

North Dakota Health and Human Services

Partial Hospitalization Program Notice of Funding Opportunity

2026

Background Information

For the 2025-2027 State Biennium, the North Dakota Department of Health and Human Services, Behavioral Health Division (STATE) was appropriated one time funding in the amount of \$2,000,000 from the Community Health Trust Fund (CHTF) fund to be used for the expansion of partial hospitalization/intensive day treatment programs in North Dakota. A partial hospitalization program (PHP) – also identified as High-Intensity Day Treatment or High Intensity Outpatient – is an intensive, structured outpatient mental health treatment program that provides comprehensive care during the day while allowing patients to return home at night.

Currently, North Dakota has three psychiatric PHP which serve youth: CHI St. Alexius Health in Bismarck, ND; Prairie St. John's in Fargo, ND; and Sanford Health in Fargo, ND. For adults, Prairie St. John's in Fargo, ND and Sanford Health in Fargo, ND are currently providing programming, while CHI St. Alexius Health in Bismarck, ND is planning to open an adult program in 2026. Sanford Health in Fargo also offers a PHP for adults and adolescents with eating disorders as a part of their South University Medical Center location. Given these programs are all located within the two highest population urban cities in North Dakota, there remains a gap for adults and youth outside of the Bismarck and Fargo regions.

STATE intends to enter into contract with no more than two successful applicants. It is the STATE's intent to enter into a contract(s) with provider(s) that can serve either youth and adolescents or adults.

Eligibility

Qualified organizations shall meet [Centers for Medicare & Medicaid Services \(CMS\) guidelines](#), and/or relevant [Substance Abuse Treatment Program licensure](#) if necessary, including that clinical and support services are provided “by a multidisciplinary team of health care professionals, designed to stabilize the health of the member with the intent to avert inpatient hospitalization or to reduce the length of a hospital stay” (General Information for Behavioral Health Services, North Dakota Department of Health and Human Services, Medical Services Division, January 2025).

Applicants must propose a new PHP outside of the Fargo and Bismarck metropolitan areas.

Budget

A total of \$2,000,000 is available through this Notice of Funding Opportunity. STATE intends to award no more than two grants for the performance period beginning November 1, 2026, through June 30, 2027.

Grant Requirements

General:

- The successful applicant(s) shall develop a hospital-based PHP or community-based PHP for youth and adolescents or adults with impairment resulting from a psychiatric, emotional, substance use or behavioral disorder as part of a community continuum of behavioral health services.
- The successful applicant(s) shall develop a PHP in areas of the state that do not have a PHP.
- For applicant(s) proposing hospital-based PHP:
 - The successful applicant(s) shall meet North Dakota Medicaid guidelines, and relevant substance use disorder (SUD) licensure if necessary, including that clinical and support services are provided “by a multidisciplinary team of health care professionals, designed to stabilize the health of the member with the intent to avert inpatient hospitalization or to reduce the length of a hospital stay” (General Information for Behavioral Health Services, North Dakota Department of Health and Human Services, Medical Services Division, January 2025).
 - The successful applicant(s) shall ensure the program includes supervision of a psychiatrist(s) who is available 24 hours per day.
 - The successful applicant(s) shall implement Level A or Level B services as outlined by North Dakota Medicaid Guidelines.
 - Level A is an intense level of service provided by at least three licensed health care professionals for at least four hours and no more than eleven hours per day for at least three days per week.
 - Billing Code: H0035
 - Revenue Code: 905

- Level B is an intermediate level of service provided by at least three licensed health care professionals for three hours per day for at least two days per week.
 - Billing Code: H0040
 - Revenue Code: 912
- For applicant(s) proposing community-based PHP:
 - The successful applicant(s) shall meet all individual, professional, and program licensure standards.
- The successful applicant(s) shall submit a timeline within 30 days of contract execution to ensure clients can be admitted prior to the end of the contract agreement.
- The successful applicant(s) shall identify a representative to collaborate with STATE by attending once monthly cross-sector virtual or in-person meetings to develop partnerships, policies, and sustainable infrastructure for clinical services and care coordination.
- The successful applicant(s) shall accommodate STATE for on-site visits, requests for further information, and participate in scheduled meetings, phone conferences, and any training or technical assistance as requested by STATE.
- The successful applicant(s) shall coordinate with existing community-based organizations and programs to maximize benefit, avoid duplication and leverage, redirect and realign resources.
- Each successful applicant shall operate the PHP for at least five years. If a successful applicant does not operate the PHP for at least five years, that successful applicant shall repay funding to STATE on a pro-rated basis.

Clinical Services:

- The successful applicant(s) shall provide nursing services, medication management, therapeutic milieu (structured, safe, and supportive environment designed to promote emotional healing, positive behavior, and social growth in mental health settings), and individual and group therapy for either community-based or hospital-based PHP. For hospital-based PHP only, psychiatric services must be provided.

- The successful applicant(s) shall ensure all staff adhere to all relevant licensing, accreditation guidelines, CMS requirements, and best practices for PHP including the minimum 20 hours per week of clinical service.
- The successful applicant(s) shall implement a highly-structured clinical program that emphasizes goal-directed interventions.
- The successful applicant(s) shall ensure evidence-based clinical treatments are facilitated by licensed clinician(s) using evidence-based practices.
- The successful applicant(s) shall provide services that are culturally responsive.
- The successful applicant(s) shall provide clinical services in a manner that are recovery-oriented, trauma-informed, and person-centered.

Admission and Eligibility:

- The successful applicant(s) shall develop and implement referral and admission procedures that include processes for both self/family and professional referrals.
- The successful applicant(s) shall develop and implement clear screening, assessment, and admission criteria to include:
 - PHP is an appropriate level of care for acute and severe dysfunction in multiple areas of life domains.¹
 - PHP must serve clients at low risk for withdrawal symptoms or have minimal remaining withdrawal symptoms.²
 - PHP patients must demonstrate an ability to be medically unsupervised for periods of time including at night and at home.
- The successful applicant(s) shall be a North Dakota Medicaid provider.
- The successful applicant(s) shall bill all clinical services, utilizing grant funding as the payment of last resort.

¹ Centers for Medicaid and Medicare Services. Partial Hospitalization Programming. retrieved from www.cms.gov

² North Dakota Administrative Rule. (2026). 75-09.1-05-04. Admission criteria.

- The successful applicant(s) shall develop and implement triaging methods that consider diverting individuals from emergency room and inpatient admission or shortening the length of inpatient hospitalization.

For successful applicant(s) proposing to serve youth and adolescents only:

- The successful applicant(s) shall engage parents, caregivers, and families in treatment services including psychoeducation, safety and supervision planning, and family therapy.
- The successful applicant(s) shall accept youth and adolescents who meet medical necessity for the outlined level of care with specialized behavioral presentations including but not limited to children with symptoms of aggression and problematic sexual behavior, children with intellectual and developmental disabilities, and other high-risk behaviors and presentations.
- The successful applicant(s) shall work collaboratively with STATE and local school districts to provide educational services for enrolled children and adolescents during treatment when applicable.

Discharge Planning and Care Coordination:

- The successful applicant(s) shall maintain collaborative relationships with inpatient and outpatient healthcare providers, State-Operated Behavioral Health Clinic(s), Human Service Zone(s), school(s), law enforcement, juvenile justice stakeholders, private behavioral health providers, and other entities as deemed appropriate.
- The successful applicant(s) shall communicate and coordinate warm handoffs to community treatment services and supports as part of discharge planning.
- The successful applicant(s) shall work proactively to assess and address barriers for individuals accessing and engaging in PHP including transportation and insurance coverage.
- The successful applicant(s) shall implement collaborative problem solving and developing solutions with natural and professional supports.

Reporting:

- The successful applicant(s) shall submit to STATE monthly written progress reports by the 15th of the month in a format agreed upon with STATE.

- The successful applicant(s) shall provide additional written reports related to specific projects throughout the contract period as requested by STATE.

Five-Year Commitment Period

- The successful applicant(s) shall operate the PHP for at least five (5) years. If a successful applicant does not operate the PHP for at least five (5) years, that successful applicant shall repay funding to STATE on a pro-rated basis.

Application Format and Content

Format

An applicant is required to submit an application, in order to be considered for the PHP Grant. STATE will not be providing an application template; however, applications are recommended to be organized in alignment with the content items required below.

Content

An applicant must submit a signed application that includes the following:

- 1) Applicant information
 - a) Complete name and address of applicant's organization.
 - b) Name, email address, mailing address, and telephone number of the person to be contacted regarding the application.
 - c) Name and title of the individual responsible for the project identified in this application.
 - d) Identify the type of proposed PHP and proposed location aligning to eligibility requirements.
- 2) Project Description
 - a) A narrative describing the proposed project, aligning to the Grant Requirements.
 - b) Provide the proposed staffing plan the meets grant requirements.
 - c) Outline the proposed daily programming schedule and additional services proposed to be a part of programming.
 - d) Outline proposed eligibility and admission criteria.
 - e) Describe proposed discharge planning and care coordination processes.
 - f) Describe ability to engage with STATE to meet reporting requirements.
- 3) Work plan
 - a) A comprehensive project work plan and timeline the applicant intends to follow and illustrate how the project will be successfully implemented. The timeline should include milestones with estimated dates.

- b) A description of the type of work each of the applicant's staff will perform in carrying out the project and describe relevant credentials and experiences of each staff member. If the applicant plans to use external sources, such as consultants, this must be included in the plan.
- 4) Sustainability
 - a) A description of how the project will be sustained after funding ends.
- 5) Budget
 - a) The total amount of funds being requested for applicant's project and a detailed budget, including the information below:
 - i) Salaries and fringe benefits
 - ii) Travel
 - iii) Subcontracting
 - iv) Equipment
 - v) Supplies
 - vi) Operations
 - vii) Other
 - viii) Total direct costs
 - ix) Indirect costs
 - x) Total budget
 - b) Budget narrative describing each category and budget amount proposed above.
- 6) Signature
 - a) All applications must be signed and dated.

Application Submission Deadlines

Notice of funding opportunity announcement: September 25, 2026

Grant application submission deadline: October 19, 2026, at 12:00 PM, CT

- Applications must be submitted by [email to Shauna Eberhardt](#)

Approximate grant award status notification date: October 23, 2026

Approximate grant agreement start date: November 1, 2026

Grant agreement end date: June 30, 2027

Application Review Process

The evaluation team will utilize the Evaluation Tool (Attachment A) to review all applications.

After reviewing an application and completing an evaluation, the team will determine if the application should be awarded, partially awarded, or not awarded. State reserves the right to not award an application.

- **Applications that are not awarded:** The applicant will receive a notice of not being awarded.
- **Applications that are partially awarded:** The applicant will receive a notice of being partially awarded with the amount that is being awarded. State may request a meeting prior to the award. Applicants will then enter into a Grant Agreement with State (Attachment B). Applicant shall acknowledge receipt of award. State reserves the right to follow-up on progress and request repayment of inappropriately used funds.
- **Applications that are awarded:** The applicant will receive a notice of being awarded with the amount being confirmed. Applicants will then enter into a Grant Agreement with State (Attachment B). Applicant shall acknowledge receipt of award. State reserves the right to follow-up on progress and request repayment of inappropriately used funds.

An awarded applicant is required to register as a Vendor with the Secretary of State. The North Dakota Secretary of State has registration requirements for individuals and businesses transacting business in North Dakota. If the applicant is determined to have a registration requirement with the North Dakota Secretary of State, they shall be registered before the contract award and registration shall remain active for the duration of the contract period ([N.D.C.C. § 54-44.4-09.1](#)).

- See the OMB [Guidelines to Vendor Registry](#) for more information.

Visit the Secretary of State's [Vendor Registration](#) webpage for information on registration requirements and fees. Visit [FirstStop](#), the Secretary of State's business and licensing software, for online form options.

- Check the [Business Records](#) database to see if a business is registered.
- Contact [Secretary of State's](#) office by [email](#) or call 701-328-2900 (choose menu item 2, then option 1).
- If you need to register, fees apply.
- Vendors may need to obtain businesses licenses. See the [list of licenses required of businesses](#) in the State of North Dakota. The link includes information on who to contact, application fees, renewal dates, and the legal reference.

Personal financial gain and private benefit to staff of the North Dakota Department of Health and Human Services is prohibited. If an evaluator has a conflict of interest, they will not evaluate the grant applicant and shall recuse themselves from the review of that particular grant application.

Attachments

Attachment A: Evaluation Tool

Attachment B: Sample Grant Agreement