Mobile & Hybrid Care #2 FAQs

November 13, 2026



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Mobile & Hybrid Care Frequently Asked Questions #2

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Frequently Asked Questions

Application/RFA Process

1. Are for-profit and out-of-state organizations eligible to apply under the Mobile and Hybrid Care RFA, and what requirements apply to organizations proposing to partner with clinical providers or technology vendors?

All applicants must meet the eligibility requirements outlined in Section 1.4 of the RFA. For-profit and out-of-state organizations may be eligible, provided they satisfy all applicable requirements. Applicants proposing to work with clinical providers or technology vendors should clearly describe the roles and responsibilities of each participating organization. Please note that organizations registered outside of Virginia may be required to register with the State Corporation Commission to qualify to conduct business in Virginia.

Please see Questions 5, 6, and 12 of FAQ #1 for additional information regarding applicant eligibility, partnerships, and technology vendor procurement requirements.

2. Could your team introduce us to a local medical group, FQHC, or other provider interested in applying together?

To preserve a fair and open competitive process, the regional planning district collaborative is unable to facilitate introductions between prospective applicants, vendors, or partner organizations or recommend specific entities for collaboration. Applicants are encouraged to independently identify potential partners that support the proposed project's objectives and healthcare needs of eligible rural residents.

3. Can an organization with pending 501(c)(3) status apply under the Mobile and Hybrid Care RFA, and may an organization use a fiscal sponsor to meet eligibility or administrative requirements?

Applicants are not required to have 501(c)(3) status to be eligible under the RFA, provided they meet the eligibility requirements outlined in Section 1.4.

Organizations proposing to use a fiscal sponsor should clearly identify the organization serving as the applicant and describe the proposed fiscal sponsorship arrangement, including the financial, administrative, and programmatic responsibilities of each organization. The applicant must meet all applicable eligibility and award requirements.

4. Would a technology-enabled logistics model that uses drones to transport medications, medical supplies, equipment, or laboratory specimens qualify under the Mobile and Hybrid Care RFA? If so, how should applicants count eligible rural residents served when the primary benefit is improved access to healthcare resources rather than direct clinical encounters?

Drone-enabled logistics may be considered under the Mobile and Hybrid Care RFA, provided the proposed approach directly supports eligible rural healthcare services and aligns with the initiative's objectives. Applicants should demonstrate how the proposed model addresses identified healthcare access needs, improves healthcare delivery, and complies with applicable federal requirements.

Applicants should use a reasonable, documented methodology to estimate the number of eligible rural residents benefiting from the funded activities. Please see Question 27 of FAQ #1 for additional information regarding the Number of People Served measure.

5. Can one applicant submit applications to more than one regional PDC under RFA-RHTP-2026-01? Can one contractor appear in applications from several applicants?

Applicants may submit applications for projects serving multiple eligible rural regions; however, each application must demonstrate a distinct, allowable scope and avoid duplication of costs or services. Applicants should apply to the RFA where the majority of proposed services will be delivered.

The same contractor may be identified in multiple applications, provided all applicable procurement requirements are met.

Please see Questions 1, 4, and 11 of FAQ #1 for additional information.

6. Are letters of commitment required from key implementation partners at application submission, or may letters of support be submitted when formal commitments are still being finalized? Can additional partnership documentation be provided after the application deadline?

Per Section 4.2 of the RFA, letters of commitment from key implementation partners are only required when the proposed project materially depends upon that partnership(s). Applicants are strongly encouraged to submit letters of commitment or other documentation demonstrating established partnerships with key implementation partners at the time of application. The application should identify each partner, describe its anticipated responsibilities, and demonstrate that the proposed partnerships are sufficiently established to support implementation within the required timeframe. The regional planning district commission cannot guarantee that additional partnership documentation submitted after the application deadline will be considered for the purposes of scoring applications and determining corresponding award recommendations.

Please see Question 5 of FAQ #1 for additional information regarding partnership documentation.

7. Who must sign the application certification, and may the designated project contact serve as the Authorized Organizational Representative (AOR)?

The application must be signed by an individual authorized to legally bind the applicant's organization and certify the accuracy and completeness of the submission. The designated project contact may serve as the AOR only if they have the appropriate authority to act on behalf of the organization.

8. Are free clinics and other healthcare organizations eligible to apply under the Mobile and Hybrid Care RFA if they provide services to Medicaid patients but do not bill Medicaid? May an organization serve as the lead applicant with local clinical partners, or is a Virginia-based lead applicant required?

Organizations that meet the eligibility requirements outlined in Section 1.4 of the RFA may apply, including free clinics and eligible healthcare organizations. An organization's

decision not to bill Medicaid does not, by itself, determine eligibility. However, CMS's regulations for Rural Health Transformation Program funds restrict awardees from spending award funds on clinical services that could be reimbursed by another payer regardless of whether an organization chooses to do so.

Applicants are not required to be headquartered in Virginia but must demonstrate how their proposed project will serve eligible rural residents. Partnerships with local clinical providers are encouraged to strengthen project implementation and sustainability.

Please see Questions 6 and 7 of FAQ #1 for additional information regarding applicant eligibility and clinical partnerships.

9. Are care coordination, patient navigation, post-discharge outreach, chronic disease support, and home-based technology-enabled services eligible under the Mobile and Hybrid Care RFA, including models that facilitate access to healthcare without directly providing clinical services? May residents receiving documented navigation or access assistance be counted as people served?

Yes. Technology-enabled care coordination, patient navigation, and other nonclinical healthcare access models may be eligible when they directly support the objectives of the RFA and improve access to healthcare services for eligible rural residents.

Applicants should demonstrate how the proposed model addresses identified healthcare needs, connects residents with appropriate services, and supports measurable outcomes.

Documented navigation or access assistance may qualify toward the Number of People Served measure when it represents a substantive benefit delivered through the funded activity.

Please see Questions 3, 7, and 28 of FAQ #1 for additional information regarding eligible care models and reporting requirements.

10. Are manual lymphatic drainage, lymphedema care, and medically directed massage eligible services when delivered within the practitioner's licensed scope?

Specialized therapeutic services may be eligible when provided within the practitioner's licensed scope of practice and incorporated into an eligible mobile or hybrid healthcare delivery model. Applicants should demonstrate how the proposed services address identified rural healthcare needs, expand access to care, and comply with applicable licensing, reimbursement, and RFA requirements.

Project Selection & Awards

11. Section 3.3 requires initial deployment by FFY27 Q3. Does a phased plan meet that milestone if its first phase (for example, a fixed site-to-site route) deploys by June 30, 2027, and a later phase (for example, home delivery) begins afterward but before Sept 30, 2027?

Yes. A phased implementation approach may be acceptable, provided the project achieves initial deployment by FFY 2027 Q3 and all funded activities are completed within the required performance period. Applicants should clearly describe the proposed implementation phases, associated milestones, and anticipated completion dates. All funds for this round of funding must be expended by September 30, 2027.

12. Are there specific expectations regarding local staffing, existing clinical infrastructure, and the continuation of services after the initial funding period?

Applicants should demonstrate that their proposed project has the staffing, partnerships, clinical infrastructure, and operational capacity necessary for successful implementation. Applications should also describe how services will be sustained beyond the grant period, including anticipated funding sources, partnerships, and ongoing operational arrangements.

Contracting, Agreements, and Procurement

13. May applicants include commercially reasonable contractor profit in their proposed budgets, and may applicants use noncompetitive procurement when a specialized contractor is identified in the application or is the only provider with the necessary qualifications?

Contractor pricing may include commercially reasonable profit, provided the costs are reasonable and the contractor was selected compliantly with applicable federal procurement requirements. Identifying a contractor in an application does not automatically authorize a noncompetitive procurement.

Noncompetitive procurement may be permitted when the procurement is authorized by the awarding organization, and the procurement meets the conditions outlined in 2 CFR 200.320(c), including when the procurement can only be fulfilled by a single source. Applicants must maintain documentation supporting the procurement method, contractor selection, and price reasonableness.

Please see Questions 12 and 15 of FAQ #1 for additional information regarding procurement requirements and contractor profit.

14. Under Section 6.7 and 2 CFR 200.315(b), does the CMS license reach a contractor's pre-existing proprietary software, systems or methods used to deliver a contracted service? Or does it cover only deliverables first produced with award funds?

Please see Question 13 of FAQ #1 for additional information regarding federal intellectual property licensing requirements under 2 CFR 200.315, including the distinction between pre-existing proprietary technology and materials developed or acquired using federal funds.

15. Who holds title to equipment purchased with RHTP funds when the equipment is installed at a partner facility or operated by a contractor? What federal property management and disposition requirements apply after the grant period?

A subrecipient that uses RHTP funds to purchase equipment holds the equipment title and is responsible for the applicable federal property management, use, and disposition requirements under 2 CFR 200.310–200.316. Subrecipients purchasing equipment must maintain the title and may not dispose or encumber the title except as provided by Federal disposition requirements in 2 CFR 200.313(e).

At minimum, subrecipients purchasing equipment are responsible for managing property records, conducting a physical inventory at least every 2 years, having an adequate control system to prevent property loss, and performing regular maintenance. Subrecipients may have equipment use agreements with third parties for the operation or use of the equipment, but the purchasing entity is ultimately responsible for compliance with Federal requirements.

For the lifetime of the equipment, the equipment must continue to be used for the program for which it was acquired, regardless of whether the program continues to be supported by the Federal award. When no longer needed for the original program, the equipment may be used in other activities supported by a Federal award. If the equipment is no longer needed for the original program or other activities supported by a federal award, the subrecipient must dispose of the equipment in accordance with 2 CFR 200.313(e).

Applicants should clearly identify the purchasing entity, proposed equipment owner, installation location, and any arrangements for use by partner organizations or contractors.

Please see Question 14 of FAQ #1 for additional information regarding equipment ownership.

16. Can a project's equipment and contractor pricing satisfy 2 CFR 200.216 and the American Security Drone Act (FY24 NDAA §§1821–1826) through a contractor certification? Or will PDCs require separate documentation?

Applicants proposing to purchase or operate unmanned aircraft systems must comply with applicable federal procurement and security requirements, including 2 CFR 200.216 and the American Security Drone Act. Applicants should maintain documentation demonstrating that proposed equipment and associated services meet applicable federal requirements. Contractor certifications may support compliance documentation but do not eliminate the applicant's responsibility to verify compliance. Additional documentation may be requested during application review or prior to award.

17. What documentation is required to demonstrate that technology or equipment manufactured outside the United States complies with applicable federal procurement and telecommunications restrictions?

Applicants must ensure that equipment and services purchased with RHTP funds comply with applicable federal procurement requirements, including restrictions under 2 CFR 200.216.

Supporting documentation may include manufacturer certifications, supplier declarations, equipment specifications, and other records demonstrating compliance. Applicants remain responsible for verifying compliance with applicable requirements.

18. Devices cost well under $10,000 each. May they stay with participating residents, or with a partner agency, after the period of performance?

Unless an organization has a capital expense policy to the contrary, items with a unit cost under $10,000 are generally considered supplies according to 2 CFR 200.1. While excess unused supplies exceeding $10,000 must follow specific disposition instructions detailed in 2 CFR 200.314(a), used supplies are generally not subject to specific disposition requirements and subrecipients may dispose of used supplies as they see fit, according to their established policies and procedures.

Applicants should clearly describe the intended use, ownership, and disposition of devices in their applications. Any proposed transfer or retention arrangement must comply with applicable federal and program requirements.

Funding & Budget

19. Section 1.5 says only that minimal administrative funding is available. Is there a percentage cap on direct administrative costs, and does it apply to a subrecipient's oversight of its contractors?

Administrative costs directly associated with implementing and overseeing an approved project may be allowable, provided they are necessary, reasonable, and appropriately allocated to the project. Applicants should clearly identify and justify these costs in their proposed budgets. Although there is no specific percentage cap on direct administrative costs for individual applicants, the RFA emphasizes that minimal funding is available for administrative expenses due to a program-wide administrative cost cap.

20. May an applicant include activities in its RHTP application that are also included in another pending grant application, provided the applicant commits to avoiding duplicate funding if both awards are received?

Applicants may identify activities included in other pending funding applications; however, RHTP funds may not duplicate costs supported by another funding source. Applicants should disclose overlapping funding requests and clearly describe how costs will be allocated or adjusted if multiple awards are received. Any necessary budget modifications would be subject to review and approval.

Allowable Uses of Funds

21. Are costs associated with equipment rental or leasing, software subscriptions, technology implementation, remote advisory services, training, community engagement, and recurring contracted services allowable under the Mobile and Hybrid Care RFA?

Equipment rental or leasing, software subscriptions, technology implementation, training, and contracted services may be allowable when necessary, reasonable, and directly related to an approved project. Rental costs for equipment and real property are subject to the limitations described in 2 CFR 200.465.

Applicants should clearly identify and justify these costs in their proposed budgets and demonstrate how recurring expenses will be sustained beyond the grant period.

All expenditures must comply with applicable RFA, RHTP, and federal requirements. Please see Questions 21 and 24 of FAQ #1 for additional information regarding allowable technology and implementation costs.

22. Are costs associated with regulatory approvals, environmental reviews, site assessments, project-related insurance, and minor site preparation allowable under the Mobile and Hybrid Care RFA?

Costs associated with regulatory approvals, environmental reviews, site assessments, insurance, and minor site preparation may be allowable, provided they are necessary, reasonable, and directly support the approved project. Construction costs are prohibited.

Applicants should clearly identify and justify these costs in their proposed budgets. All expenditures must comply with applicable RFA, RHTP, and federal requirements. Certain site preparation or infrastructure-related activities may require additional review or approval.

23. May applicants bill Medicare, Medicaid, state reimbursement programs, or other third-party payers for services delivered using RHTP-funded equipment, technology, or personnel? How should applicants document and allocate costs to prevent duplication of funding, including when services involve remote patient monitoring or forensic examinations?

Funding cannot be used to replace or modify payment for clinical services that could be reimbursed by insurance or another form of health coverage such as Medicare, Medicaid, or state reimbursement programs. Applicants that plan to support direct health care services through RHTP funding must demonstrate that those services are not already reimbursable by another funding source. Applicants must distinguish grant-funded activities from services reimbursed by Medicare, Medicaid, state reimbursement programs, or other third-party payers. Appropriate documentation should include the funding source, personnel time, equipment costs, services billed to other payers, and other relevant documentation supporting cost allocation. Additionally, applicants should maintain records demonstrating that the same costs are not charged to multiple funding sources. All billing arrangements must comply with applicable payer requirements and federal cost principles.

24. May RHTP funds support new, time-limited clinical and nonclinical personnel needed to implement or expand mobile and hybrid care services, including outreach, patient navigation, care coordination, telehealth support, transportation, and program implementation? Is there a maximum funding period or personnel budget percentage?

Yes. New, time-limited personnel costs may be allowable when necessary to implement or expand an approved mobile or hybrid care project. Eligible positions may include clinical staff, patient navigators, outreach coordinators, telehealth technicians, and other personnel directly supporting project activities.

Personnel costs must be necessary, reasonable, appropriately documented, and consistent with the approved project budget. RHTP funds may not supplant existing funding for personnel or services.

Personnel costs must be incurred within the approved period of performance, with all FFY 2027 funds expended by September 30, 2027. Applicants should demonstrate how positions and services will be sustained beyond the grant period.

25. May RHTP funds support new clinical positions, additional staff hours, or new telehealth supervision responsibilities when an applicant is expanding services? How should applicants distinguish eligible new activities from existing positions or services supported by other funding sources?

RHTP funds may support new, time-limited personnel costs and expanded responsibilities that directly support an approved project. However, funds may not be used to replace existing funding for personnel or services.

Applicants should clearly distinguish existing staffing commitments from new or expanded activities supported by RHTP funds. This includes documenting current funding sources, existing staff responsibilities, additional hours or duties, and the allocation of personnel costs across funding sources.

Any proposed staffing arrangement must comply with applicable federal cost principles and the RFA's prohibition on supplanting existing funding.

26. Are tuition and preceptor costs for training new clinicians and additional forensic nurses allowable as clinical training, and may a 12-month online training license (10 users) be charged in full if its term extends past September 30, 2027? May RHTP also fund precepted clinical training at an outside forensic program (preceptor fees, travel and lodging) for new forensic nurses?

Clinical training costs may be allowable when necessary to implement or expand an approved project. Eligible expenses may include training fees, preceptor services, and associated travel costs, provided they are reasonable, properly documented, and directly support project objectives. Training licenses extending beyond the grant period must be evaluated to determine the portion of costs appropriately allocable to the approved project period. All approved expenditures must comply with applicable federal cost principles and RFA requirements.

Additionally, any individual provider receiving an individual benefit as a result of the award, such as a new clinical license or certification, training offering a structured pathway to a new career or job opportunity in the clinical workforce, housing assistance, salaries or stipends in a residency program, or other benefits, may be subject to a 5-year rural service commitment. Failure of a provider to complete the 5-year rural service commitment may result in an individual obligation to repay the full value of the financial benefit received.

27. Are minor renovations or site improvements allowable under the Mobile and Hybrid Care RFA, including accessibility improvements, network infrastructure, privacy enhancements, electrical upgrades, and other modifications needed to support mobile or hybrid healthcare delivery? What documentation and prior approvals are required?

Minor renovations and site improvements may be allowable when necessary to implement an approved mobile or hybrid care project and consistent with applicable RFA and federal requirements.

Applicants should clearly describe the proposed improvements, demonstrate how they directly support healthcare delivery, and provide an itemized budget and justification. Capital improvements and certain other expenditures may require prior written approval.

Applicants should identify any applicable ownership arrangements, procurement requirements, and anticipated approvals in their applications. Final funding determinations will be subject to review of the proposed scope and costs.

28. Section 1.5 excludes anything covered by Medicaid. Some individuals on certain Medicaid waivers can receive assistive technology. If the project serves older adults who are not covered for such a device by Medicaid or another payer, is the device and service allowable for them?

Assistive technology and related services may be allowable when they directly support an approved mobile or hybrid care project and are not otherwise reimbursable through Medicaid, Medicare, or another funding source. Applicants should demonstrate the proposed technology's

connection to healthcare access, document applicable coverage limitations, and ensure that RHTP funds do not duplicate existing reimbursement.

29. When an applicant manufactures or provides its own equipment, technology, or recurring services, which actual costs may be included in the project budget, and what documentation is required to demonstrate compliance with the prohibition on recipient profit?

RHTP funds may reimburse allowable direct costs associated with grant-funded activities, including eligible equipment production, configuration, implementation, personnel, and technology operating expenses. Applicants must maintain documentation supporting actual costs and may not include a profit margin or commercial markup on costs charged to the award.

Please see Question 20 of FAQ #1 for additional information regarding the prohibition on recipient profit.

30. Is configuring an existing product for the project (for example, setting up reminder schedules and caregiver contacts) treated as implementation rather than unallowable research and development?

Configuration and implementation costs associated with adapting existing technology for an approved project may be allowable when necessary, reasonable, and directly related to project activities. Applicants should distinguish implementation activities from research and development and clearly describe the proposed scope and associated costs in their budgets.

31. May RHTP funds support contracts with community organizations for outreach, referral coordination, transportation assistance, and engagement with underserved rural populations?

Community outreach, referral coordination, and transportation assistance may be allowable when they directly support an approved mobile or hybrid care project and address identified barriers to healthcare access.

Applicants should demonstrate how the proposed activities support eligible rural residents, avoid duplication of existing services or reimbursement, and contribute to project sustainability.

Please see Question 15 of FAQ #1 for additional information regarding transportation expenses.

32. May RHTP funds support the purchase or modification of a vehicle used to transport healthcare practitioners and portable equipment to patients, or a vehicle equipped to provide mobile telehealth services? What implementation and delivery deadlines apply?

Vehicles that directly support an approved mobile healthcare delivery model may be allowable, including vehicles equipped for mobile clinical or telehealth services. Vehicle purchases are subject to case-by-case review, and approval is not guaranteed. Purchases of items with unit costs over $10,000 are subject to Federal equipment requirements.

Applicants should demonstrate how the proposed vehicle will expand access to healthcare for eligible rural residents and provide a detailed justification of associated costs.

Applicants should develop implementation timelines that account for vehicle procurement and manufacturing lead times, with initial deployment targeted for FFY 2027 Q3 and all FFY 2027 funds expended by September 30, 2027.

Please see Question 23 of FAQ #1 for additional information regarding vehicle purchases.

Payment & Reimbursement

33. What are the anticipated award notification and subaward execution dates, when may applicants begin incurring reimbursable costs, and what reimbursement frequency and processing timelines should applicants anticipate? How should applicants address proposed activities extending beyond FFY 2027?

Award notifications are anticipated to be issued on January 8, 2027. Following notification, the regional planning district collaborative will work with selected applicants to execute subaward agreements as soon as practicable.

Reimbursement procedures, submission frequency, and processing timelines will be established in the subaward agreement. Applicants should not assume that costs incurred before subaward execution will be reimbursable without applicable authorization.

All FFY 2027 funds must be expended by September 30, 2027. Applicants may describe longer-term expansion and sustainability plans; however, funding beyond the approved award period is not guaranteed.

Please see Questions 8, 26, and 27 of FAQ #1 for additional information regarding award timing and reimbursement.

Reporting Requirements

34. How should applicants determine and document whether individuals receiving services qualify as eligible rural residents, including when services are provided outside the designated RFA service area or through telehealth? May residents of other rural Virginia localities be counted?

Eligible rural residents served should be based on whether the individuals served meet the applicable rural eligibility requirements under the RFA rather than solely on the location of the healthcare facility or service provider. Applicants should maintain reasonable documentation

supporting the eligibility of residents served, such as residential addresses, county, or other appropriate geographic information.

Eligible rural residents may include any resident located in an eligible geography in Appendix E, however the primary benefit of the proposed project and services should be realized by residents in the RFA service area.

Please see Questions 1, 2, and 18 of FAQ #1 for additional information regarding geographic eligibility and services delivered outside the designated RFA service area.

35. County-level reporting for child abuse evaluations can involve very small numbers. May we suppress counts under a threshold, and will aggregate counts only, with no patient-level data, be accepted?

Aggregate reporting and small-number suppression may be appropriate when necessary to protect patient confidentiality.

Specific reporting requirements, including any applicable suppression thresholds and patient-level data requirements, will be established through program reporting guidance.