

**Rural Health Facilities Capital Improvement Program
Notice of Funding Opportunity (NOFO)**

Part 1. Full Text of the Announcement

A. Program Description and Goals

The Louisiana Department of Health (LDH), through the Office of Rural Health Transformation and Sustainability, is issuing this Notice of Funding Opportunity (NOFO) to support targeted capital investments that strengthen rural healthcare infrastructure, expand access to care, improve service delivery capacity, and enable sustainable innovation deployment across rural healthcare providers. Funding prioritizes ready-to-implement projects that deliver measurable outcomes for rural populations and strengthen long-term sustainability.

This initiative is designed to accelerate implementation of projects that:

- Expand and enhance access to primary care, specialty care, obstetric, cancer, behavioral health, emergency, and other essential healthcare services in rural and underserved communities.
- Improve infrastructure, facility capacity, and operational readiness to support coordinated, accessible, and sustainable rural healthcare delivery.
- Support modernization of clinical facilities or medical equipment.
- Improve quality, patient experience, workforce support, and service delivery capacity for high-need and medically underserved populations.
- Support innovative and scalable models of care delivery that improve healthcare access, operational efficiency, and long-term sustainability in rural communities.

Applicants must demonstrate clear linkage between proposed capital investments and measurable rural health access, operational, and healthcare outcomes.

Proposed projects should identify specific baseline conditions, project milestones, target outcomes, and methods for ongoing performance monitoring. Examples of measurable outcomes may include expanded patient capacity, increased access to essential services, reduction in wait times, increased specialty service availability, improved patient and workforce experience, improved care coordination capacity, reduction in avoidable transfers or service disruptions, increased operational efficiency, enhanced technology capabilities, and improved sustainability of rural healthcare operations.

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Applicants are encouraged to demonstrate how proposed capital investments align with the goals, priorities, and strategic objectives of the Rural Health Transformation Program (RHTP), including improving rural healthcare access, strengthening service delivery infrastructure, supporting sustainable healthcare operations, improving care coordination capabilities, modernizing healthcare technology, and improving measurable health outcomes for rural and underserved populations.

B. Financial Management and System of Internal Controls:

Funding for this opportunity is made available through the U.S. Department of Health and Human Services (HHS) Center for Medicare and Medicaid Services (CMS) Cooperative Agreement. All terms and conditions of the Cooperative Agreement for Rural Health Transformation Program (RHTP) Centers for Medicare & Medicaid Services that apply to the Louisiana Department of Health (LDH) also apply to subrecipients and subrecipient agreements awarded under this NOFO.

If selected for funding, the subrecipient must:

1. Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.
2. Comply with applicable Federal statutes, regulations, and the terms and conditions of the Federal award.
3. Cover eligible activity costs upfront and receive reimbursement through the grant process.
4. Comply with applicable State statutes and regulations.
5. Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
6. Be prepared to execute the Cooperative Endeavor Agreement within two weeks of receiving the final document.

C. Eligibility Information

1. *Eligible Use of Funds*

Award Size: \$100,000-\$10,000,000 (based on project scope)

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Funding supports one-time capital investment projects that directly improve care delivery. These projects may be multi-year. Project plans must allocate projected expenses monthly. Documented need for the following priorities should be clearly defined:

Facility Renovation or Expansion

- Clinical space upgrades (exam rooms, labs, behavioral health)
- Non clinical space upgrades (childcare facilities, resident housing, vehicles)
- Structural improvements (HVAC, electrical, plumbing)

Medical Equipment

- Imaging, diagnostics, lab systems
- Emergency and critical care equipment

Technology Infrastructure

- Network, cybersecurity, and connectivity

Routine operational costs are not allowed (e.g., salaries, supplies, leases)

2. Ineligible Use of Funds

- New construction is unallowable.
- Supplanting funding for in-process or planned construction projects or directing funding towards new construction builds is unallowable.
- Renovations or alterations to existing rural health care facility buildings and infrastructure, including minor building alterations or renovations and equipment upgrades to ensure long-term overhead and upkeep costs are commensurate with patient volume are allowable if they are clearly linked to program goals.
- Administrative costs including salary and wages cannot be requested but can be documented as cost share.
- Supplies cannot be requested but can be documented as cost share.

3. Eligible Organizations

Applicants must meet all of the following:

- Organizations must qualify as “rural” under the Louisiana Rural Health Transformation Program definition and methodology. To confirm your organization is rural, visit [RHTP Funding Opportunities](#)
- Eligibility may be based on geographic location, rural patient population served, provider shortage designation, or other criteria established under the RHTP

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- framework. Additional information regarding rural eligibility and methodology is available through the RHTP Funding Opportunities materials.
- Demonstrate financial, infrastructure, or access-related need through a documented assessment
 - Be licensed by LDH or applicable licensing agency as a:
 - Rural Health Clinics (RHCs)
 - Federally Qualified Health Centers (FQHCs) or look-alikes
 - Critical Access Hospitals (CAHs)
 - Small rural hospitals (< 50 beds)
 - Rural EMS providers
 - Rural behavioral health or substance use providers
 - Independent rural practices (Rural physician or physician group, pharmacy, dentist)
 - Demonstrate financial, infrastructure, or access-related need to rural patients through a documented assessment

4. *“In Kind” Requirements and Sustainability Plan*

- Applicants are required to demonstrate a mandatory minimum cost share/matching contribution of 10% of the total direct costs requested to the capital project and long-term sustainability beyond the initial capital investment.
- Matching support may include cash contributions or in-kind contributions reflecting organizational commitment, partnerships with local health systems or MCOs and philanthropic contributions.
- Projects that leverage funds to enable ongoing revenue generation, reduce operating costs, or support scalable service models (e.g., telehealth, care coordination infrastructure) will be viewed more favorably.
 - Applicants must describe the anticipated post-grant operating model for the proposed telehealth infrastructure investment, including expected utilization, staffing support model, reimbursement strategy, payer alignment, anticipated telehealth-related revenue generation, and long-term maintenance or technology support plans.
 - Sustainability plans should clearly explain how the proposed investment will remain operational, financially viable, and integrated into routine care delivery workflows following the conclusion of grant funding.
 - Projects that demonstrate scalable and sustainable service models, improved operational efficiency, reduced long-term costs, enhanced reimbursement opportunities, or measurable support for ongoing rural healthcare access and care coordination will be viewed more favorably during application review.

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5. Priority Funding Areas

Projects will be prioritized based on alignment with the following strategic priority areas:

A. Access and Service Delivery

- Expanding access to primary care, obstetric, behavioral health, cancer, specialty, or emergency services in rural communities.
- Increasing availability of services through telehealth-enabled delivery models.
- Supporting new or expanded rural service lines that improve continuity of care and reduce barriers to access.
- Improving care coordination, referral management, and timely access to clinical services.
- Improving patient and workforce experience through modernization of care delivery infrastructure.

B. Telehealth Technology and Infrastructure

- Supporting implementation or expansion of telehealth infrastructure, platforms, and connected technologies.
- Enhancing remote patient monitoring (RPM), virtual care delivery, scheduling, patient engagement, or clinical communication capabilities.
- Supporting interoperability, connectivity, cybersecurity, and technology upgrades necessary for telehealth operations.
- Improving provider and patient access to reliable digital health tools and equipment.

C. High-Need and Underserved Population Impact

- Improving service delivery for rural, high-poverty, medically underserved, or provider-shortage communities.
- Supporting patients with chronic conditions, behavioral health needs, maternal health needs, substance use disorders, or complex care coordination requirements.
- Reducing disparities in healthcare access, utilization, and health outcomes for rural and underserved populations.

D. Capacity and Sustainability

- Strengthening long-term operational sustainability, efficiency, and scalability of rural healthcare services
- Supporting infrastructure investments that align with broader RHTP goals and measurable rural health outcomes.

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E. Other Requirements

1. Participation Requirements

Facilities participating in this program are required to comply with the following:

- Submit an initial application for participation in the program, including completion of a Statement of Work. See Appendix B: Statement of Work Requirements, Rural Health Facilities Capital Improvement Program
- Agree to comply with mandated state and federal audit requirements including Site reviews and random verification by LDH and monitoring entities, as required
- Execute project within defined timeline
- Maintain funded improvements for a minimum of 5 years
- Submit quarterly and annual reports to LDH that include measurable outcomes aligned with RHTP priorities

2. Reimbursement Requirements

Upon approval of the application, facilities will receive a Cooperative Endeavor Agreement outlining the terms and conditions of the award.

Facilities will be required to incur expenses before requesting funds. **After expenses are incurred**, reimbursement requests will be submitted to LDH via invoice.

Funding will be reimbursed based on deliverable/task completion that is outlined in the Cooperative Endeavor Agreement. Invoices must include an itemization of actual expended costs that are allowable, allocable, and reasonable project expenses with supporting receipts and records.

LDH reserves the right to ask for additional clarification to confirm payment before reimbursement.

3. Supplanting/Non-Supplanting

Federal funds must be used to supplement (add to), enhance, or expand existing services for program activities and not replace those funds that have been appropriated for the same purpose. A subrecipient may not use Federal grant funds to defray any costs that the recipient is already obligated to pay. The possibility of supplanting will be the subject of careful application review, possible pre-award review, post-award monitoring, and audit of any finding.

Subrecipients must disclose any existing or proposed federal, state, local, or private funding sources that support the same capital improvement project as this program.

LDH reserves the right to coordinate, reduce, or deny duplicate payments to prevent overlapping use of funds for the same position or incentive purpose.

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F. Application and Submission Information

This opportunity will be available once per grant budget year. **To be considered for Year 1 Funds, applications must be received no later than July 10, 2026.** Projects can be multi-year, but funds awarded for Year 1 must be expended by September 30, 2027. LDH reserves the right to establish phased reimbursement schedules tied to project milestones, implementation progress, inspection verification, or deliverable completion.

June 1, 2026	Notice of Funding Opportunity Issued
June 8, 2026	Deadline to Submit Written Questions Submit questions here.
June 15, 2026	Answers to Written Questions Posted
July 10, 2026	Application Submission Deadline for Year 1 Funds
July 10 - Early August, 2026	Application Evaluation Period for Year 1 Funds
Late July to Early August	Notice of Intent to Contract Announcements

Note: There will be opportunities for applicants awarded Year 1 funds to apply for continuation/additional incentive funds in future RHTP budget years. Applicants proposing multi-year projects must provide a phased implementation timeline, projected annual expenditures, anticipated milestones, and expected outcomes associated with each project phase.

Please submit an application for the [Rural Health Facilities Capital Improvement Program here.](#)

Applicants will be required to provide the following information **AND** attach a Statement of Work compliant with Appendix B. Statement of Work Requirements.

Information required for application:

- Organization Name
- Organization Type
- Program Contact Name
- Program Contact Phone Number
- Program Contact Email Address
- Physical Address, City, State, Zip Code
- Tax Identification Number
- Louisiana Department of Revenue Number
- Justification for rural designation in alignment with the RHTP definition and methodology
- Parishes or ZIP codes Served
- Brief Program Description

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G. Required Registrations for Applicants

All organizations are required to provide the following documents if chosen for award:

- a. Federal Tax Identification Number
- b. IRS Form W-9 (Taxpayer Identification and Certification)
- c. Louisiana Vendor Profile Data Form. State of Louisiana Self-service Request for Vender <https://www.doa.la.gov/Pages/osrap/VendorPayments.aspx>
- d. Board Resolution designating signature authority (if applicable)
- e. Disclosure of Ownership from the Louisiana Secretary of State (if applicable)
- f. Applicable Louisiana Department of Health License (current and in good standing)
- g. SAM (System for Award Management) Number and current expiration date

H. Application Review Information and Notice of Award

Applications will be reviewed on an annual basis. Submission of an application does not guarantee funding.

Criteria	Max Points
Documented Need & Rural Impact	30
Project Feasibility & Readiness	25
Impact on Access, Quality, and Outcomes	25
Sustainability & Long-Term Benefit	10
Budget & Cost Effectiveness	10
Total	100

Optional bonus points may be awarded for projects:

- Addressing Priority Funding Areas
- Serving high-poverty or high-disparity populations
- Expanding essential services (OB, ED, behavioral health)
- Involving financially distressed facilities

Scoring will be conducted through structured survey-based review tools to ensure consistency and transparency.

LDH may request additional information, clarifications, or supporting documentation during the application review process. Eligible applicants will receive a formal Notice of Intent to Contract outlining the Cooperative Endeavor Agreement process and requirements. LDH reserves the right to approve, partially fund, defer, or deny any application based on available resources and program considerations.

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Appendix A

Overview Information

Participating Organization:	Louisiana Department of Health, Office of Rural Health Transformation and Sustainability (LDH) www.ldh.la.gov/page/rural-health-transformation-program
Funding Opportunity Title:	Rural Health Transformation Program (RHTP) Rural Health Facilities Capital Improvement Program, Budget Year 1
Announcement Type:	RHTP – New Grants
Federal Award Identification (CFDA) Number:	RHTCMS332085
Federal Award Amount:	RHTP Budget Year 1: \$208,374,447.57
Period of Performance:	12/29/2025 through 10/30/2030 Project Periods are determined on a case-by-case basis
Funding Opportunity Purpose:	The primary purpose of the Rural Health Facilities Capital Improvement Program is to support targeted capital investments sustaining innovative care models to improve access, quality, and care coordination across rural Louisiana. This program is authorized by Section 71401 of Public Law 119-21
Application Types Accepted:	New Applications
Due Dates:	To be considered for Year 1 Funds (August 1, 2026-September 30, 2027), applications must be received no later than July 10, 2026.
Funds Available:	RHTP Capital Improvement Budget Year 1: \$39,900,000.00

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Appendix B.

Statement of Work Requirements

Formatting requirements:

- Font: Use Times New Roman or Arial, size 11 or 12-point font; 10-point font is considered acceptable for tables
- Margins: Maintain one-inch margins on all sides
- Line spacing: Use single-spaced or 1.5-spaced text
- Page numbers: Number all pages consecutively in the bottom right corner

Section I. Applicant Information:

Applicants must provide information describing the organization, service area, physical location(s), populations served, annual patient or encounter volume, services offered, and other relevant operational details.

Applicants should also include a summary of the healthcare needs within the proposed service area or target population, including documented barriers to access, provider shortages, technology limitations, transportation challenges, health disparities, chronic disease burden, behavioral health needs, maternal health concerns, or other factors demonstrating the need for telehealth infrastructure investment.

Where available, applicants are encouraged to include supporting demographic, utilization, workforce, or public health data to demonstrate the significance of the identified healthcare access or service delivery gaps affecting rural and underserved populations.

Section II. Program Description: The program description should include:

1. A statement of need supported by data that includes an overview of the organization's readiness to begin the project including partners involved.
2. A project description and project plan outlining the project's scope, objectives, tasks, milestones and resources. Attachments such as price quotes and architectural plans can be included.
3. Designation of Priority Funding Areas addressed by the project
4. A feasible sustainability plan with a detailed pro forma on anticipated costs and future revenues
5. Strategic alignment with broader regional healthcare strategy. Applicants are encouraged to demonstrate alignment with:
 - FHIR/API capability
 - Regional care coordination
 - EHR integration
 - Medicaid transformation efforts

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- HIE participation
- ADT connectivity
- Hospital stabilization strategies
- Behavioral Health integration
- Rural workforce expansion initiatives
- Integration into EMR clinical workflows

Section III. Performance Metrics & Outcomes: Proposals must clearly define performance metrics, baseline conditions, project milestones, and measurable outcomes that will be used to assess program success and alignment with the goals and strategic priorities of the Rural Health Transformation Program (RHTP). Applicants should identify both implementation milestones and outcome-based measures associated with the proposed capital improvement project.

Examples of performance measures may include, but are not limited to:

- Expansion of patient access capacity or service availability
- Increase in patient volume or number of rural residents served
- Reduction in wait times, delays in care, or patient transfers
- Expansion or stabilization of essential rural healthcare services
- Improvement in patient and workforce experience
- Improvement in care coordination, referral management, or operational workflows
- Increased access to behavioral health, maternal health, specialty, emergency, or chronic disease services
- Improvement in technology infrastructure, interoperability, connectivity, or digital health capabilities
- Completion of infrastructure modernization milestones, facility upgrades, equipment implementation, or operational readiness targets
- Improvement in operational efficiency, sustainability, resiliency, or healthcare delivery capacity
- Reduction in infrastructure, equipment, or facility limitations that negatively impact patient care or access

Applicants should describe the methodology, data sources, reporting approach, and evaluation process that will be used to monitor project performance and measure outcomes over time.

Proposed measures should be realistic, measurable, and directly aligned with the scope, objectives, and anticipated impact of the proposed project.

Subrecipients will be required to submit quarterly and annual reports documenting progress toward approved project milestones, implementation activities, utilization measures, financial status, and outcome metrics as part of ongoing monitoring and compliance requirements. LDH may require standardized reporting templates, supporting documentation, baseline data submission, project status updates, expenditure tracking, site verification activities, and participation in program evaluation or technical assistance activities.

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Section IV. Projected Budget Schedule and Budget Narrative

Applicants must provide a detailed projected budget schedule and accompanying budget narrative that clearly identifies all proposed project costs, implementation timelines, funding sources, and anticipated expenditures by project phase and month, where applicable.

The budget narrative should describe how each expense directly supports the proposed capital improvement project, aligns with the goals and objectives of the Rural Health Transformation Program (RHTP), and represents an allowable, reasonable, and necessary use of funds.

Applicants must clearly identify grant-funded expenses, matching contributions, and any additional leveraged funding sources.

Budgets should demonstrate financial feasibility, alignment with the proposed scope of work, and support for long-term sustainability and operational success following project implementation. Factors considered in scoring include:

- Impact on cost per patient
- Scalability
- Shared infrastructure
- Plan for sustainability
- Reduction in avoidable utilization

See attached RHTP_Budget_Workbook_CapitalImprovement.xls