INNOVATIVE PILOT PROGRAM FREQUENTLY ASKED QUESTIONS

OCTOBER 26, 2026

FAQ Question #	FAQ Question	FAQ Response
		Program Overview
1.1	What is the purpose of these FAQs and the State's responses to public questions?	These FAQs and the State's responses to public questions are intended to provide general guidance regarding the eligibility requirements for applications submitted under the Innovative Pilot Program. The State cannot determine or confirm the eligibility of a specific proposed project before receiving and reviewing a complete application. It would not be appropriate for the State to opine on a project's specific eligibility during a public question-and-answer or comment period based only on the limited facts presented in a question. To ensure a fair and impartial application process, the State also cannot provide individualized technical assistance or advise an applicant how to draft or modify an application to establish eligibility. Final eligibility determinations will be made through the formal review of each complete application under the applicable program requirements. Responses provided during the public question-and-answer process should not be interpreted as an eligibility determination, approval, or guarantee of funding.
1.2	What is the purpose of the MS RHTP Innovative Pilot Grant Program, and what types of projects is the State seeking?	The Innovative Pilot Grant Program is intended to support transformative, innovative, and collaborative projects that address persistent rural health challenges in Mississippi. Competitive proposals should present a new or meaningfully expanded approach that: • Addresses a clearly identified need among Mississippi's rural residents; • Uses an innovative service-delivery model or community-based strategy; • Builds or strengthens partnerships across healthcare, public health, education, employers, social services, or community organizations; • Improves access to healthcare or supportive services and produces measurable outcomes; and • Demonstrates potential for sustainability, replication, or expansion. Examples may include integrated rural health networks, school-based health models, employer-healthcare partnerships, regional behavioral health collaborations, food-as-medicine initiatives, maternal and child health partnerships, rural health innovation labs, and new models for delivering preventive, specialty, or chronic disease services. The program is not intended to fund the simple resubmission of an application previously submitted under another MS RHTP funding opportunity. A proposal based on a previously submitted project should clearly demonstrate material changes, such as a substantially different strategy, partnership structure, target population, service-delivery model, scope, or intended outcomes. Renaming or making minor revisions to a prior proposal does not, by itself, make the project innovative. Proposed projects should complement, rather than duplicate, other programs included in the State's Rural Health Transformation Plan. Funds must support new or expanded activities and may not replace existing funding. Applicants should clearly explain what makes the proposed project innovative, how it differs from current or previously proposed efforts, and how its results could inform sustainable rural health solutions.
1.3	When is the application deadline?	The application for the Innovative Pilot Program closes on November 16 at 5 pm Central Time.
1.4	When are the formal notice, application window, and applicant guidance expected to be released?	All information is currently available on the Mississippi RHTP website.

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Eligibility and Funding		
2.1	Are contractual services allowable under the Innovative Pilot Program?	Yes, contractual and vendor services are allowed, although subrecipients may not subaward these funds.
2.2	Are payments to non-clinical support services allowable, or does this fall under the restrictions of provider payments?	The applicant will need to demonstrate sustainability for these staff salaries and any salary-related costs are subject to the federal salary cap of $225,700.
2.3	What expenses are allowed under the Innovative Pilot Program?	Proposed uses of funding will be considered if they comply with applicable RHT Program requirements and the Notice of Funding Opportunity (NOFO) and align with the stated goals of the Innovative Pilot Program. Activities that meet these criteria are generally eligible for consideration, subject to review of the proposed scope and budget. Eligibility does not guarantee funding. Applicants must also demonstrate how the proposed activities and services will be sustained beyond the Year 1 funding period, including a plan for continued operations, financing, staffing, and community impact after grant funding ends. Funds should not be expended until an awardee's budget has been approved.
2.4	Who is eligible to apply for Innovative Pilot Program funding?	Eligible applicants include Mississippi-based healthcare providers and nonprofit organizations engaged in public health, healthcare delivery, healthcare support, or care coordination that primarily serve rural residents. These may include hospitals, clinics, post-acute care providers, behavioral health providers, EMS and emergency response partners, institutes of higher education, community-based organizations, and other entities engaged in activities or initiatives that address community-level health needs and outcomes. Please see the NOFO for more detail. Applicants do not have to be physically located in a rural area but must demonstrate how their proposed project will meaningfully benefit rural Mississippi communities and residents. All applicants must meet the eligibility requirements outlined in the NOFO.
2.5	Does the telehealth restriction prohibit telehealth services or only telehealth infrastructure costs?	Telehealth costs that simply add telehealth services to an existing practice are not eligible for funding. Telehealth costs, however, that are a component of a larger, Innovative Pilot Program are eligible for consideration under this program.
2.6	Is there any additional documentation required for newly established entities?	Audited financial statements should be submitted if available. If audited financial statements are not available, applicants should submit the most recent internally prepared fiscal year-end financial statements. In the absence of either of these, the applicant is strongly encouraged to partner with another eligible entity on the proposed project.
2.7	Are Letters of Support from proposed project partners required to demonstrate partnership?	Letters of Support are not required. Existing partnerships may be identified in the application.
2.8	Are provider payments allowed?	Provider payments are not an allowable use of funds under this award. CMS' final definition of provider payments includes (1) payments to providers for performance in alternative payment models tied to outcomes, and (2) payments to providers for services that are not paid by insurers but support the strategic goals of the RHTP and tie to a specific initiative.
2.9	What documentation is required to delineate between provider payments and salary?	Applicants seeking funding must have appropriate financial management and timekeeping systems in place to accurately classify, track, and document these costs and demonstrate compliance with the NOFO and applicable RHTP requirements.
2.10	How is entity defined for purposes of eligibility?	An “entity” is the organization applying for funding. The applicant must meet the eligibility requirements outlined in the Innovative Pilot Program NOFO and be responsible for managing the award, implementing the proposed project, and complying with all applicable requirements.
2.11	Are affiliated organizations under one parent organization considered as separate organizations or aggregated with the parent organization for purposes of the $2 million cap award?	The NOFO identifies a unique applicant by its National Provider Identifier (NPI) for entities subject to MSDH licensure, or its Taxpayer Identification Number (TIN) for other eligible entities. Each unique applicant may submit one application for an award of up to $2 million. Affiliated organizations with the same applicable identifier are treated as one applicant; those with distinct applicable identifiers may apply separately, provided each meets the eligibility requirements. Each application must include only one proposed project.
2.12	What documentation demonstrates current service to rural Mississippians?	Applicants should provide data documenting the rural Mississippi populations they currently serve, including the annual number of rural encounters and unduplicated rural patients or clients served. Applicants should identify the data source and explain how rural status was determined. There is no minimum percentage of rural patients or clients required.
2.13	Can a newly established specialty practice apply if it will begin serving rural Mississippi patients during the grant period?	Applicants must demonstrate that they are currently serving rural Mississippi clients and/or patients, as required by the NOFO. A plan to begin serving rural patients during the grant period alone does not satisfy this eligibility requirement. Newly established practices that already serve rural Mississippi patients may apply, provided they meet all other NOFO requirements.

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2.14	What constitutes program income under the terms of the Innovative Pilot Program? Which program income method will be required?	Program income is gross income directly generated by grant-supported activities or earned as a result of the award during the period of performance. Examples may include fees for grant-supported services or income from the use or rental of equipment purchased with grant funds. Program income must be tracked and used in accordance with applicable federal requirements and the subaward agreement. CMS continues to issue guidance on this topic. Additional information and any updated requirements will be shared with awardees as that guidance becomes available.
2.15	Does an existing program operating in another state satisfy the requirement that the program already be in operation?	The Innovative Pilot Program does not have to be in operation at the time of application. However, the applicant must demonstrate that it currently serves rural Mississippi clients and/or patients and that the proposed project will benefit rural Mississippians. All other NOFO requirements must also be met.
2.16	If an organization is not eligible as a lead applicant, may it participate as a contractor, partner, subrecipient, or implementation organization?	An organization that is not eligible to apply directly may still participate as a partner or provide allowable contractual or vendor services, subject to applicable procurement requirements and the approved project scope.
2.17	Are payments to pharmacies or clinics for nonclinical support services prohibited provider payments or allowable contractual services?	The determination depends on the services being purchased, rather than the type of organization receiving payment. Nonclinical support services may qualify as allowable contractual services if they support the approved project and meet applicable procurement and funding requirements.
2.18	What is the maximum award amount, project duration, and F&A rate?	The maximum award is $2 million per entity. The Year 1 project period runs from execution of the subaward agreement through July 31, 2027, and proposed activities must be completed within that period. Total indirect costs, including facilities and administrative (F&A) costs, combined with direct administrative costs may not exceed 5% of the award amount.
2.19	If an organization has several affiliated entities under common ownership, each with its own NPI or TIN, may each affiliate submit one application proposing a distinct project, or are affiliated entities treated as a single applicant?	Under the NOFO, a unique applicant is determined by its NPI for entities subject to MSDH licensure and by its TIN for other eligible entities. Affiliated entities may each submit one application if each qualifies as a separate applicant under the applicable identifier and independently meets all eligibility requirements. Each application must include only one proposed project.
2.20	For services delivered under the Pilot that are also billable to insurers, how should the budget treat them? Should grant funds be limited to the non-billable components of the program?	Grant funds may not duplicate reimbursement from insurers or other funding sources. Applicants should clearly distinguish costs covered by insurance from costs proposed for grant funding. However, a cost is not automatically eligible simply because it is non-billable. All proposed costs must meet RHTP and NOFO requirements. Applicants must maintain systems and documentation to separate these costs and prevent duplicate reimbursement.
2.21	What factors should be considered as part of sustainability?	Applicants should explain how project activities and benefits will be sustained beyond the grant period, including anticipated funding sources, ongoing operating and staffing costs, partner commitments, and community support. The plan should identify who is responsible for sustainability and should not depend solely on receiving future RHTP funding.
2.22	Is there guidance on how much of the budget may be telehealth-related before a project is considered an add-on to an existing practice?	The NOFO does not establish a percentage or dollar threshold. Eligibility depends on the purpose and scope of the proposed project. Telehealth costs that simply add telehealth services to an existing practice are not eligible. Telehealth costs that are part of a larger, Innovative Pilot Program may be considered, provided they meet all other NOFO and RHTP requirements. Applicants should clearly explain how the telehealth component supports the broader project and its intended outcomes.
2.23	Will the award support newly established staff to implement the project?	Salaries and fringe benefits for new staff may be considered if they are necessary to implement the approved project, reasonable, properly documented, and compliant with NOFO and RHTP requirements. Administrative staff costs count toward the combined 5% limit on indirect and administrative costs. Applicants should also explain how positions needed beyond the grant period will be sustained.
2.24	Are any specialist participation expenses, such as travel, excluded under the provider payment restriction?	There is no blanket exception for specialist participation expenses. Travel and other participation costs may be considered if they are necessary for allowable project activities, reasonable, properly documented, and compliant with NOFO and RHTP requirements. Identifying a cost as travel does not make an otherwise prohibited provider payment allowable. The purpose and structure of the expense determine how it is treated.
2.25	For entities that do not meet the eligibility requirements, are they able to participate as a subcontractor, subrecipient, implementation partner, or other funded partner under an eligible healthcare provider or nonprofit organization? What restrictions or limitations are there, if any?	An entity that does not qualify to apply directly may participate as a project partner or provide allowable contractual or vendor services. Awardees may not subgrant funds to another entity. The eligible applicant remains responsible for project implementation, financial oversight, and compliance with all award requirements.
2.26	May an out-of-state organization qualify for eligibility through partnerships or commitments from Mississippi-based rural healthcare organizations?	Out-of-state organizations may apply, but must demonstrate that they currently serve rural Mississippi clients and/or patients. Partnerships or commitments alone do not satisfy this requirement unless they demonstrate that the applicant is currently providing those services. The proposed project must also benefit rural Mississippians and meet all other NOFO requirements.

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2.27	Must an eligible applicant directly provide healthcare services to patients, or may organizations whose primary mission is to improve health outcomes or support health-related systems, programs, providers, or communities also qualify?	Direct patient care is not required. The NOFO includes organizations engaged in healthcare access, public health, care coordination, and other activities addressing community-level health needs and outcomes. Applicants must demonstrate that they currently serve rural Mississippi clients and/or patients, that the proposed project will benefit rural Mississippians, and that they meet all other eligibility requirements.
2.28	If a vehicle is purchased entirely with outside funds, may approved project-related operating expenses be charged to the award?	The purchase of new vehicles is not allowed. Project-related vehicle operating expenses may be considered if they are necessary for the approved project, reasonable, properly documented, and otherwise allowable under NOFO and RHTP requirements. Only the portion attributable to approved project activities may be charged, and costs may not be reimbursed by another funding source. Purchasing the vehicle with outside funds does not automatically make its operating expenses eligible.
2.29	How does MSDH distinguish allowable contracted services from the NOFO's restriction on provider payments when the project involves diagnostic or preventive healthcare services?	The determination depends on the actual services and purpose of the payment. A contract does not make an otherwise prohibited provider payment allowable. Payments for diagnostic or preventive patient care must be evaluated against CMS's provider-payment definition, including payments for services not covered by insurers that support RHTP goals. Contracted services may be considered only if they fall outside that definition and meet all other NOFO, procurement, and cost requirements. Applicants should clearly describe the services, deliverables, and associated costs in their proposals.
2.30	Given that the first program-year performance period ends July 31, 2027, what costs may be obligated and expended during that period if the health center's proposed service model is designed to continue for three years? Can the application include a longer-term operating plan while requesting funding only for eligible costs within the first-year award period?	Yes. Applicants may include a longer-term operating plan to explain the project's sustainability and future direction. However, the requested budget must be limited to allowable costs for approved activities within the Year 1 performance period, from execution of the subaward agreement through July 31, 2027. Applicants should clearly distinguish Year 1 activities and costs from those planned for later years and identify how continued operations will be supported. Future RHTP funding is not guaranteed.
2.31	Are formal partnerships required at the time of application, or may those partnerships be established during program implementation?	Partnerships may be established during implementation. The NOFO allows applicants with existing local, multisector partnerships and those with clear plans to develop them. Applicants should describe existing or anticipated partners, their proposed roles, and the steps and timeline for establishing partnerships needed to carry out the project.
2.32	What professional licensing, credentialing, liability insurance, and other documentation would we and our participating professionals need to provide?	Applicants and participating professionals must maintain the licenses, credentials, and insurance required by applicable law and the services they will perform. Specific documentation requirements will depend on the proposed activities and applicable award terms. Awardees must maintain supporting records and provide them upon request. Additional instructions will be provided during the award and onboarding process.
2.33	Can an organization with another Mississippi RHTP award apply for a distinct Innovation Pilot project? How should nonduplication be demonstrated?	Yes, provided the organization meets all eligibility requirements. Applicants should clearly distinguish each project's scope, activities, deliverables, and budget and demonstrate that the same costs will not be charged to more than one funding source. Separate accounting and supporting documentation must be maintained to prevent duplicate reimbursement.
2.34	Would partnerships with an existing Rural Health Transformation awardee strengthen or be required for eligibility?	No. A partnership with an existing RHTP awardee is not required for eligibility and does not, by itself, give an application an advantage. Applications will be evaluated according to the criteria outlined in the NOFO.
2.35	Are digital and IT software tools allowable expenses under the Innovative Pilot Program?	Digital and IT software tools may be considered if they support the proposed innovative pilot project, align with program goals, and meet all NOFO and RHTP requirements. Certain technology costs, including electronic health records and broadband infrastructure, are excluded under this NOFO. Applicants should explain how each proposed tool supports project activities and outcomes and how ongoing costs will be sustained.
2.36	What are some examples of allowable transportation services?	Transportation services that address barriers to healthcare access may be considered if they align with the Innovative Pilot Program's goals and comply with all NOFO and RHTP requirements. Eligibility depends on the proposed service, its role in the project, and the associated costs. Applicants should clearly explain how transportation will benefit rural Mississippians.
2.37	For an applicant organized outside Mississippi, is registration with the Mississippi Secretary of State required before award execution, and what is the typical lead time to obtain a MAGIC vendor number and enroll in PAYMODE?	Out-of-state applicants must satisfy any Mississippi registration requirements applicable to their entity and proposed activities. The NOFO does not establish a separate, universal Secretary of State registration deadline before award execution. Awardees must obtain a MAGIC vendor number and complete the payment enrollment requirements. DFA's instructions indicate that PayMode registration may begin 3–5 business days after W-9 submission; this is not the total processing time for both systems. Applicants should begin early and confirm current processing times directly with DFA and PayMode.
2.38	Are there limitations on EHR systems under the Innovative Pilot Program?	Electronic health record (EHR) costs are not allowable under the Innovative Pilot Program NOFO. Funding for EHR adoption or replacement is offered through a separate RHTP grant program. Including EHR costs within a broader pilot project does not make them eligible under this opportunity.

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2.39	How do provider payment restrictions apply to hourly wage clinical professionals?	An hourly wage is not automatically a prohibited provider payment. Allowability depends on the work performed and whether the cost meets NOFO and RHTP requirements. Applicants must clearly describe the professional's project duties and maintain records supporting the time charged to the award. Costs must be distinguished from prohibited provider payments, administrative costs, and services reimbursed by insurers or other funding sources.
2.40	Would an established healthcare business transitioning into a telehealth-based practice, currently in the startup phase, qualify for funding?	Simply adding telehealth services to an existing practice is not eligible under this NOFO. Telehealth may be considered as part of a larger, innovative pilot project that meets program goals and all funding requirements. The applicant must also demonstrate that it currently serves rural Mississippi clients and/or patients. Being an established business or transitioning to a new service model does not, by itself, establish eligibility.
2.41	Does the program distinguish between replacing outdated or nonfunctional equipment and purchasing equipment to establish new services?	Either may be considered if the equipment supports an eligible innovative pilot project and meets all NOFO and RHTP requirements. Applicants should explain how the purchase supports new or expanded activities and contributes to the project's intended outcomes. Replacing equipment solely to maintain existing operations does not, by itself, demonstrate alignment with the Innovative Pilot Program's goals.
2.42	Is priority given to proposals to involve more than one rural county?	The focus is on meaningful impact for rural Mississippians. Applicants should clearly demonstrate the rural health needs being addressed, who will benefit, and the measurable improvements the project is expected to achieve. Serving multiple counties does not, by itself, give a proposal priority; a project focused on one rural county can demonstrate strong rural impact.
2.43	Will there be a centralized vendor or technical-assistance pathway for RHTP implementation, or should implementation partners develop relationships directly with individual awardees and regional entities?	Training and technical assistance will be available to awardees to support compliant project implementation and procurement. Organizations interested in providing implementation services may work directly with awardees and regional entities to explore opportunities. Any selection of paid vendors or contractors must follow applicable procurement requirements; establishing a relationship does not guarantee selection or reimbursement.
2.44	Does the NOFO provide guidance on CMS designation?	The NOFO does not establish a separate CMS designation requirement. Applicants must meet the eligibility requirements outlined in the NOFO and maintain any licenses, certifications, or approvals applicable to their organization and proposed activities.
2.45	May two eligible entities with different applicant-level NPIs or TINs submit separate, complementary projects under one regional collaborative model?	Yes. Two eligible entities with different applicant-level NPIs or TINs may submit separate applications for projects within a regional collaborative model. Each application must independently meet the NOFO's eligibility and program requirements and clearly identify the applicant's scope of work and budget.
2.46	May two affiliates use the same community needs assessment, governance structure, letters of commitment, and evaluation framework if each has a distinct scope, budget, and deliverables?	Yes. Affiliates may use shared assessments, governance structures, letters of commitment, and evaluation frameworks, provided these materials support each proposed project. Each application must clearly identify its distinct scope of work, budget, and deliverables and explain how shared resources will be used without duplicating costs.
2.47	Are monthly fees, paid for by the patient, that cover all medical care, including provider salary, software, related medical supplies, lab work, etc., an allowable expense under this grant?	No. Monthly patient membership fees covering medical care, including provider services, supplies, and lab work, are not an allowable expense under this grant. Proposed costs must support an eligible transformation project and comply with the NOFO and RHTP funding requirements.
2.48	Are minor facility alterations or renovations eligible, and how are they distinguished from prohibited construction or major renovations?	Minor alterations or renovations to existing facilities may be eligible when necessary to implement the proposed project and consistent with the NOFO and CMS guidance. Eligibility depends on the scope and purpose of the work, including whether it materially increases the property's value or extends its useful life. New construction, major building expansion, demolition, and purely cosmetic improvements are not allowable. Applicants should clearly describe and justify proposed work in their project narrative and budget.
2.49	What is required to apply?	A PDF of the application outlining the required information and supporting documentation is available on the Mississippi RHTP website. Applicants should review it along with the NOFO before submitting it through the online application portal.
2.50	Are mobile units an allowable purchase under the Innovative Pilot Program?	Applicants proposing a mobile clinic or other mobile service delivery model should clearly demonstrate how necessary the mobile unit is to implement an innovative project that advances program objectives and outcomes. Allowability will depend on the specific scope, cost, and justification.
2.51	Is there an indirect rate cap for awards under MS RHTP?	Total indirect and administrative costs may not exceed 5% of the award amount. Typically, administrative costs refer to expenses for general management and administrative support, which can be charged directly or indirectly depending on how they benefit an award. Indirect costs are expenses incurred for common or joint purposes that cannot be readily tied to a single specific award, but for this grant all indirect costs would be considered part of administrative costs. The rules for classifying Indirect Cost and Direct Cost can be found at 2 CFR 200.412.

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Compliance		
3.1	What requirements and deadlines must awardees meet to receive reimbursement, and what support is available?	Awardees will submit reimbursement requests with supporting documentation showing that costs are allowable and meet applicable procurement requirements. Training and technical assistance will be available to help awardees navigate procurement and prepare reimbursement requests. While participation is optional, awardees are encouraged to take advantage of this support, as costs that do not meet applicable procurement requirements cannot be reimbursed. To help the State meet its deadlines with CMS, all funds must be expended by July 31, 2027.
3.2	Can applicants identify anticipated vendors or partners before procurement?	Vendors must not be selected prior to award. Vendor selection, as needed, will occur post-award through the appropriate procurement process in accordance with compliance requirements.
3.3	What is the expected process and timing for an advance funding request?	Awardees may submit an advance funding request using the form available on the Mississippi RHTP website, along with the required supporting documentation. Requests will be reviewed as quickly as possible; however, a specific review or disbursement timeline cannot be guaranteed. Advance funding is subject to approval.
3.4	What is the deadline for expending funds for this award?	July 31, 2027
3.5	How does 2 CFR 200 distinguish between equipment and supplies?	Under 2 CFR 200.1, equipment is tangible personal property with a useful life of more than one year and a per-unit acquisition cost equal to or greater than $10,000 or the organization's capitalization threshold, whichever is lower. Supplies are tangible personal property that does not meet the equipment definition. Computing devices below the applicable cost threshold are supplies, regardless of useful life.
3.6	What do we do about procurement for products that are not sole source procurements but they are products we already utilize within our practice and are compatible with our current software and EHR? We don't want to procure other brands that we are not currently utilizing or trained on.	Applicants must follow applicable procurement requirements, even when purchasing products they already use. Solicitation specifications may identify necessary compatibility and interoperability requirements, but those requirements must be justified and cannot unnecessarily restrict competition. Familiarity with a brand or existing staff training alone does not justify a noncompetitive purchase. Technical assistance will be available to help awardees navigate these requirements.

Updated October 2026

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