

Eligible and Ineligible Uses of Funds Guide



Upper Peninsula Rural Health Clinic CHW Recruitment and Retention Opportunity

Michigan Center for Rural Health | Rural Health Transformation Program

Purpose

This guide helps applicants determine whether proposed expenses are generally appropriate for the **Upper Peninsula CHW Recruitment and Retention Opportunity**. Applicants only need to submit a high-level estimate of anticipated expenses. Selected clinics will work with MCRH to finalize a detailed budget and workplan before grant-funded activities begin.

CHW Training Options

Clinics are not required to use a specific CHW training provider. The CHW hired through this opportunity may already be trained or may complete an approved training or certification program.

Eligible individuals who live or work in Michigan's Upper Peninsula may also access discounted CHW certification training for \$250 through Northern Michigan University's Center for Rural Health in partnership with Everyday Life Consulting. Learn more about the [Nationally Aligned Community Health Worker Certification | Center for Rural Health](#).

General Requirements

To be eligible, an expense must:

- Directly support the approved CHW position or related project activities
- Be included in the clinic's approved budget and workplan
- Be reasonable, necessary, and adequately documented
- Be incurred during the approved funding period and after required approvals are complete
- Add to or meaningfully strengthen existing CHW capacity
- Not replace existing funding for an established position or activity
- Not duplicate an expense paid or reimbursed by Medicaid, another payer, another grant, or another funding source
- Support appropriately trained and credentialed personnel, as applicable
- Follow the clinic's subcontract agreement and applicable federal and state requirements

Expenses the Funds May Support

The examples below are intended to help clinics develop a proposed budget. They are not exhaustive, and final approval will depend on the clinic's approved project, workplan, budget, and subcontract agreement.

Personnel expenses must support the one approved CHW position and may not replace existing funding for an established position or activity.

Category	Examples
CHW salary	Salary or wages for the one approved Community Health Worker position during the approved funding period.
Fringe benefits	Reasonable fringe benefits associated with the approved CHW position and calculated in accordance with the clinic's established policies.
CHW recruitment	Approved expenses associated with recruiting a CHW, including job postings, recruitment outreach, background checks, and other necessary recruitment activities included in the approved budget and workplan.

CHW onboarding and retention	Approved onboarding, orientation, supervision, mentoring, professional development, and retention activities that support successful CHW placement and continued employment.
Training and certification	CHW core competency training, certification, continuing education, required credentials, and necessary training materials included in the approved project.
Mileage and travel	Mileage and approved travel directly related to the CHW's community-based work, required training, or other approved program activities.
CHW integration	Approved expenses supporting CHW integration into the clinic's care team and workflows, including role development, supervision, documentation, care coordination, outreach, education, navigation, referral, and follow-up processes.
Community partnerships and outreach	Approved activities that support coordination with healthcare, social care, workforce, and community partners and strengthen the CHW's ability to connect patients and community members with services and resources.
Documentation and data tracking	Approved tools and activities needed to document CHW services, track program measures, and maintain required program and fiscal records.
Medicaid billing and sustainability readiness	Approved assessment, training, workflow development, documentation, and technical support related to Medicaid CHW reimbursement readiness and long-term sustainability.
Other project expenses	Other reasonable and necessary expenses approved by MCRH and included in the clinic's approved budget and workplan.

Expenses That May Require Additional Review

The following expenses are not automatically prohibited, but additional information or approval may be required before they are included in a final approved budget:

- Administrative or indirect costs. Applicants should contact MCRH before including these costs in the proposed budget.
- Technology, software, equipment, or subscriptions used to support CHW documentation, service delivery, or performance tracking
- Training, certification, or continuing education expenses not already identified in the approved project
- Travel outside the clinic's normal service area
- Recruitment or retention expenses not otherwise identified in this guide
- Expenses that may be included in the RHC cost report or reimbursed through Medicaid, another payer, or another funding source

Applicants may include these expenses in their high-level budget estimate. Selected clinics will work with MCRH to determine whether the expenses are allowable and what documentation or approvals are required before the final budget and workplan are approved.

Expenses Funds May Not Support

The following expenses may not be supported by this funding opportunity:

- Costs incurred before the subcontract agreement is fully executed, before required approvals are complete, or outside the approved funding period
- Expenses unrelated to the approved CHW position, project, workplan, or budget
- Costs already supported, paid, or reimbursed by Medicaid, Medicare, Indian Health Service, another payer, another grant, or another funding source
- Salary or fringe benefits for positions other than the one approved CHW position, unless specifically approved by MCRH and included in the clinic's approved budget and workplan
- Salary, fringe benefits, or other personnel expenses that replace existing funding for an established position or responsibility
- Routine clinic operating expenses that do not represent new or expanded project work

- Direct cash assistance to individuals that is not tied to an approved program activity
- Incentives such as cash, cash equivalents, gift cards, stipends, vouchers, merchandise, or entertainment that are not directly tied to participation in or associated with an approved program activity
- Meals, except in limited circumstances when specifically approved as part of an eligible program activity or allowable travel expense
- Land acquisition, real estate purchases, vehicle purchases, new construction, or major facility renovations
- Direct patient care or clinical services that are billable to Medicaid, Medicare, Indian Health Service, another payer, or another funding source
- Lobbying, political activity, fundraising, unrelated entertainment, alcohol, tobacco, cannabis, promotional items, memorabilia, or gifts
- Legal fees, fines, penalties, interest, bad debt, late fees, bonuses, or severance
- Expenses prohibited by the subcontract agreement or applicable federal or state requirements

Payment and Documentation

Funding for this opportunity will be provided on a reimbursement basis. Selected clinics will first incur and pay approved expenses and then submit the required documentation to MCRH. Reimbursement schedules, documentation requirements, invoicing procedures, and fiscal reporting instructions will be provided in the subcontract agreement.

Clinics should not incur grant-funded expenses until the required subcontract agreement is fully executed and the clinic's workplan and budget have been approved.

Changes After Award

Selected clinics must contact MCRH and receive approval before adding an expense or budget category that was not previously approved, making a significant change to the CHW position or implementation approach, or moving funds in a manner that requires approval under the subcontract agreement.

Questions and Contact Information

For questions about eligibility, the application, proposed activities, budgets, technical assistance, or whether a proposed expense may be eligible, contact the Michigan Center for Rural Health RHTP Team. Applicants are encouraged to ask questions before submitting an application or including a significant or uncertain expense in their proposed budget.

Michigan Center for Rural Health RHTP Team

Email: RHTP.MCRH@msu.edu

Program webpage: <https://mcrh.msu.edu/programs/primary-care/rhc-rhtp26applications>

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