

**STATE OF SOUTH DAKOTA**  
Department of Health  
South Dakota Health Link  
917 North Washington Avenue  
Madison, SD 57042

**Request for Applications:**  
**Digital Health Modernization and Technology Grant Program**  
**APPLICATIONS ARE DUE NO LATER THAN 5:00 PM CT on 06/30/2026**

RFA #: 26-09RHT-020

State POC: Kevin DeWald

Email: [rht@sdhealthlink.org](mailto:rht@sdhealthlink.org)

**READ CAREFULLY**

ORGANIZATION NAME	_____	AUTHORIZED SIGNATURE	_____
ADDRESS	_____	PRINT NAME	_____
CITY/STATE	_____	TELEPHONE NUMBER	_____
ZIP (9 DIGIT)	_____	EMAIL	_____

**PRIMARY CONTACT INFORMATION**

CONTACT NAME:	_____	TELEPHONE NUMBER	_____
FAX NUMBER	_____	E-MAIL:	_____

## **1.0 GENERAL INFORMATION**

### **1.1 PURPOSE OF REQUEST FOR APPLICATIONS (RFA)**

The Rural Health Transformation (RHT) initiative is a statewide effort focused on strengthening rural healthcare systems and improving access to quality care across South Dakota. Through strategic investments, innovative care models, and cross-agency collaboration, Rural Health Transformation is designed to build a more resilient, connected, and sustainable rural health system for communities across the state.

The Digital Health Modernization and Technology Grant Program (Program) is designed to support healthcare entities and providers, particularly those serving underserved and rural communities in South Dakota, in modernizing their digital health technology and equipment to enhance patient safety, improve interoperability, increase operational efficiency, and improve patient outcomes.

### **1.2 ISSUING OFFICE AND RFA REFERENCE NUMBER**

South Dakota Health Link is the issuing office for this document and all subsequent addenda relating to it, on behalf of the State of South Dakota, Department of Health. The reference number for the transaction is **RFA # 26-09RHT-020**. This number must be referred to on all applications, correspondence, and documentation relating to the RFA.

### **1.3 SCHEDULE OF ACTIVITIES (SUBJECT TO CHANGE)**

Applications will be accepted for grant period one (1) until **5:00 PM CT on 06/30/2026**. Any projects that cannot be funded in one grant period will be eligible to apply for the same or similar projects in future grant periods.

Application cycles for future grant periods will be announced through this same RFA process.

Table 1: Schedule of Activities (Subject to change)

<b>RFA Publication</b>	<b>05/07/2026</b>
<b>Technical Assistance Webinars</b>	<b>Refer to schedule in Section 1.10</b>
<b>Application Due Date</b>	<b>06/30/2026 5:00 PM CT</b>
<b>Anticipated Award Decision</b>	<b>08/13/2026</b>

### **1.4 SUBMITTING YOUR APPLICATION**

All applications must be completed and received by the date and time indicated in Table 1: Schedule of Activities.

Applications received after 5:00 PM CT on 06/30/2026 will be ineligible for consideration until the next RFA application cycle.

All applications must be signed by an officer of the responder legally authorized to bind the responder to the application on the form intended by the respondent. Applications that are not properly signed may be rejected.

**Applications must be submitted via our online portal at**  
[https://sdhealthlink.org/dhmtg\\_application/](https://sdhealthlink.org/dhmtg_application/).

**Project Narrative and Budget Templates can be found at:**

<https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>

No application shall be accepted from, or no contract or purchase order shall be awarded to any person or organization that is in arrears upon any obligations to the State of South Dakota, or that otherwise may be deemed irresponsible or unreliable by the State of South Dakota.

By applying for and accepting funds under this Program, the applicant understands they may be classified as a Subrecipient as defined in 2 CFR § 200.1 including compliance with uniform guidance found in 2 CFR Part 200, flow-down provisions, single audit requirement (where applicable), monitoring, and must maintain active registration in SAM.gov and possess a valid Unique Entity Identifier (UEI). Refer to attachment D.

Applicant also affirms that:

- RHT funds will not duplicate or replace existing federal, state, or local funds supporting similar objectives.
- RHT funds will not be used as the nonfederal match for Medicaid payments or other federal cost-sharing requirements.
- RHT funds will not reimburse direct services covered under Medicaid or other payers (e.g., telehealth visits, provider billing codes for chronic disease management, behavioral health counseling).
- All initiatives are designed to support one-time investments that result in sustainable changes. All proposed activities are either new or an expansion or enhancement, and all activities are distinct and designed with appropriate monitoring and oversight, representing statewide innovations or cross-sector coordination not currently funded through existing sources.

#### **1.5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS**

By signing and submitting this application, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation, by any Federal department or agency, from transactions involving the use of Federal funds. Where the offeror is unable to certify to any of the statements in this certification, the bidder shall attach an explanation to their offer.

#### **1.6 NON-DISCRIMINATION STATEMENT**

The State of South Dakota requires that all contractors, vendors, and suppliers doing business with any State agency, department, or institution, provide a statement of non-discrimination. By signing and submitting their application, the offeror certifies they do not discriminate in their employment practices with regard to race, color, creed, religion, age, sex, ancestry, national origin or disability.

#### **1.7 CERTIFICATION RELATING TO PROHIBITED ENTITY**

For contractors, vendors, suppliers, or subcontractors who enter into a contract with the State of South Dakota by submitting a response to this solicitation or agreeing to contract with the State, the bidder or offeror certifies and agrees that the following information is correct:

The bidder or offeror, in preparing its response or offer or in considering applications submitted from qualified, potential vendors, suppliers, and

subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, is not an entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by SDCL 5-18A. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid or response submitted by the bidder or offeror on this project and terminate any contract awarded based on the bid or response. The successful bidder or offeror further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

## **1.8 RESTRICTION OF BOYCOTT OF ISRAEL**

For contractors, vendors, suppliers, or subcontractors with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by submitting a response to this solicitation or agreeing to contract with the State, the bidder or offeror certifies and agrees that the following information is correct:

The bidder or offeror, in preparing its response or offer or in considering applications submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of the bid or offer, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel or its territories, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid or response submitted by the bidder or offeror on this project and terminate any contract awarded based on the bid or response. The successful bidder or offeror further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

## **1.9 MODIFICATION OR WITHDRAWAL OF APPLICATIONS**

Applications may be modified or withdrawn by the offeror prior to the established due date and time.

No oral, telephonic, telegraphic or facsimile responses or modifications to informal, formal bids, or Request for Applications will be considered.

## **1.10 APPLICANT INQUIRIES**

Applicants may join one of our Technical Assistance calls to hear Program details and ask questions. These Technical Assistance calls will be held on the following dates:

May 14, 2026, at 10:00 AM CT

June 11, 2026, at 3:00 PM CT

To register for one of the Technical Assistance calls please visit our website at :  
<https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>

Questions written in the chat during the Technical Assistance calls will be documented and posted as Q&A to the application website and procurement.

#### **1.11 PROPRIETARY INFORMATION**

The application of the successful offeror(s) becomes public information. Proprietary information can be protected under limited circumstances such as client lists and non-public financial statements. An entire application may not be marked as proprietary. Offerors must clearly identify in the Executive Summary and mark in the body of the application for any specific proprietary information they are requesting to be protected. The Executive Summary must contain specific justification explaining why the information is to be protected. Applications may be reviewed and evaluated by any person at the discretion of the State. All materials submitted become the property of the State of South Dakota and may be returned only at the State's option.

#### **1.12 LENGTH OF CONTRACT**

Up to 19 months for grant period one, based on approved scope of work. All contracts under this RFP must be completed and invoiced by September 30, 2027.

#### **1.13 GOVERNING LAW**

Venue for any and all legal action regarding or arising out of the transaction covered herein shall be solely in the State of South Dakota. The laws of South Dakota shall govern this transaction.

#### **1.14 2 CFR § 200.415 Required certifications**

a. Financial reports must include a certification, signed by an official who is authorized to legally bind the recipient, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

b. Subrecipients under the Federal award must certify to the pass-through entity whenever applying for funds, requesting payment, and submitting financial reports: "I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812." Each such certification must be maintained pursuant to the requirements of § 200.334. This paragraph applies to all tiers of subrecipients.

#### **1.15 DISCUSSIONS WITH APPLICANTS**

A discussion to clarify an application may be required at the sole discretion of the State. However, the State may award a contract based on the initial applications received without discussion with the applicant. If discussions are required, they will be scheduled with each applicant individually.

This process is a Competitive Negotiation process. Each Application shall be evaluated, and each respondent shall be available for negotiation meetings at the State's request. The State reserves the right to negotiate on any and/or all components of every application submitted.

## **2.0 STANDARD CONTRACT TERMS AND CONDITIONS**

Any contract or agreement resulting from this RFA will include the State's standard terms and conditions as listed below, along with any additional terms and conditions as negotiated by the parties:

- 2.1** The Contractor will perform those services described in the Scope of Work, attached hereto as Section 3 of the RFA and by this reference incorporated herein.
- 2.2** The Contractor's services under this Agreement shall commence on \_\_\_\_TBD\_\_\_\_ and end on \_\_\_\_TBD\_\_\_\_, unless sooner terminated pursuant to the terms hereof.
- 2.3** The Contractor will not use State equipment, supplies or facilities. The Contractor will provide the State with its Employer Identification Number, Federal Tax Identification Number or Social Security Number upon execution of this Agreement.
- 2.4** The State will make payment for services upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$\_\_TBD\_\_. The State will not pay Contractor's expenses as a separate item. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL ch. 5-26.
- 2.5** The Contractor agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as the result of performing services hereunder. This section does not require the Contractor to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.
- 2.6** The Contractor, at all times during the term of this Agreement, shall obtain and maintain in force insurance coverage of the types and with the limits as follows:

### **A. Commercial General Liability Insurance:**

The Contractor shall maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000.00 for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit.

### **B. Professional Liability Insurance or Miscellaneous Professional Liability Insurance:**

The Contractor agrees to procure and maintain professional liability insurance or miscellaneous professional liability insurance with a limit not less than \$1,000,000.00.

### **C. Business Automobile Liability Insurance:**

The Contractor shall maintain business automobile liability insurance or equivalent form with a limit of not less than \$1,000,000.00 for each accident. Such insurance shall include coverage for owned, hired and non-owned vehicles.

**D. Worker's Compensation Insurance:**

The Contractor shall procure and maintain workers' compensation and employers' liability insurance as required by South Dakota law.

Before beginning work under this Agreement, Contractor shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. In the event a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, the Contractor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Contractor shall furnish copies of insurance policies if requested by the State.

**2.7** While performing services hereunder, the Contractor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

**2.8** Contractor agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Contractor or the State to liability. Contractor shall report any such event to the State immediately upon discovery.

Contractor's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Contractor's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Contractor to report any event to law enforcement or other entities under the requirements of any applicable law.

**2.9** This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Contractor breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for such a default is effected by the State, any payments due to Contractor at the time of termination may be adjusted to cover any additional costs to the State because of Contractor's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Contractor it is determined that Contractor was not at fault, then the Contractor shall be paid for eligible services rendered and expenses incurred up to the date of termination.

**2.10** This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

**2.11** This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

- 2.12** This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.
- 2.13** The Contractor will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.
- 2.14** The Contractor may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Contractor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Contractor will cause its subcontractors, agents, and employees to comply, with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.
- 2.15** Contractor hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by the Contractor in connection with its performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by the Contractor without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.
- 2.16** The Contractor certifies that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Contractor further agrees that it will immediately notify the State if during the term of this Agreement Contractor or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.
- 2.17** Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to \_\_\_TBD\_\_\_ on behalf of the State, and by \_\_\_TBD\_\_\_, on behalf of the Contractor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.
- 2.18** In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.
- 2.19** All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.



### **3.0 APPLICATION REQUIREMENTS AND COMPANY QUALIFICATIONS**

#### **3.1 Eligible entities include:**

- Federally Qualified Health Centers (FQHCs) and Look-Alikes
- Critical Access Hospitals (CAHs) and Rural Hospitals
- Tribally Operated Clinics and Hospitals
- Community-Based Mental Health Centers
- Ambulatory, Specialty, and Rural Health Clinics
- Long Term, Post-Acute Care Facilities
- Home Health and Hospice Agencies
- Other South Dakota healthcare service providers and organizations

Applicants must be physically located in South Dakota or have locations in South Dakota that may be eligible for the Program. While not all counties in South Dakota are considered rural, all health care providers, facilities, and organizations from all counties could be eligible for this Program as all counties are part of the healthcare ecosystem in South Dakota serving and providing care to rural areas. Applicants from Minnehaha and Pennington counties should ensure their application clearly outlines how the request will be beneficial to all providers and patients, including those in rural and underserved areas. Projects should focus on provider identified challenges and solutions.

#### **3.2 Funding Tiers and Eligible Activities:**

Applicants must align their project(s) with one or more of the following funding tiers:

- A. Electronic Health Record (EHR) Adoption
- B. EHR Upgrade or Enhancement
- C. EHR Replacement (conditions apply; refer to Attachment A)
- D. Technology and Equipment
- E. Digital Security
- F. Workforce Technology Training
- G. Regional Innovation Centers

Applicants can find detailed Program guidance, eligibility, and other requirements in the Digital Health Modernization and Technology Grant Program Guidance document. (Attachment A).

### **4.0 APPLICATION REQUIREMENTS AND COMPANY QUALIFICATIONS**

All applicants must submit an online Application Form at [https://sdhealthlink.org/dhmtg\\_application/](https://sdhealthlink.org/dhmtg_application/). Please see the Grant Application Worksheet (Attachment B) to gather all required information before starting your online application.

### **5.0 APPLICATION RESPONSE FORMAT**

- 5.1** All applications must be submitted via our online portal at [https://sdhealthlink.org/dhmtg\\_application/](https://sdhealthlink.org/dhmtg_application/) before the Application Due Date listed in Table 1: Schedule of Activities.
- 5.2** Follow the instructions on the Grant Application Worksheet (Attachment B).
- 5.3** The budget must be submitted using the Excel workbook (Digital Health Budget\_Applicant Name) provided at <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>. Rename the file replacing “Applicant Name” with your organization’s name.

- 5.4 The project narrative must be submitted using the project narrative template (Digital Health Narrative\_Applicant Name) provided at <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>. Rename the file replacing “Applicant Name” with your organization’s name.

## 6.0 APPLICATION EVALUATION AND AWARD PROCESS

- 6.1 After determining that an application satisfies the mandatory requirements stated in the Request for Applications, the evaluator(s) shall use subjective judgment in conducting a comparative assessment of the application by considering each of the following criteria:

Table A.3: Evaluation and Award Criteria

Criteria	Weight	Description
<b>Demonstrated Need</b>	<b>30%</b>	How effectively the proposed project enhances the applicant’s digital technology deficiencies, and the link between the proposed project and improved service delivery
<b>Interoperability and Data Integrity</b>	<b>25%</b>	The commitment to national standards (refer to Attachment B), demonstrated plan for connecting with SDHL (where applicable), and commitment to data integrity and privacy
<b>Feasibility and Project Plan</b>	<b>15%</b>	The clarity, and completeness of the project timeline, budget, and implementation plan. Applicants must show a clear plan for vendor selection, integration, and training
<b>Sustainability Plan</b>	<b>30%</b>	The organization’s capacity to maintain, support, and fund the new technology and equipment after the grant funding is expended (e.g., planned budget for ongoing licensing, maintenance, and staff among others)

- 6.1.1 Specialized expertise, capabilities, and technical competence as demonstrated by the proposed approach and methodology to meet the project requirements;
  - 6.1.2 Resources available to perform the work, including any specialized services, within the specified time limits for the project;
  - 6.1.3 Record of past performance, including price and cost data from previous projects, quality of work, ability to meet schedules, cost control, and contract administration;
  - 6.1.4 Availability to the project locale;
  - 6.1.5 Familiarity with the project locale;
  - 6.1.6 Proposed project management techniques;
  - 6.1.7 Ability and proven history in handling special project constraints.
- 6.2 The State reserves the right to reject any or all applications, waive technicalities, and make award(s) as deemed to be in the best interest of the State of South Dakota.
- 6.2.1 Due to the large volume and scope of applications we anticipate receiving, the formal review and award process may take up to 45 days after the Application Due Date. Awards will be made by the Anticipated Award Date listed in the Schedule of Activities.

- 6.2.2 Applications for Tier C – Certified EHR Replacement (Attachment A Section III), will be reviewed as a group to determine the best way to allocate the limited amount of funds available for this tier (this does not apply to the non-certified EHR replacement section of this tier).
- 6.2.3 Applications for Tier G – Regional Innovation Centers (Attachment A Section III), will be reviewed as a group to ensure there is no duplication of work or efforts across these projects. Regional Innovation Center applications must be submitted separately. Refer to Appendix C for more details.

## **7.0 DETAILED BUDGET**

- 7.1 Applicants shall submit their budget on the Budget Template found on our online portal at <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>. Detailed instructions are included on the first tab of the Budget Template. The budget must be submitted using the Excel workbook (Digital Health Budget\_Applicant Name). Rename the file replacing “Applicant Name” with your organization’s name.
- 7.2 Applicants may request funding up to the amount they can reasonably expend within the grant period. Not all applications may be fully funded, and awards may be made for less than the amount requested.

## ATTACHMENT A: Digital Health Modernization and Technology Grant Program Guidance

### I. Program Overview

**Grant Name:** Digital Health Modernization and Technology Grant Program

**Purpose:** The Digital Health Modernization and Technology Grant Program (Program) is designed to support healthcare entities and providers, particularly those serving underserved and rural communities in South Dakota, in modernizing their digital health technology and equipment to enhance patient safety, improve interoperability, increase operational efficiency, and improve patient outcomes.

**Application Due Dates:** (Subject to change) Funding for Cycle 2 (if offered) may be reduced based on the dollar amount of applications awarded in Cycle 1. Any projects that cannot be funded in one grant period will be eligible to apply for the same or similar projects in future grant periods. The Amount of Funds Available will be updated prior to releasing all future RFAs.

Table A.1: Amount of Funds Available

Grant Period	Federal Fiscal Year (FFY)	Cycle 1 Due Date	Cycle 2 Due Date (if funds are available)	Amount of Funds Available
1	2026	06/30/2026	N/A	\$89,343,733.00
2	2027	TBA	TBA	TBA
3	2028	TBA	TBA	TBA
4	2029	TBA	TBA	TBA
5	2030	TBA	N/A	TBA

Grant Application Worksheet can be found in Attachment B

### Program Goals:

1. **Enhance Patient Care Quality:** Facilitate the adoption of digital technologies and equipment that lead to better diagnostic accuracy, continuity of care, and patient outcomes.
2. **Modernize Digital Technology:** Bridge the technology gap between large urban health systems and small or rural providers.
3. **Ensure Data Security and Compliance:** Support technology upgrades necessary to meet current and future data privacy and cybersecurity standards.
4. **Improve Interoperability:** Support integration with South Dakota Health Link (SDHL) to enable interoperability between healthcare entities and systems.
5. **Long-Term Sustainability:** Program should increase access to care and improve clinical outcomes while ensuring investments made can be sustained beyond the term of the RHT grant.

### II. Eligibility Requirements:

Eligible entities include:

1. Federally Qualified Health Centers (FQHCs) and Look-Alikes
2. Critical Access Hospitals (CAHs) and Rural Hospitals
3. Tribally Operated Clinics and Facilities
4. Community-Based Mental Health Centers
5. Ambulatory, Specialty, and Rural Health Clinics
6. Long Term, Post-Acute Care Facilities
7. Home Health and Hospice Agencies
8. Other healthcare service providers and organizations

Applicants must be physically located in South Dakota or have locations in South Dakota that may be eligible for the Program. While not all counties in South Dakota are considered rural, all health care

providers, facilities, and organizations from all counties could be eligible for this Program as all counties are part of the healthcare ecosystem in South Dakota serving and providing care to rural areas. Applicants from Minnehaha and Pennington counties should ensure their application clearly outlines how the request will be beneficial to all providers and patients, including those in rural and underserved areas. Projects should focus on provider identified challenges and solutions.

### **III. Funding Tiers & Eligible Activities:**

Applicants must align their project(s) with one or more of the following funding tiers. Activities listed in each tier are examples of eligible activities, please submit all requests for consideration.

Table A.2: Funding Tiers and Eligible Activities

<b>Tier</b>	<b>Category</b>	<b>Eligible Activities</b>
<b>A</b>	<b>Electronic Health Record (EHR) Adoption</b> (This tier is focused on providers/organizations that currently do not have an EHR)	<b>Implementation</b> <ul style="list-style-type: none"> <li>• Implementation of <a href="#">Certified EHR Technology</a></li> <li>• Data migration and associated data cleanup</li> <li>• Technical or other consultants to assist with implementation</li> </ul> <b>HIE Integration* (interoperability)</b> <ul style="list-style-type: none"> <li>• Interface costs to connect to SDHL</li> <li>• Technical or other consultants to assist with integration</li> </ul> <b>Maintenance and Support</b> <ul style="list-style-type: none"> <li>• Maintenance and support costs for the for three years may be included for EHR adoption</li> </ul>
<b>B</b>	<b>EHR Upgrade or Enhancement</b>	<b>EHR Upgrades</b> <ul style="list-style-type: none"> <li>• Upgrade to a newer version or significant improvements of your existing (as of 09/01/2025) <a href="#">Certified EHR Technology</a></li> <li>• Strategic EHR Optimization</li> <li>• Data migration and associated data cleanup</li> <li>• Technical or other consultants to assist with upgrades, improvements, or optimization</li> </ul> <b>EHR Enhancement</b> <ul style="list-style-type: none"> <li>• Implement new modules, third-party technology or enhancements to your existing (as of 09/01/2025) Certified EHR Technology that enhance or optimize your EHR</li> <li>• Data migration and associated data cleanup</li> <li>• Technical or other consultants to assist with enhancements</li> </ul> <b>HIE Integration or Enhancement* (interoperability)</b> <ul style="list-style-type: none"> <li>• Interface costs to connect to SDHL</li> <li>• Data enhancements to current interfaces with SDHL</li> <li>• Technical or other consultants to assist with integration or enhancements</li> </ul> <b>Maintenance and Support</b> <ul style="list-style-type: none"> <li>• Maintenance and support may be included for three years for EHR upgrades or enhancements, but only for the cost increase attributable to the upgrade or enhancement.</li> </ul>

C	EHR Replacement	<p><b>Replacement of Non-Certified EHR Technology</b></p> <ul style="list-style-type: none"> <li>• Replacement costs of a <u>non-Certified EHR</u></li> <li>• Data migration and associated data cleanup</li> <li>• Technical or other consultants to assist with implementation</li> </ul> <p><b>Replacement of Certified EHR Technology**</b></p> <ul style="list-style-type: none"> <li>• Replacement of a current (as of 09/01/2025) Certified EHR is subject to a cap placed by CMS, please reach out to confirm eligibility before applying to replace a Certified EHR <ul style="list-style-type: none"> <li>◦ Funding requests should focus on upgrades, enhancements, or new features that build on existing Certified EHR Technology</li> </ul> </li> </ul> <p><b>HIE Integration* (interoperability)</b></p> <ul style="list-style-type: none"> <li>• Interface costs to reconnect/connect to SDHL</li> <li>• Technical or other consultants to assist with integration</li> </ul> <p><b>Maintenance and Support</b></p> <ul style="list-style-type: none"> <li>• Non-certified EHR replacement projects qualify for three years of maintenance and support. Certified EHR replacement projects only qualify if the project began on or after February 20, 2026.</li> </ul>
D	Technology and Equipment	<p><b>Telehealth Technology</b></p> <ul style="list-style-type: none"> <li>• Purchase and deployment of mobile telehealth carts, secure patient portals, remote monitoring devices, and licensing for virtual visit platforms or other AI enabled technology or equipment</li> <li>• Technical or other consultants to assist with implementation and deployment</li> </ul> <p><b>Diagnostic Equipment</b></p> <ul style="list-style-type: none"> <li>• Mobile or remote-enabled diagnostic equipment and associated licensing</li> <li>• Other equipment or technology that ensures rural residents have access to care closer to home</li> <li>• Technical or other consultants to assist with integration</li> </ul> <p><b>Network Upgrades</b></p> <ul style="list-style-type: none"> <li>• Servers, firewalls, network switches and routers or other hardware necessary to support increased digital demands and data throughput</li> <li>• Technical or other consultants to assist with implementation</li> </ul> <p><b>Maintenance and Support</b></p> <ul style="list-style-type: none"> <li>• Maintenance and support costs for three years may be included for the new technology or equipment</li> </ul>
E	Digital Security	<p><b>Cybersecurity</b></p> <ul style="list-style-type: none"> <li>• Implementation of advanced threat detection, intrusion prevention systems, and secure cloud or storage backup solutions</li> <li>• Network penetration testing or risk assessments</li> <li>• Multi-factor authentication systems</li> <li>• Technical or other consultants to assist with implementation, testing, and assessment</li> </ul>

		<b>Virtual Desktop/Remote Access</b> <ul style="list-style-type: none"> <li>Secure solutions for staff to access patient data remotely</li> <li>Technical or other consultants to assist with implementation</li> </ul> <b>Maintenance and Support</b> <ul style="list-style-type: none"> <li>Maintenance and support costs for three years may be included for digital security</li> </ul>
<b>F</b>	<b>Workforce Technology Training</b>	<b>Workforce Training</b> <ul style="list-style-type: none"> <li>Training to ensure staff competency with new technologies or equipment deployed under this Program</li> <li>Comprehensive training for staff on new EHR usage, data security protocols, telehealth equipment use, HIE integration and workflow management, or other related training courses</li> <li>Training materials, attendance at professional development courses directly related to digital health systems implemented or deployed under this Program</li> </ul>
<b>G</b>	<b>Regional Innovation Centers</b>  <b>REFER TO ATTACHMENT C</b>	<b>Regional Innovation Centers</b> <ul style="list-style-type: none"> <li>Costs to create Regional Innovation Centers to assist other regional partners with technical or clinical resources for EHR implementation, SDHL use and integration or other assistance with implementation or deployment of technology or equipment under this Program.</li> <li>Regional Innovation Centers may also create regional collaborations to reduce chronic disease, use technology to help patients with navigation across multiple care settings, or other health improvements through use of digital technology and partnership.</li> <li>Training materials, workshop participation, travel and other expenses necessary to achieve the goals of your Regional Innovation Center.</li> </ul>

\* All applicants applying for funding in Tier A, B, and C must include costs associated with interfacing and integration with SDHL (unless already connected) to ensure interoperability among digital technologies funded under this Program. Other tiers may consider integration with SDHL.

\*\* If the applicant has [Certified EHR Technology](#) as of 09/01/2025, CMS has placed a cap on replacement of current Certified EHR technology, please reach out to confirm eligibility before applying to replace your Certified EHR (replacement refers to the purchase of a completely new EHR to take the place of an existing one).

## ATTACHMENT B: Grant Application Worksheet

Applicants should use this worksheet to gather all required information before starting the online application.

**I. Organization or Applicant Profile (all fields required):**

- Applicant/Organization Name:
- Address:
- City:
- State:
- Zip Code:
- Tax ID / EIN:
- Unique Entity Identifier (UEI):

**II. Organization Type (select one):**

- 501(c)(3) Non-Profit
- Educational Institution
- Individual / Sole Proprietor
- For-Profit Business
- Other

**III. Individual Authorized to Approve this Application (required):**

- Name:
- Title:
- Email:
- Phone:

**IV. Project Lead(s) (required):**

- Name:
- Title:
- Email:
- Phone:

**V. Funding Tier(s) requested (required):**

- A. Electronic Health Record (EHR) Adoption
- B. EHR Upgrade or Enhancement
- C. EHR Replacement (see Grant Guidance Attachment A Section III. C.)
- D. Technology and Equipment
- E. Digital Security
- F. Workforce Technology Training
- G. Regional Innovation Centers

**VI. Project Narrative. (Attachment required. 20 pages maximum) *The budget is required to use the template provided (Digital Health Narrative\_Applicant Name). The template can be found on the application website: <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>***

- a. **Needs Assessment.** Describe the current gap(s), the impact on service delivery, and the specific challenge the grant funding will address. Applicants should include details on how this funding will improve patient outcomes, operational efficiency, or improve service delivery in rural areas. Within the needs assessment, include the following table outlining the metrics measured with this project:

Metric / KPI	Baseline	Target	Data Source	Responsibility and Timeline



- b. **Funding Tier Narrative.** Describe the technology, equipment, consulting services, or other needs being requested for each Funding Tier selected. For Tier A, B, C, specify the national standards the vendor follows. (i.e. HL7 2.5.1 or greater, USCDI V3.1 or greater, CCUAI Release 2.1, and FHIR).
- c. **Implementation Plan.** Provide details of proposed implementation plan for each item and/or tier proposed along with responsible party, tentative start/end dates, work plan, deliverable, and timeline/milestones.
  - Funding Tier:
  - Grant Period:
  - Lead / Responsible Party:
  - Start Date:
  - End Date:
  - Project Management Plan (including timeline and milestones):
  - Deliverable:
- d. **Service Area Covered.** Describe the service area by county that is covered by the prospective project.
- e. **Sustainability Plan.** Applicants must describe their capacity to maintain, support, and operate new technology or equipment after the grant funding is expended.

**VII. Project Budget (Attachment required)** *The budget is required to use the template provided (Digital Health Budget\_Applicant Name). The template can be found on the application website: <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>* Provide detailed budget for each item and/or tier requested as part of this application. Applicants should submit a budget request for the current Grant Period only; additional requests may be submitted for subsequent grant periods annually.

Applicants should submit a budget request according to the **start and deadline for spending** of Grant Period 1 below. Applicants should ensure proposed projects can be completed by the spending deadline.

Grant Period	FFY	Start Date	Deadline for Spending
1	2026	02/20/2026	09/30/2027

**VIII. Other Attachments (required).**

- **Letter of Commitment.** Assurance from senior leadership that the organization will commit to the project timeline, subrecipient requirements, other documentation and reporting, and provide necessary internal resources.
- **W9** signed in 2026
- **IRS Determination.** 501(c)3 organizations must upload their IRS determination letter.

## ATTACHMENT C: REGIONAL INNOVATION CENTERS (TIER G)

Applicants may propose to create and operate a Regional Innovation Center as outlined in Attachment Section 3.

- Costs to create Regional Innovation Centers to assist other regional partners with technical or clinical resources for EHR implementation, SDHL use and integration or other assistance with implementation or deployment of technology or equipment under this Program.
- Regional Innovation Centers may also create regional collaborations to reduce chronic disease, use technology to help patients with navigation across multiple care settings, or other health improvements through use of digital technology and partnership.
- Training materials, workshop participation, travel and other expenses necessary to achieve the goals of your Regional Innovation Center.

Guidelines for submitting a Regional Innovation Center application are as follows:

- I. **Separate Application.** Submit a separate application for the Regional Innovation Center proposal. Do not combine with other funding tiers.
- II. **Budget.** The budget period shall align with the Grant 1 period. The budget is not limited to the 10% personnel cap.
- III. **Grant Period(s).** Although the contract will be for the Grant 1 period, the contract may be renewed for the remaining grant periods pending performance and meeting milestones and outcomes.
- IV. **Project Narrative. (Attachment required. 20 pages maximum)** *The budget is required to use the template provided (Digital Health Narrative\_ Applicant Name). The template can be found on the application website: <https://sdhealthlink.org/healthlink-resources/rural-health-transformation-funding/>*
  - a. **Services.** Describe the services you will provide for the target audience.
  - b. **Audiences and Service Area Covered.** Describe the target audience and service area by county that is covered by the prospective project.
  - c. **Project Management Plan.** Provide details of proposed implementation plan along with responsible party, tentative start/end dates, work plan, deliverable, and timeline/milestones.
  - d. **Outcomes.** Provide the outcomes achieved by the proposed regional innovation Center and the source of the data. Awardees will be required to provide updates in their reports to the South Dakota Department of Health – South Dakota Health Link.
  - e. **Qualifications.** Outline qualifications of personnel who will provide services for rural health care providers within the Regional Innovation Center.
  - f. **Sustainability Plan.** Applicants must describe their capacity to maintain the services after the grant funding is expended.

## ATTACHMENT D: SUBRECIPIENT EXPECTATIONS

If awarded, the contract may be a subrecipient which is a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency. The terms and conditions of the subrecipient agreement contain state and federal regulations that all parties must follow. Each agreement lists the links to the federal guidance which governs the award. By accepting the award, all parties agree to follow these regulations.

- **Project Cost Accounting.** Create a separate general ledger account for each federal fund. The general ledger account will show the revenue and expenditures and should net to zero. If an audit should occur, the auditor will verify expenses and revenues are recorded in a separate account during desk and on-site reviews.
- **Time Tracking.** If time and service are included in the agreement, correct documentation is required. Timecards should be kept on-site and accurately reflect employees' time with managerial authorization/signed approval. The awardee must have a Time and Effort written policy that addresses the following: a) Record actual hours for those employees that work on this project; b) employee signature on time forms and review and approval signature by the employee's supervisor. c)) electronic timesheets are allowed when an entity has an established written policy recorded by the electronic timekeeping system
- **Procurement.** All expenditures of funds awarded under this Request for Proposals (RFP) must comply with applicable federal and organizational requirements. This includes, but is not limited to, the procurement standards set forth in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards). At a minimum, subrecipients must:
  - **Procurement Policies.** Applicants must maintain procurement procedures that comply with federal guidelines. For this grant, all purchasing activities must follow the applicant's established procurement policies. The South Dakota Department of Health reserves the right to review these procurement procedures as part of its monitoring process.
  - **Maintain Written Procurement Procedures.** Maintain documented procurement procedures consistent with 2 CFR §200.317–200.327 including procedures for competitive sealed bids, proposals, and allowable noncompetitive procurements.
  - **Ensure Full and Open Competition.** Conduct all procurement transactions in a manner providing full and open competition. Practices that restrict competition (e.g., unreasonable requirements, non-competitive pricing practices, or splitting purchases to avoid thresholds) are prohibited under both federal and state law.
  - **Document Cost Reasonableness.** For larger purchases, you must document that the price is reasonable (e.g., compare bids, conduct a cost analysis, or prepare an internal estimate).<sup>7</sup>. Ensure Contractor Responsibility and Eligibility
  - **Maintain Procurement Records.** Maintain records sufficiently detail the history of each procurement transaction, including:
    - Rationale for procurement method
    - Selection of contract type
    - Contractor selection or rejection
    - Basis for contract price
  - **Ensure Contractor Responsibility and Eligibility.** Award contracts only to responsible contractors and verify that vendors are not suspended or debarred from participation in federally funded programs.
  - **Address Conflicts of Interest.** Maintain written standards of conduct covering conflicts of interest and governing employees engaged in procurement activities.
  - **Include Required Contract Provisions.** Ensure all contracts include applicable provisions required under Appendix II to 2 CFR Part 200 and any required state contract provisions.

Failure to comply with federal and South Dakota procurement requirements may result in disallowed costs, repayment of funds, termination of the award, or other enforcement actions.

- **Invoice.** The invoice shall be auditable, clear, detailed, and include the following information:
  - Invoice date
  - DOH assigned subrecipient agreement number
  - Time period covered
  - Submission by original invoice on letterhead
  - Subrecipient entity signature will include, "I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812."

The invoice shall also be accompanied by the following documentation:

- Time tracking documentation signed by employee and supervisor
- Sub-contractor invoice(s) on letterhead
- Receipts for equipment, travel, supplies, and other expenses listed on the invoice
- A report that summarizes activities completed during invoice period that ties to the expenses included in the invoice.

Invoices should be submitted by the 15<sup>th</sup> of the month for timely payment.

- **Third Parties.** The awardee must receive written approval from DOH prior to entering into any agreement with a third-party (sub-contractor). The entity must perform an analysis to determine if the relationship with the third party will be that of a contractor or a subrecipient. If the agreement with the approved entity is a subrecipient agreement, then certain information is required to be in the agreement, and additional actions are required by the entity. Prior to completing the agreement, the awardee will need to follow Federal guidance for subrecipients which includes, but is not limited to:
  - Make sure the entity has a "Conflict of Interest Policy"
  - Verify the entity's DUNS and that the entity is not listed on the Suspension and Debarment Federal website
  - Have policies, procedures, and forms in place for monitoring to make sure the entity follows federal requirements
  - Have a procedure to close out the award at the end of the period of performance prior to the end of the agreement with DOH to allow time for reporting
  - Reference all federal guidance found in the DOH subrecipient agreement to ensure the third-party monitoring and federal requirements are met.
- **Record Retention.** Retain documentation for three years from close out date of the award including documentation that provides back up for all revenue and expenditures charged to the federal award including time and effort reports for staff paid by the award, all completed financial or programmatic reports, and copy of the agreement and any third-party agreements.