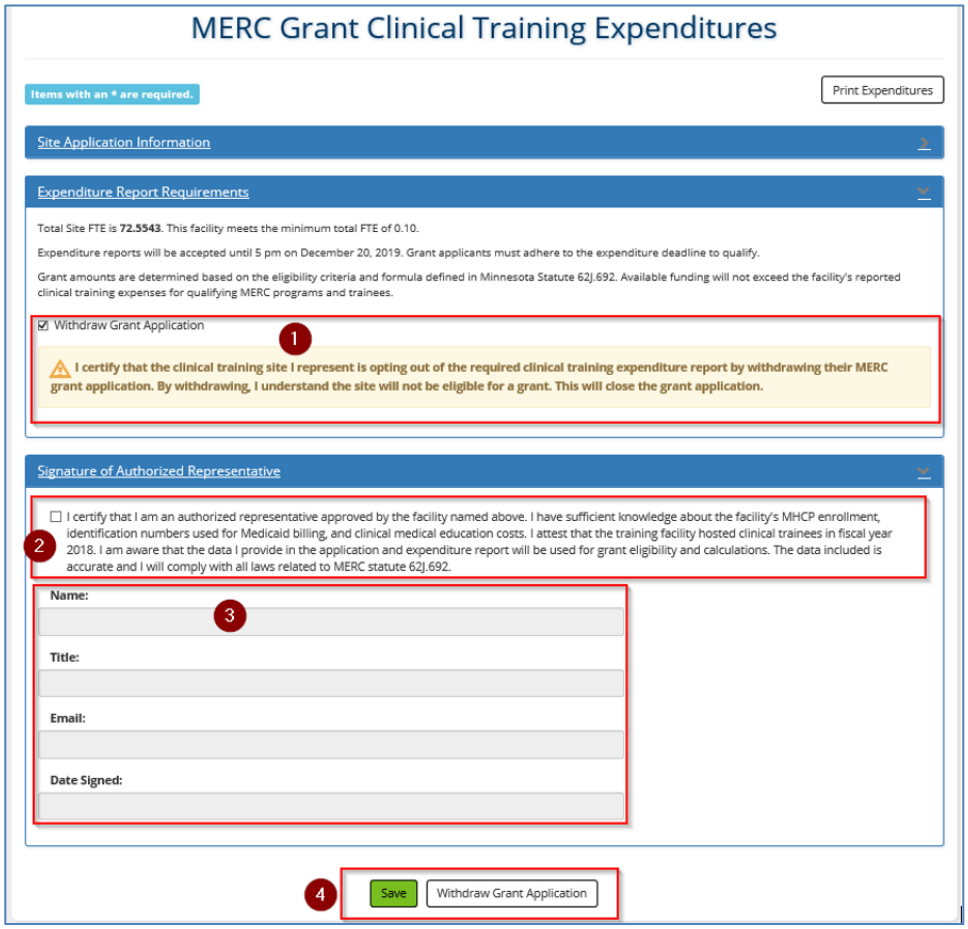
Figure 35



- The first section of the Expenditure Report summarizes the FTEs and programs submitted in the initial application (Figure 35).

Withdrawing the MERC Grant Application

Figure 36



MERC Application Instructions

To withdraw the initial MERC application and forgo reporting clinical training expenditures, follow the steps below (Figure 36).

1. Click Withdraw Grant Application.
    - Alert message warns the representative of their confirmation to withdrawal the MERC application.
2. Select the checkbox to certify the site is withdrawing their application.
3. Sign electronically (Figure 36).
4. Click Withdraw Grant Application to submit.
    - The application has been withdrawn.
    - The site will not qualify for MERC.

Direct Costs

Direct costs include costs for activities, goods, or services that benefit, and can be traced, to a specific project.

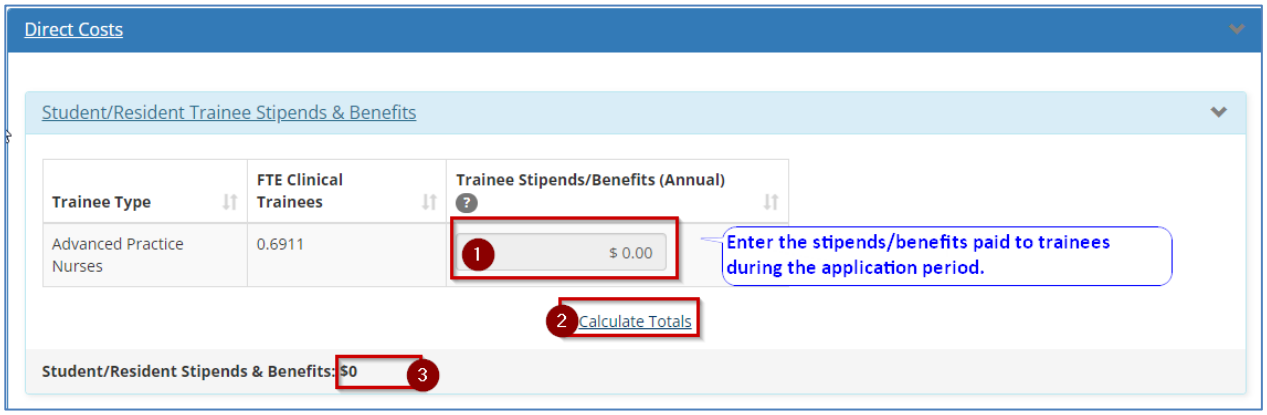
As much as possible, grant funds should support direct costs that correspond with program activities (as opposed to direct costs that correspond with administrative activities, as described in 'Administrative Costs).

Trainee Stipend & Benefits

- Trainee stipends are the salary or allowance paid to the students/resident trainees.
- Benefits are compensation provided in addition to student/resident training salary or allowance.
- Enter the trainee stipends/benefits.
    - Based on training time (prorate)
    - Use whole number (Figure 37, #1)
    - Click 'Calculate Totals' (Figure 37, #2)

⚠ Only expenditures for the trainees included in the MERC application can be claimed.

Figure 37



MERC Application Instructions

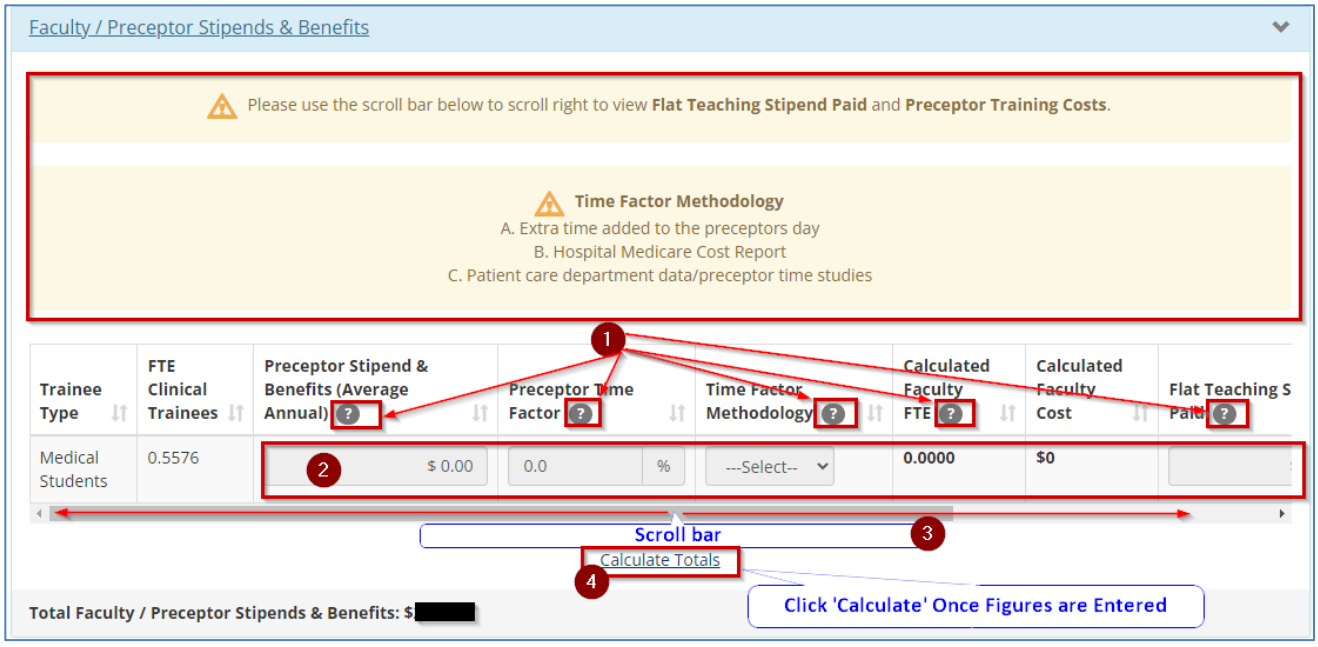
Figure 38

Faculty/Preceptor Stipends & Benefits

Refer to Figure 39 and Figure 40: Faulty/Preceptor Stipends & Benefits

Use this section to details compensation for preceptors and faculty involved in clinical training, calculate the time allocation for teaching activities, and determine direct training costs.

Figure 39

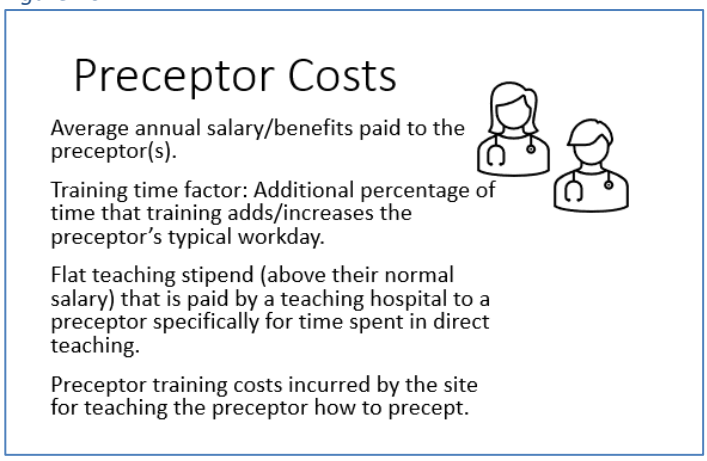


- Enter values for each field. Use 0 if none.
- After data entry, click 'Calculate Totals' to generate sums.

📌 Navigation tip: Use the scroll bar at the bottom to access all fields.

❓ Click the ? icon to view for descriptions.

Figure 40



Preceptor Cost Details

Preceptor Stipends & Benefits (Average Annual)

- Include average annual salary and benefits paid at a reasonable rate to faculty/preceptors.
- If multiple preceptors are involved:
  - Add all individual annual salaries together.
  - Divide the total by the number of preceptors (use whole numbers only).
- If faculty that are instead paid a flat teaching stipend, refer to Flat Teaching Stipend.

Preceptor Time Factor

Reflects the percentage of time a preceptor dedicates to direct training.

- Use the Time Factor Methodology Worksheet and your Excel data to determine this time factor.
  - Generally, faculty/preceptors do not solely focus on teaching, and often their primary duties include clinical or administrative services; therefore, the time factor for clinical training is not 100%.
  - The only exception to this is when the cost of teaching reflects a hospital's Medicare Cost Report where the salary has already been adjusted, and the costs associated with other services removed.

Time Factor Methodology

Specify which methodology is used for each Trainee Type.

Methodology	Description
A	Extra time added to the clinical day for precepting
B	Hospitals: Medicare Cost Report
C	Patient care departmental data or time studies

Calculated Faculty FTE

Automatically calculated: FTE Trainee Count × Preceptor Time Factor.

Calculated Faculty Costs

Automatically calculated: Portion of faculty stipends/benefits attributed to direct training, based on time factor and methodology.

Flat Teaching Stipend
Flat stipend paid by a teaching hospital for time spent in direct teaching:

- Time factor does not affect this amount.
- Cannot claim both preceptor stipends/benefits and flat teaching stipends.

Preceptor Training Costs
Costs directly associated with training the preceptor on precepting.

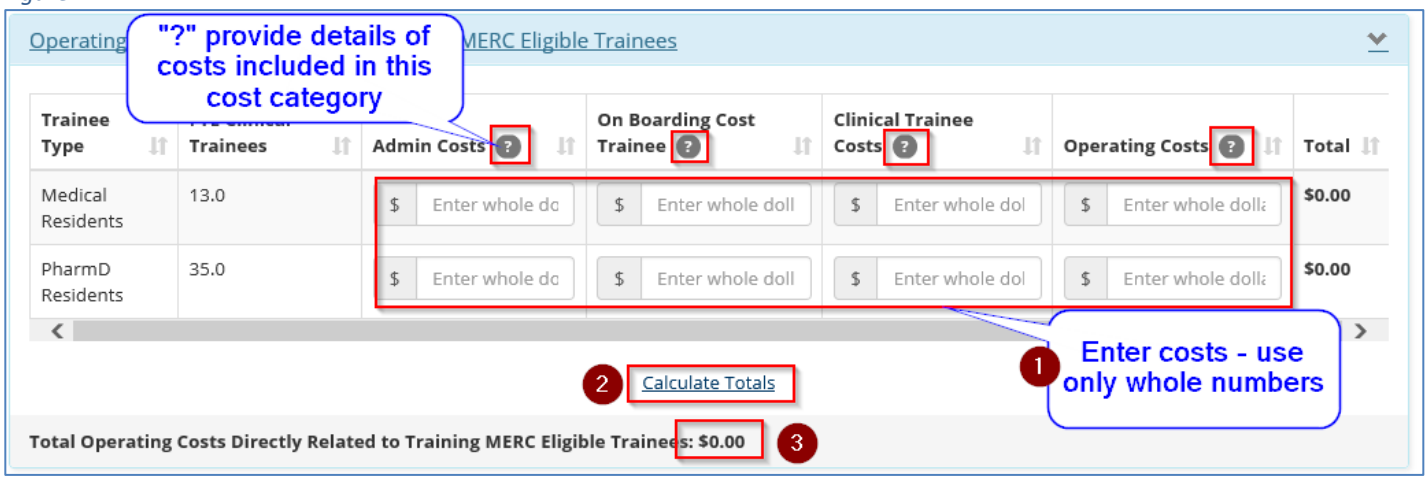
- Does not apply to other training.
- Time factor does not affect this amount.

Direct Operating Costs

Refer to Figure 41 and Figure 42: 'Operating Costs Directly Related to Training MERC Eligible Trainees'

This section captures expenses directly tied to training MERC eligible trainees. These costs are costs that can be explicitly attributed to training activities and are distinguishable from general overhead.

Figure 41

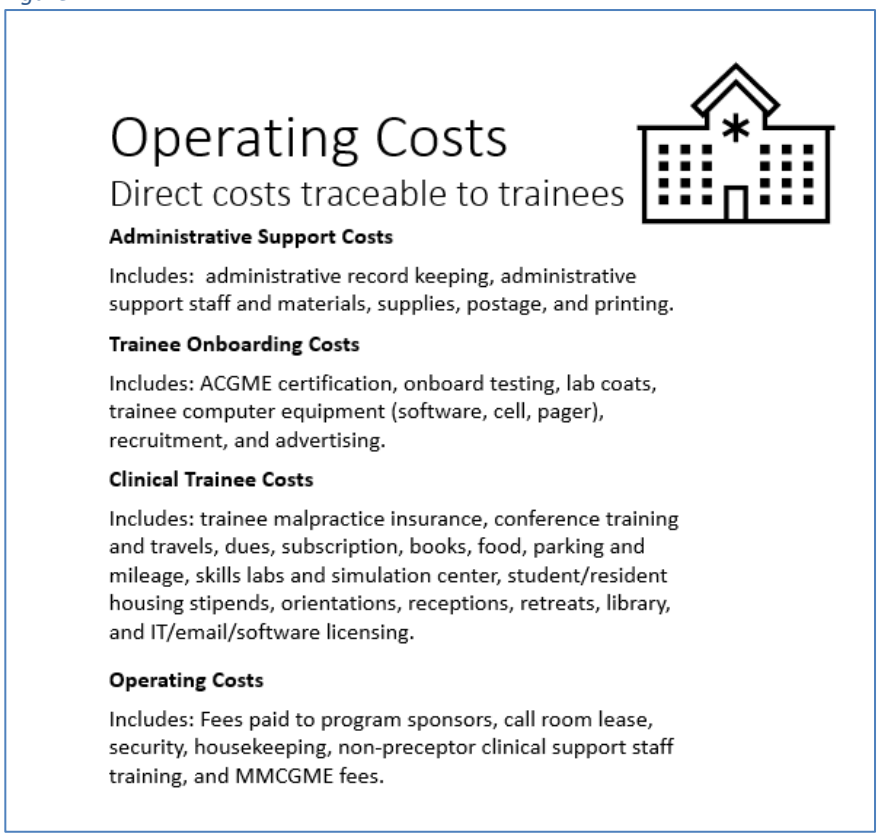


1. Enter values for each cost category. Enter '0' where not applicable.
2. Click 'Calculate Totals' to sum all cost categories.

Navigation tip: Tab or scroll right to navigate between fields.

Click the '?' icon to view for descriptions.

Figure 42



Operating Cost Categories & Descriptions

Costs must be directly traceable to trainees.

Administrative Costs

Administrative costs are a type of cost as opposed to a category. Administrative costs are those for activities, goods or services that correspond with administrative functions of an organization. Sometimes administrative costs benefit and can be traced to a specific project and, in those cases, are categorized as direct costs. Other times administrative costs benefit more than one project and cannot be traced to a specific program. In those cases, they are categorized as indirect costs. MDH asks all grantees to minimize administrative costs so that, as much as possible, grant funds instead support direct costs that are related to program activities.

Examples of administrative costs categorized as direct costs:

- A portion of the organization's monthly printer/copier lease and maintenance fees, calculated by tracking how many jobs were coded to the grant program and applying a percentage based on usage.
- A portion of the organization's administrative support, accounting or human resources, calculated by tracking time spent by staff on the grant program.
- A portion of the organization's occupancy costs, calculated by applying a square footage cost total to the amount of physical space used for grant program management and activities.

Examples of administrative costs categorized as indirect costs:

- A portion of the organization's monthly printer/copier lease and maintenance fees, when an internal system does not allow service to be tracked by project.
- A portion of the organization's administrative support, accounting or human resources, when an internal system does not allow time to be tracked by project.
- A portion of the organization's occupancy costs, when it is not feasible or reasonable to calculate by project.

Trainee On-Boarding Costs

Initial and recurring expenses to prepare trainees for clinical rotations:

- Accreditation Council for Graduate Medical Education (ACGME)
- Certification
- Testing
- Lab coats and ID badges
- Computer hardware/software
- Mobile devices (cell, pager)
- Recruitment and advertising.

Clinical Trainee Costs

Include costs related to:

- Malpractice insurance
- Training conferences and travel
- Dues, subscriptions, books
- Food, parking, and mileage reimbursements
- Skills labs and simulation center
- Student/resident housing stipends
- Orientations, receptions, and retreats
- Library and IT/email/software licensing

Operating Costs

Include direct trainee costs related to:

- Fees paid to program sponsors
- Call room lease
- Security and housekeeping
- Non-preceptor clinical support staff related training
- MMCGME fees

Cost Incurred by Other Organizations

Refer to Figure 43 and Figure 44: 'Costs Incurred by Other Organizations'

This section only applies to costs incurred by teaching hospitals and expenses that have been incurred during the clinical training cycle that were paid by a third party.

MERC Application Instructions

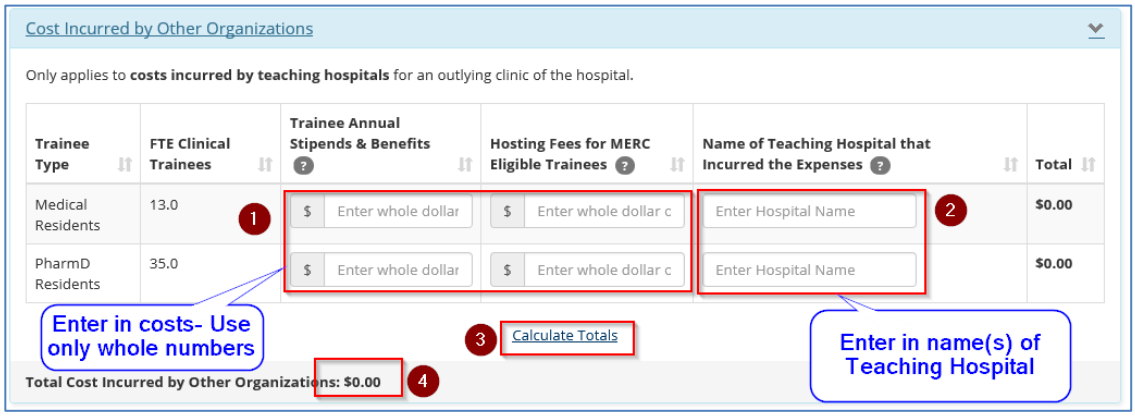
Examples of costs incurred by other organizations:

- Trainee stipends and benefits paid by the teaching hospital for an outlying clinic.
- Hosting fees incurred by teaching hospital for an outlying clinic.

⚠️ **Important:** If the third-party organization has also applied, only one applicant may report the expenses, not both. The third party must be named in your expenditure report.

Best Practice: Report trainee related expenses under the clinical training site where the training occurred. This maintains clear records and improves accuracy of cost attribution.

Figure 43



1. Enter in cost for each category incurred by other organizations.
2. Enter name of teaching hospital in the 'Name of Teaching Hospital' field.
3. Click 'Calculate Totals' to automatically sum cost categories.

❓ Click the '?' icon to view for descriptions.

Figure 44

MERC Application Instructions

Funding & Support Received

Refer to Figure 45 and Figure 46: 'Funding & Support Received'

This section documents other financial support received for clinical education and training.

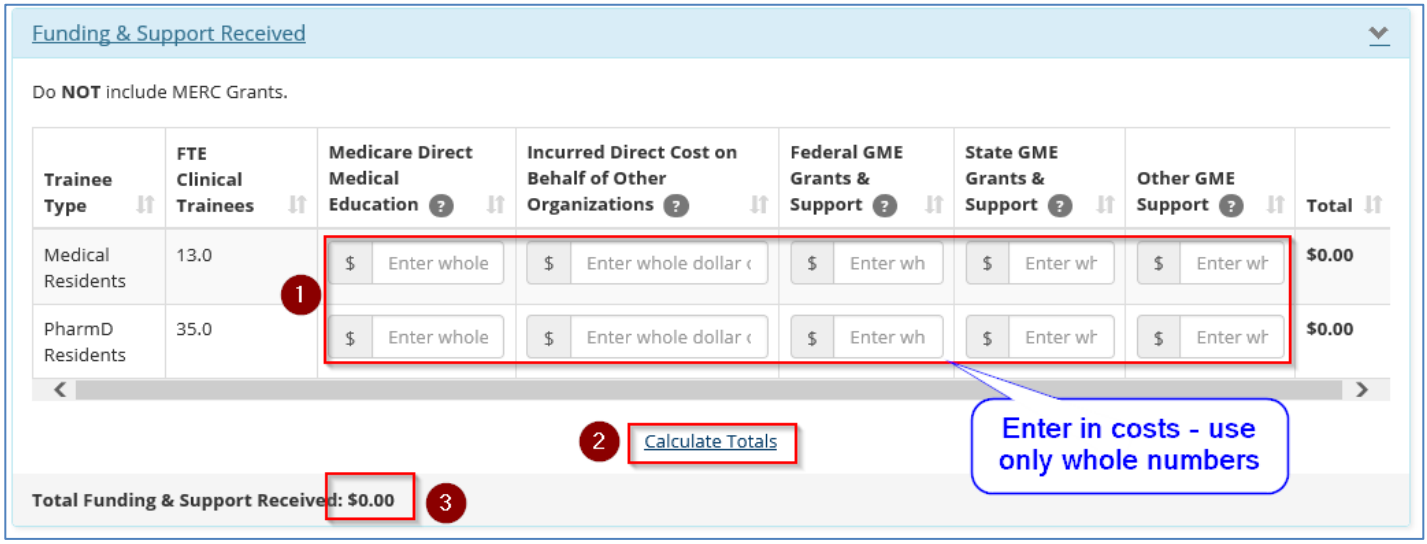
- The funding received from these sources offset overall clinical training expenditures.

Examples of clinical education and training support:

Funding Source	Description
Medicare Direct Medical Education	Federal reimbursement supporting training
Incurred Direct Cost on Behalf of Other Organizations	Costs absorbed by external entities
Federal or State GME Support	Government funded GME
GME Donations	Contributions from donors or philanthropic organizations
GME Private Grants	Non-governmental grants supporting clinical training

⚠️ **Important:** Previous MERC grants should not be included.

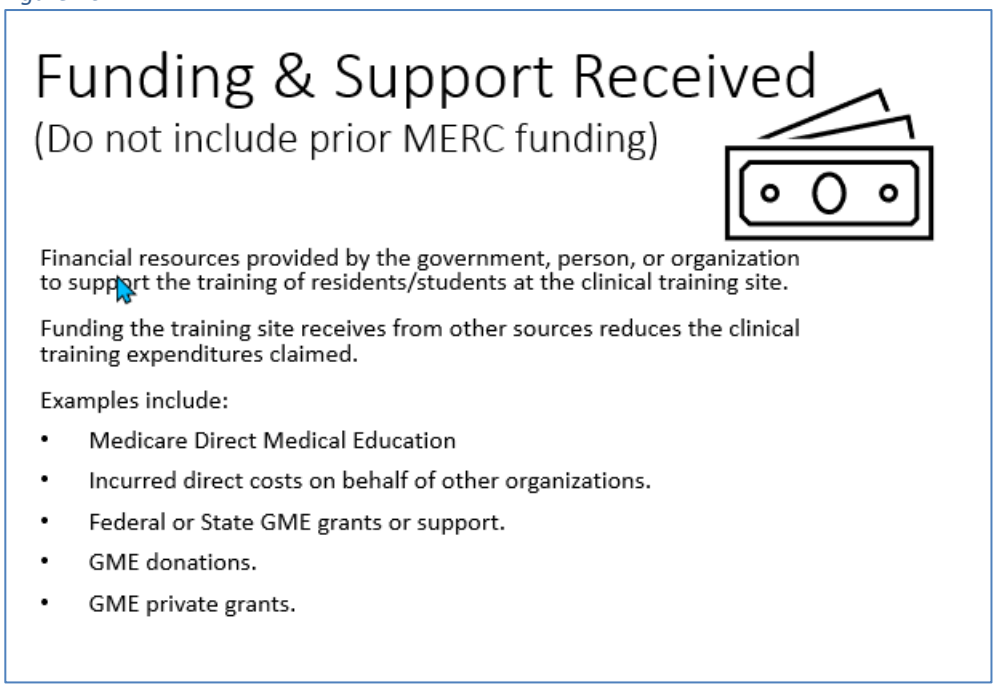
Figure 45



1. Enter clinical education and training support costs for each of the cost categories.
2. Click 'Calculate Totals' to sum cost categories.

❓ Click the '?' icon to view for descriptions.

Figure 46



Indirect Costs

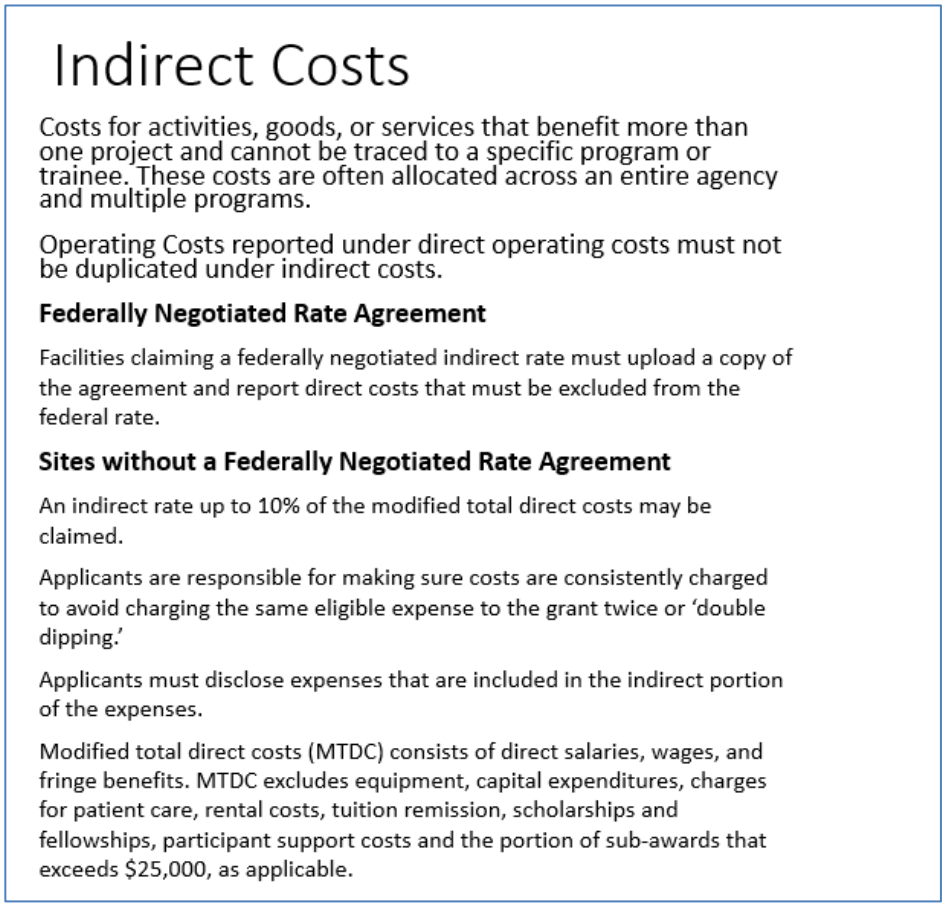
Refer to Figure 47, Figure 48, Figure 49, and Figure 50: 'Indirect Costs'

The term 'indirect costs' refers to a category of costs. Indirect costs include costs for activities, goods, or services that benefit more than one project and cannot be traced to a specific program. These costs are often allocated across an entire agency and multiple programs.

In accordance with federal and state requirements, MDH enacts limits on the amount of indirect costs that can be billed to each grant so that, as much as possible, grant funds instead support direct costs that are related to programmatic activities.

- As much as possible, grant funds should support direct costs.
- Grant applicants cannot submit only indirect costs.
- Operating expenses reported under direct costs must not be duplicated under indirect costs.

Figure 47



Indirect Cost Rate

An indirect cost rate is a percentage used to distribute indirect costs to all of an organization's programs that benefit from them.

Applicants cannot claim indirect costs in excess of the indirect cost rate that applies to their organization.

Applicant must submit and retain on-file the corresponding documentation of that indirect cost rate as outlined below:

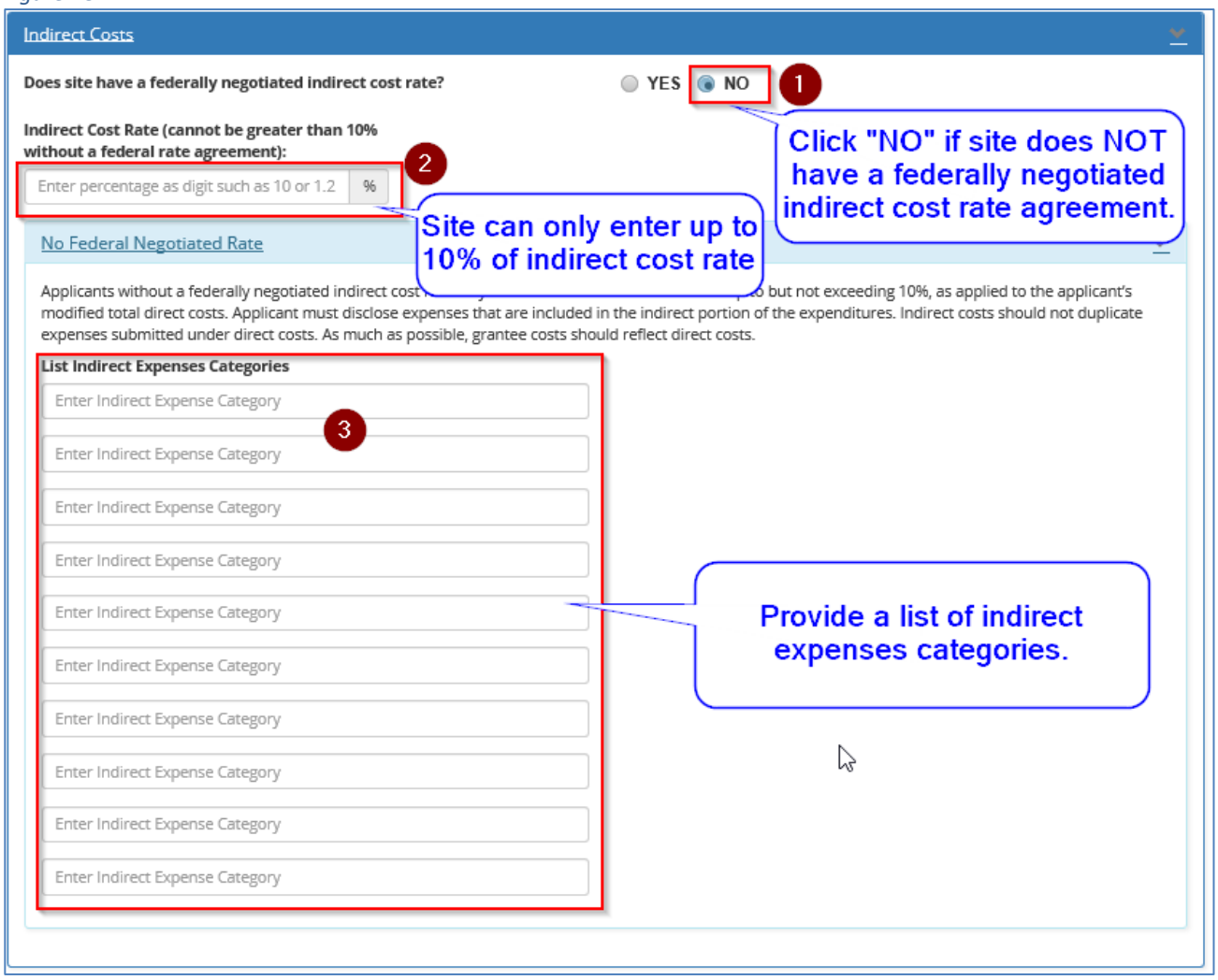
No Federally Negotiated Indirect Rate

Refer to Figure 48: 'Indirect Costs'

If the site does **NOT** have a federally negotiated indirect cost rate, the site can claim up to **10%** of the grantee's modified total direct costs.

- Applicants must disclose expenses that are included in the indirect portion of the expenses.
- Modified total direct costs (MTDC) consists of direct salaries, wages, and fringe benefits. MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of sub-awards that exceeds $25,000, as applicable.
- Applicants are responsible for making sure costs are consistently charged to avoid charging the same eligible expense to the grant twice or 'double dipping.'

Figure 48



Steps for completing this section:

1. Click 'NO' on the indirect rate agreement question.
2. Enter the claimed indirect rate (between 0% to 10%).
3. List all indirect expense categories being claimed.

⚠️ **Important:** No expenses may be reported in both direct and indirect sections.

Federally Negotiated Indirect Rate

Refer to Figure 49: 'Indirect Costs' and Figure 50: 'Federally Negotiated Indirect Rate Exclusions'

If the site **has** a federally negotiated indirect cost rate, the site may claim indirect costs up to, but not exceeding, the federally negotiated indirect cost rate agreement as applied to the grantees modified total direct costs.

- Grantees must submit proof of the federally negotiated indirect cost rate agreement.
- Grantees are responsible for ensuring that the rate is not applied to any direct costs that are excluded from the indirect rate.

MERC Application Instructions

Figure 49

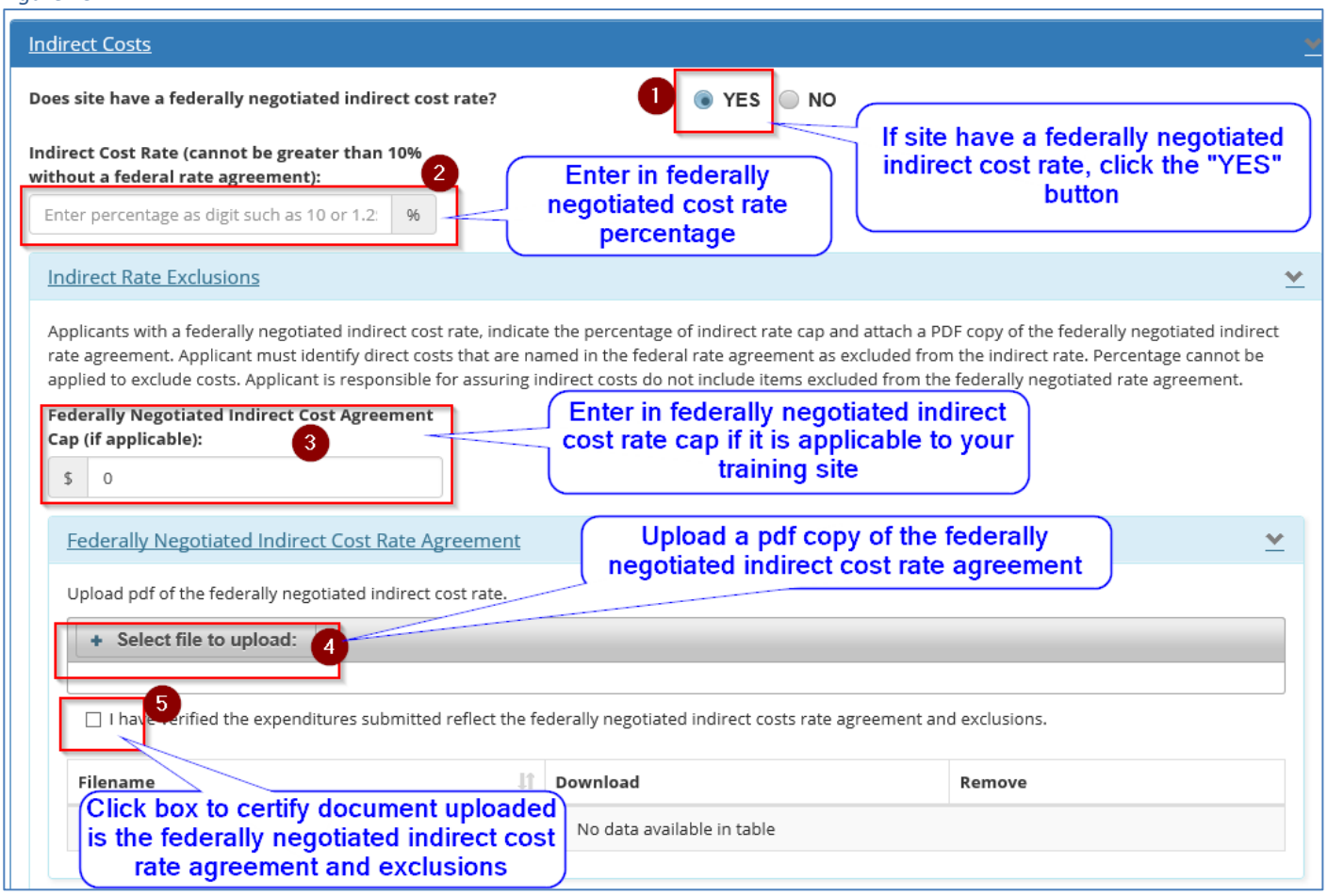
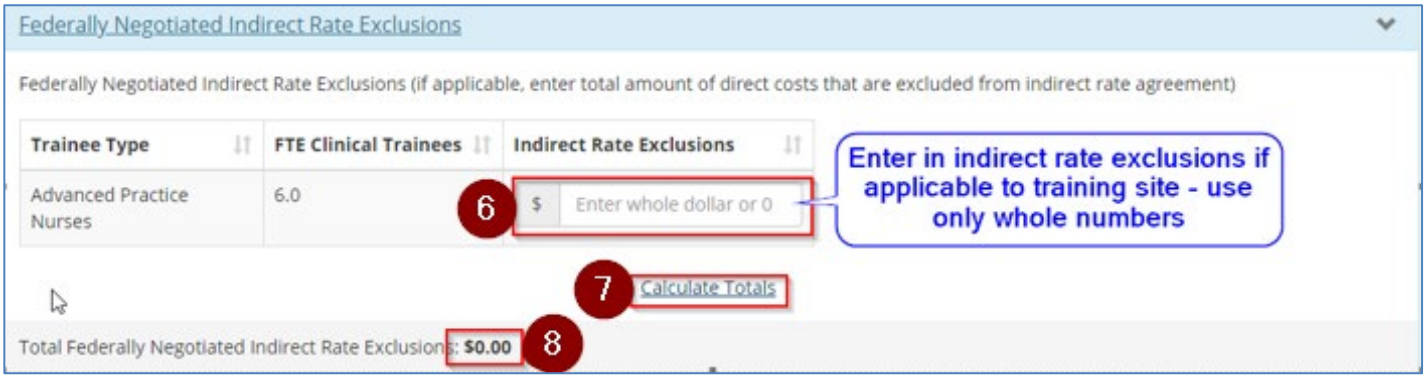


Figure 50



MERC Application Instructions

Steps for completing this section (Figure 49 and 50):

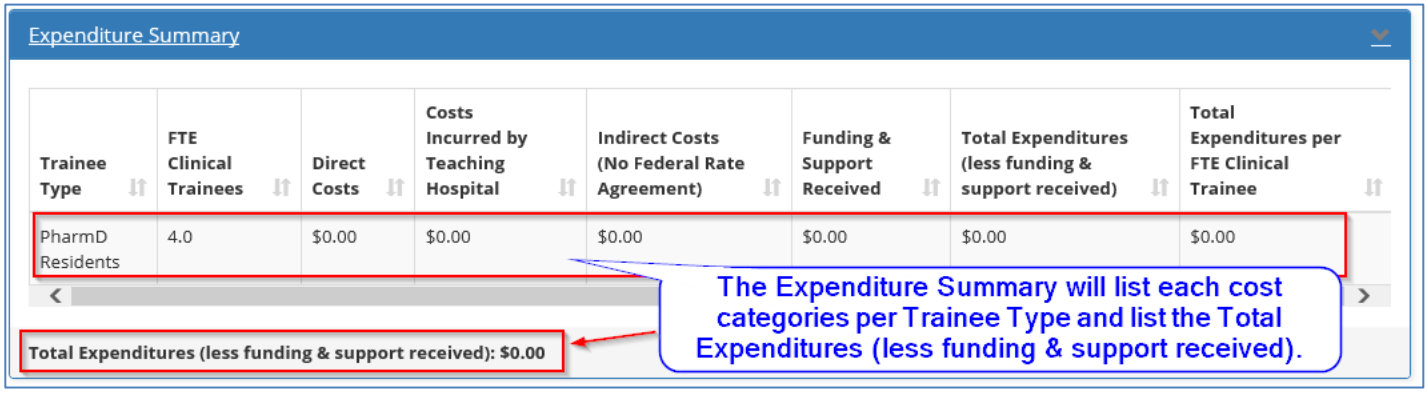
1. Click 'Yes' for federally negotiated indirect rate agreement.
2. Enter the negotiated rate percentage.
3. If applicable, enter the rate cap.
4. Upload a PDF of the federally negotiated indirect cost rate agreement.
5. Certify that the uploaded document matches the claimed indirect rate, exclusions, and caps.
6. Enter direct costs that are excluded from the indirect rate (whole numbers only).
7. Click 'Calculate Totals' to finalize the amounts.
8. Final adjusted amount will appear after Step 7.

⚠️ **Important:** Applicants must apply their federal indirect rate only to eligible MTDC categories and submit documentation. All exclusions must be reported.

Expenditure Summary

Refer to Figure 51: 'Expenditure Summary' and Figure 52: 'Total Costs'

Figure 51

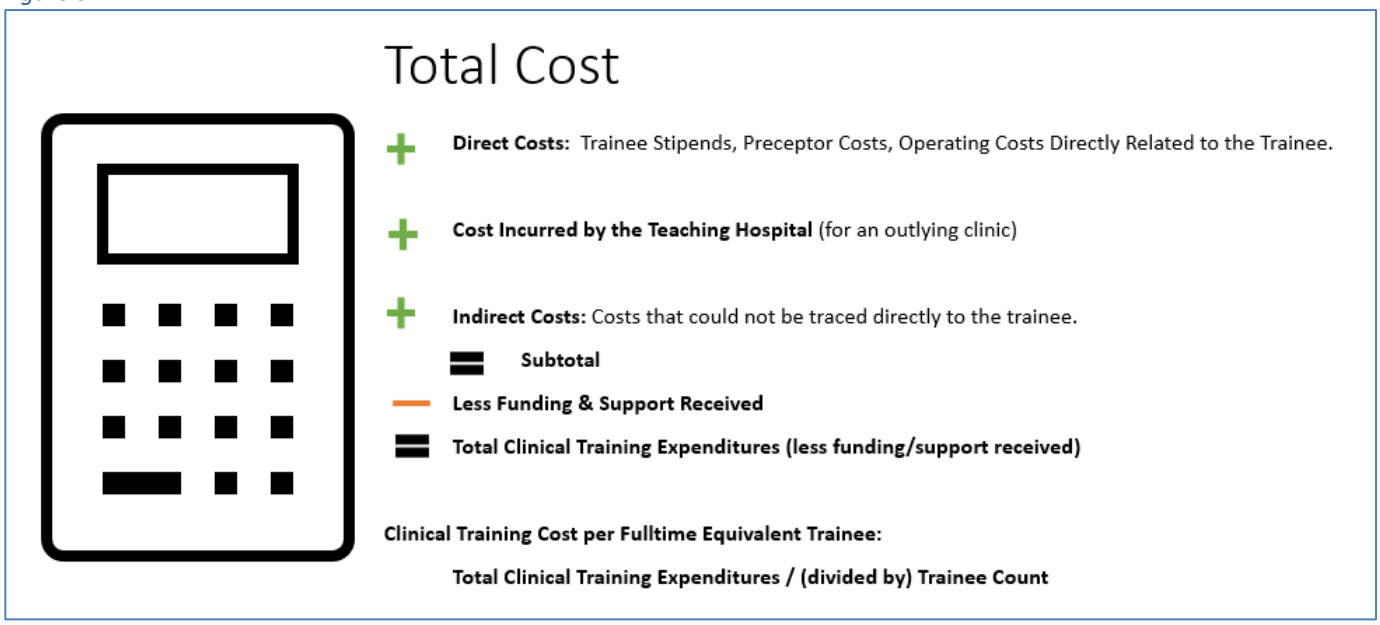


Expenditures are summarized in a table.

Category	Description
Direct Costs	Includes stipends and benefits for trainees and faculty/preceptors, plus operating costs directly supporting MERC trainees
Cost Incurred by Teaching Hospital	Teaching hospitals costs paid on behalf of third-party training sites
Indirect Costs	Costs that benefit multiple programs
Funding and Support Received	Funding that offsets reported expenditures
Total Expenditures	Expenditures - Funding/Support Received
Expenditure per FTE trainee	Total Expenditures ÷ Number of FTE Clinical Trainees

📌 Slight variations may exist when comparing total in the spreadsheet to the application portal due to rounding/truncating functions.

Figure 52



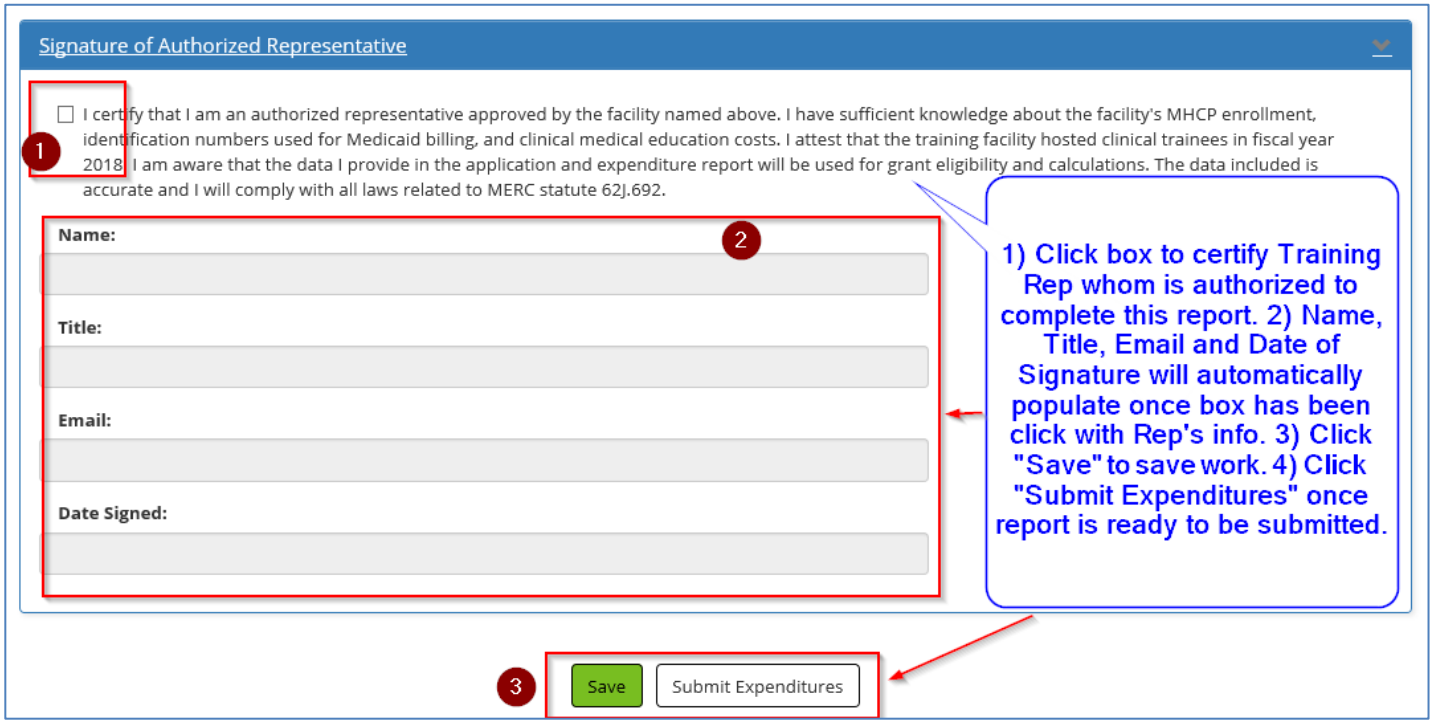
Saving or Submitting the Expenditure Report

Refer to Figure 53: 'Signature of Authorized Representative'

Signature of Authorized Representative

This section ensures formal certification of all submitted expenditure data. The Authorized Representative confirms the accuracy and legal compliance of all information.

Figure 53



1. **Certification:** The representative certifies that all information is accurate and complies with MERC 62J.692.
2. **Electronic Signature:** The representative's contact information auto-populates and serves as their electronic signature.

Save or Submit Expenditures

⚠️ **DOUBLE CHECK EXPENDITURES BEFORE SUBMITTING** - These figures contribute directly to the application and may affect award eligibility and funding. Review thoroughly before signing.

3. **Options:**
   - **Save** - Save to exit and return later if you're not ready to submit.
   - **Submit Expenditures** - Submit your expenditures to the Minnesota Department of Health (MDH).
     - Print a copy of the full expenditure report (Figure 54).
     - Retain all submission records for six years per MDH documentation policy.

A message will appear toward the top of the screen to indicate whether the expenditure report has been submitted.

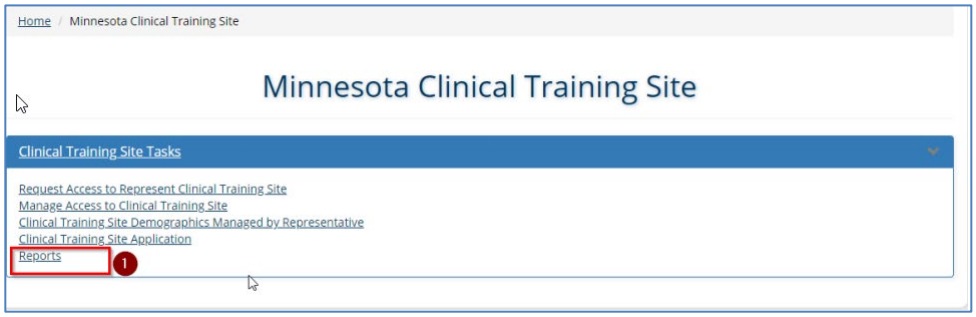
Figure 54

Reports

Refer to Figure 55: 'Minnesota Clinical Training Site'

Once the initial application and clinical training expenditure report are in progress, representatives gain access to downloadable Excel reports for review and recordkeeping.

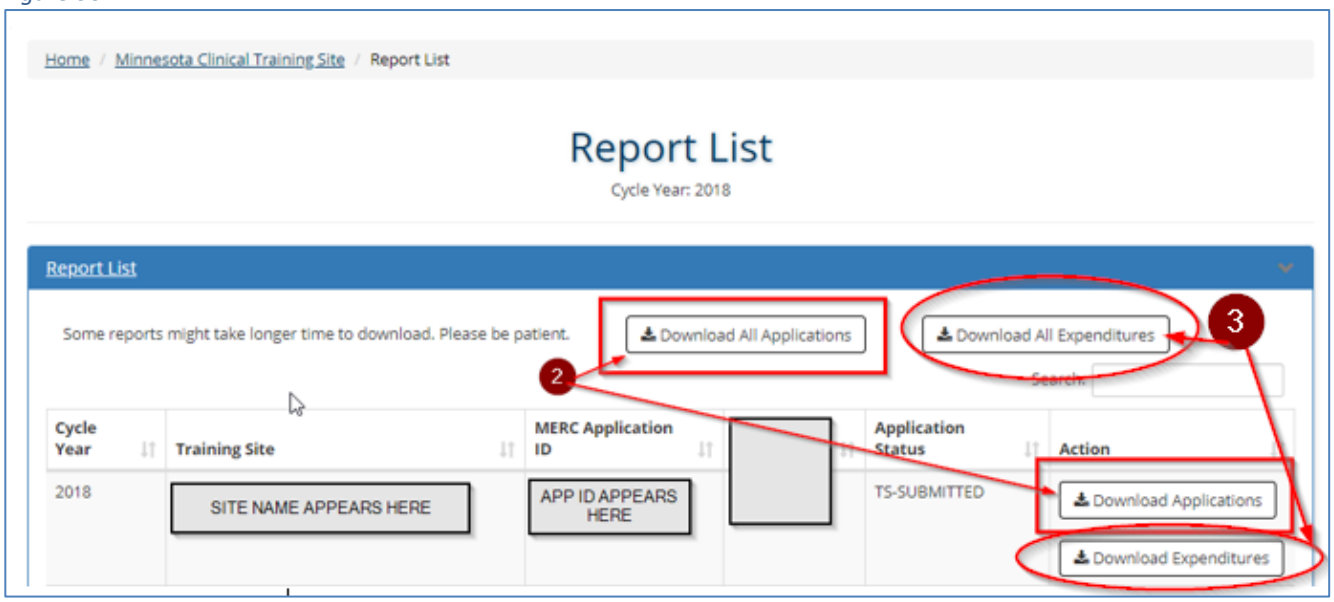
Figure 55



1. Click Reports.
   - Navigate to the Report section (Figure 56).

MERC Application Instructions

Figure 56



For representatives managing multiple sites, choose the report format:

- Download one consolidated Excel file containing all site data
- Download individual reports per site

2. Download the application.
3. Download the expenditure report.

⚠️ Once funding is finalized, the comment field will indicate the site's overall funding status. Save the report in your MERC records.

Comment	Description
Eligible	Site qualified for funding
Ineligible - Below Minimum Funding Requirements	Formula < $5,000 minimum threshold
Ineligible – Below Expenditures Requirements	Training expenditures < $5,000
Ineligible - Below FTE Requirements	FTEs < 0.10 threshold
Ineligible - Withdrew Application/Expenditures Incomplete	Application withdrawn or expenditure reporting incomplete
Ineligible - Did Not Meet Medicaid Requirements	Revenue criteria not met for MA/PMAP
Ineligible – Site Closed or MHCP Enrollment Terminated or Facility Type Not Eligible	Site closed or Minnesota Health Care Program (MCHP) provider enrollment terminated, or facility type not eligible

Grant Verification Reporting (GVR)

Refer to Figure 57: 'Minnesota Clinical Training Site', Figure 58: 'Clinical Training Site Applications', and Figure 59-63: 'Grant Verification Report'

The Grant Verification Report (GVR) serves as a verification tool to confirm that funding has been received from the sponsoring institution and transferred to the designated Minnesota clinical training site hosting the sponsor's eligible trainees.

- The report will indicate the sponsoring institution that will award funds.

🗓️ Important Dates

April 30, 2027: MDH will announce funding.
May 15, 2027: MDH will notify the sites that will be required to verify funding receipt.
June 30, 2027: GVR deadline for sponsoring institutions (verify site funding is in place).
July 15, 2027: GVR deadline for selected sites (verify funding was received from the sponsor).

📌 Notes:

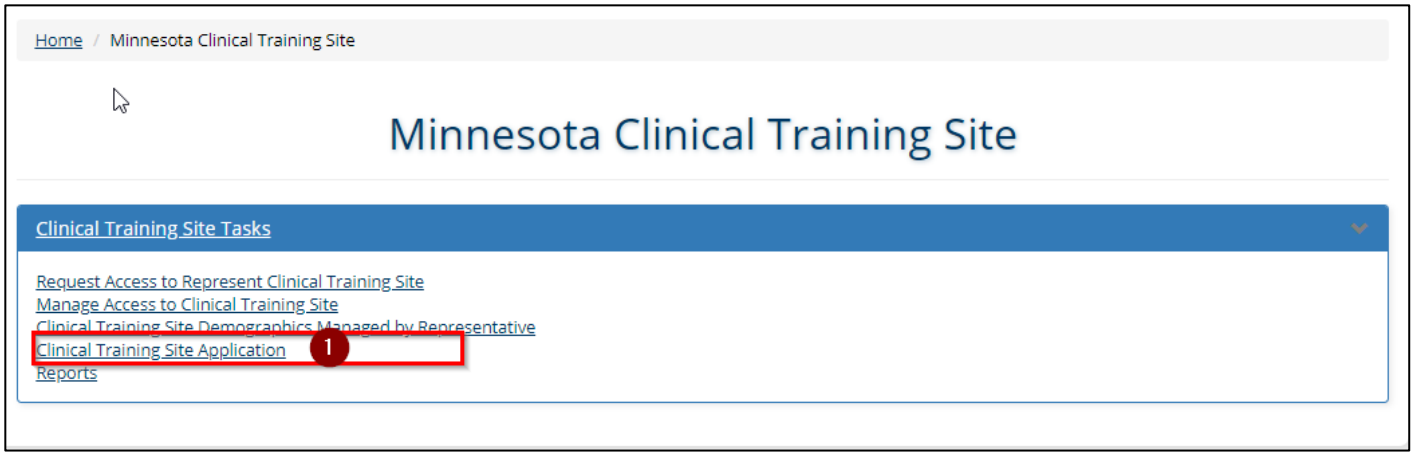
- GVR becomes visible in the portal once MDH releases funding.
  - Viewable only to MERC applicants that submitted an expenditure report.
- A separate GVR section is provided for Site-Based Clinical Training (SBCT) recipients.
  - Similar timeline and instructions apply.
  - The SBCT program is administered independently. Direct SBCT questions to ClinicalTraining.MDH@state.mn.us.

MERC Application Instructions

Accessing the GVR

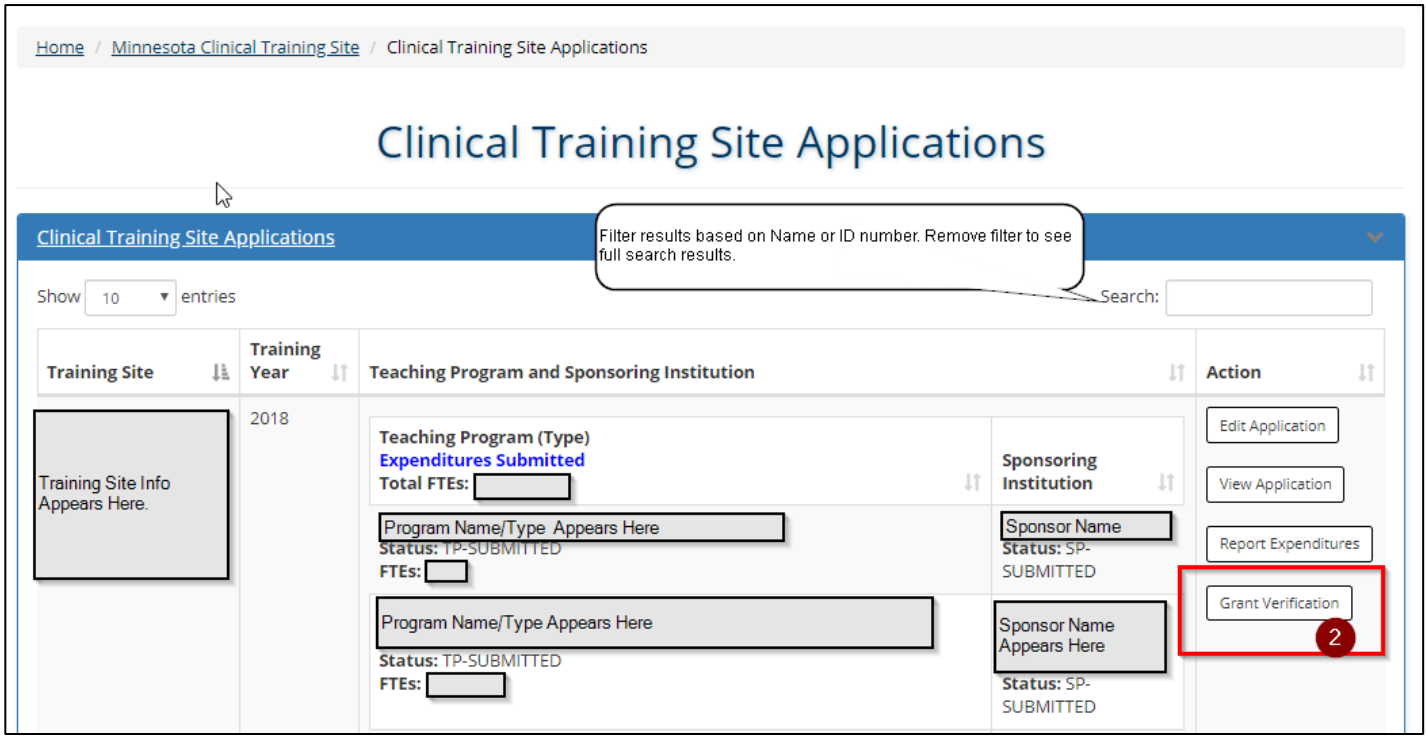
Refer to Figure 57: 'Minnesota Clinical Training Site'

Figure 57



1. Select, Clinical Training Site Application.

Figure 58



2. Click 'MERC Funding & Verification'.

MERC Application Instructions

Receiving Payments

If a site qualified:

- Funds are awarded by the sponsoring institution(s).
  - Timing: Site will receive funding no later than June 30, 2027.
- GVR details include:
  - Location of training
  - Payment address
  - Qualification comment (see MERC Grant Allocation)
  - Total amount awarded
  - Sponsoring institution(s) and teaching program(s)
    - Funding allocation (based on trainee type/expenditures from site).
    - While the site may qualify for funding, the allocation to the sponsor/program is dependent on the site's reported clinical training expenditures by trainee type and the percentage of teaching program's trainees within that trainee type.
    - Verification of sponsor's payment to the site.

Figure 59

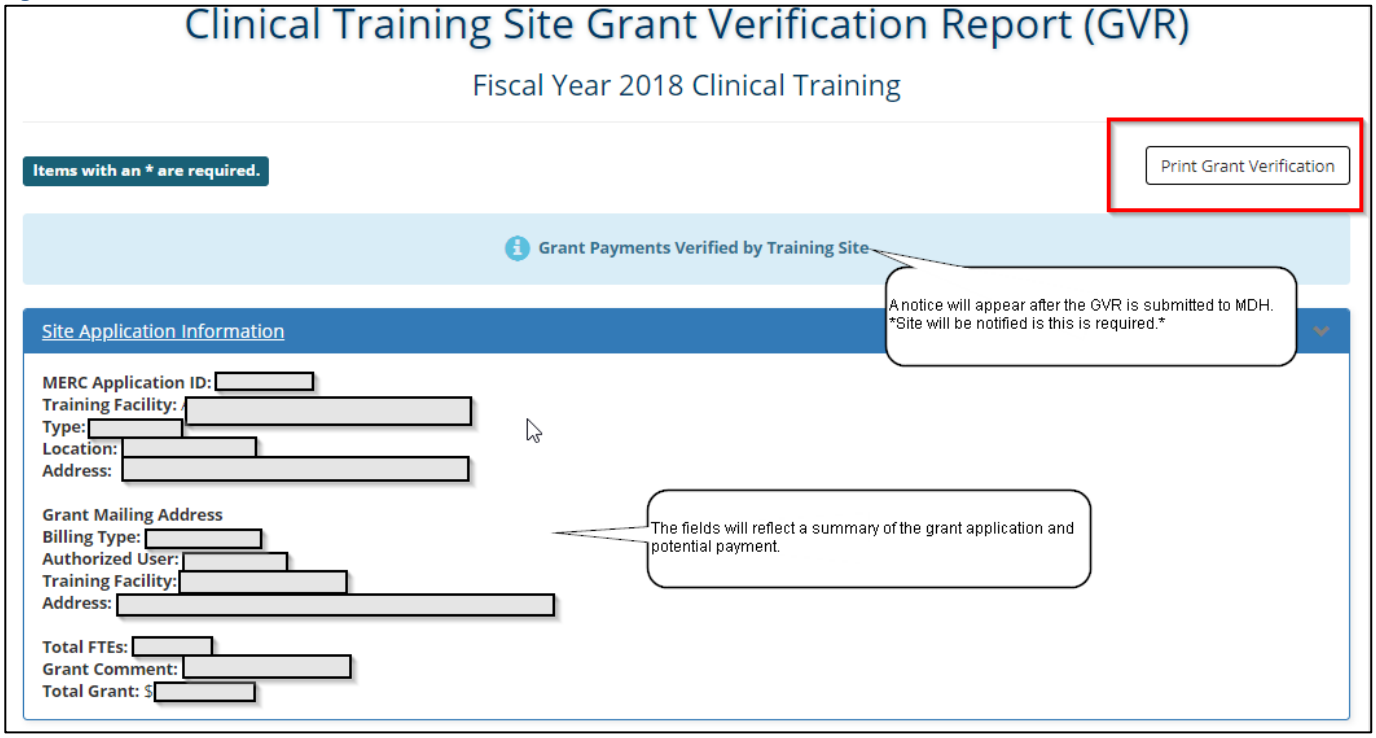
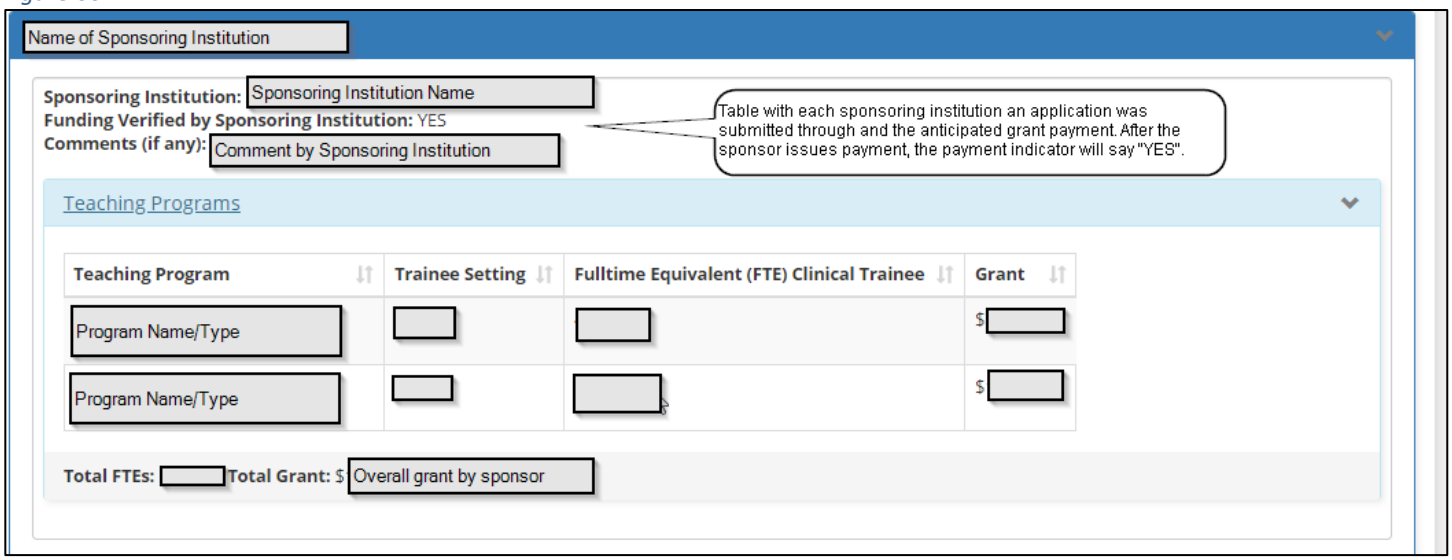


Figure 60



MERC Funding Allocation

Eligible funding is calculated using a formula.

- The top section of the GVR will indicate whether the site qualified.

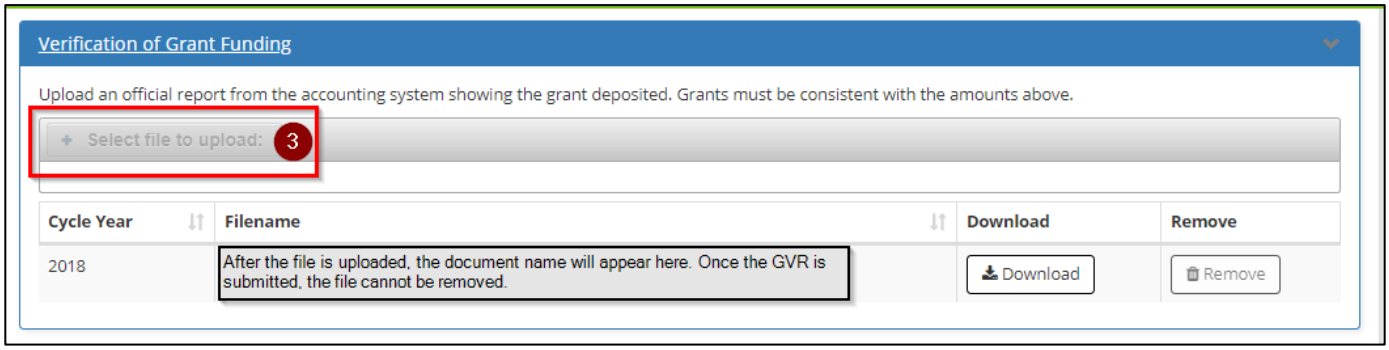
Qualification Comment	Description
Eligible	Site qualified for funding
Ineligible - Below Minimum Funding Requirements	Formula < $5,000 minimum threshold
Ineligible – Below Expenditures Requirements	Training expenditures < $5,000
Ineligible - Below FTE Requirements	FTEs < 0.10 threshold
Ineligible - Withdrew Application/Expenditures Incomplete	Application withdrawn or expenditure reporting incomplete
Ineligible - Did Not Meet Medicaid Requirements	Revenue criteria not met for MA/PMAP
Ineligible – Site Closed or MHCP Enrollment Terminated or Facility Type Not Eligible	Site closed or Minnesota Health Care Program (MCHP) provider enrollment terminated, or facility type not eligible

The grant is allocated to the clinical training site through sponsoring institutions and teaching programs.

MERC Application Instructions

Verification of Payments

Figure 61



If notified by MDH, representative must:

3. Upload an official accounting report from the site's accounting system verifying:
   - Funding received from the sponsor.
   - Deposit details.

Signature and Submission

Figure 62

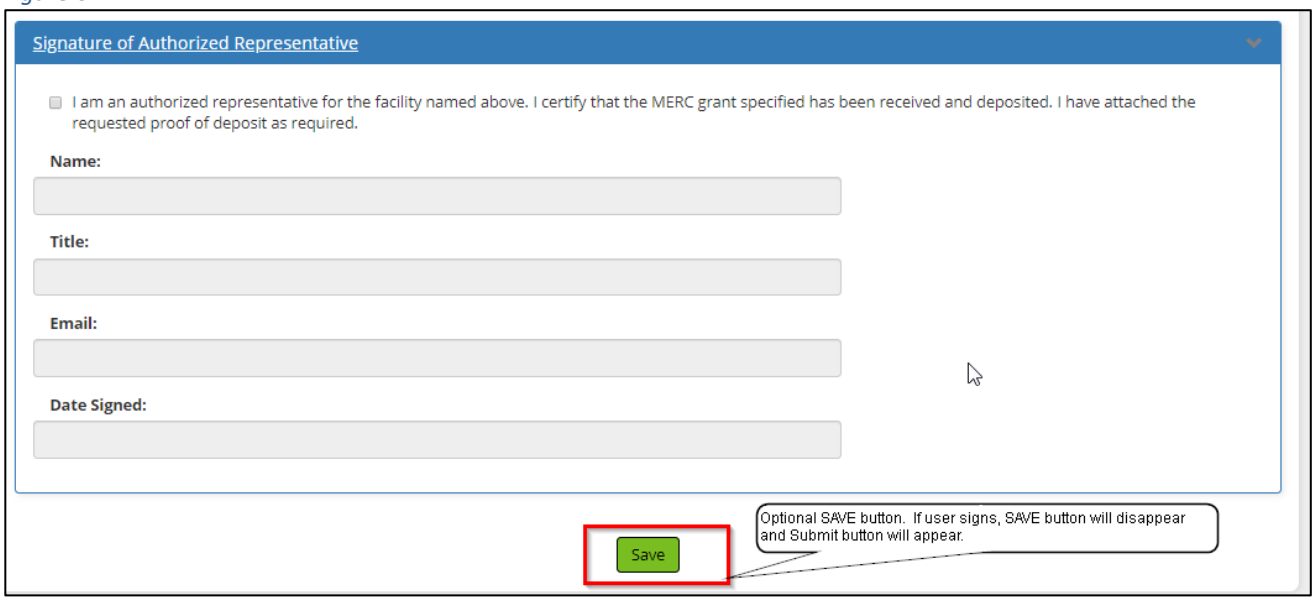
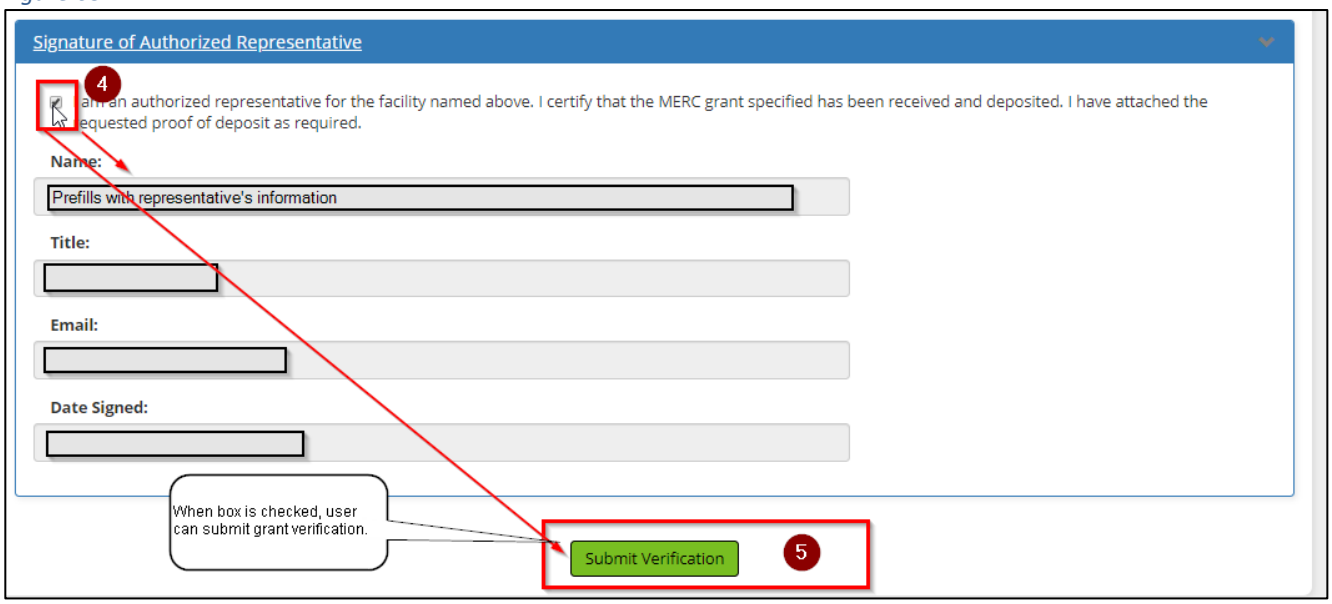


Figure 63



Required Actions (if selected for verification):

4. Sign the GVR.
   - Check the box to populate the electronic-signature fields.
   - This step is only required if MDH notifies the site representative by email that the site has been selected for the verification process.
5. Submit the GVR to MDH

Printing Guidance

- Return to document header and click the 'Print Verification' button.
- Save and retain a final copy for the site's records.

Final Report

Return to the main clinical training site page and generate a final application report reflecting the GVR fields.

Funding Cycle Completed

The funding cycle is complete.

MERC Application Instructions

References

- Minnesota Statute 62J.692 (http s:/www.revisor.mn.gov/statutes/cite/62J.692)
- Funding eligibility and criteria distribution formula (http s://www.health.state.mn.us/facilities/ruralhealth/merc/publications.html)
- GovDelivery (http s://public.govdelivery.com/accounts/MNMDH/subscriber/new?topic_id=MNMDH_303)
- Medical Education and Research Cost (MERC) Program (http s://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#merc
- Publications page (http s://www.health.state.mn.us/facilities/ruralhealth/merc/publications.html)
- MERC application portal (http s://merc.web.health.state.mn.us/index.xhtml)
- Submission timeline (http s://www.health.state.mn.us/facilities/ruralhealth/merc/docs/pdf/merctimeline.pdf)
- MERC website (http s://www.health.state.mn.us/facilities/ruralhealth/merc/mcapinfo.html)
- MERC Information (http s://www.health.state.mn.us/facilities/ruralhealth/merc/index.html)
- MERC Committee (http s://www.health.state.mn.us/facilities/ruralhealth/merc/committee/index.html)
- MERC Definitions (http s://www.health.state.mn.us/facilities/ruralhealth/merc/mercdefs.html)
- MERC History (http s://www.health.state.mn.us/facilities/ruralhealth/merc/history.html)
- Legislation (http s://www.revisor.mn.gov/statutes/cite/62J.692)
- Site-Based Clinical Training (SBCT) Grant Program (http s://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html#sbct)
- Minnesota Statutes 144.1508 (http s://www.revisor.mn.gov/statutes/cite/144.1508)
- ORHPC Grants and Funding (http s://www.health.state.mn.us/facilities/ruralhealth/funding/grants/index.html)
- Expenditure Reporting (http s://www.health.state.mn.us/facilities/ruralhealth/merc/mcapinfo.html)
- MHCP Provider Enrollment (http s://mn.gov/dhs/partners-and-providers/policies-procedures/minnesota-health-care-programs/provider/)
- Hospitals (http s://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=ID_008948)
- Minnesota Health Care Program (MHCP) (http s://mn.gov/dhs/partners-and-providers/policies-procedures/minnesota-health-care-programs/provider/)
- Prepare for Expenditure Reporting Worksheet (Excel) (http s://www.health.state.mn.us/facilities/ruralhealth/merc/mcapinfo.html)