



North Dakota Health and Human Services | Rural Health Transformation Program

Competitive Funding Opportunity Application Guidance

Funding Opportunity Name: Clinics without Walls: Telehealth Infrastructure

Funding Opportunity Solicitation Number: 210-331

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Funding Overview:

1) Background

As part of Public Law 119-21, Congress established the \$50 billion [Rural Health Transformation Program \(RHTP\)](#) to help rural communities reimagine their health care delivery systems and improve health outcomes. This program administered by the Centers for Medicare and Medicaid Services (CMS), aims to address longstanding health-care challenges facing rural communities, including rural tribal communities.

North Dakota is taking bold, practical steps to restore health, stability and prosperity to America's heartland. North Dakota Health and Human Services (HHS) developed its RHTP to focus on creating new access points, modernizing care delivery and empowering local providers to meet the needs of their communities through sustainable investments. North Dakota's plan, as indicated in the [RHTP application and supporting documents](#), includes four initiatives:

- Initiative 1: Make North Dakota Healthy Again
- Initiative 2: Strengthen and Stabilize Rural Health Workforce
- Initiative 3: Bring High-Quality Healthcare Closer to Home
- Initiative 4: Connect Tech, Data and Providers for a Stronger North Dakota

Following approval from CMS, HHS is launching multiple funding opportunities as part of North Dakota's five-year RHTP effort. These opportunities are designed to support practical, locally driven solutions that help rural communities, including rural tribal communities, stay healthy and strong. Funding opportunities will be released in phases, with individual applications announced over time. Eligible applicants may apply for more than one funding opportunity; there is no limit to the number of applications that can be submitted.

2) Funding Opportunity Description

The Clinics without Walls: Telehealth Infrastructure funding opportunity aims to transform how and where care is delivered by expanding access to telehealth services. Telehealth reduces geographic and transportation barriers by providing reliable technology, connectivity and private access points for care. This will improve North Dakota's rural and tribal health by increasing access to preventive services and screenings, behavioral health, specialty care and chronic disease management, leading to better health outcomes and strengthened healthcare capacity. This is identified in Initiative 3: Bring High-Quality Healthcare Closer to Home of North Dakota's RHTP.

Proposed projects eligible for this funding opportunity are:

- Telehealth infrastructure for local primary and specialty care: projects must establish or enhance telehealth access points in communities without a similar local healthcare provider. Examples may include:
 - Facilitated video visits and teleconsultations
 - Telehealth access sites in school nurse offices
 - Telehealth stations in retail pharmacies
 - Telehealth rooms/pods in non-federally operated Indian Health Service facilities and tribally run 638 health facilities or other locations
 - Community health worker (CHW) locations telehealth access points
 - Mobile outreach units equipped for telehealth services
 - Telehealth stations in libraries, community centers, and local stores
- Infrastructure, technology and equipment to expand telehealth capacity in communities without a local healthcare provider: Funding may support the acquisition and deployment of technology required for reliable virtual care delivery. Examples may include:
 - High-quality webcams or pan-tilt-zoom (PTZ) camera for clinical environments
 - Noise cancelling microphones and speakers
 - Computers, laptops, or tablets with reliable performance and battery life
 - Medical peripherals such as:
 - Digital stethoscopes
 - Examination cameras
 - Vital sign monitors
 - ECG or glucometers that integrate with telehealth software
 - Telehealth carts or portable stations for clinics and hospitals
 - Dedicated lighting systems to improve clarity during video encounters
 - VPN solutions for secure remote access
 - Enterprise-grade routers, switches, and firewalls
 - Video consultation platforms (HIPAA-compliant)
 - EHR-integrated telehealth modules
 - Remote patient monitoring platforms
 - Scheduling, triage, and patient intake platforms
 - Secure messaging system for patient-provider communication
 - Multi-factor authentication systems
 - HIPAA-compliant cloud storage solutions and backup systems
 - Audit logging and monitoring tools
 - Analytics platforms to monitor telehealth utilization and outcomes

This funding opportunity aims to support improvement in the metrics identified for Initiative 3: Bring High-Quality Healthcare Closer to Home, found on pages 55-56 of the [project narrative](#) and pages 18-19 of the project [appendices](#). Please note, not all metrics apply to the Clinics without Walls: Telehealth Infrastructure funding opportunity. Awardees are responsible for reporting outcomes. The metrics for this and related projects are:

- Baseline Rural Telehealth Encounters: 290 per 1,000 Medicaid members - Number of rural Telehealth Encounters standardized per 1,000 average monthly Medicaid members.
- Baseline Rural RPM Encounters: 0.19 per 1,000 Medicaid members - Number of rural RPM Service Encounters standardized per 1,000 average monthly Medicaid members
- Target: By 2030, increase rural Telehealth encounters by 20% and RPM encounters by 50%

3) Eligibility

For RHTP funding opportunities, the entities within and the cities of Grand Forks, Fargo, West Fargo, and Bismarck are considered urban and do not qualify for RHTP funding opportunities unless the population served by the grant applicant is at least 50% ND rural citizens or the focus of the grant funding will be used for ND rural citizens. RHTP funding must be used to support ND rural citizens.

Applicants must serve rural North Dakota residents. This may also include rural tribal residents. This RHTP funding opportunity is telehealth infrastructure for local primary and specialty care: projects must establish or enhance telehealth access points in communities without a similar local healthcare provider. Eligible rural healthcare organizations may include:

- Hospitals
- Clinics
- Home care providers
- Long-term care facilities
- Behavioral health providers
- Tribes and tribal organizations. This includes non-federally operated Indian Health Services facilities and tribally run 638 health facilities. Per CMS requirements, this excludes federally operated Indian Health Services facilities.
- Emergency medical services providers
- Pharmacy providers
- Health care providers
- Local public health units

Priority

For the Clinics without Walls: Telehealth Infrastructure funding opportunity, priority consideration will be given to applicants proposing projects that can clearly describe how telehealth infrastructure will improve patient outcomes, increase access to care, reduce geographic and transportation barriers, strengthen coordination between local and specialty providers and increase the availability of preventive and behavioral health services for rural, tribal and underserved communities without a local health provider. Preference may also be given to projects serving medically underserved, frontier or tribal communities where modernization will have the greatest impact on access to care.

Projects focusing on purchase of new equipment not yet utilized by applicants will be prioritized. CMS guidelines for Category J Funding for Capital Expenditures limits overall Rural Health Transformation limits overall total state grant funding for upgrading existing, repairing, or replacing like-for-like equipment.

4) Available Funds and Timeline

This is a competitive funding opportunity application process for year one RHTP funding; an additional application process for the Clinics without Walls: Telehealth Infrastructure funding opportunity is expected to be offered in future years of the RHTP. The operating period will start upon execution of the agreement, with all required approvals and signatures. The operating period will end on August 31, 2027, and all funds must be expended by this date. All equipment purchased with these funds must also be received no later than August 31, 2027.

Approximately \$3,600,000 in total federal funds are available for this Clinics without Walls: Telehealth Infrastructure funding opportunity. The awards provided will be dependent on the applications received; an estimated 25 awards for approximately \$144,000 are expected to be funded.

For this funding opportunity, one application per organization should be submitted. If an applicant has multiple strategies pertaining to this funding opportunity, these should be numbered in order of priority in the narrative and budget. The first strategy must be in a reasonable amount of the estimated award value of \$144,000. Applicants may request funds for additional strategies within a reasonable amount of the total dollar value for this funding opportunity. If an applicant has multiple strategies and requests additional funds, the proposal must align with the scope of the funding opportunity and applicants are encouraged to consider the feasibility of completing the proposed work within the operating period.

Each additional strategy must be noted on a separate tab in the budget template. If an applicant has multiple strategies and requests additional funds, the proposal must align with the scope of the funding opportunity and applicants are encouraged to consider the feasibility of completing the proposed work within the operating period, no later than August 31, 2027.

Organizations composed of more than one business entity that submit an application on behalf of multiple business entities will be evaluated on a case-by-case basis. The project structure must ensure the organization submitting the application does not function as a pass-through entity or issue subawards to individual facility locations.

Projects of this nature should follow a hub-and-spoke care model. Each participating organization must submit its own application. The objective is to create proposals that are collaborative in design but financially independent. This approach is necessary to maintain appropriate reporting and compliance with grant requirements. Applications must detail how the organization will meet reporting requirements.

HHS reserves the right to negotiate the applicant's budget based on the number of applications received, the content of the proposed project work plan and total budget of the Clinics without Walls: Telehealth Infrastructure funding opportunity prior to issuing the award.

Refer to the [Budget section](#) for details on allowable and unallowable costs.

Additional funding opportunities will be available for other RHTP activities and initiatives. Eligible applicants may apply for more than one funding opportunity. There is no limit to the number of applications that can be submitted across the program; however, only one application per organization per funding opportunity should be submitted.

5) Reporting Requirements

The successful applicant(s) will be required to submit reimbursement requests and supporting information, progress reports and impact stories to HHS. Templates will be provided for reporting requirements. Due dates and additional information will be provided in the agreement.

Successful applicants may be required to report for up to five years or as otherwise required by CMS.

Additional reporting requirements may be required based upon updated federal guidance.

6) Application Submission

Applications for this funding opportunity are due by August 14, 2026, at 5:00 p.m. CT. Applications must be submitted to HHS through [Qualtrics](#).

For this funding opportunity, one application per organization should be submitted. If an applicant has multiple strategies pertaining to this funding opportunity, these should be numbered in order of priority.

The application questions, along with full details, are provided in the Application Requirements section of this document. This section is meant to serve as a companion resource while completing the Qualtrics survey. Applicants are welcome to copy the questions into any format to draft their responses. However, final answers and a completed budget must be submitted through the Qualtrics survey.

Applications not received by the submission date and time will be considered non-responsive and not reviewed.

7) Technical Assistance

A technical assistance conference call has been scheduled for the following date and time:

- Friday, July 31, 12-12:45 p.m. CT
- [Registration Link](#)

The link to register for the technical assistance call will be posted on the RHTP webpage under Funding Opportunities – Bring High-Quality Healthcare Closer to Home.

The technical assistance call will be recorded and posted on the RHTP webpage for later viewing. Additional resources related to this funding announcement, including Frequently Asked Questions (FAQ), will also be published on the RHTP webpage after the call.

We strongly encourage applicants to submit questions for this funding opportunity to [RHTP FAQ Survey](#) prior to 7 days of the submission deadline. As time allows, questions submitted prior to the technical assistance call will be addressed during the session and added to a FAQ resource. Questions submitted following the call will be answered and added to the published FAQ resource on the webpage. Questions submitted within 7 days of the submission deadline may not be addressed due to the volume of questions and staff members working on other RHTP funding opportunities.

Questions and application support requests may be directed to the [Regional Development Councils \(RDCs\)](#).

Application Requirements

Interested entities are required to submit an application to be considered for the Clinics without Walls: Telehealth Infrastructure funding opportunity. Do not include any proprietary or confidential information in application materials as the application will become an open record.

Below is the outline for the application. ND HHS will provide a budget template. All application components will be submitted through [Qualtrics \(link\)](#).

- 1) Background Information
- 2) Project Narrative
 - Identified need and proposed goals
 - Strategies, activities and measurable outcomes
- 3) Action Plan
 - Timeline and milestones
 - Metrics
 - Key personnel
 - Budget
 - Use approved budget template only

The application questions, along with full details, are provided in this section, which is meant to serve as a companion resource while completing the Qualtrics survey. Applicants are welcome to copy the questions from the Application Requirements Section into any format to draft their responses. However, final answers must be submitted through the Qualtrics survey.

1) Background Information

Provide the following organizational information:

- Organization name and background – Provide the organization name, location, additional facilities, the estimated population served and the service area
- Project lead and contact information – Identify the project lead who will serve as the primary point of contact to receive communications about the application and provide first and last name, title, phone number and email
- Project title and reason – State the project name and a brief description of why the organization is applying

2) Project Narrative

The project narrative must address the identified need and planned strategies and activities, being as specific and concise as possible. Keep the narrative clear and focused on how it will make a difference for rural health, which may also include rural tribal health.

As a friendly reminder, for this funding opportunity, one application per organization should be submitted. Applicants should describe their proposed Clinics without Walls: Telehealth Infrastructure project, including the equipment, technology and implementation activities for which funding is requested to enhance telehealth access points in communities without a local healthcare provider. If an applicant is requesting funding for multiple eligible equipment categories or modernization activities, these should be clearly identified and prioritized within the narrative and corresponding budget. The primary funding request should be within a reasonable amount of the estimated award value of \$144,000 and identified on a separate tab in the budget template.

If an applicant has multiple strategies pertaining to this funding opportunity, these should be numbered in order of priority. Applicants may request funds for additional strategies within a reasonable amount of the total dollar value for this funding opportunity. If an applicant has multiple strategies and requests additional funds, the proposal must align with the scope of the funding opportunity and applicants are encouraged to consider the feasibility of completing the proposed work within the operating period.

a. Identified Need and Proposed Goals

When available, include relevant local data to demonstrate the scope and urgency of the need.

a.1. Identify the need for the proposed project.

- Discuss the challenges the proposed project aims to address. Describe the specific gap, outreach or telehealth-related issues impacting the organization or community.
- When available, include relevant local data to demonstrate the scope and urgency of the need.

Identify if the project addresses a need identified in a required RHTP analysis (example: critical access hospital analysis).

a.2. Outline the overarching goal(s) of the proposed project, including the target population who will benefit.

- The goal(s) should describe the broad, high-level change(s) the organization seeks to achieve.
- The target population must include rural residents. Rural residents may also include rural tribal residents. The target population must also include rural Medicaid members. Additional populations may be served.
- If the proposed project serves additional populations or is located in an urban area, describe how rural residents, including rural tribal residents and rural Medicaid members, will be served.
- Reminder: For RHTP funding opportunities, the entities within and the cities of Grand Forks, Fargo, West Fargo and Bismarck are considered urban and do not qualify for RHTP funding opportunities unless the population served by the grant applicant is at least 50% North Dakota rural citizens or the focus of the grant funding will be used for North Dakota rural citizens. RHTP funding must be used to support North Dakota rural citizens.

a.3. RHTP funds cannot be used to duplicate or replace existing funding (supplanting). Funds can be used to expand or enhance an existing project (see [Budget](#) section for details). Is this project already in progress, currently funded by another source, or actively being implemented in the organization or community? If yes:

- Identify current or similar projects and their funding sources.
- Explain why expansion or enhancement is needed. Describe how the proposed project will enhance rather than duplicate existing efforts, including how the organization plans to coordinate with partners to prevent duplication.

b. Strategies, Activities and Measurable Outcomes

The applicant must provide detailed information about the proposed project, including the outcomes, strategy, service and tasks. Each outcome, strategies, services and tasks must include sufficient detail to ensure the scope aligns with the eligible projects and requirements identified in this guidance. When applicable, strategies, services and tasks should be evidence-based, evidence-informed or based on promising practices.

Additionally, applicants must propose outcomes, strategies, services and tasks that align with the RHTP evaluation plan and metrics. Initiative 3: Bring High-Quality Healthcare Close to Home, Theme 3: Clinics without Walls — Telehealth Infrastructure. The evaluation plan and metrics are identified in the Funding Opportunity Description section of this guidance. Projects should support some or all of the identified metrics.

For the purposes of this guidance, use the following definitions:

- Outcomes: Outcomes should describe what will be different because of the project. Outcomes should be specific, measurable, achievable, realistic and time-bound (SMART) and directly linked to the strategies, services and tasks described.
- Strategy: Strategies explain how the applicant intends to create the desired change. They are the high-level approaches or methods the project will use to achieve the outcomes.
- Services: Services describe what is being offered or provided to accomplish the strategy and outcomes. They are the direct supports or interventions delivered to the target population.
- Tasks: Tasks are the specific activities and actions to carry out the strategies and deliver on an outcome. Tasks break down strategies into action steps.

b.1. How many strategies (up to three) are included in the applicant's proposal? Please note that the number indicated here should correspond with the number of budget tabs on your completed Itemized Subrecipient Budget Template.

b.2. Describe, in outcome focused terms, the strategy the project will implement to address identified needs. Identify the specific services and tasks that will be implemented to carry out the stated strategy. Only describe one strategy at a time; an opportunity to indicate additional strategies will be provided.

b.3. For each identified strategy, identify three to five metrics that will be used to measure project progress. Describe how progress on the metric will be tracked and reported to meet requirements. As a reminder, templates will be provided for reporting requirements. Reporting deadlines and additional information will be provided in the grant agreement.

b.4. The applicant must sustain successful projects after funding ends. Explain how the identified strategy will be sustained and how effective practices will be integrated into ongoing operations. Applicants may consider the following questions when assessing sustainability:

- Does the proposed strategy generate revenue?
- Does the projected need for or utilization of a service generate revenue to cover staffing costs once the service is fully established?
- Does the proposed strategy create savings in other healthcare costs that could be used to offset revenue gaps?
- Is there a business plan?
- Is there a fundraising strategy?
- Will the selected product be compatible with future EMR purchases?

b.5. Does the identified strategy include purchasing equipment or technology? If yes, outline the plan for maintenance and continued use after funding ends. Funding for equipment and technology maintenance costs during the five-year RHTP period may be considered.

b.6. [CMS's Notice of Funding Opportunity](#) identified elements to be addressed by RHTP projects. As it relates to the strategies, activities and measurable outcomes, identify which elements apply to the proposed project. For the identified elements, briefly explain the connection to the project by responding to the stated questions.

- Improving access:
What specific actions will be taken to improve rural residents' access to hospitals, primary care, specialty care, behavioral healthcare and other services, or to healthcare items?
- Improving outcomes:
What health care outcomes of rural residents will be targeted? How will the project achieve improvements in these outcomes? (How will the project improve outcomes listed in the Funding Opportunity section of this guidance?)
- Technology use:
How will new and emerging technologies that emphasize prevention and chronic disease management be used? How will the suitability of new technologies for rural providers and patients be assessed? How will long term sustainability of adopted technologies be planned for?
- Partnerships:
How will the project leverage local and regional strategic partnerships between health care providers and other key stakeholders that promote measurable quality improvement, increase financial stability, maximize economies of scale and share best practices in rural healthcare delivery? Describe any networks, consortiums or affiliations the organization will create or strengthen among rural providers, federally qualified health centers and other healthcare providers, as applicable. Describe their governance structure(s) and how it will reflect the communities they plan to serve. What will those partnerships do? How will they be structured? What improvements will those partnerships promote?
- Workforce:
How will the organization recruit and train more clinicians for rural areas?
- Data-driven solutions:
How will the project harness data and technology to furnish high-quality healthcare services as close to a rural patient's home as possible?

- Financial solvency strategies:
What reforms or innovations will the organization make to ensure the financial stability of rural hospitals and other rural providers? If rural hospitals in the state are at risk of financial insolvency, how will the plan stabilize them?
- Cause identification:
Why are standalone rural hospitals at risk of service reduction or closure, and how will the plan address those causes?

3) Action Plan

Complete a comprehensive action plan detailing how the applicant will carry out the proposed strategies, activities and measurable outcomes. Being as concise as possible, the action plan must include timeline and milestones, metrics and key personnel. If there are multiple strategies or activities, please identify the corresponding priority numbers from the project narrative in the action plan.

Additional Requirement (if applicable):

Because this funding opportunity focuses on establishing telehealth infrastructure, technology and equipment to expand telehealth capacity in communities without existing healthcare providers, applicants should submit documentation demonstrating support for the proposed telehealth location. This may include letters of support, partnership agreements, site access confirmations or other evidence showing that the selected location is suitable and supported by local stakeholders.

As a reminder, the operating period will start upon execution of the agreement, with all required approvals and signatures. The operating period will end on August 31, 2027, and all funds must be expended by this date.

a. Timeline and Milestones:

- Provide a timeline the applicant will follow to successfully implement the proposed project.
- The timeline should identify key milestones and include estimated completion dates for each key strategy or activity.

b. Metrics:

- For each measurable outcome, identify specific metrics that will be used to measure progress. Identify how progress will be tracked and reported to meet requirements.
- As a reminder, templates will be provided for reporting requirements. Due dates and additional information will be provided in the agreement.

c. Key Personnel:

- Identify key personnel, including a project lead. Describe the type of work each person will perform in carrying out the project. Include relevant credentials and experience managing funds and special projects.
- If the applicant plans to use external sources, such as consultants, please identify them, describe their experience and outline their role in the project. These external sources must also be identified in the budget.

4) Budget Submission and Details

Using the HHS provided “Itemized Subrecipient Budget Template”, develop and submit an itemized budget with appropriate justification for each cost category. The template can be found in the required documents section of the [funding opportunity webpage](#).

- Please upload a completed budget in Excel format, using the “Itemized Subrecipient Budget Template.” Name each worksheet.
- If there are multiple strategies, please make a copy of the “Budget” tab within the “Itemized Subrecipient Budget Template” for each. Clearly name the tabs with the corresponding priority numbers from the project narrative. Complete a separate budget tab for each strategy.
- Each funding opportunity is unique in its scope and intent. These are the cost categories that may apply to this funding opportunity:
 - Supplies (medical/laboratory, office, educational)
 - Equipment
 - Rent/utilities
 - Postage, printing
 - Equipment (>\$10,000 per item) Please note: All equipment purchases exceeding \$10,000 require completion of a lease-purchase analysis in accordance with federal regulations under 2 CFR 200.
 - Capital improvements/construction
 - Consultant, contractual, sub-grantees
- Each budget item must include detailed justification. Justifications must be clear and should include information on how the applicant determined the cost. For example, identify what information was used to determine salary or fringe benefit rates.
- As a reminder, if there are multiple strategies, the first strategy must be within a reasonable amount of the estimated award value of \$144,000. Applicants may request funds for additional strategies within a reasonable amount of the total dollar value for this funding opportunity. If an applicant has multiple strategies and requests additional funds, the proposal must

align with the scope of the funding opportunity and applicants are encouraged to consider the feasibility of completing the proposed work within the operating period.

- Applicants are encouraged to submit a vendor sales quote for the proposed equipment to support cost accuracy; however, a quote is not required for the application to be considered complete.

All goods purchased under this award must be fully delivered no later than August 31, 2027.

RHTP funds are governed by applicable provisions of [2 CFR Part 200](#) and [2 CFR Part 300](#), with guidance from the federal RHTP [Notice of Funding Opportunity](#) and CMS's [Frequently Asked Questions documents](#) (found under "Helpful Resources"). The limits and unallowable costs detailed in this section come from federal guidance and are non-negotiable.

RHTP funding is designed to support expansion and scale to better serve rural communities, not to replace or duplicate existing funding sources, known as supplanting. When using funds to expand an existing pilot program or initiative or to develop a new training program with existing partners, the funds may only be applied to the costs associated with the new population, new activities, new program milestones or expansion.

Details on Unallowable and Limited Costs

- Capital expenditures are allowable with this funding opportunity but limited. Please see the Capital Expenditures section below for details
- Pre-award costs
- Meeting matching requirements for any other federal funds or for local entities
- Services, equipment or supports that are the legal responsibility of another party under federal, state, tribal or civil rights law
- Supplanting existing state, local, tribal or private funding of infrastructure or services (ex. staff salaries)
- The cost of independent research and development
- Funds related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action or executive order
- Financial assistance to households for installation and monthly broadband internet costs
- Meals, unless in limited circumstances such as:
- Subjects and patients under study

- Where specifically approved as part of the project or program activity, such as in programs providing children's services.
- As part of a per diem or subsistence allowance provided in conjunction with allowable travel in accordance with the U.S. General Services Administration (GSA) established rates.
- Replacing payment(s) for clinical services that could be reimbursed by insurance.
- Direct health care services may be funded if not currently reimbursable, will fill a gap in care coverage and/or may transform current care delivery model.
- Provider payments cannot exceed 15% of total funding in a budget period**
- No more than 5% of total funding in a budget period can support funding the replacement of an electronic medical record (EMR) system if a previous Health Information Technology for Economic and Clinical Health (HITECH) Act certified EMR is in place as of Sept. 1, 2025.** Upgrades, enhancements, added modules, interfaces, or functionality to existing EMR systems are allowable and not subject to the 5% limitation.
- Funding toward projects similar to the "Rural Tech Catalyst Fund Initiative" cannot exceed the lesser of 10% of total funding or \$20 million of total funding awarded in a budget period**
- Clinician salaries/wages for facilities that subject clinicians to non-compete clauses
- Demolition of aged buildings

**Limits apply to HHS's spending of RHTP funds. Individual agreements may be considered for costs exceeding the budget limitations.

Capital Expenditures and Remodeling

Capital expenditures are allowable with this funding opportunity.

Capital expenditures are expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life. Capital expenditures are limited by the federal guidance identified in the budget section above.

Unallowable capital expenditures include:

- New construction
- Building expansion
- Purchasing of buildings

- Supplanting funding for in-process or planned construction projects
- Significant retrofitting of buildings
- Cosmetic updates
- Any other cost that materially (significantly or substantially) increases the value of the capital
- Minor building alterations or renovations
- Equipment upgrades

Allowable capital expenditures includes purchasing new equipment and information technology purchases.

Davis-Bacon and Related Acts Compliance

This project may be subject to the [Davis-Bacon and Related Acts](#) (40 U.S.C. § 3141 et seq.). If applicable, the applicant must comply fully with all federal and state prevailing wage requirements. This includes incorporation of the federal contract clause at [FAR 52.222-6](#), Davis-Bacon Act, into all capital improvement expenditures contracts and subcontracts in excess of \$2,000, as required by [48 CFR § 22.403-1](#).

The applicant must ensure that all laborers and mechanics employed by contractors or subcontractors on covered work are paid wages at rates not less than those determined by the U.S. Department of Labor for the corresponding classes of laborers and mechanics. The [Wage Determination page](#) from the General Services Administration can be used to support this. If awarded, the applicant will require submission and retention of certified payroll records and will ensure compliance with all applicable reporting, recordkeeping and enforcement requirements. [Online tools for simplifying Davis-Bacon certified payroll reporting](#) are offered from the U.S. Department of Labor's Wage and Hour Division.

5) Application Review and Selection

Applications will be reviewed and scored solely on what is presented within the application materials. The committee will score applications based on criteria in the "Scoring Tool" found in the required documents section of the [funding opportunity webpage](#).

HHS aims to notify applicants about their award in a timely manner. HHS reserves the right to support applicants with changes to their project proposals to ensure HHS's RHTP commitments are upheld; additionally, HHS may require applicants to supplement responses. HHS is in a cooperative agreement with CMS for RHTP and is subject to substantial CMS project involvement. This may impact funding timelines.

The awarded applicant(s) will be sent an agreement to sign and return to HHS. The awarded applicant(s) shall comply with the agreement provisions set out in the sample

documents. Due to the limited timeframe associated with the funding source for this funding opportunity, HHS will not entertain any changes to the agreement Terms and Conditions.

Additional Information

Information may change based on upon updated federal guidance or upon further consideration by HHS.

Learn More: [Rural Health Transformation | Health and Human Services North Dakota](#)

If you have feedback on the application process, please complete our [Funding Opportunity Feedback Survey](#).

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