



TEXAS

Health and Human Services

Stephanie Muth, Executive Commissioner

Request for Applications (RFA)

Grant for

*The Rural Texas Strong Program – Initiative 1 (Part 2):
Make Rural Texans Healthy Again
RFA No. HHS0017223*

APPLICATION SUBMISSION DEADLINE

June 4, 2026, by 10:30 a.m. Central Time

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SECTION I. EXECUTIVE SUMMARY, DEFINITIONS, AND STATUTORY AUTHORITY

1.1 EXECUTIVE SUMMARY

The Texas Health and Human Services Commission (HHSC), the System Agency, is accepting applications for the Rural Texas Strong Initiative 1 (Part 2): Make Rural Texans Healthy Again.

This program is supported by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services (USDHHS) as part of a financial assistance award to the State of Texas with 100 percent of funding provided by CMS/USDHHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement by CMS/USDHHS, or the U.S. Government.

This funding opportunity invites eligible Applicants to submit an Application for the Rural Texas Strong Program – Initiative 1 (Part 2): Make Rural Texans Healthy Again. The purpose of this program is to enhance or create community-based prevention, wellness, and nutrition programs or services offered by rural Texas hospitals through the implementation of at least one of eight authorized Project implementation methods that are intended to improve the health of rural Texas residents. Activities must be aimed at improving one or more of the chronic disease conditions identified below, with a primary focus on diabetes and obesity education and management.

- A. Diabetes;
- B. Cardiovascular disease,
- C. Chronic respiratory disease, or
- D. Obesity.

Applicants should reference **Section II, Scope of Grant**, for further detailed information regarding the purpose, background, eligible activities and requirements.

Grant Name:	Rural Texas Strong – Initiative 1 (Part 2): Make Rural Texans Healthy Again
RFA No.:	HHS0017223
Deadline for Applications:	June 4, 2026 by 10:30 a.m. Central Time
Deadline for Submitting Questions or Requests for Clarifications:	May 18, 2026 by 5:00 p.m.
Estimated Total Available Funding:	\$153,524,850.00
Estimated Total Number of Awards:	Multiple
Estimated Max Award Amount:	\$5,000,000.00

Match Required, if any:	No match required
Anticipated Project Start Date:	No later than September 30, 2026
Length of Project Period:	Refer to Section IV, Project Period
Eligible Applicants:	See Section 3.1, Eligible Applicants

To be considered for screening, evaluation, and award, Applicants must provide and submit all required information and documentation as set forth in **Section VIII, Application Organization and Submission Requirements**, and **Section XIII, Submission Checklist**, by the Deadline for Submission of Applications set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda. See **Section 9.2, Initial Compliance Screening for Applications**, for further details.

1.2 DEFINITIONS AND ACRONYMS

Unless a different definition is specified, or the context clearly indicates otherwise, the definitions and acronyms given to a term below apply whenever the term appears in this RFA. All other terms have ordinary and common meanings. Refer to all exhibits to this RFA for additional definitions.

[“Addendum”](#) means a written clarification or revision to this RFA, including exhibits, forms, and attachments, as issued and posted by HHSC to the HHS Grants RFA website. Each Addendum will be posted and must be signed by the Applicant and returned with its Application. Reference to more than one Addendum will be referenced in this RFA as [“Addenda.”](#)

[“Applicant”](#) means any person or legal entity that submits an Application in response to this RFA. The term includes the individual submitting the Application who is authorized to sign the Application on behalf of the Applicant and to bind the Applicant under any Grant Agreement that may result from the submission of the Application. May also be referred to in this RFA as [“Respondent.”](#)

[“Application”](#) means all documents the Applicant submits in response to this RFA, including all required forms and exhibits. May also be referred to in this RFA as [“Solicitation Response.”](#)

[“Budget”](#) means the financial plan for carrying out the Grant Project, as formalized in the Grant Agreement, including awarded funds, submitted as part of the Application in response to this RFA. An Applicant’s proposed budget may differ from the HHSC-approved Budget executed in the final Grant Agreement.

[“Business Day”](#) means, unless otherwise defined by applicable law or rule, any day except a Saturday, Sunday, or a national or state holiday as defined in Section 662.003 of the Texas Government Code.

“CFR” means the Code of Federal Regulations which is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government.

“Cost Reimbursement” means a payment method in which a Grantee is reimbursed for costs that are reasonable, allowable, and allocable in accordance with the Grant Agreement and consistent with the Grant Project Budget approved by HHSC.

“Direct Cost” means those costs that can be identified specifically with a particular final cost objective under the Grant Project responsive to this RFA or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. Direct costs include, but are not limited to, salaries, travel, equipment, and supplies directly benefiting the grant-supported Project or activity.

“Equipment” pursuant to 2 CFR § 200.1, means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$10,000. See 2 CFR § 200.1 for specific definitions of Capital assets, Computing devices, General purpose equipment, Information technology systems, Special purpose equipment, and Supply.

“General Ledger” means a set of numbered accounts a business uses to keep track of financial transactions that may include assets, liabilities, equity, revenue, and expenses.

“Grant Agreement” means the agreement entered into by HHSC and the Grantee as a result of this RFA, including the Signature Document and all attachments and amendments. May also be referred to in this RFA as “Contract.”

“Grantee” means the Party receiving funds under any Grant Agreement awarded under this RFA. May also be referred to as “Subrecipient” or “Contractor.”

“Grant Management System” or “GMS” means the external HHS Grants Portal used by Applicants to submit Applications for HHSC RFAs. The HHS Grants Portal is a comprehensive online platform that enables applicants to seamlessly apply for grants, receive funding, and efficiently manage their grants, ensuring a streamlined and transparent process from application to funding management.

“HHS” includes both the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS).

“HHSC” means the Health and Human Services Commission.

“Indirect Cost” means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically

benefitted, without effort disproportionate to the results achieved. Indirect costs represent the expenses of doing business that are not readily identified with the Grant Project responsive to this RFA but are necessary for the general operation of the organization and the conduct of activities it performs.

“Indirect Cost Rate” is a device for determining in a reasonable manner the proportion of indirect costs each program should bear. It is the ratio (expressed as a percentage) of the Grantee’s indirect costs to a direct cost base.

“Pay for Performance” means a payment structure that links performance to payment. For purposes of this RFA, metric-driven payments are dispersed to each Grantee that meets or exceeds the performance targets set forth in this RFA.

“Performance Improvement Plan” or “PIP” is a formal documented action plan to remediate poor performance or lack of compliance with mandatory grant obligations.

“Project” or “Grant Project” means the specific work and activities that are supported by the funds provided under the Grant Agreement as a result of this RFA.

“Project Period” is the period of time set forth in the Grant Agreement during which Grantees may perform approved grant-funded activities to be eligible for reimbursement or payment. Unless otherwise specified, the Project Period begins on the Grant Agreement Effective Date and ends on the Grant Agreement termination or expiration date. May also be referred to in this RFA as “Grant Term.”

“RFA” means this Request for Applications, including all parts, exhibits, forms, attachments, and Addenda. May also be referred to herein as “Solicitation.”

“Rural Hospital” is defined in Section 548.0351(6-b) of the Texas Government Code as “a health care facility licensed under Chapter 241, Health and Safety Code, that: (A) is located in a Texas county with a population of 68,750 or less (per Table P1, U.S. Census Bureau, 2020 Census); or (B) has been designated by the Centers for Medicare and Medicaid Services as a critical access hospital, rural referral center, or sole community hospital and: (i) is not located in a metropolitan statistical area; or (ii) if the hospital has 100 or fewer beds, is located in a metropolitan statistical area.”

“Spend Period” means each period of the Grant Term in which funds are allocated as defined in **Section 6.3, Proposed Budget.**

“State” means the State of Texas and its instrumentalities, including HHSC and any other state agency, its officers, employees, or authorized agents.

“System Agency” means HHSC, DSHS, or both, that will be a party to any Grant Agreement resulting from the RFA.

“TxGMS” means the Texas Grant Management Standards published by the Texas Comptroller of Public Accounts.

1.3 STATUTORY AUTHORITY

Federal funding for this Grant Project is authorized under the One Big Beautiful Bill Act, as amended and codified in Public Law 119-21, Section 71401. All awards are subject to the availability of appropriated federal funds, and any modifications or additional requirements that may be imposed by law. Federal funding awarded to HHSC is through the program listed below:

Federal Grant Program:	Rural Health Transformation Program
Federal Awarding Agency:	Centers for Medicare and Medicaid Services (CMS)
Funding Opportunity No.:	CMS-RHT-26-001
Assistance Listing Number and Program Title:	93.798 Rural Health Transformation (RHT) Program

1.4 STANDARDS

Awards made as a result of this RFA are subject to all policies, terms, and conditions set forth in or included with this RFA as well as applicable statutes, requirements, and guidelines including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

SECTION II. SCOPE OF GRANT

2.1 PURPOSE

This funding opportunity invites eligible entities to submit an Application for the Rural Texas Strong Program – Initiative 1 (Part 2): Make Rural Texans Healthy Again. The purpose of this program is to enhance or create community-based prevention, wellness, and nutrition programs or services offered dsby Rural Hospitals through the implementation of at least one of eight authorized project concepts (see **2.3.1, Implementation Methods**) that are intended to improve the health of rural Texas residents. Activities must be aimed at improving one or more of the chronic disease conditions identified below, with a primary focus on diabetes and obesity education and management.

- A. Diabetes;
- B. Cardiovascular disease,
- C. Chronic respiratory disease, or
- D. Obesity.

2.2 PROGRAM BACKGROUND

The Rural Texas Strong Program is designed to strengthen the health and resilience of rural communities by supporting targeted, high-impact initiatives. Rural populations in Texas experience higher rates of chronic disease, limited access to preventive services, and persistent barriers to early intervention, all of which contribute to poorer health outcomes and increased long-term healthcare costs. Initiative 1 (Part 2) of the Rural Texas Strong Program focuses on advancing community wellness and prevention by funding projects that proactively address health risks.

Through this program, HHSC seeks to support Rural Hospitals' efforts to expand access to preventive services, promote healthier behaviors, and reduce avoidable hospital utilization, thereby supporting the long-term sustainability of rural healthcare systems across Texas.

2.3 ELIGIBLE ACTIVITIES

This grant program will fund activities and costs as allowed by the laws, regulations, rules, and guidance governing fund use identified in the relevant sections of this RFA. Only grant-funded activities authorized under this RFA are eligible for reimbursement and payment under any Grant Agreement awarded as a result of this RFA.

The purpose of this program is to enhance or create community-based prevention, wellness, and nutrition programs or services offered by eligible Rural Hospitals to improve the health of rural Texas residents. Activities must be aimed at improving one or more of the chronic disease conditions identified below, with a primary focus on diabetes and obesity education and management.

- A. Diabetes;
- B. Cardiovascular disease,
- C. Chronic respiratory disease, or
- D. Obesity.

2.3.1 Implementation Methods

Grantee shall implement their programs or services by using **one or more** of the following methods:

- A. Purchasing equipment and subsidizing the facility cost of, or issuing subcontracts or subgrants, for a community wellness center. The center may offer preventative chronic disease screenings, gym equipment, group exercise classes, fitness or strength training, and/or nutritional education classes;
- B. Partnering with regional grocery stores, farmer's markets, or local food pantries to sponsor regular pop-up grocery markets to make available fresh U.S. grown produce, dairy, and meat, healthy cooking demonstrations for all ages, and/or nutrition-conscious ready-to-heat meals;

- C. Establishing and operating an after-hours primary care clinic to reduce non-emergent emergency department visits;
- D. Providing low or no-cost chronic disease screenings for prevention and low or no-cost primary care visits;
- E. Providing nonemergent transportation support to improve access to: (i) pharmacies to improve medication adherence, (ii) grocery stores that sell U.S. grown produce, dairy, and meat, and (iii) primary or preventive healthcare appointments;
- F. Establishing care systems for active remote monitoring for high acuity patients;
- G. Acquiring technology resources (e.g., including computers, electronic tablets) and making such resources available at community partner organizations or entities for individuals who are dually eligible for Medicare and Medicaid to use to research and enroll in health coverage options (including integrated plans such as D-SNPs), as well as resources for guidance to individuals about what Medicare options include local behavioral and preventative care providers to promote continuity of care; and/or
- H. Other strategies designed to increase individual rural Texans' access to healthy foods, prescriptions, and other items related to improving their own health.

2.3.2 Renovation Limitations

If Grantee proposes renovation activities as part of its Project, such activities, in order to be eligible under the Grant Agreement, must be limited to minor modifications aimed at enhancing the functionality of an existing facility or infrastructure where eligible activities will take place (e.g., renovations or retrofitting to convert underutilized cost intensive spaces within existing health care facilities to a clinic or community-based treatment spaces would qualify). Acceptable examples include, but are not limited to, the below.

- A. Interior modifications: Installing or relocating interior walls and partitions to create new offices or meeting rooms.
- B. Lighting or electrical: Upgrading light fixtures to more energy-efficient systems.
- C. Heating, Ventilation, and Air-Conditioning (HVAC) and plumbing: Replacing vents and thermostats for better climate control.
- D. Accessibility improvements: Installing automatic door openers to enhance accessibility.
- E. Security and safety: Installing or upgrading security cameras or access control panels.
- F. Workspace reconfiguration: Creating open office layouts or converting private offices to better suit needs.

2.4 PROGRAM REQUIREMENTS AND ADMINISTRATION

Grantee's activities must be completed no later than **September 30, 2031**.

2.4.1 Program Requirements

All Grant Projects funded under this RFA must meet the program requirements set forth below.

- A. Grantee shall identify which chronic disease to target (see **Section 2.3, Eligible Activities**) and develop a plan to improve the quality of life, mental health, productivity, and health outcomes while reducing patient expenses, hospital utilization, and disease impact in the area which it serves.
- B. Grantee shall identify vulnerabilities in the overall local rural healthcare ecosystem and focus solutions on technological innovation that integrates mid-level practitioners and pharmacists, along with behavioral health and primary care clinics and providers (see **Section 6.2.5, Assessment of Vulnerabilities**).
- C. Grantee shall implement one or more of the implementation methods described in **Section 2.3.1, Implementation Methods**.
- D. Grantee shall attend and participate in any progress meetings scheduled by HHSC. Participation in the meetings will be via video conference unless otherwise mutually agreed by HHSC and Grantee.
- E. Grantee shall attend and participate in any technical assistance or trainings via video conference as scheduled by HHSC. HHSC will provide Grantee advance notice of 21 calendar days to schedule technical assistance or training sessions.
- F. Grantee shall participate in any surveys as requested by HHSC during the Grant Term.
- G. If Grantee determines that additional meetings with HHSC during the Grant Term are needed, Grantee shall provide HHSC with 6 calendar days' advance written notice. HHSC reserves the right to schedule additional meetings with Grantee as it determines necessary.
- H. Grantee shall collect and maintain programmatic and financial data as required by HHSC.
- I. Grantee shall submit any documentation and information requested for completion of the post-award audit readiness assessment.
- J. Grantee shall encourage local participation in the completion of DSHS Behavioral Risk Factor Surveillance System (BRFSS) surveys.
- K. Grantee shall ensure that its Project and local solutions are financially sustainable without requiring ongoing resources from the state or federal government beyond the Grant Term, which may comprise ongoing financial support from the decreased overall cost burden on the health ecosystem as individuals improve chronic conditions, or a combination of multiple financial sustainability strategies.

2.4.2 Minor Renovation Requirements

- A. Grantee shall comply with the Americans with Disabilities Act (ADA) to accommodate those individuals served at the facility who have physical limitations from a disability.
- B. Grantee acknowledges that real property, equipment, and intangible property acquired or improved with the federal award are subject to 2 CFR § 200.316.
- C. Grantee shall record appropriate notices of record, to include Notice of Federal Interest, to indicate that personal or real property has been acquired or improved with federal funds, if requested by HHSC.

- D. Grantee acknowledges that real property and equipment acquired or improved with federal funds is subject to 2 CFR § 200.310 (relating to insurance coverage).
- E. Grantee acknowledges that HHSC will have the right to visit the project and view the work in progress at any time. No actions taken or statements made by HHSC during site visits will relieve Grantee of obligations described in this Grant Agreement. Grantee contractors and subcontractors shall acknowledge and adhere to the Grant Agreement at all times.
- F. Grantee shall complete the minor renovation activities during the term of the Grant Agreement and within the budget approved under the Grant Agreement.
- G. Any contract for minor renovation activities must expressly incorporate **Exhibit I, Texas Uniform General Conditions for Construction Contracts and Supplemental General Conditions**.
- H. Grantee shall comply with all federal or state requirements, as amended, regarding minor renovation activities under the Grant Agreement.

2.4.3 Project Management

Grantee shall assign designated staff to perform the following Project management activities:

- A. Serve as the primary point of contact with HHSC to provide the Project status and respond to all inquiries;
- B. Direct the comprehensive lifecycle of all Project activities to ensure oversight in the planning and implementation phases;
- C. Collaborate Project-related tasks with all contractors, subcontractors, organizational partners, Grantee staff, and other technical professionals as needed throughout the Project Period;
- D. Track and reconcile Project expenses against the Budget to ensure fiscal integrity and adherence to grant requirements;
- E. Facilitate transparent reporting by managing the flow of Project updates, milestone achievements, and expenditure tracking; and
- F. Identify and mitigate Project vulnerabilities through early detection and collaborative problem-solving with Grantee leadership and HHSC.

2.4.4 Self-Monitoring Requirements

Grantee shall monitor and effectively implement the Project and the quality of the services provided as described below.

- A. Grantee shall implement a systematic monitoring process to track milestone completion, maintain schedule adherence, and ensure high-quality, cost-efficient execution by the Project's conclusion.

- B. Grantee is exclusively accountable to fulfill all obligations and requirements of the Grant Agreement. The use of partners, contractors, or subcontractors does not mitigate or diminish Grantee's responsibility for performance.
- C. Grantee shall implement corrective action(s) as necessary, to ensure the successful and timely completion of the Project. Grantee shall take corrective actions upon the discovery of any Project insufficiencies, including, but not limited to, when:
 - 1. The Project encounters process or workflow failures, resource or staffing issues, or unexpected financial constraints;
 - 2. Grantee's Project staff misses reporting due dates; or
 - 3. Potential issues (e.g., scope creep, schedule delays, sustainability failures, partner/contractor/subcontractor issues, or other factors that impact the success of the Project).
- D. Grantee shall notify HHSC of any insufficiencies, or corrective action(s) to remedy the insufficiencies, via the reports that are required to be submitted to HHSC under **Section 2.5, Required Reports**. Upon HHSC's request, Grantee shall provide documentation evidencing its corrective action(s) to remedy the insufficiencies identified in its required reports.

2.4.5 Project Funding

Grant funds must be exclusively allocated to the activities described under the Grant Agreement. Expenses outside the scope of the Project are strictly forbidden. Grantee shall spend awarded grant funding in compliance with all applicable state and federal laws, rules, regulations, and requirements under the Grant Agreement for the benefit of the Grantee and the communities that they serve. See **Section 2.6, Management of Funds During Grant Term**.

2.4.6 Grant Administration

Throughout the Grant Term, the Grantee is responsible for performing and participating in the administrative tasks described below.

- A. Grantee shall maintain an appropriate contract administration system to ensure that all terms, conditions, and specifications of this Grant Agreement are met.
- B. Grantee shall retain a General Ledger from Grantee's computerized system that has accounts assigned to track financial transactions related to the Grant Agreement.
- C. Grantee shall establish quality assurance and quality improvement processes to monitor the progress of the initiative(s).
- D. Grantee shall provide comprehensive reporting on or before the due dates in accordance with **Section 2.5, Required Reports**.
- E. Grantee shall maintain and preserve written or electronic records of all documents related to grant programming, activities, operations, and expenditures.

- F. Grantee shall ensure all grant documentation is complete, accurate, and maintained in an organized fashion.
- G. Grantee shall cooperate fully with HHSC staff during site visits and provide reasonable access to facilities, staff, and relevant Project information to HHSC to assist HHSC in assessing progress on the Project and to determine the impact to the community.
- H. Grantee shall attend all required HHSC meetings and trainings as directed by HHSC.
- I. Grantee shall provide additional documentation or clarification as requested and within a timeframe as specified by HHSC.
- J. Grantee shall ensure that recipients of federal grant funds are not otherwise ineligible to receive funds under the Grant Agreement.

2.4.7 Partnership or Collaborative Agreements.

All partnerships, if any, must operate under a centralized Project framework that ensures full integration of all activities and objectives. Grantee shall execute an agreement with each identified partner and submit the executed agreement to HHSC by or before 30 calendar days of the Effective Date of the Grant Agreement.

2.5 REQUIRED REPORTS

HHSC will monitor Grantee’s performance, including, but is not limited to, reviewing financial and programmatic reports and performance measures under the Grant Agreement. Grantee must submit the following reports by their respective due dates:

REPORT	FREQUENCY	DUE DATE*
Executed agreements with partners, if any	One-time	On or before 30 calendar days following Effective Date of Grant Agreement
Cost Reimbursement Invoices	Monthly	Invoices are due on or before the 15th of each month following the month the service was provided
Financial Status Report (FSR)	Quarterly	1. January 15 2. April 15 3. July 15 4. October 15
Progress Report	Quarterly	1. January 15 2. April 15 3. July 15 4. October 15
Support Documentation	Quarterly	1. January 15 2. April 15 3. July 15 4. October 15

Narrative Report Including Financial Summary	Once per Spend Period	Due by or before 30 calendar days following end of each Spend Period.
Post-Grant Term Reporting	One-time	Upon HHSC request at any time during the two-year period following the end of Grant Term
Audit Risk Reduction Plan	One-time	60 calendar days after receipt of recommendations by HHSC or a contractor of HHSC of audit risk assessment and recommendations for risk mitigation

**Due dates that fall on a weekend or holiday are due by the next Business Day.*

Grantee shall provide all applicable invoices and reports in the format specified by HHSC in an accurate, complete, and timely manner and shall maintain appropriate supporting backup documentation. Failure to comply with submission deadlines for required reports, Financial Status Report or other requested information may result in HHSC, in its sole discretion, placing the Grantee on financial hold without first requiring a corrective action plan in addition to pursuing any other corrective or remedial actions under the Grant Agreement.

2.5.1 Agreements with Partners.

Grantee shall submit any fully executed agreement with all identified partners, if applicable following the Effective Date of the Grant Agreement. Agreements must clearly define the roles, responsibilities, and scope of work of each partner as it relates to the implementation of grant-funded activities.

2.5.2 Cost Reimbursement Invoice.

Grantee shall submit invoices while on cost reimbursement payment structure under the Grant Agreement regarding expenses incurred for implementation of eligible activities for reimbursement.

2.5.3 Financial Status Reports.

Grantee must submit FSRs in accordance with **Section 2.9, Financial Status Reports.**

2.5.4 Progress Reports.

During the Project Period, the Grantee shall submit a quarterly comprehensive progress report as directed by HHSC detailing current and future Project monitoring efforts, validating the achievement of milestones and key deliverables, and including a thorough description of current activities and mitigation strategies for any past or future operational barriers or constraints encountered.

2.5.5 Supporting Documentation.

Grantee shall submit to HHSC detailed and accurate supporting documentation that validates Project expenditures and explicitly identifies the allowable costs incurred for the

Project (e.g., copies of “paid” invoices and receipts). The invoices and receipts must be provided in Portable Document Format (PDF), Joint Photographic Experts Group (JPEG), or other HHSC-approved formats.

2.5.6 Post-Grant Term Reporting.

Grantee shall provide updated data related to funded activities as requested by HHSC any time during the two-year period following the end of Grant Term.

2.5.7 Reporting Format.

Grantee shall provide all applicable reports in the format specified by HHSC in an accurate, complete, and timely manner and shall maintain appropriate supporting backup documentation.

2.5.8 Reporting Due Dates.

Failure to comply with submission deadlines for required reports, Financial Status Reports, or other requested information may result in HHSC, in its sole discretion, placing the Grantee on financial hold without first requiring a PIP in addition to pursuing any other corrective or remedial actions under the Grant Agreement.

2.5.9 Advanced Notice for Reporting Extensions.

For any anticipated submission delays by Grantee, Grantee shall provide 10 calendar days’ advance notice to HHSC, including the proposed revised deadline for HHSC review and written approval. Frequent Grantee requests for reporting extensions are subject to HHSC compliance reviews and potential corrective actions.

2.5.10 Early Project Completion.

HHSC reserves the right to revise reporting requirements upon the verified early completion of the Project.

2.5.11 Audit Risk Reduction Plan.

Grantee shall collaborate with the HHSC-designated entity to conduct a comprehensive risk assessment and develop an Audit Risk Reduction Plan. Grantee shall submit the completed Audit Risk Reduction Plan to HHSC in accordance with timelines established in the Grant Agreement. The submission must include a detailed mitigation plan that identifies specific strategies, actions, and timelines to address and reduce all risks identified through the assessment process.

2.6 MANAGEMENT OF FUNDS DURING GRANT TERM

The Grant Term consists of five (5) Spend Periods, each with a defined funding allocation and period of availability. While Spend Periods may overlap, each period is distinct and must be managed separately. During periods of overlap, Grantee may have simultaneous access to funding from more than one Spend Period. This overlap is designed to facilitate continuity of Project activities and to prevent disruptions between funding cycles.

Grantee shall plan for and account for this overlap in both programmatic and financial management. Grantee may not claim or utilize funds from subsequent Spend Periods, until all funds from a Spend Period are fully exhausted or the Spend Period has lapsed.

Grantee shall budget all grant funding over the span of six (6) state fiscal years (2027-2031): however, Grantee shall ensure that all expenditures are accurately assigned to the appropriate Spend Period and align with the approved funding for that period. Grantee shall maintain financial tracking systems to comprehensively and clearly distinguish expenditures by Spend Period. Funds may not be commingled, transferred, or expended outside of their designated Spend Period.

Noncompliance with these requirements may result in corrective action, including disallowance of costs or recapture of funds.

HHSC reserves the right to adjust the allocation percentage(s) over any Spend Period under the Grant Agreement at any time to ensure alignment with funding availability.

2.7 PERFORMANCE MEASURES AND MONITORING

HHSC will look solely to Grantee for the performance of all Grantee obligations and requirements in the Grant Agreement. Grantee shall not be relieved of its obligations for any nonperformance by its subgrantees or subcontractors, if any.

Grant Agreement(s) are subject to HHSC's performance monitoring activities throughout the duration of the Project Period. This evaluation may include a reassessment of Project activities and services to determine whether they continue to be effective throughout the Grant Term.

Grantee shall regularly collect and maintain data that measures the performance and effectiveness of activities under the Grant Agreement in the manner, and within the timeframes specified in this RFA and the Grant Agreement, or as otherwise specified by HHSC.

Grantee shall submit the necessary information and documentation regarding all requirements, including reports and other deliverables, through its Performance Report and supporting documentation on or before the deadlines set forth in **Section 2.5, Required Reports**.

If requested by HHSC, Grantee shall report on the progress towards completion of the Project and other relevant information as determined by HHSC during the Project Period. Grantee must be able to show the scope of services provided and their impact, quality, and levels of performance against approved goals, and that Grantee's activities and services effectively address and achieve the Project's stated purpose.

Throughout the Grant Term, Grantee shall demonstrate completion of project milestones, submit performance data to HHSC or DSHS, as applicable, and meet performance and service delivery targets to earn funds throughout the Grant Term. HHSC will track the following outcomes:

1. Decrease in diabetes related emergency visits by Grantee;
2. Number of adults receiving education on managing diabetes in rural Texas;
3. Number of unduplicated individuals receiving obesity-related intervention service; and
4. Number of unduplicated individuals receiving diabetes management and/or intervention services.

HHSC will provide reporting to CMS on the progress of this initiative using data from DSHS, as applicable, and self-reported progress from Grantees.

HHSC will assess Grantee progress in meeting the targets for each outcome measure required is based on data and information collected from the Grantee, by DSHS through the Syndromic Surveillance program (TxS2), and the Behavioral Risk Factor Surveillance System (BRFSS). Grantee is responsible for ensuring the complete and accurate submission of its data to enable monitoring of data.

Grantee shall submit data to the TxS2, which is syndromic emergency room data continually reported in near-real time and facilities send data hourly or at least once every 24 hours through an automatic feed; if not already participating, Grantee shall work with DSHS to join TxS2 and notify HHSC of any barriers to participation.

The BRFSS is a telephone survey conducted each year that collects data from U.S. residents regarding their health-related risk behaviors, chronic health conditions, and the use of preventive services. DSHS collects, analyzes, and processes data for public use. Grantee shall utilize any available resources to encourage residents to participate in the survey if they are selected. This may include posting promotional materials, providing access to a promotional video explaining the purpose of the survey, or generally increasing awareness of the survey itself.

Table 2 – Targeted Measures Over Time

	Description	Level	Spend Period 4 Target*	Spend Period 5 Target**
Performance Measure: Diabetes-related emergency visits	Emergency department visits related to diabetes	Grantee county	Decrease emergency department visits by 1% compared to baseline (calendar year 2024)	Decrease emergency department visits by an additional 2.5% (3.5% total compared to baseline (calendar year 2024)

Performance Measure: Diabetes education	Completion of education by adults	Non-metro statewide	Increase by 1% compared to baseline (calendar year 2022)	Increase by an additional 2.5% (3.5% total) compared to baseline (calendar year 2022)
Service Delivery Target: Obesity-related intervention services	Number of unique individuals receiving obesity-related intervention service	Grantee county	At least 50% of proposed unique individuals	At least 50% (or remainder) of proposed unique individuals
Service Delivery Target: Diabetes management and/or intervention services.	Number of unique individuals receiving diabetes management and/or intervention services.	Grantee county	At least 50% of proposed unique individuals	At least 50% (or remainder) of proposed unique individuals

* Year 4 data measurement period and anticipated data availability date CY: 2028 (anticipated data release in Fall 2029)

**Year 5 data measurement period and anticipated data availability date CY: 2029 (anticipated data release in Fall 2030)

2.7.1 HHSC Performance Assessment

HHSC staff and/or its representatives may monitor and audit Grantee’s performance under the Grant Agreement. Grantee will cooperate fully and assist HHSC with the coordination of the activities listed below including, but not limited to:

- A. Periodic site visits to monitor for compliance with federal and state requirements;
- B. Efficient use of grant funds;
- C. Project progression; and
- D. Adherence to the requirements set forth in the Grant Agreement.

2.7.2 Performance Improvements

HHSC may, at its sole discretion, require the Grantee to adopt a formal PIP to address any deficiencies that compromise Project completion or for failure to comply with the mandatory obligations of the Grant Agreement. HHSC reserves the right to impose remedial measures including the following:

- A. Written PIP;
- B. Additional reporting as directed by HHSC;
- C. Placing Grantee on a financial hold (i.e., withholding payments) until resolution of deficiency or compliance issue;
- D. Termination of Grant Agreement; or
- E. Any or all remedies that may be available under the Grant Agreement and/or permitted by law.

2.8 PAY FOR PERFORMANCE PROGRESS

Using project data self-reported by Grantee and Grantee-submitted data through TxS2 and BRFSS, HHSC will determine if Grantee qualifies for Pay for Performance payment(s) in Spend Period Year 4 and 5. Grantee qualifies for Pay for Performance payment(s) if Grantee meets or exceeds the outcome measures set forth in **Table 2, Targeted Measures Over Time**, above. Grantee will receive Pay for Performance funds based on how many outcomes it achieves. For example, if Grantee demonstrates achievement on all outcome measures by end of the Spend Period, Grantee will receive 100% of the Pay for Performance funds awarded for that Spend Period; if Grantee demonstrates achievement of two of the four outcome measures by the end of a Spend Period, Grantee will receive 50% of the awarded Pay for Performance funds for that Spend Period. If Grantee demonstrates achievement of none of the outcome measures in the Spend Period, Grantee will receive no Pay for Performance funds for that Spend Period.

2.9 FINANCIAL STATUS REPORTS

Grantee shall submit quarterly FSRs to HHSC as required in **Section 2.5, Required Reports**, for HHSC review and financial assessment. Through submission of an FSR, Grantee certifies that:

- A. Any applicable invoices have been reviewed to ensure all grant-funded purchases of goods or services have been completed, performed, or delivered in accordance with Grant Agreement requirements;
- B. All services performed by Grantee have been completed in compliance with the terms of the Grant Agreement;
- C. The amount of the FSR being submitted with addition of previously approved FSRs does not exceed the maximum liability of the Grant Award; and
- D. All expenses shown on the FSR are allocable, allowable, actual, reasonable, and necessary to fulfill the purposes of the Grant Agreement.

2.10 LIMITATIONS ON GRANTS TO UNITS OF LOCAL GOVERNMENT

The General Appropriations Act (GAA) sets limitations on grants to units of local government. Article IX, Section 4.04 of the GAA states:

- A. The monies appropriated by [the GAA] may not be expended in the form of a grant to, or a contract with, a unit of local government unless the terms of the grant or contract require that the monies received under the grant or contract will be expended subject to limitations and reporting requirements similar to those provided by:
 - 1. Parts 2, 3, and 5 of this Article (except there is no requirement for increased salaries for local government employees);
 - 2. Government Code, Sections 556.004, 556.005, and 556.006; and
 - 3. Government Code, Sections 2113.012 and 2113.101.

- B. In this section, "unit of local government" means:
 - 1. a council of governments, a regional planning commission, or a similar regional planning agency created under Local Government Code, Chapter 391;
 - 2. a local workforce development board; or
 - 3. a community center as defined by Health and Safety Code, Section 534.001(b).

SECTION III. APPLICANT ELIGIBILITY REQUIREMENTS

3.1 ELIGIBLE APPLICANTS

Eligible Applicants for this grant opportunity are Rural Hospitals in Texas (as defined in **Sec. 1.2, Definitions and Acronyms**).

Preference through scoring will be in accordance with **Section 9.5, Scoring Methodology**.

3.2 LEGAL AUTHORITY TO APPLY

By submitting an Application in response to this RFA, Applicant certifies that it has legal authority to apply for the Grant Agreement that is the subject of this RFA and is eligible to receive awards. Further, Applicant certifies it will continue to maintain any required legal authority and eligibility throughout the entire duration of the Grant Term, if awarded. All requirements apply with equal force to Applicant and, if the recipient of an award, Grantee and its subgrantees or subcontractors, if any.

Each Applicant may only submit one Application. If an additional Application having the same information (e.g., TINs) is submitted, then HHSC reserves the right to disqualify any additional Application.

3.3 APPLICATION SCREENING REQUIREMENTS

In order to be considered an Applicant eligible for evaluations, Applicant must meet the following minimum requirements:

- A. Applicant must meet the definition of an eligible healthcare provider as defined in **Section 3.1, Eligible Applicants**.

- B. Applicant must submit all completed Application forms and exhibits as required by **Section VI, Application Forms and Exhibits for Submission.**
- C. Applicant must submit a completed Application by the date identified as the “Deadline for Submission of Applications,” established in **Section 7.1, Schedule of Events.**

3.4 GRANT AWARD ELIGIBILITY

By submitting an Application in response to this RFA, Applicant certifies that:

- A. Applicant and all its identified subsidiaries intending to participate in the Grant Agreement are eligible to perform grant-funded activities, if awarded, and are not subject to suspension, debarment, or a similar ineligibility determined by any state or federal entity;
- B. Applicant is in good standing under the laws of Texas, and has provided HHS with any requested or required supporting documentation in connection with this certification;
- C. Applicant shall remain in good standing and be eligible to conduct its business in Texas and shall comply with all applicable requirements of the Texas Secretary of State and the Texas Comptroller of Public Accounts;
- D. Applicant is currently in good standing with all licensing, permitting, or regulatory bodies that regulate any or all aspects of Applicant’s operations;
- E. Applicant is currently in good standing with HHSC and is free of any outstanding financial liabilities to HHSC.
- F. Applicant maintains all payment arrangements and is in good standing with HHSC and does not owe any financial obligations or debts to the State of Texas resulting in an active vendor hold with HHSC or the Texas Comptroller’s Office; and
- G. Applicant is not delinquent in taxes owed to any taxing authority of the State of Texas as of the deadline for submitting an application under this RFA.

3.5 GRANTS FOR POLITICAL POLLING PROHIBITED

Pursuant to the General Appropriations Act, Article IX, Section 4.03, none of the funds appropriated by the General Appropriations Act may be granted to or expended by any entity which performs political polling. This prohibition does not apply to a poll conducted by an academic institution as part of the institution’s academic mission that is not conducted for the benefit of a particular candidate or party. By submitting a response to this RFA, Applicant certifies that it is not ineligible for a Grant Agreement pursuant to this prohibition.

3.6 BANKRUPTCY

If at any time during the Project Period, Grantee enters bankruptcy proceedings, whether voluntary or involuntary, Grantee shall provide written notice to HHSC within five (5) calendar days of such action. This notice must include the following:

- A. Date on which the bankruptcy petition was filed;
- B. Identity of the court where in which the bankruptcy petition was filed;
- C. A copy of any and all legal pleadings;
- D. A listing of government grant and cooperative agreement numbers; and
- E. Granting or funding agencies for all government grants and cooperative agreements against which final payment has not been made.

SECTION IV. PROJECT PERIOD

4.1 PROJECT PERIOD

The Project Period is anticipated to be **September 30, 2026**, through **September 30, 2031**.

All Project funds allocated for each respective Spend Period must be expended within that respective Spend Period. The ensuing close-out period is for administrative close-out purposes only and does not permit additional service delivery or resource allocation.

4.2 PROJECT CLOSEOUT

HHSC will programmatically and financially close the grant award and end the Grant Agreement when HHSC determines Grantee has completed all applicable actions and work in accordance with Grant Agreement requirements. Grantee shall submit all required financial, performance, and other reports as required in the Grant Agreement. The Project close-out date is 60 calendar days after the Grant Agreement end date. Funds not obligated by Grantee by the end of the Project Period and not expended by the Project close-out date will revert to HHSC.

SECTION V. AWARD AMOUNT, GRANT FUNDING, AND REIMBURSEMENT INFORMATION

5.1 UNIQUE INDIVIDUALS SERVED AND AWARD AMOUNT

The award amount being requested by the Applicant must be calculated based on the following formula:

$$(A \text{ multiplied by } \$9,300.00) \text{ plus } (B \text{ multiplied by } \$2,840.00) = \text{Award Amount}$$

In the formula, “A” means the proposed number of unique individuals receiving obesity-related intervention services over the Grant Term and “B” means the proposed number of unique individuals receiving diabetes-related intervention services over the Grant Term.

In determining each number of proposed unique individuals to receive services, Applicant must propose to serve enough unique individuals that will, based on the formula above, meet or exceed the anticipated minimum anticipated award amount of \$1,000,000.00.

The maximum award amount Applicant may receive under this RFA is \$5,000,000.00.

Applicant's proposed numbers of unique individuals should be reasonable and align with the Applicant's organizational capacity and the scope of the Project. Applicant must not inflate its proposed numbers solely to increase its funding request.

For additional information regarding allocation and disbursement across Spend Periods, see **Section 6.3, Proposed Budget** and see also **Section 2.8, Pay for Performance Progress**.

5.2 GRANT FUNDING SOURCE AND AVAILABLE FUNDING

The total amount of federal funding available for the grant program is **\$153,524,850.00** for the entire Grant Term. It is HHSC's intention to make multiple awards to Applicants that meet eligibility requirements.

Applicant is strongly cautioned to only apply for the amount of grant funding it can **responsibly expend** to avoid lapsed funding at the end of the Project Period. Any funding request under the maximum amount shall be prorated by the Spend Period accordingly. Successful Applications may not be funded to the full extent of Applicant's proposed Budget in order to ensure grant funds are available for the broadest possible array of communities and programs.

Grant funds must only be used for actual, allowable, and allocable expenses that occur within the Project Period. No spending or costs incurred prior to the Effective Date of the award will be eligible for reimbursement.

5.3 NO GUARANTEE OF DISBURSEMENT AMOUNTS

There is no guarantee of total disbursements to be paid to any Grantee under any Grant Agreement, if any, resulting from this RFA. Grantee should not expect to receive additional or continued funding under future RFA opportunities and should maintain sustainability plans in case of discontinued grant funding. Any additional funding or future funding may require submission of a new Application through a subsequent RFA.

Receipt of an Application in response to this RFA does not constitute an obligation or expectation of any award of a Grant Agreement or funding of a grant award at any level under this RFA.

5.4 GRANT FUNDING PROHIBITIONS

Grant funds may not be used to support the following services, activities, and costs:

- A. Construction or building expansion, purchasing or significant retrofitting of buildings, cosmetic upgrades, or any other cost that materially increases the value of the capital asset or useful life as a direct cost;

- B. Pre-award costs;
- C. Meeting matching requirements for any other federal funds or local entities;
- D. Services, equipment, or supports that are the legal responsibility of another party under federal, State, or tribal law, such as vocational rehabilitation or education services;
- E. Services, equipment, or supports that are the legal responsibility of another party under any civil rights law, such as modifying a workplace or providing accommodations that are obligations under law;
- F. Supplanting existing State, local, tribal, or private funding of infrastructure or services, such as staff salaries;
- G. Goods or services not allocable to the Project;
- H. Supplanting funding for in-process or planned construction projects;
- I. The cost of independent research and development, including their proportionate share of indirect costs. See 2 CFR § 300.477;
- J. Funds related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order;
- K. Meals, unless in limited circumstances such as:
 - 1. Subjects and patients under study;
 - 2. Where specifically approved as part of the Project or program activity, such as in programs providing children's services; or
 - 3. As part of a per diem or subsistence allowance provided in conjunction with allowable travel;
- L. Activities prohibited under 2 CFR § 200.450 and the USHHS Grants Policy Statement, including, but not limited to:
 - 1. Paying the salary or expenses of any grant recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any State government, State legislature, or local legislature or legislative body.
 - 2. Lobbying, but awardees can lobby at their own expense if they can segregate federal funds from other financial resources used for lobbying;
- M. The purchase of covered telecommunications and video surveillance equipment (See 2 CFR § 200.216) as well as financial assistance to households for installation and monthly broadband internet costs;
- N. Costs or expenses related to or for payment towards debt;
- O. Any use of grant funds to replace (supplant) funds that have been budgeted for the same purpose through non-grant sources;

- P. Inherently religious activities such as prayer, worship, religious instruction, or proselytization;
- Q. Lobbying or advocacy activities with respect to legislation or to administrative changes to regulations or administrative policy (cf. 18 U.S.C. § 1913), whether conducted directly or indirectly;
- R. Any portion of the salary of, or any other compensation for, an elected or appointed government official;
- S. Vehicles for general agency use (to be allowable, vehicles must have a specific use related to Project objectives or activities);
- T. Entertainment, amusement, or social activities and any associated costs including, but not limited to, admission fees or tickets to any amusement park, recreational activity, or sporting event unless such costs are incurred for components of a program approved by the grantor agency and are directly related to the program's purpose;
- U. Costs of promotional items, and memorabilia, including models, gifts, and souvenirs;
- V. Food, meals, beverages, or other refreshments, except for eligible per diem associated with grant-related travel, where pre-approved for working events, or where such costs are incurred for components of a program approved by the grantor agency and are directly related to the program's purpose;
- W. Membership dues for individuals;
- X. Any expense or service that is readily available at no cost to the grant Project;
- Y. Any activities related to fundraising;
- Z. Property losses and expenses, real estate purchases, mortgage payments, the acquisition or construction of facilities, or other items that are unallowable pursuant to 2 CFR § 200.439;
- AA. All grant funds shall be used only for the implementation of proposed eligible activities and may not be used for administrative personnel costs, or travel expenses.
- BB. Any other prohibition imposed by federal, state, or local law; and
- CC. Other unallowable costs as listed under 2 CFR Part 200, Subpart E – Cost Principles, General Provisions for Selected Items of Cost, where applicable.

5.5 COST SHARING OR MATCHING REQUIREMENTS

Cost Sharing or Matching funds are not a requirement of this RFA.

5.6 PAYMENT METHOD

Grant Agreements awarded under this RFA will be funded on a cost reimbursement basis for reasonable, allowable, and allocable Grant Project Direct Costs during Spend Periods 1-3. Under the cost reimbursement payment method, Grantee is required to finance operations and will only be reimbursed for actual, allowable, and allocable costs incurred

and supported by adequate documentation. Advanced payments are not allowed under this program. Any exception must be requested in writing with justification and is subject to review and approval by HHSC.

For payment method regarding Spend Periods 4 and 5, refer to **Section 2.8, Pay for Performance Progress**.

SECTION VI. APPLICATION FORMS AND EXHIBITS FOR SUBMISSION

Note: Applicants must refer to **Section XIII, Submission Checklist**, for the complete checklist of documents that must be submitted with an Application under this RFA.

6.1 APPLICANT INFORMATION FOR EVALUATION AND SELECTION

Applicant shall fill out **Exhibit C, Evaluation and Selection Form**, in its entirety and provide the following information:

- A. Name of Applicant;
- B. County in which Applicant is located;
- C. Whether Applicant is a Rural Hospital;
- D. The proposed number of unique individuals receiving obesity-related intervention services;
- E. The proposed number of unique individuals receiving diabetes-related intervention services;
- F. The number of diabetes-related emergency visits in the county in which the Applicant is located per Texas Syndromic Surveillance (TxS2) data using **Exhibit C-1, Texas Syndromic Surveillance (TxS2) Diabetes-related Emergency Visit Reference Data**;
- G. The percentage rate of obesity in the county in which the Applicant is located per Center for Disease Control and Prevention (CDC) data using **Exhibit C-2, Center for Disease Control and Prevention (CDC) Obesity Percentage Rates Reference Data**;
- H. Whether Applicant will hire a qualified dietician to support community nutrition services and implementation of Project activities for the duration of Grant Term.
- I. Whether Applicant is owned *and* operated by a county; and
- J. Total amount of funding requested in Applicant's proposed budget. Applicant must ensure the information provided aligns with the Applicant's proposed budget submitted in the GMS and that the total is no more than the award amount as set forth in **Section 5.1, Unique Individuals Served and Award Amount** and allocated per **Section 6.3, Proposed Budget**.

HHSC reserves the right to validate or verify any information provided by Applicant on **Exhibit C, Evaluation and Selection Form**, and this form will be used as part of the Application evaluation and selection process by HHSC.

6.2 PROJECT INFORMATION

Information provided in this section will not be used in the evaluation and scored. The information will be used as part of the grant monitoring activities by HHSC for Applicants that are selected and awarded a Grant.

Using the appropriate forms indicated below and attached to this RFA, Applicants shall describe their proposed activities, processes, and methodologies to satisfy all objectives described in **Section II, Scope of Grant**, including the Applicant's problem statement, supporting data, Project approach and activities, organizational capacity, performance management, target population, and use of effective, high-impact strategies. Applicants should identify all proposed tasks to be performed, including all Project activities, during the Project Period.

Applicants **must** complete and submit all required forms and exhibits. **Applicants that fail to submit completed documents as set forth in this RFA with their Application may be disqualified.**

6.2.1 Executive Summary

Using **Form B, Executive Summary**, Applicant shall describe a high-level summary that outlines what activities the Project will implement, what outcomes it shall achieve, and how success will be measured.

6.2.2 Project Narrative

Using **Form C, Project Narrative**, Applicant shall include a detailed description of all activities selected for their high probability of success while ensuring implementation is grounded in realistic timeframes. In the Project Narrative, Applicant shall identify the below.

- A. **Part I: Target Population(s) and Service Area(s)** – Applicant shall provide the proposed number of individuals to receive (1) obesity-related intervention services and (2) diabetes management and/or intervention services. Applicant shall also provide details on other targeted chronic diseases and associated populations, if any, that the proposed project activities will benefit.
- B. **Part II: Implementation Method** – Applicant shall identify the implementation method(s) chosen to implement under the proposed Project (see **Section 2.3.1, Implementation Methods**). For each chosen method, include a detailed description of all activities to be implemented, including staffing, facilities, and partnerships. Applicant shall also include details on how the chosen method will address the results of **Form J, Assessment of Vulnerabilities Tool**. If hiring a dietician, Applicant shall also describe any proposed hiring of a dietician and the role they will play in implementing project activities and in the community.
- C. **Part III: Work Plan & Timelines** – Applicants shall provide detailed information on any partners or partnerships and all proposed activities to be completed and funded

under each Spend Period. Include funding amounts associated with each activity and any associated metrics Applicant proposes to use to measure success.

6.2.3 Work Plan

Using **Form D, Work Plan**, Applicant shall detail the execution of the Project Narrative. The Work Plan must identify goals, activities, milestones, and metrics.

6.2.4 Sustainability Plan

Using **Form E, Sustainability Plan**, Applicant shall submit a plan demonstrating how the initiative will remain solvent beyond the Grant Term.

6.2.5 Assessment of Vulnerabilities

Applicant shall submit an assessment of its community vulnerabilities by completing and submitting **Form J, Assessment of Vulnerabilities Tool**. The assessment must include all information requested.

6.2.6 Letters of Commitment and Support

Applicant shall upload executed letters of commitment from all partner entities. **Applications without the required signed letters of commitment from identified partners shall be disqualified.**

6.3 PROPOSED BUDGET

Applicant must submit its proposed budget in the GMS budget tab. See **Exhibit J, GMS Budget Entry Instructions**.

The proposed budget must map out all allowable expenses to support their Project activities within the Project Period and in alignment with the requirements of this RFA.

When completing the budget in GMS, Applicant shall submit estimated Categorial Budgets that total the requested funding amount over the span of the six applicable state fiscal years while keeping in mind that the total amount of budgeted funds must equal the total funding amount across all Spend Periods. The Spend Periods identified below must adhere to the following allocation percentage distribution:

	Spend Period 1: 9/30/26 – 9/30/27	Spend Period 2: 10/31/26 – 9/30/28	Spend Period 3: 10/31/27 – 9/30/29	Spend Period 4: 10/31/28 – 9/30/30	Spend Period 5: 10/31/29 - 9/30/31
Payment Structure	Cost Reimbursement	Cost Reimbursement	Cost Reimbursement	Pay for Performance	Pay for Performance
Not to Exceed Budget	36.64%	9.77%	9.77%	21.91%	21.91%

Allocation Percentage					
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Applicant shall enter the Categorical Budgets in GMS based on the following fiscal years using the corresponding GMS Budget tab.

State Fiscal Year (SFY)	<u>9/1/2026 - 8/31/2027</u>	<u>9/1/2027 - 8/31/2028</u>	<u>9/1/2028 - 8/31/2029</u>	<u>9/1/2029 - 8/31/2030</u>
GMS Budget Tab	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>

Over the course of the Grant Term, HHSC will provide ongoing technical assistance to support Grantees in monitoring expenditures, meeting required spending thresholds, and ensuring alignment with program timelines. This may include guidance on the amount of funding that should be expended within specific timeframes and notification of any adjustments needed to remain in compliance with grant requirements. Applicants should be aware that budget estimates may be refined in coordination with HHSC throughout the Project Period to ensure appropriate and timely use of funds.

Applicant’s budget proposal must demonstrate how funding is phased over time in Spend Periods 1-3 and are in alignment with proposed Project activities, approaches, and milestones.

Applicants must ensure that Project costs outlined in the proposed budget are reasonable, allowable, allocable, and developed in accordance with applicable state and federal grant requirements. Reasonable costs are those if, in nature and amount, do not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. A cost is allocable to a particular cost objective if the cost is chargeable or assignable to such cost objective in accordance with relative benefits received. See 2 CFR § 200.403 or TxGMS Cost Principles, Basic Considerations (pgs. 31-34), for additional information related to factors affecting allowability of costs.

Applicants will utilize the budget template provided in the GMS and identify all budget line items. Budget categories must be broken into specific budget line items that allow HHSC to determine if proposed costs are reasonable, allowable, and necessary for the successful performance of the Project. Applicants must enter all costs in the budget tables and explain why the cost is necessary and how the cost was established.

If selected for a grant award under this RFA, only HHSC-approved budget items in the Budget will be considered eligible for reimbursement.

See **Section 2.6, Management of Funds During Grant Term**, for additional information regarding funding during the Project Period.

Submission of the proposed budget in GMS is mandatory. Applicants that fail to submit a complete budget as set forth in this RFA will be disqualified.

6.4 INDIRECT COSTS

Applicants are required to complete and submit **Form H, Indirect Costs Rate (ICR) Questionnaire**, with required supporting documentation. The questionnaire initiates the acknowledgment or approval of an ICR for use with the System Agency cost-reimbursable contracts. Entities declining the use of indirect cost cannot recover indirect costs on any System Agency award or use unrecovered indirect costs as match.

HHS typically accepts the following approved ICRs:

1. Federally Approved Indirect Cost Rate Agreement
2. State of Texas Approved Indirect Cost Rate

The System Agency, at its discretion, may request additional information to support any approved ICR agreement.

If the Applicant does not have an approved ICR agreement, the Applicant may be eligible for the fifteen percent (15%) de minimis rate or may request to negotiate an ICR with HHS.

For Applicants requesting to negotiate an ICR with HHS, the ICR Proposal Package will be provided by the HHS Federal Funds Indirect Cost Rate Group to successful Grantees. The ICR Proposal Package must be completed and returned to the HHS Federal Funds Indirect Cost Rate Group no later than three (3) months post-award.

The HHS Federal Funds Indirect Cost Rate group will contact applicable Grantees after Grant Agreement execution to initiate and complete the ICR process. Grantees should respond within thirty (30) business days or the request will be cancelled, and indirect costs may be disallowed.

Once HHS acknowledges an existing rate or approves an ICR, the Grantee will receive one of the three indirect cost approval letters: ICR Acknowledgement Letter, ICR Acknowledgement Letter – Fifteen Percent De Minimis, or the ICR Agreement Letter.

If an Indirect Cost Rate Letter is required but it is not issued at the time of Grant Agreement execution, the Grant Agreement will be amended to include the Indirect Cost Rate Letter after the ICR Letter is issued.

Approval or acceptance of an ICR will not result in an increase in the amount awarded or affect the agreed-upon service or performance levels throughout the life of the award.

6.5 ADMINISTRATIVE APPLICANT INFORMATION

6.5.1 Applicant Information

Applicant must complete and sign **Form A, Applicant Information**. If a governmental or nonprofit entity, Applicant must also complete and submit the additional appropriate form:

- A. **Form A-1, Governmental Entity Authorized Officials and Other Key Personnel;**
or
- B. **Form A-2, Nonprofit Entity.**

6.5.2 Contract and Litigation History

Applicant must complete **Form G, Contract and Litigation History**, and provide a complete disclosure of any alleged or significant contractual or grant failures.

In addition, Applicant must disclose any civil or criminal litigation or investigation pending over the last five (5) years that involves Applicant or in which Applicant has been judged guilty or liable. Failure to comply with the terms of this provision may disqualify Applicant. See also, **Exhibit A, HHS Solicitation Affirmations v. 2.10**, where Applicant certifies it does not have any existing claims against or unresolved audit exceptions with the State of Texas or any agency of the State of Texas.

Application may be rejected based upon Applicant's prior history with the State of Texas or with any other party that demonstrates, without limitation, unsatisfactory performance, adversarial or contentious demeanor, or significant failure(s) to meet contractual or grant obligations.

6.5.3 Financial Management and Administrative Questionnaire

Applicant must complete **Form F, Financial Management and Administrative Questionnaire**.

6.6 AFFIRMATIONS AND CERTIFICATIONS

Applicants must complete and sign the following affirmations and certifications:

- A. **Exhibit A, HHS Solicitation Affirmations, v. 2.10.** Certain fields on **Exhibit A** only accept numerical values. Applicants should enter numerical digits only without dashes or other characters (e.g., enter 1234567 instead of 123-45-67).
- B. Applicant should complete the applicable federal assurances exhibit depending on whether it is proposing a construction or non-construction Project:
 - 1. **Exhibit E-1, Assurances – Non-Construction Programs;** or
 - 2. **Exhibit E-2, Assurances – Construction Programs.**
- C. Certifications:
 - 1. **Exhibit F, Certification Regarding Lobbying;** and

- 2. Exhibit G, Federal Funding Accountability and Transparency Act (FFATA) Certification Form.
- D. Exhibit H, CMS Notice of Award RHTCM332068-01-00 Acknowledgment of Receipt.

SECTION VII. RFA ADMINISTRATIVE INFORMATION AND INQUIRIES

7.1 SCHEDULE OF EVENTS

EVENT	DATE/TIME
Funding Announcement Posting Date Posted to GMS website and HHS Grants RFA website	May 4, 2026
Applicant Conference Attendance is Optional	May 12, 2026, at 2:00 PM Central Time
Deadline for Submitting Questions or Requests for Clarification	May 18, 2026, at 5:00 PM Central Time
Date Answers to Questions or Requests for Clarification Posted	May 22, 2026
Deadline for Submission of Applications NOTE: Applications must be <u>RECEIVED</u> by HHSC by this deadline if not changed by subsequent Addenda to be considered eligible.	June 4, 2026, by 10:30 a.m. Central Time
Anticipated Notice of Award	September 1, 2026
Anticipated Project Start Date	September 30, 2026

Applicants must ensure their Applications is received by HHSC in accordance with the Deadline for Submission of Applications (June 4, 2026, 10:30 am) indicated in this Schedule of Events or as changed by subsequent Addenda posted to the [HHS Grants RFA](#) website.

All dates are tentative and HHSC reserves the right to change these dates at any time. At the sole discretion of HHSC, events listed in the Schedule of Events are subject to scheduling changes and cancellation. Scheduling changes or cancellation determinations made prior to the Deadline for Submission will be published by posting an addendum to the [HHS Grants RFA](#) website. After the Deadline for Submission, if there are delays that significantly impact the anticipated award date, HHSC, at its sole discretion, may post updates regarding the anticipated award date to the [Procurement Forecast](#) on the HHS Procurement Opportunities [web page](#). Each Applicant is responsible for checking the HHS Grants RFA website and Procurement Forecast for updates.

7.2 SOLE POINT OF CONTACT AND EXCEPTIONS

7.2.1 SOLE POINT OF CONTACT

All requests, questions or other communication about this RFA shall be made by **email only** to the Grant Specialist designated as HHSC's Sole Point of Contact listed below:

Name	Alexis Jimerson, CTCD, CTCM
Title	Grant Specialist, HHSC Procurement and Contracting Services
Address	Procurement and Contracting Services Building 1100 W 49th St. MC: 2020 Austin, TX 78756
Phone	512-231-5664
Email	SPPPCS@hhs.texas.gov

Applicants shall not use this e-mail address for submission of an Application. Follow the instructions for submission as outlined in Section VIII, Application Organization and Submission Requirements.

7.2.2 EXCEPTIONS TO THE SOLE POINT OF CONTACT

Exceptions to **Section 7.2.1, Sole Point of Contact** are as follows:

- A. An Applicant with a technical question about or needing assistance with the use of the GMS is permitted to direct its written question(s) via email to GMSSupport@hhs.texas.gov.
- B. The Sole Point of Contact may expressly designate in writing another HHSC representative to speak to Applicant during grant negotiations as part of the normal grant review process, if any.

7.2.3 PROHIBITED COMMUNICATIONS

Applicants and their representatives shall not contact other HHS personnel regarding this RFA.

This restriction (on only communicating in writing by email with the Sole Point of Contact identified above) does not preclude discussions between Applicant and agency personnel for the purpose of conducting business unrelated to this RFA.

Failure of an Applicant or its representatives to comply with these requirements may result in disqualification of the Application.

7.3 RFA QUESTIONS AND REQUESTS FOR CLARIFICATION

Written questions and requests for clarification of this RFA are permitted if submitted by email to the Sole Point of Contact by the deadline established in Section 7.1, Schedule of Events, or as may be amended in Addenda, if any, posted to the HHS Grants RFA website.

Applicants' names will be removed from questions in any responses released. All questions and requests for clarification must include the following information. Submissions that do not include this information may not be accepted:

- A. RFA Number;
- B. Section or paragraph number from this Solicitation;
- C. Page number of this Solicitation;
- D. Exhibit or other attachment and section or paragraph number from the exhibit or other attachment;
- E. Page number of the exhibit;
- F. Language, topic, section heading being questioned; and
- G. Question.

The following contact information must be included in the e-mail submitted with questions or requests for clarification:

- A. Name of individual submitting question or request for clarification;
- B. Organization name;
- C. Phone number; and
- D. E-mail address.

HHSC may review and, at its sole discretion, may respond to questions or other written requests received after the deadline.

7.4 AMBIGUITY, CONFLICT, DISCREPANCY, CLARIFICATIONS

Applicants must notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the RFA in the manner and by the deadline for submitting questions. Each Applicant submits its Application at its own risk.

If Applicant fails to properly and timely notify the Sole Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specification, omission or other error in the RFA, Applicant, whether awarded a Grant Agreement or not:

- A. Shall have waived any claim of error or ambiguity in the RFA and any resulting Grant Agreement;
- B. Shall not contest the interpretation by HHSC of such provision(s); and
- C. Shall not be entitled to additional reimbursement, relief, or time by reason of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error or its later correction.

7.5 RESPONSES TO QUESTIONS OR REQUEST FOR CLARIFICATIONS

Responses to questions or other written requests for clarification will be consolidated and HHSC will post responses in one or more Addenda on the [HHS Grants RFA](#) website. Responses will not be provided individually to requestors.

HHSC reserves the right to amend answers previously posted at any time prior to the deadline for submission of Applications. Amended answers will be posted on the [HHS Grants RFA](#) website in a separate, new Addendum or Addenda. It is Applicant's responsibility to check the [HHS Grants RFA](#) website or contact the Sole Point of Contact for a copy of the Addendum with the amended answers.

7.6 CHANGES, AMENDMENT OR MODIFICATION TO RFA

HHSC reserves the right to change, amend, modify or cancel this RFA. All changes, amendments and modifications or cancellation will be posted by Addendum on the HHS Grants RFA website.

It is the responsibility of each Applicant to periodically check the HHS Grants RFA website for any additional information regarding this RFA. Failure to check the posting website will in no way release any Applicant or awarded Grantee from the requirements of posted Addenda or additional information. No HHS agency will be responsible or liable in any regard for the failure of any individual or entity to receive notification of any posting to the websites or for the failure of any Applicant or awarded Grantee to stay informed of all postings to these websites. If the Applicant fails to monitor these websites for any changes or modifications to this RFA, such failure will not relieve the Applicant of its obligation to fulfill the requirements as posted.

7.7 EXCEPTIONS AND ASSUMPTIONS

Applicants are highly encouraged, in lieu of including exceptions in their Applications, to address all issues that might be advanced by way of exception or assumptions by submitting questions or requests for clarification pursuant to **Section 7.3, RFA Questions and Requests for Clarification.**

Exhibit D, Exceptions Form, must be used if Applicant has specific exceptions to the terms and conditions applicable to this Grant. Applicant must indicate on Exhibit D, Exceptions Form (an in-system GMS submission) whether exceptions are being submitted.

No exception, nor any other term, condition, or provision in an Application that differs, varies from, or contradicts this RFA, will be considered to be part of any Grant Agreement resulting from this RFA unless expressly made a part of the Grant Agreement in writing by HHSC.

7.8 APPLICANT CONFERENCE

HHSC will conduct an Applicant conference on the date and time set out in **Section 7.1, Schedule of Events**. The Applicant conference will include the review of the Application submission using GMS, which will be the sole method of submission for this RFA. Attendance is optional and not required, however, is strongly encouraged.

People with disabilities who wish to attend the meeting and require auxiliary aids or services should contact the Sole Point of Contact identified in **Section 7.2, Sole Point of Contact and Exceptions**, at least seventy-two (72) hours before the meeting in order to have reasonable accommodations made by HHSC.

Attendance will be recorded virtually, and each attendee must provide his/her name, attendee's entity name, and attendee email address. The Applicant Conference may be recorded.

All questions and requests for clarification must be presented in writing at the conference. Reference **Section 7.3, RFA Questions and Requests for Clarification**, for the required format and information to be included.

HHSC reserves the right to amend responses to questions and requests for clarification after posting at any time prior to the Deadline for Submission of Applications. Amended answers will be posted on the HHS Grants RFA website in a separate, new Addendum or Addenda.

APPLICANT CONFERENCE INFORMATION:

The conference will be held through Teams, which may be accessed at:

<https://events.teams.microsoft.com/event/daa5c1fd-9af3-4236-8c6f-4336e95315e0@9bf97732-82b9-499b-b16a-a93e8ebd536b>

Conference Instructions:

1. Click the **Register** button
2. To register, the participants must have the following information ready:
 - a. First and last name of each attendee/registrant

- b. Business e-mail address for the attendee/registrant
- c. Applicant's organization name
- d. Job title of attendee/registrant

SECTION VIII. APPLICATION ORGANIZATION AND SUBMISSION REQUIREMENTS

8.1 APPLICATION RECEIPT

Applications must be received by HHSC by the Deadline for Submission of Applications specified in **Section 7.1, Schedule of Events**, or subsequent Addenda. GMS will not allow late submission of Applications. Applications received after the Deadline for Submission of Applications may be ruled ineligible. Applicants should allow for adequate time for submission before the posted Deadline for Submission.

No HHS agency will be held responsible for any Application that is mishandled prior to receipt by HHSC. It is the Applicant's responsibility to ensure its Application is received by HHSC before the Deadline for Submission of Applications. No HHS agency will be responsible for any technical issues that result in late delivery, non-receipt of an Application, inappropriately identified documents, or other submission issue that may lead to disqualification.

All Applications become the property of HHSC after submission and receipt and will not be returned to Applicant.

Applicants understand and acknowledge that issuance of this RFA or retention of Applications received in response to this RFA in no way constitutes a commitment to award Grant Agreement(s) as a result of this RFA.

8.2 APPLICATION SUBMISSION

By submitting an Application in response to this Solicitation, Applicant represents and warrants that the individual submitting the Application and any related documents on behalf of the Applicant is authorized to do so and to bind the Applicant under any Grant Agreement that may result from the submission of an Application.

8.3 REQUIRED SUBMISSION METHOD

Applicants must submit their completed Applications by the Deadline for Submission of Applications provided in **Section 7.1, Schedule of Events**, or subsequent Addenda, using the approved method identified below. Applications submitted by any other method (e.g., email) will not be considered and will be disqualified.

Required Submission Method: Grants Management System (GMS) External Portal Submission. Refer to the Grants Management System External User Guide for instructions for submission at:

<https://www.hhs.texas.gov/sites/default/files/documents/grants-management-system-external-user-guide.pdf>.

Applicants shall submit their Applications in GMS in accordance with **Section XIII, Submission Checklist**. Refer to **Exhibit J, Grants Management System (GMS) External Portal Information**, for instructions on accessing GMS portal.

See **Section 7.2.2, Exceptions to the Sole Point of Contact**, for questions or issues regarding GMS.

8.4 COSTS INCURRED FOR APPLICATION

All costs and expenses incurred in preparing and submitting an Application in response to this RFA and participating in the RFA selection process are entirely the responsibility of the Applicant.

8.5 APPLICATION COMPOSITION

All Applications must:

- A. Be responsive to all RFA requirements;
- B. Be clearly legible; and
- C. For uploaded files, they should be properly paginated, as applicable, formatted as an 8 ½" x 11" page with 1-inch margins, and use a 12 point or larger font, except that a smaller font may be used for page headers and footers, footnotes, and illustrations such as tables, charts, diagrams, figures, graphs and other visual aids. If a font smaller than 12 point is used, the text when printed on 8 ½" x 11" paper must not require magnification to be legible. Times New Roman font is preferred.

8.6 APPLICATION WITHDRAWALS OR MODIFICATIONS

Applicant may modify its Application within GMS up until the submission deadline set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda. The modification must be received by HHSC by the Deadline for Submission of Applications set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda.

An Applicant may withdraw its Application through the GMS prior to the Deadline for Submission of Applications set forth in **Section 7.1, Schedule of Events**. After the Deadline for Submission of Applications, an Applicant must reach out to the Sole Point of Contact to withdraw its Application.

No modification request received after the Deadline for Submission of Applications, set forth in **Section 7.1, Schedule of Events**, or subsequent Addenda, will be considered. Additionally, in the event of multiple Applications received, the most timely received

and/or modified Application will replace the Applicant's original and all prior submission(s) in its entirety and the original submission(s) will not be considered.

SECTION IX. APPLICATION SCREENING AND EVALUATION

9.1 OVERVIEW

- A. A three-step selection process will be used:
1. Application screening to determine whether the Applicant meets the minimum requirements of this RFA;
 2. Evaluation based upon specific selection criteria and scoring methodology; and
 3. Final selection based upon State priorities and other relevant factors, as outlined in **Section 10.1, Final Selection**.
- B. Applications implementing multiple implementation methods will not receive a preference, higher scoring, or higher ranking over those focusing on a single method. See **Section 3.1, Eligible Applicants**, addressing the preferences applicable to this RFA.

9.2 INITIAL COMPLIANCE SCREENING OF APPLICATIONS

All Applications received by the Deadline for Submission of Applications as outlined in **Section 7.1, Schedule of Events**, or subsequent Addenda, will be screened by HHSC to determine which Applications meet all the minimum requirements of this RFA and are deemed responsive and qualified for further consideration. See **Section 3.3, Application Screening Requirements**.

At the sole discretion of HHSC, Applications with errors, omissions, or compliance issues may be considered non-responsive and may not be considered. The remaining Applications will continue to the evaluation stage and will be considered in the manner and form as which they are received. HHSC reserves the right to waive minor informalities in an Application. A "minor informality" is an omission or error that, in the determination of HHSC if waived or modified, would not give an Applicant an unfair advantage over other Applicants or result in a material change in the Application or RFA requirements.

Any disqualifying factor set forth in this RFA does not constitute an informality (e.g., **Exhibit A, HHS Solicitation Affirmations v2.10**, or submitting a budget in the GMS).

HHSC, at its sole discretion, may give an Applicant the opportunity to submit missing information or make corrections at any point after receipt of Application. The missing information or corrections must be submitted to the Sole Point of Contact e-mail address in **Section 7.2, Sole Point of Contact and Exceptions**, by the deadline set by HHSC. Failure to respond by the deadline may result in the rejection of the Application and the Applicant not being considered for award.

9.3 QUESTIONS OR REQUESTS FOR CLARIFICATION FOR APPLICATIONS

HHSC reserves the right to ask questions or request clarification or revised documents for a submitted Application from any Applicant at any time prior to award. HHSC reserves the right to select qualified Applications received in response to this RFA without discussion of the Applications with Applicants.

9.4 EVALUATION CRITERIA

All eligible Applicants will be evaluated and scored based on the following criteria:

- A. Diabetes-related Emergency Visits..... (40 points)
- B. Level of Obesity..... (1 point for each percentage)
- C. Hiring of Dietician (50 points)
- D. Type of Applicant (75 points)

Applicants will be scored using the scoring methodology set out below. See also, **Section 6.1, Applicant Information for Evaluation and Selection**, of the RFA.

9.5 SCORING METHODOLOGY

All eligible Applications will be evaluated and scored in accordance with the following scoring methodology using the evaluation criteria set out above:

A. Diabetes-related Emergency Visits

The number of diabetes-related emergency visits as provided by Applicant using **Exhibit C-1, Texas Syndromic Surveillance (TxS2) Diabetes-related Emergency Visit Reference Data**.

- 1. 1200 or more visits 40 points
- 2. 750 – 1199 visits..... 30 points
- 3. 400 – 749 visits..... 20 points
- 4. 200 – 399 visits..... 10 points
- 5. 0 – 199 visits..... 0 points

B. Level of Obesity

The percentage rate of obesity in the county in which the Applicant is located as provided by Applicant using **Exhibit C-2, Center for Disease Control and Prevention (CDC) Obesity Percentage Rates Reference Data**.

Actual percentage rate..... 1 point for each percentage

For example, if percentage rate of obesity is 39.5%, Applicant will receive 39.5 points.

C. Hiring of Dietician

Commitment to hiring a qualified dietician to support community nutrition services and implementation of Project activities, as applicable, for the duration of Grant Term.

- 1. **Yes, Applicant will hire a qualified dietician 50 points**
- 2. **No, Applicant will not hire a qualified dietician 0 points**

D. Type of Applicant

Applicant is owned *and* operated by a county.

- 1. **Applicant is owned and operated by county..... 75 points**
- 2. **Applicant is not owned and operated by county 0 points**

9.6 SELECTION METHODOLOGY

After scoring, all eligible Applicants will be ranked by score. Selection for potential award recommendations will be made based on rank starting with the highest ranked Applicant until all available funding has been assigned. See also, **Section 10.1, Final Selection**, for additional award considerations.

9.7 IN THE EVENT OF A TIE

Any tie in ranking that needs to be resolved to award funding will favor the Application requesting the lower amount of funding. If a tie still persists, preference will be given to the Applicant located in a county with the higher number of diabetes-related emergency visits provided on **Exhibit C, Evaluation and Selection Form**.

9.8 PAST PERFORMANCE

HHSC reserves the right to request additional information and conduct investigations as necessary to evaluate any Application. By submitting an Application, the Applicant generally releases from liability and waives all claims against any party providing information about the Applicant at the request of HHSC.

HHSC may examine Applicant’s past performance which may include, but is not limited to, information about Applicant provided by any governmental entity, whether an agency or political subdivision of the State of Texas, another state, or the federal government.

HHSC, at its sole discretion, may also initiate investigations or examinations of Applicant performance based upon any information available to HHSC, including media reports. Any negative findings, as determined by HHSC in its sole discretion, may result in HHSC removing the Applicant from further consideration for award.

Past performance information regarding Applicants may include, but is not limited to:

- A. Notices of termination;
- B. Cure notices;

- C. Assessments of liquidated damages;
- D. Litigation;
- E. Audit reports; and
- F. Non-renewals of grants or contracts based on Applicant's unsatisfactory performance.

Applicants also may be rejected as a result of unsatisfactory past performance under any grant(s) or contract(s) as reflected in vendor performance reports, reference checks, or other sources. An Applicant's past performance may be considered in the initial screening process and prior to making an award determination.

Reasons for which an Applicant may be denied a Grant Agreement at any point after Application submission include, but are not limited to:

- A. If applicable, Applicant has an unfavorable report or grade on the CPA Vendor Performance Tracking System (VPTS). VPTS may be accessed at: <https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/>;
- B. Applicant is currently under a corrective action plan through HHSC or DSHS;
- C. Applicant has a record of repeated non-responsiveness to HHSC written requests;
- D. Applicant has a history of repeated non-compliance with contractual obligations;
- E. Applicant has contracts or purchase orders that have been cancelled in the previous 12 months for non-performance or substandard performance; or
- F. Any other performance issue that demonstrates that awarding a Grant Agreement to Applicant would not be in the best interest of the State.

9.9 COMPLIANCE FOR PARTICIPATION IN STATE CONTRACTS

Prior to award of a Grant Agreement as a result of this RFA and in addition to the initial screening of Applications, all required verification checks will be conducted.

The information (e.g., legal name and, if applicable, assumed name (d/b/a), tax identification number, DUNS number) provided by Applicant will be used to conduct these checks. At HHSC's sole discretion, Applicants found to be barred, prohibited, or otherwise excluded from award of a Grant Agreement may be disqualified from further consideration under this Solicitation, pending satisfactory resolution of all compliance issues.

Checks include:

A. State of Texas Debarment and Warrant Hold

Applicant must not be debarred from doing business with the State of Texas (<https://comptroller.texas.gov/purchasing/programs/vendor-performance-tracking/debarred-vendors.php>) or have an active warrant or payee hold placed by the Comptroller of Public Accounts (CPA).

B. U.S. System of Award Management (SAM) Exclusions List

Applicant must not be excluded from contract participation at the federal level. This verification is conducted through SAM, the official website of the U.S. Government which may be accessed at: <https://sam.gov/>.

C. Divestment Statute Lists

Applicant must not be listed on the Divestment Statute Lists provided by CPA, which may be accessed at: <https://comptroller.texas.gov/purchasing/publications/divestment.php>

1. Designated Foreign Terrorist Organizations;
2. Scrutinized Companies with ties to Foreign Terrorist Organizations;
3. Scrutinized Companies with Ties to Sudan;
4. Financial Companies that Boycott Energy Companies FAQ;
5. List of Financial Companies that Boycott Energy Companies FAQ;
6. Companies that Boycott Israel; and
7. Scrutinized Companies with Ties to Iran.

D. HHS Office of Inspector General

Applicant must not be listed on the HHS Office of Inspector General Texas Exclusions List for people or businesses excluded from participating as a provider: <https://oig.hhsc.state.tx.us/oigportal2/Exclusions>

E. U.S. Department of Health and Human Services

Applicant must not be listed on the U.S. Department of Health and Human Services Office of Inspector General’s List of Excluded Individuals/Entities (LEIE), excluded from participation as a provider, unless a valid waiver is currently in effect: <https://exclusions.oig.hhs.gov/>.

HHSC reserves the right to conduct additional checks to determine eligibility to receive a Grant Agreement.

SECTION X. AWARD OF GRANT AGREEMENT PROCESS

10.1 FINAL SELECTION

After initial screening for eligibility and Application completeness, and initial evaluation against the criteria listed in **Section 9.4, Evaluation Criteria**, HHSC may apply other considerations such as program policy or other selection factors that are essential to the process of selecting Applications that individually or collectively achieve program objectives. In applying these factors, HHSC may consult with internal and external subject matter experts.

After evaluating the Applicant’s Application, HHSC will determine if the Application meets all RFA requirements. HHSC will issue a determination regarding the Application’s

adherence to RFA requirements. HHSC reserves the right to cancel this RFA, issue partial awards, or decline to award any grant agreements at any time and at its sole discretion.

HHSC will make final funding decisions based on Applicant eligibility, evaluation rankings, the funding methodology above, and include as applicable: Applicant's long-term financial sustainability, geographic area(s) with targeted population, state priorities, reasonableness, availability of funding, cost-effectiveness, and other relevant factors.

All funding recommendations will be considered for approval by the HHSC Deputy Chief Financial Officer, or their designee.

10.2 NEGOTIATIONS

After selecting Applicants for award, HHSC may engage in negotiations with selected Applicants. As determined by HHSC, the negotiation phase may involve direct contact between the selected Applicant and HHSC representatives by virtual meeting, by phone, and/or by email. Negotiations should not be interpreted as a preliminary intent to award funding unless explicitly stated in writing by HHSC and is considered a step to finalize the Application to a state of approval and discuss proposed grant activities. During negotiations, selected Applicants may expect:

- A. An in-depth discussion of the submitted Application and proposed budget; and
- B. Requests from HHSC for revised documents, clarification, or additional detail regarding the Applicant's submitted Application. These clarifications and additional details, as required, must be submitted in writing by Applicant as finalized during the negotiation.

Final funding amounts and Grant Agreement provisions are determined at the sole discretion of HHSC.

10.3 DISCLOSURE OF INTERESTED PARTIES

Subject to certain specified exceptions, Section 2252.908 of the Texas Government Code, Disclosure of Interested Parties, applies to a contract of a state agency that has a value of \$1 million or more; requires an action or vote by the governing body of the entity or agency before the contract may be signed; or is for services that would require a person to register as a lobbyist under Chapter 305 of the Texas Government Code.

One of the requirements of Section 2252.908 is that a business entity (defined as "any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation") must submit a Form 1295, Certificate of Interested Parties, to HHSC at the time the business entity submits the signed contract.

Applicant represents and warrants that, if selected for award of a Grant Agreement as a result of this RFA, Applicant will submit to HHSC a completed, certified and signed Form

1295, Certificate of Interested Parties, at the time the potential Grantee submits the signed Grant Agreement.

Form 1295 involves an electronic process through the Texas Ethics Commission (TEC). The on-line process for completing the Form 1295 may be found on the TEC public website at: <https://www.ethics.state.tx.us/filinginfo/1295/>

Additional instructions and information to be used to process Form 1295 will be provided by HHSC to the potential Grantee(s). Potential Grantee(s) may contact Sole Point of Contact or designated Contract Manager for information needed to complete Form 1295.

If the potential Grantee does not submit a completed, certified, and signed TEC Form 1295 to HHSC with the signed Grant Agreement, HHSC is prohibited by law from executing a contract, even if the potential Grantee is otherwise eligible for award. HHSC, as determined in its sole discretion, may award the Grant Agreement to the next qualified Applicant, who will then be subject to this procedure.

10.4 EXECUTION AND ANNOUNCEMENT OF GRANT AGREEMENT(S)

HHSC intends to award one or more Grant Agreements as a result of this RFA. However, not all Applicants who are deemed eligible to receive funds are assured of receiving a Grant Agreement.

At any time and at its sole discretion, HHSC reserves the right to cancel this RFA, make partial award, or decline to award any Grant Agreement(s) as a result of this RFA.

The final funding amount and the provisions of the grant will be determined at the sole discretion of HHSC.

HHSC may announce tentative funding awards through an “Intent to Award Letter” once the HHSC Program Deputy Chief Financial Officer and relevant HHSC approval authorities have given approval to initiate and/or execute grants. Receipt of an “Intent to Award Letter” does not authorize the recipient to incur expenditures or begin Project activities, nor does it guarantee current or future funding.

Upon execution of a Grant Agreement(s) as a result of this RFA, HHSC will post a notification of all grants awarded to the [HHS Grants RFA](#) website.

SECTION XI. GENERAL TERMS AND CONDITIONS

11.1 GRANT APPLICATION DISCLOSURE

In an effort to maximize state resources and reduce duplication of effort, HHSC, at its discretion, may require the Applicant to disclose information regarding the application for, or award of, state, federal, and/or local grant funding to the Applicant or subgrantee or

subcontractor (i.e. organization who will participate, in part, in the operation of the Project) within the past two years.

11.2 TEXAS HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

In procuring goods and services using funding awarded under this RFA, Grantee must use HUBs or other designated businesses as required by law or the terms of the state or federal grant under which this RFA has been issued. See, e.g., 2 CFR 200.321. If there are no such requirements, HHSC encourages Applicant to use HUBs to provide goods and services.

For information regarding the Texas HUB program, refer to CPA's website:

<https://comptroller.texas.gov/purchasing/vendor/hub/>.

SECTION XII. APPLICATION CONFIDENTIAL OR PROPRIETARY INFORMATION

12.1 TEXAS PUBLIC INFORMATION ACT – APPLICATION DISCLOSURE REQUIREMENTS

Applications and resulting Grant Agreements are subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552, and may be disclosed to the public upon request. Other legal authorities also require HHSC to post grants and applications on its public website and to provide such information to the Legislative Budget Board for posting on its public website.

Under the PIA, certain information is protected from public release. If Applicant asserts that information provided in its Application is exempt from disclosure under the PIA, Applicant must:

- A. On Form I, Public Information Act (PIA) Disclosure Form, select 'YES' in response to Section 1; in Section 2, identify the specific portion(s) of the Application that Applicant claims is exempt from disclosure and identify the claimed exemption under the PIA; and, in Section 3, upload the full PIA copy of the Application.**
- B. Certify – HHS Solicitation:** Certify, in the designated section of **Exhibit A, HHS Solicitation Affirmations v. 2.10**, Applicant's confidential information assertion and the filing of its **Form I, Public Information Act (PIA) Disclosure Form**, of the RFA.

By submitting an Application under this RFA, Applicant agrees that, if Applicant does not mark YES on Form I, Public Information Act (PIA) Disclosure Form, and provide the required certification in Exhibit A, HHS Solicitation Affirmations v. 2.10, the Application will be considered to be public information that may be released to the public in any manner including, but not limited to, in accordance with the Public Information Act, posted on HHSC's public website, and posted on the Legislative Budget Board's public website.

If any or all Applicants submit partial, but not complete, information suggesting inclusion of confidential information and failure to comply with the requirements set forth in this section, HHSC, in its sole discretion, reserves the right to (1) disqualify

all Applicants that fail to fully comply with the requirements set forth in this section, or (2) to offer all Applicants that fail to fully comply with the requirements set forth in this section additional time to comply.

No Applicant should submit a Public Information Act Copy indicating that the entire Application is exempt from disclosure. Merely making a blanket claim that the entire Application is protected from disclosure because it contains any amount of confidential, proprietary, trade secret, or privileged information is not acceptable, and may make the entire Application subject to release under the PIA.

Applications should not be marked or asserted as copyrighted material. If Applicant asserts a copyright to any portion of its Application, by submitting an Application, Applicant agrees to reproduction and posting on public websites by the State of Texas, including HHSC and all other state agencies, without cost or liability.

HHSC will strictly adhere to the requirements of the PIA regarding the disclosure of public information. As a result, by participating in this RFA, Applicant acknowledges that all information, documentation, and other materials submitted in its Application may be subject to public disclosure under the PIA. HHSC does not have authority to agree that any information submitted will not be subject to disclosure. Disclosure is governed by the PIA and by rulings of the Office of the Texas Attorney General. Applicants are advised to consult with their legal counsel concerning disclosure issues resulting from this process and to take precautions to safeguard trade secrets and proprietary or otherwise confidential information. HHSC assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Applicants.

For more information concerning the types of information that may be withheld under the PIA or questions about the PIA, please refer to the Public Information Act Handbook published by the Office of the Texas Attorney General or contact the Attorney General's Open Government Hotline at (512) 478-OPEN (6736) or toll-free at (877) 673-6839 (877-OPEN TEX). To access the Public Information Act Handbook, please visit the Attorney General's website at <http://www.texasattorneygeneral.gov>.

12.2 APPLICANT WAIVER – INTELLECTUAL PROPERTY

SUBMISSION OF ANY DOCUMENT TO ANY HHS AGENCY IN RESPONSE TO THIS SOLICITATION CONSTITUTES AN IRREVOCABLE WAIVER, AND AGREEMENT BY THE SUBMITTING PARTY TO FULLY INDEMNIFY THE STATE OF TEXAS AND HHS FROM ANY CLAIM OF INFRINGEMENT REGARDING THE INTELLECTUAL PROPERTY RIGHTS OF THE SUBMITTING PARTY OR ANY THIRD PARTY FOR ANY MATERIALS SUBMITTED TO HHS BY THE SUBMITTING PARTY.

SECTION XIII. SUBMISSION CHECKLIST

HHSC, in its sole discretion, will review all Applications received and will determine if any or all Applications which do not include complete, signed copies of these forms, exhibits and Addenda, may be disqualified. See Section 9.2, Initial Compliance Screening of Applications for further detail.

This Submission Checklist identifies the documentation, forms, and exhibits that are required to be submitted as part of the Application through GMS.

Documentation	RFA Reference
<i>All forms are in-system GMS entry</i>	
Form A, Applicant Information	Section 6.5.1
Form A-1, Governmental Entity, if applicable	Section 6.5.1(A)
Form A-2, Nonprofit Entity, if applicable	Section 6.5.1(B)
Form B, Executive Summary	Section 6.2.1
Form C, Project Narrative	Section 6.2.2
Form D, Work Plan	Section 6.2.3
Form E, Sustainability Plan	Section 6.2.4
Form F, Financial Management and Administrative Questionnaire	Section 6.5.3
Form G, Contract and Litigation History	Section 6.5.2
Form H, Indirect Costs Rate (ICR) Questionnaire	Section 6.4
Form I, Public Information Act (PIA) Disclosure Form	Section 12.1
Form J, Assessment of Vulnerabilities Tool	Section 6.2.5
Letters of Commitment and Support from Partners (Submitted as uploaded file(s) in GMS)	Section 6.2.6
Proposed Budget (In-system GMS entry)	Section 6.3
Exhibit A, HHS Solicitation Affirmations (In-system GMS entry)	Section 6.6
Exhibit C, Evaluation and Selection Form (In-system GMS entry)	Section 6.1
Exhibit D, Exceptions Form (In-system GMS entry)	Section 7.7
Assurances, submit the relevant exhibit: Exhibit E-1, Assurances – Non-Construction Programs, (Submitted as uploaded file in GMS); or Exhibit E-2, Assurances – Construction Programs, (Submitted as uploaded file in GMS)	Section 6.6

Exhibit F, Certification Regarding Lobbying (Submitted as uploaded file in GMS)	Section 6.6
Exhibit G, Federal Funding Accountability and Transparency Act (FFATA) Certification Form (Submitted as uploaded file in GMS)	Section 6.6
Exhibit H, CMS Notice of Award, Acknowledgment of Receipt (Acknowledgement is an in-system GMS entry; federal notice of award is a PDF file)	Section 6.6
Addenda: Each Addendum, if any, must be signed and submitted with the Application (Submitted as uploaded file in GMS)	Sections 7.1, 7.5, and 7.6

SECTION XIV. LIST OF FORMS AND EXHIBITS

Forms All forms are in-system GMS forms.

Form A	Applicant Information
Form A-1	Governmental Entity Authorized Officials & Other Key Personnel
Form A-2	Nonprofit Entity
Form B	Executive Summary
Form C	Project Narrative
Form D	Work Plan
Form E	Sustainability Plan
Form F	Financial Management and Administrative Questionnaire
Form G	Contract and Litigation History
Form H	Indirect Costs Rate (ICR) Questionnaire
Form I	Public Information Act (PIA) Disclosure Form
Form J	Assessment of Vulnerabilities Tool

Exhibits – Except as noted below, exhibits are provided as portable document format (PDF) files with the RFA

Exhibit A	HHS Solicitation Affirmations, v. 2.10 (In-system GMS document)
Exhibit B	HHS Uniform Terms and Conditions (UTC) – Grant, v.3.5
Exhibit B-1	Additional Provisions – Grant Funding, v. 1.0
Exhibit C	Evaluation and Selection Form (In-system GMS document)
Exhibit C-1	Texas Syndromic Surveillance (TxS2) Diabetes-related Emergency Visit Reference Data
Exhibit C-2	Center for Disease Control and Prevention (CDC) Obesity Percentage Rates Reference Data
Exhibit D	Exceptions Form (In-system GMS document)
Exhibit E-1	Assurances – Non-Construction Programs
Exhibit E-2	Assurances – Construction Programs
Exhibit F	Certification Regarding Lobbying
Exhibit G	Federal Funding Accountability and Transparency Act (FFATA) Certification Form

- Exhibit H CMS Notice of Award, Acknowledgment of Receipt (Acknowledgement is an in-system
GMS document; federal notice of award is a PDF file)
- Exhibit I Texas Uniform General Conditions for Construction Contracts and Supplemental
General Conditions
- Exhibit J Grants Management System (GMS) External Portal Information