

Funding Direct Health Care Services (Provider Payments)

Purpose and Program Limitations

Rural Health Transformation funds may support health care items or services that are not paid for by insurance or another available program when those services address a documented rural care gap and advance an approved care-delivery transformation. Provider payments are considered under the Access use-of-funds category and remain subject to GO-NORTH review and approval.

Funding for provider payments under CMS Use-of-Funds Category B, aligned with the GO-NORTH Access initiative, may not exceed **15% of the total funding CMS awards New Hampshire in a given budget period**. This is a statewide program limit, not an amount reserved for any applicant. Approval will depend on the proposed use, demonstrated need, allowability, available funding, and consistency with CMS and GO-NORTH requirements.

RHT funds may not be used merely to replace existing reimbursement, cover routine bad debt or unpaid claims, duplicate services already supported by another funding source, increase payment amounts under an existing fee schedule, or supplant existing federal or non-federal resources.

Application Requirements

An application proposing provider payments ***must address all of the following***:

1. Payer and Non-Reimbursement Analysis

Explain why the proposed service or item is not reimbursable through Medicare, Medicaid, commercial insurance, self-pay collections, or another available program. Identify the specific coverage or payment gap and provide supporting documentation when available..

2. Documented Rural Care Gap

Describe the unmet need, affected rural communities, geographic service area, and population expected to benefit. Include the estimated number of unduplicated rural patients who will be served during the funding period and explain the data, assumptions, or methodology used to calculate the estimate.

3. Care-Delivery Transformation

Explain how the proposed activity changes or strengthens the existing care-delivery model rather than simply maintaining or expanding routine billable services. Describe how the activity improves access, quality, coordination, health outcomes, patient experience, efficiency, or appropriate use of lower-cost settings.

4. Measurable Outputs and Outcomes

Identify applicable GO-NORTH performance indicators and project-specific measures. Provide baselines, targets, data sources, reporting methods, and expected outcomes. Measures should address both implementation and patient or system impact, as appropriate.

5. Budget, Cost Allocation, and Tracking

Identify all proposed clinical services, personnel costs, contracted services, supplies, and related expenses. Explain how the applicant will distinguish allowable non-reimbursable costs from billable, reimbursed, administrative, or otherwise ineligible costs.

6. Sustainability

Describe how the service will be sustained, transitioned, modified, or responsibly concluded after RHT funding ends. When applicable, identify the expected pathway toward reimbursement, operational support, shared funding, cost savings, or another durable financing approach.

Additional Requirements

GO-NORTH Review and Approval

There is no pre-approved list of clinical service lines. FHC will submit proposed provider-payment activities to GO-NORTH for review as part of the award recommendation process. Approval of one type of service for one project does not establish eligibility or approval for another project.

Mixed Billable and Non-Billable Personnel Costs

When personnel provide both reimbursable and non-reimbursable services, the applicant must use a documented methodology to allocate time and costs among reimbursable clinical services, eligible non-reimbursable services, and administrative or implementation activities. Only the allowable, non-reimbursable portion may be charged to the award. Amounts subsequently reimbursed by another payer must be credited to the award or otherwise reconciled as directed by FHC.

Equipment and Capital Costs

Equipment and other capital costs are evaluated under the equipment and capital-expenditure provisions of this RFA, even when they support a clinical service. Such costs must be tied to an allowable use of funds and receive all required budget and prior approvals. Purchasing equipment does not make an otherwise billable clinical service eligible for provider-payment funding.

No Duplication or Supplanting

Applicants must disclose other funding that supports the same service, population, personnel, or cost. FHC and GO-NORTH may reduce or deny funding when the proposed activity duplicates another award, replaces an existing funding source, or creates a risk of charging more than one payer for the same cost.

Reporting and Reconciliation

Recipients must maintain records sufficient to verify patients served, services delivered, payer status when relevant, personnel time, costs charged, reimbursements received, and reported outcomes. FHC may require periodic reconciliation and adjustment of claimed costs to prevent duplication or overpayment.