North Dakota Health and Human Services | Rural Health Transformation Program

Competitive Funding Opportunity Application Guidance

Funding Opportunity Name: Coordinating and Connecting Care

Funding Opportunity Solicitation Number: 210-362

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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 healthcare delivery systems and improve health outcomes. This program administered by the Centers for Medicare and Medicaid Services (CMS), aims to address longstanding healthcare challenges facing rural communities, which may include 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 Coordinating and Connecting Care funding opportunity aims to strengthen care coordination and information exchange across North Dakota while supporting the development of actionable planning products for a neutral, sustainable, statewide Community Information Exchange (CIE) and closed-loop referral system. The future CIE and closed-loop referral system would help participating healthcare providers, payers, community-based and volunteer organizations, tribal partners, and other authorized participants securely send, receive, track and complete referrals across organizations.

This funding opportunity supports Initiative 3: Bring High-Quality Healthcare Closer to Home by strengthening the planning, partnerships, governance, and care-coordination strategies needed to improve access to coordinated services for rural North Dakota residents. Year 1 activities are limited to planning and are intended to establish the foundation for future statewide decision-making, procurement, pilot activities, and implementation, if pursued by HHS.

The opportunity recognizes that effective care coordination depends on coordinated referral practices, strong partnerships, and thoughtful planning for care coordination programs and future secure information exchange across healthcare and community-based and volunteer organizations. During Year 1, the recipient shall evaluate and assess existing care coordination processes, IT platforms across payers and providers, referral workflows, governance models, stakeholder needs and technical considerations and create a cross-sector advisory committee, identify pilot sites, identify IT needs and identify target populations, including dual-eligible Medicaid and Medicare members, necessary to support future statewide care coordination. Planning activities conducted through this funding opportunity are intended to identify practical, sustainable approaches that may inform future statewide implementation efforts.

ND HHS intends to make one Year 1 planning-grant award. The selected recipient shall develop a neutral planning approach, stakeholder engagement strategy, governance framework, technical assessment, and implementation roadmap to strengthen statewide rural care coordination and closed-loop referrals. The planning project is intended to inform future statewide decision-making and does not authorize procurement or implementation of a statewide CIE or closed-loop referral system.

The recipient shall design and implement a planning project that advances statewide rural care coordination, interoperability, and closed-loop referral capabilities. Rural communities, participating healthcare and community-based and volunteer organizations, Medicaid members, and other rural residents will be the primary beneficiaries of the funded planning activities.

Eligible Planning Activities

The recipient shall use funding to conduct planning activities that include, but are not limited to:

- Convening, evaluating and assessing stakeholder needs, including rural healthcare providers, community-based and volunteer organizations, patients, consumers or their representatives, payers, tribal partners, state stakeholders and other appropriate participants.
- Creating a cross-sector advisory committee.

- Assessing referral and care coordination barriers affecting rural residents and Medicaid members.
- Inventorying, evaluating and assessing existing care coordination programs and processes; referral workflows; IT platforms across payers and providers, including electronic health record systems and existing health information exchange capabilities; and related state or organizational initiatives.
- Exploring governance, ownership, financing, privacy, security, consent, neutrality, data sharing and sustainability models.
- Conducting workflow demonstrations, simulations, readiness assessments or other limited planning activities that do not constitute statewide implementation.
- Evaluating the feasibility of integration with existing health information exchange capabilities, electronic health record systems, future population health data hub initiatives, payer systems, community service platforms and other relevant infrastructure.
- Developing stakeholder-informed planning approaches, performance measures, implementation strategies and sustainability models.
- Identifying potential pilot sites and target populations, including dual-eligible Medicaid and Medicare members, participating organizations, geographic areas, IT needs and future implementation phases necessary to support future statewide care coordination.

Applicants may propose additional planning activities that support the objectives of this funding opportunity beyond the planning activities required above. Applicants will have meaningful discretion to determine the methodology, partnerships, activities and resources used to achieve the required planning activities, proposed outcomes, subject to applicable RHTP requirements and the approved grant agreement.

Minimum Year 1 Grant Outcomes

At a minimum, the planning project must result in:

- Meaningful engagement of rural healthcare, community-based and volunteer organizations, stakeholders and Medicaid members.
- Creation of a cross-sector advisory committee.
- A documented understanding of existing assets, barriers, unmet needs and readiness.
- A feasible, recipient-selected approach for improving closed-loop referrals and rural care coordination.
- A proposed path toward sustainability, scalability and broader adoption.
- Documented findings, lessons learned, risks and recommended next steps, including existing care coordination programs and IT platforms across payers and providers, gap analysis, pilot sites, targeted population members and identifying IT needs.

The recipient may submit reports, diagrams, budgets, demonstrations, presentations or other materials as evidence of progress toward these outcomes. The specific format

and methodology used to complete the planning work may be determined by the recipient, provided all applicable grant requirements are met.

Year 1 Limitations

This funding opportunity will not procure, launch or fully implement a statewide CIE or closed-loop referral system. Participation in the planning process does not commit or obligate any healthcare provider, payer, community-based or volunteer organization, tribal partner, or other stakeholder to participate in or use a future statewide system.

The recipient may not require provider participation or develop approaches that preferentially route referrals to the recipient, an affiliated organization or a preferred healthcare provider. Proposed approaches must support neutral referral practices, broad stakeholder engagement and meaningful participation by rural healthcare and community-based and volunteer organization partners.

A Year 1 planning-grant award does not guarantee additional RHTP funding or selection for future pilot, procurement or implementation activities. Any future acquisition or implementation of a statewide CIE or closed-loop referral system will be conducted through the applicable state procurement and approval processes. The completed planning project will inform future decisions by HHS and participating stakeholders regarding potential pilots, procurement opportunities, implementation activities or other state actions.

Per federal guidance in CMS's RHTP Notice of Funding Opportunity and Service Commitment Fact Sheet, individual financial incentives are tied to a minimum five-year service commitment. As part of the application review, HHS will determine whether applicant-proposed strategies are subject to the federal five-year service commitment requirement and will notify the applicant accordingly.

Funding Opportunity Metrics

This funding opportunity is intended to support future improvement in the applicable metrics and outcomes identified in North Dakota's approved Rural Health Transformation Program (RHTP) Project Narrative for Initiative 3: Bring High-Quality Healthcare Closer to Home.

Related projects and strategies are described on page 44 of the Project Narrative, with applicable metrics identified on pages 55–57. Additional project activities and outcomes are described on pages 23–25 of the Project Appendices. Because this is a Year 1 planning opportunity, not all identified metrics and outcomes will apply directly to the proposed planning project. Applicants should describe how the proposed planning

activities will establish the foundation for future improvement rather than represent that statewide implementation or population-level outcomes will be achieved during the planning period.

Applicable metrics may include:

- Improve coordination of care for Medicaid members.
- Improve getting care quickly for Medicaid members.
- Improve timely access to specialist appointments for Medicaid members.
- Improve care coordination through a statewide CIE and closed-loop referral system.
- Improve secure information exchange and interoperability among healthcare providers, payers, community-based and volunteer organizations, tribal partners and other authorized partners.

Applicants should explain how the proposed planning project will support future achievement of one or more of these statewide RHTP metrics through planning, stakeholder engagement, governance development and implementation readiness activities.

Priority

As part of the application review and scoring process, priority consideration will be given to applicants that demonstrate the capacity to develop a neutral, comprehensive and actionable planning approach to support future statewide care coordination, including recommendations for a statewide CIE and closed-loop referral system in North Dakota. Proposed planning activities should align with the objectives of this funding opportunity and the Year 1 planning focus.

Preference may be given to applicants that demonstrate:

- Experience with multi-organization care coordination, closed-loop referrals, interoperability or CIE initiatives.
- Knowledge of rural healthcare delivery and the needs of Medicaid members, including dual-eligible Medicaid and Medicare members.
- The ability to assess existing care coordination programs, referral workflows, electronic health record systems, existing health information exchange capabilities, future population health data hub initiatives, payer systems and other relevant infrastructure.
- Experience engaging healthcare providers, payers, community-based and volunteer organizations, tribal partners, state agencies and other stakeholders.
- Experience developing governance, privacy, consent, data-sharing, operational and sustainable financing models.

- The ability to develop practical recommendations and a phased roadmap to inform future pilot, procurement or implementation activities.

The ability to objectively evaluate existing systems and potential approaches without favoring any healthcare system, provider, payer, technology vendor or proprietary technology solution.

Applicants should demonstrate their ability to serve as a neutral statewide convener and describe how neutrality, broad stakeholder engagement and meaningful participation by rural healthcare and community-based and volunteer organization partners will be maintained throughout the planning process.

3) Eligibility

Applicants must propose planning activities that primarily benefit rural North Dakota residents, including Medicaid members and dual-eligible Medicaid and Medicare members. The populations considered in the planning process may also include rural tribal residents, caregivers and other populations.

Because this is a statewide planning opportunity, applicants are not required to provide direct healthcare services or operate exclusively in a rural location. However, applicants must demonstrate a clear rural focus, an understanding of rural healthcare and community-service delivery, and the organizational capacity to engage stakeholders serving rural residents and Medicaid members.

Applicants must also demonstrate the ability to serve as a neutral statewide convener by conducting planning activities in an objective manner that does not favor a particular healthcare system, provider, payer, technology vendor, proprietary technology solution or other organizational interest.

Eligible organizations are:

- Health Information Exchange (HIE) or Community Information Exchange (CIE) organizations
- Rural health networks, associations and collaboratives
- Institutions of higher education or research organizations
- Community-based or volunteer organizations
- Payer or managed-care organizations
- Governmental or quasi-governmental entities
- Organizations with demonstrated experience in care coordination, closed-loop referrals, interoperability, data governance, CIE, stakeholder engagement or statewide planning

Partnerships or consortiums may apply but must designate one eligible organization as the lead applicant and fiscal agent. The lead applicant will be responsible for grant administration, project oversight, required reporting, and coordination among participating organizations.

Participation in the Year 1 planning process will not obligate any healthcare provider, payer, community-based or volunteer organization or other stakeholder to adopt or use a future statewide system.

4) Available Funds and Timeline

This is a competitive funding opportunity application process for Year 1 RHTP funding. An additional application process for the Coordinating and Connecting Care 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 Aug. 31, 2027. All grant-funded planning activities must be completed, and all funds must be expended by this date. Required deliverables, including the final written plan and presentation to HHS, must be completed and submitted before the end of the operating period. Costs incurred after the operating period ends will not be eligible for reimbursement.

Approximately $1 million in total federal funding is available for the Coordinating and Connecting Care funding opportunity. HHS anticipates making one Year 1 planning-grant award. The final award amount will depend on the application received, the proposed scope of work, available funding and the extent to which the proposed project supports the objectives and required deliverables of this funding opportunity.

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 the total budget of the Coordinating and Connecting Care 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 all RHTP funding opportunities; however, only one application per organization may be submitted for this funding opportunity.

5) Reporting Requirements

The successful applicant will be required to submit reimbursement requests and supporting expenditure documentation, periodic programmatic and fiscal reports, evidence of milestone completion, progress toward approved project outcomes and impact stories, as requested by HHS.

The recipient must also provide final documentation summarizing stakeholder engagement, planning activities completed, findings, lessons learned, identified risks, recommendations and proposed next steps. Reports, governance frameworks, implementation roadmaps, diagrams, presentations, demonstrations or other planning products may be used to document project performance and completion of the minimum Year 1 grant outcomes.

The recipient may also be required to participate in meetings, presentations, or other project-related activities requested by HHS to support statewide planning, coordination, evaluation or knowledge sharing.

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

Additional reporting requirements may apply based on updated federal guidance or CMS requirements.

6) Application Submission

Applications for this funding opportunity are due by August 26, 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.

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

A complete application must include responses to all questions and a completed budget using the “Itemized Subrecipient Budget Template.” Applicants are required to upload the completed budget template in Excel format to Qualtrics.

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 must be submitted through the Qualtrics survey.

7) Technical Assistance

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

Wednesday, August 12th, noon to 12:45 p.m. CT

Registration Link

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 seven 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 Coordinating and Connecting Care 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 and related details for the application. ND HHS has provided an "Itemized Subrecipient Budget Template." All application components will be submitted through Qualtrics.

1. Background Information
2. Project Narrative
   a. Identified Need
   b. Proposed Project

3. Budget

The application questions, along with full details, are provided in this document, 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 and a completed Itemized Subrecipient Budget Template must be submitted through the Qualtrics survey.

1) Background Information

Provide the following organizational information:

a) Organization Name and Background – Provide the organization name, Unique Entity ID (UEI) number from SAM.gov (if known), location, additional facilities and the estimated population served and service area. Describe how the applicant aligns with the eligibility criteria. If applying as a partnership or consortium, identify the lead applicant and fiscal agent.
b) State your project title, if applicable
c) Describe the overarching goal and high-level change the organization aims to make.
d) Key Personnel
e) Identify the project lead who will serve as the primary point of contact to receive communications about the project. Provide first and last name, title, phone number, email, relevant credentials and experience managing funds or special projects and role in the project.
f) To expedite the agreement process, please identify the key personnel who will sign the agreement. Provide first and last name, title, phone number, email, relevant credentials and experience managing funds or special projects and indicate if they will have additional roles in the project.
g) Identify who will be responsible for managing grant funds, including submitting invoices, if known. Provide the first and last name, title, phone number, email, relevant credentials and experience managing funds or special projects and indicate if they will have additional roles in the project.
    - Will there be additional internal key personnel? If yes, identify their first and last name, title, phone number, relevant credentials and experience managing funds or special projects, and role in the project. Up to two additional, internal key personnel can be identified.

Will an external source (consultant, vendor, partner organization or other source) be supporting the project? If yes, provide the organization name, relevant credentials and experience, and role in the project. Please note, a paid external consultant, vendor or other will need to be identified in the budget with appropriate justification. If a partner organization is indicated, provide a letter of support from the partnering organization indicating their involvement in the project.

2) Project Narrative

The project narrative must address the identified need and proposed planning activities. Be as specific and concise as possible. Keep the narrative clear and focused on how the proposed planning project will strengthen care coordination, closed-loop referrals, interoperability and secure information exchange for rural North Dakota residents, including Medicaid members and, when applicable, rural tribal residents.

a) Identified Need

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

a.1. Discuss the care coordination, referral management, information-sharing, and interoperability challenges the proposed planning project aims to address. Describe how fragmented systems, inconsistent referral processes, limited referral tracking or other barriers affect rural healthcare providers, community-based and volunteer organizations, Medicaid members and rural North Dakota residents.
a.2. Identify and describe the populations and stakeholder groups whose needs will be considered during the planning project. The planning process must address the needs of rural North Dakota residents and Medicaid members, including dual-eligible Medicaid and Medicare members. This may also include rural tribal residents, caregivers and other populations. Describe how these populations and stakeholders will be meaningfully engaged and prioritized throughout the planning process.
a.3. Is the proposed project currently in progress, supported by other funding sources or already being implemented within the organization or community?
a.4. Please describe the applicant's experience serving as a neutral convener or facilitating multi-organization planning efforts involving diverse stakeholders.
a.5. Explain why new or expanded planning efforts are needed. Describe how the proposed project will address gaps not fully addressed by existing initiatives and avoid duplicating current care coordination, existing health information exchange capabilities, future population health data hub initiatives, payer, provider or community-based or volunteer organization efforts. Explain how the applicant will coordinate with HHS, NDIT, healthcare providers, payers, community-based and volunteer organizations, tribal partners and other appropriate stakeholders to align efforts and avoid unnecessary duplication of planning activities.

b) Proposed Project

The applicant must provide detailed information about the proposed planning project, including the outcomes, strategies, services and tasks. Each outcome, strategy, service and task must include sufficient detail to demonstrate how the proposed planning activities align with the eligible activities and requirements identified in this funding

opportunity. When applicable, strategies, services and tasks should be evidence-based, evidence-informed or represent promising practices.

Additionally, applicants must propose outcomes, strategies, services and tasks that align with the RHTP evaluation plan and applicable metrics. The applicable components of Initiative 3: Bring High-Quality Healthcare Closer to Home are identified in the Funding Opportunity Description section of this guidance. Proposed planning activities should support one or more of the identified RHTP metrics and outcomes.

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, 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 detail the indicated number of strategies will be provided.
b.3. For the identified strategy, identify the top three to five metrics that will be used to measure progress on the project. Identify how progress on the metric 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.
b.4. The applicant must develop recommendations for sustaining a future statewide CIE and closed-loop referral system beyond the initial planning and implementation periods. Explain how the identified strategy will address long-term governance, ownership, operations, financing, maintenance and continuous improvement. Applicants may consider the following questions when assessing sustainability:

- What organization or governance structure could oversee and operate the future system?
- What start-up and ongoing operating costs are anticipated?

- What state, federal, payer, healthcare provider or community partner funding sources could support the future system?
- Could the future system generate cost savings, improve reimbursement, or reduce administrative burden?
- How could participating organizations share costs or contribute resources?
- What staffing, technical support, training, maintenance and continuous improvement activities would be required?
- How could the Year 1 planning work inform a future pilot, procurement or implementation opportunity?

b.5. Does the identified strategy include purchasing software, data-analysis tools, secure collaboration tools, short-term subscriptions, or other resources necessary to complete the proposed planning activities? If yes, explain why each item is necessary and how it will be used during the operating period. Funding under this opportunity may not be used to procure, implement, or operate a statewide CIE or closed-loop referral system, or for other unallowable capital expenditures.

b.6. CMS's Notice of Funding Opportunity identified elements to be addressed by RHTP projects. As it relates to the identified strategy, identify which elements apply to the proposed project. The identified elements should be clearly indicated in the outcome, strategy, service or task described in the proposed project description.

- **Improving access:**

By selecting this element, the applicant indicates the strategy increases rural residents' ability to obtain timely, appropriate healthcare services or items. This includes access to hospitals, primary care, specialty care, behavioral health, other services or healthcare items.

- **Improving outcomes:**

By selecting this element, the applicant indicates the strategy was developed to target improvement in specific healthcare outcomes of rural residents.

- **Technology use:**

By selecting this element, the applicant indicates the strategy includes the adoption or integration of new or emerging technologies that emphasize chronic disease management. The strategy should include an assessment of whether technologies are suitable and sustainable for rural providers and patients.

- **Partnerships:**

By selecting this element, the applicant indicates the strategy leverages collaboration with local and regional strategic partnerships between healthcare 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. Strategies should include the network that will be created or strengthened, including the governance structure.

- **Workforce:**

By selecting this element, the applicant indicates the strategy will support recruiting, training and retention of clinicians and other healthcare professionals in rural areas.

- **Data-driven solutions:**

By selecting this element, the applicant indicates the strategy uses data, analytics and technology to plan, deliver and evaluate high-quality healthcare services as close to the patient's rural home as possible.

- **Financial solvency strategies:**

By selecting this element, the applicant indicates the strategy includes reforms or innovations that strengthen the financial stability of rural hospitals and providers.

- **Cause identification:**

By selecting this element, the applicant indicates the strategy addresses why rural health and healthcare is at risk.

b.7. North Dakota's RHTP application identified an evaluation plan and metrics, detailed in the Funding Opportunity section of this guidance and applicants are encouraged to present strategies to support the identified metrics. As it relates to the proposed planning strategy, identify which of the following RHTP outcomes the project is intended to support. Because this is a Year 1 planning opportunity, applicants should describe how the proposed strategy will establish the foundation for future improvement rather than represent that statewide implementation or population-level outcomes will be achieved during the planning period.

- Improve coordination of care for Medicaid members.
- Improve getting care quickly for Medicaid members.
- Improve timely access to specialist appointments for Medicaid members.
- Improve care coordination through a statewide CIE and closed-loop referral system.
- Improve secure information exchange and interoperability among healthcare providers, payers, community-based and volunteer organizations, tribal partners, and other authorized partners.

Because this is a planning opportunity, applicants should explain how the proposed planning strategy will support future achievement of one or more of these statewide RHTP outcomes through planning, stakeholder engagement, governance development and implementation readiness activities.

b.8. Being as concise as possible, complete a comprehensive timeline for the identified strategy. The timeline must identify key milestones and dates to detail how the applicant will carry out the proposed outcomes, strategy, services and tasks. Please include an estimated completion date for the strategy.

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 Aug. 31, 2027, and all funds must be expended by this date.

3) 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."

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.

Each funding opportunity is unique in its scope and intent. These are the cost categories that may apply to this funding opportunity:

- Personnel
- Fringe Benefits
- Travel and lodging (in-state)
- Travel and lodging (out-of-state)
- Supplies (Office, Educational)
- Postage, printing
- Information Technology, including planning software, data-analysis tools, secure collaboration tools, short-term subscriptions and demonstration or prototyping costs
- Consultant, contractual, sub-grantees
- Other (examples include indirect costs or administrative costs)

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

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.

Details on Unallowable and Limited Costs

- Modified total direct administrative/indirect costs are allowable but limited to 10% for all RHTP agreements*
- Capital expenditures are unallowable with this funding opportunity. Please see the Capital Expenditures section below for details and limitations.

- RHTP funding is designed to support expansion and scale to better serve rural communities, not to replace or duplicate existing funding sources. 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.
- 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 (e.g., 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 healthcare services may be funded if not currently reimbursable, will fill a gap in care coverage and/or may transform current care delivery models.
- 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 ND HHS's spending of RHTP funds. Individual agreements may be considered for costs exceeding the budget limitations.

Capital Expenditures and Remodeling

Capital expenditures are unallowable 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 above.

Unallowable capital expenditures for RHTP 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
- Vehicle 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, record-keeping 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.

4) 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.

ND 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 ND HHS's RHTP commitments are upheld; additionally, HHS may require applicants to supplement responses. ND HHS is in a cooperative agreement with CMS for RHTP and is subject to substantial CMS project involvement. This may delay funding timelines.

The awarded applicant(s) will be sent an agreement to sign and return to ND HHS. The awarded applicant(s) shall comply with the agreement provisions set out in the sample documents. Due to the limited time-frame associated with the funding source for this funding opportunity, ND HHS will not entertain any changes to the agreement terms and conditions.

Additional Information

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

Learn More: Rural Health Transformation | Health and Human Services North Dakota

Find support for completing RHTP applications: Connect With Regional Support | Health and Human Services North Dakota

If you have feedback on the application process, please complete the Funding Opportunity Feedback Survey.

This RHTP funding opportunity is supported by CMS of the U.S. Department of Health and Human Services as part of a financial assistance award totaling $198,936,969.55 with 100 percent funded by CMS/U.S. Department of Health and Human Services. The contents are those of ND HHS and do not necessarily represent the official views of, nor an endorsement, by CMS/U.S. Department of Health and Human Services, or the U.S. Government.