



# North Dakota Health and Human Services | Rural Health Transformation Program

Competitive Funding Opportunity Application Guidance

Funding Opportunity Name: Ensuring Safety Net Service Delivery

Funding Opportunity Solicitation Number: 210-341

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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 and 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 (ND 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 Health Care Closer to Home
- Initiative 4: Connect Tech, Data and Providers for a Stronger North Dakota

Following approval from CMS, ND 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 and 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

The Ensuring Safety Net Service Delivery funding opportunity aims to fill gaps in the health and behavioral health service delivery systems. This will improve North Dakota's health care safety net, the system of providers and programs ensuring health care access for vulnerable populations, including those living in rural areas and needing specialized care. This is identified in Initiative 3: Bring High-Quality Health Care Closer to Home of North Dakota's RHTP. Proposed projects eligible for this funding opportunity are:

- Technical assistance, training, planning and infrastructure development or equipment and remodeling for providers aiming to fill a gap in the current continuum of care. Examples may include:

- medically managed withdrawal management services
- youth and adult partial hospitalization/day treatment programs
- behavioral health crisis response
- pediatric and ventilator beds
- obstetric care
- home-based services
- Technical assistance, training, equipment and remodeling for providers expanding outreach and telehealth supports for underserved communities. Examples may include:
  - telehealth equipment
  - development of outreach models
  - mobile clinics
  - virtual care rooms for telehealth visits

Additionally, this funding opportunity aims to support improvement in the metrics identified for Initiative 3: Bring High Quality Health Care Closer to Home, found on pages 55-56 of the [project narrative](#) and pages 19-21 of the [project appendices](#). Please note, some metrics correspond to the broader Initiative 3 projects and may not directly apply to the Ensuring Safety Net Service Delivery funding opportunity. The metrics for this and related projects are:

- Increase telehealth and remote patient monitoring (RPM) encounters for Medicaid members
- Reduce avoidable emergency department visits for Medicaid members
- Improve coordination of care for Medicaid members
- Improve getting care quickly for Medicaid members
- Improve getting appointments with specialists as soon as needed for Medicaid members
- Establish 4–5 medically managed withdrawal management (detox) programs and 3–5 partial hospitalization/day treatment programs for youth and adults
- Engage at least 15 hospitals and community providers through technical assistance, grants and incentive structures to expand behavioral health capacity
- Improve access to intermediate behavioral health services, reducing preventable emergency room visits and hospitalizations
- Increase rural behavioral health workforce skills and retention through targeted training and operational supports
- Decrease suicide attempts

### 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 or tribal North Dakota residents and may include:

- Hospitals, clinics and home care providers
- Long-term care facilities
- Behavioral health providers
- Tribes and tribal health organizations
- Emergency medical services providers
- Other health care providers
- Transportation providers
- Local public health
- Nonprofit organizations
- Education systems
- Community organizations

For the Ensuring Safety Net Service Delivery funding opportunity, priority consideration will be given to applicants with proposals addressing:

- Behavioral health initiatives identified in North Dakota's RHTP application: medically managed withdrawal management services, behavioral health crisis response, youth or adult partial hospitalization programs and day treatment programs.
- Continuum of care gaps identified in North Dakota's RHTP application: pediatric and ventilator beds, obstetric care and home-based services.

### 4) Funding

This is a competitive funding opportunity application process for year one RHTP funding; a subsequent application process for the Ensuring Safety Net Delivery funding opportunity will be available 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 September 30, 2027, and all funds must be expended by this date.

Approximately \$15,000,000 in total federal funds is available in year one for the Ensuring Safety Net Service Delivery funding opportunity. The awards provided will be dependent on the applications received; an estimated 50 awards for approximately \$300,000 are expected to be funded in year one. Applicants may request funding at any level necessary to support their proposed project. However, applicants are encouraged to consider the feasibility of completing the proposed work with all funds expended by September 30, 2027.

ND 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 Ensuring Safety Net Delivery funding opportunity prior to issuing the award.

Refer to the [Budget section](#) below 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.

## **5) Reporting Requirements**

The successful applicant(s) will be required to submit reimbursement requests and/or supporting information, progress reports and impact stories to ND 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 May 29, 2026, at 5 p.m. CT. Applications must be submitted to ND HHS through [Qualtrics](#).

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, May 8, 12:00 - 12:45 p.m. CT

- [Register to attend](#)

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 you to submit questions for this funding opportunity to the [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.

## Application Requirements

Interested entities are required to submit an application to be considered for the Ensuring Safety Net Service Delivery 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 will provide a budget template. All application components will be submitted through [Qualtrics](#).

- 1.) Background Information
- 2.) Project Narrative
  - a. Identified Need and Proposed Goals
  - b. Strategies, Activities and Measurable Outcomes
- 3.) Action Plan
  - a. Timeline and Milestones
  - b. Metrics
  - c. Key Personnel
- 4.) Budget

### 1) Background Information

Provide the following organizational information:

- Organization Name and Background – Provide the organization name, location, additional facilities and the estimated population served.

- Project Lead and Contact Information – Identify the project lead who will serve as the primary point of contact to receive communications about the application. 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 the project will make a difference for rural and/or tribal health.

### a. Identified Need and Proposed Goals

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

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 or tribal residents and Medicaid members, but additional populations may be included.
- If the proposed project serves additional populations or is located in an urban area, describe how rural or tribal residents and Medicaid members will be served.

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 the 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

b.1. Describe, in outcome-focused terms, the specific strategies, services, tasks or activities the project will implement to address identified needs. If there are multiple strategies, activities or outcomes, please number in order of priority.

- Outcomes should be specific, realistic, measurable and directly linked to the strategies, services, tasks or activities described.
- When applicable, strategies and activities should be evidence-based, evidence-informed or a promising-practice.
- Each strategy, service, task or activity must include sufficient detail to ensure the scope is measurable and aligned with the eligible projects, metrics\* and requirements identified in this guidance.

\*Applicants must propose strategies, activities and measurable outcomes that align with the RHTP evaluation plan and metrics. The Initiative 3: Bring High Quality Health Care Closer to Home evaluation plan and metrics are identified in the [funding opportunity section](#) of this guidance. Projects should support some or all of the metrics.

b.2. The applicant must sustain successful projects after funding ends. If there are multiple strategies or activities, use the prioritized numbers from the identified strategies to explain how the project will be sustained and address how effective practices will be integrated into ongoing operations. Applicants may consider the following questions when assessing sustainability:

- Does the proposed project generate revenue?
- Does the projected need or utilization of a service generate revenue to cover the cost of the staff once the service is fully established?
- Does the proposed project help create savings in other health care costs that could be used to make up gaps in revenue?
- Is there a business plan?
- Is there a fundraising strategy?

b.3. Does the proposed project 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.4. [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:**  
How will the proposed project improve rural and/or tribal residents' access to care?
- **Improving outcomes:**  
How will the project improve outcomes listed in the [Funding Opportunity section](#) of this guidance?

- **Technology use:**  
How will new and emerging technologies be used to close an identified gap or increase outreach and telehealth services? How will adopted technologies be sustained long term?
- **Partnerships:**  
Which partnerships will be leveraged to close gaps in the system of care and expand outreach or telehealth services and how will these partnerships strengthen the continuum of care?
- **Workforce:**  
What training will be provided to fill a gap in the current service delivery system or increase outreach and telehealth services?
- **Data-driven solutions:**  
How will data and evidence-based strategies be used to support the project?
- **Financial solvency strategies:**  
How will the proposed project support financial stability of the organization? How will the proposed project be made financially sustainable?
- **Cause identification:**  
How will the proposed project address the cause(s) of the gap in the continuum of care?

### 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.

As a reminder, the operating period will start upon the execution of the agreement, with all required approvals and signatures. The operating period will end on September 30, 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**

Using the ND HHS provided “Itemized Subrecipient Budget Template,” provide an itemized budget with appropriate justification for each cost category. If applicable, include any indirect cost paid under the subrecipient and the indirect cost rate used. If there are multiple strategies or activities, please apply the corresponding priority numbers from the project narrative to the related budget items.

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](#) document. The limits and unallowable costs detailed in this section come from federal guidance and are non-negotiable.

Modified total direct administrative/indirect costs are allowable but limited to 10 percent for RHTP agreements.

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.

### **Capital Expenditures and Remodeling**

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 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

Allowable capital expenditures include investing in existing rural health care facility buildings and infrastructure, such as minor building alterations or renovations and equipment upgrades. Minor renovations or alterations must be clearly linked to RHTP and funding opportunity outcomes. Minor renovations or alterations cannot exceed 20% of total funding in a budget period.\*

### **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.

### **Vehicle Purchases**

RHTP funds can be used to purchase a new or used vehicle to fulfill objectives of the funding opportunity. Vehicle purchase requests will be reviewed on a case-by-case basis by CMS and approval is not guaranteed. The order must be placed by September 30, 2026. Delivery must occur by September 30, 2027.

### **Additional Unallowable and Limited Costs**

- 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 (example: 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 September 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.

## 5) Application Review and Selection

Applications will be reviewed and scored solely on what is presented within the application materials. The reviewing committee will score applications based on criteria in the Scoring Tool.

ND HHS aims to notify applicants about their award in a timely manner. ND HHS reserves the right to support applicants with changes to their project proposals to ensure ND HHS’s RHTP commitments are upheld; additionally, ND 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 impact 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 timeframe 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 upon updated federal guidance or upon further consideration by HHS.

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% 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.

Learn More: [Rural Health Transformation Program webpage](#)