Budget Narrative File(s)

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Budget Narrative

This budget narrative outlines the financial plan for South Carolina's application to the CMS-RHT-20-001 funding opportunity. It provides a detailed justification for all projected costs associated with the implementation and administration of the Rural Health Transformation (RHT) program. The proposed budget supports a comprehensive strategy to enhance rural health outcomes through targeted initiatives, including Connections to Care, Leveling Up, Wellness Within Reach, Shoring Up to Sustainability, and the Tech Catalyst Fund. Each cost category—personnel, fringe benefits, travel, supplies, contractual services, and indirect costs—has been carefully calculated to ensure alignment with program goals, fiscal responsibility, and compliance with federal funding requirements. This narrative serves to demonstrate the State's commitment to transparency, accountability, and effective stewardship of public funds.

Budget years in the following tables are defined as follows:

Year 1: Dec. 31, 2025 – Oct. 31, 2026
Year 2: Nov. 1, 2026 – Oct. 31, 2027
Year 3: Nov. 1, 2027 – Oct. 31, 2028
Year 4: Nov. 1, 2028 – Oct. 31, 2029
Year 5: Nov. 1, 2029 – Oct. 31, 2030

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Personnel

Position Title	Name (if known)	Annual	Time	Months	Amount Requested	Initiative
RHT Program Director	N/A	$90,000	100%	12 Months	$90,000	All
RHT Program Data Analyst	N/A	$85,000	100%	12 Months	$85,000	All
RHT Program Coordinator (Connections to Care)	N/A	$60,000	100%	12 Months	$60,000	Connections to Care
RHT Program Coordinator (Leveling Up)	N/A	$60,000	100%	12 Months	$60,000	Leveling Up
RHT Program Coordinator (Wellness Within Reach)	N/A	$60,000	100%	12 Months	$60,000	Wellness Within Reach
RHT Program Coordinator (Shoring Up to Sustainability & Tech Catalyst Fund)	N/A	$60,000	100%	12 Months	$60,000	Shoring Up to Sustainability & Tech Catalyst Fund
RHT Program Contracts Monitor	N/A	$60,000	100%	12 Months	$60,000	All
RHT Program Fiscal Analyst	N/A	$75,000	100%	12 Months	$75,000	All
				Total	**$550,000**	

Table 1: Personnel

Personnel by budget year

Budget Year	Year-to-year Increase (Cost of Living Adjustment – 3%)	Total Salaries and Wages
Year 1	Base year (adjusted to ten months)	$458,333
Year 2	$16,500	$566,500
Year 3	$16,995	$583,495
Year 4	$17,505	$601,000
Year 5	$18,030	$619,030
	Total	**$2,828,358**

Table 2: Personnel by budget year

Personnel Justification

The state will utilize a team of eight individuals to manage the RHT program in addition to the consultants hired to ensure program compliance (see Consultant/Subrecipient/Contractual Justification for additional details on the consultants). Brief individual job descriptions for each of these eight roles can be found below. The state believes that each of these roles are essential to successfully administering the RHT program in South Carolina in accordance with Centers for Medicare and Medicaid Services (CMS) guidelines.

These costs represent administrative costs with specific initiative allocations detailed in **Table 1.**

Job Summary – RHT Program Director – Vacant

This position directs the overall operations of the program and is responsible for: overseeing the implementation of program activities; coordinating with other agencies and stakeholders. This position will be the responsible authority for ensuring necessary reports/documentation are submitted to CMS. This position relates to all program objectives.

Job Summary – RHT Program Data Analyst – Vacant

The data analyst supports the data-collection, performance-measurement, and reporting functions for the RHT program. They will drive the tracking of project deliverables, evaluate outcomes against program metrics, and generate actionable insights to inform decision-making and compliance with the program. They will work closely with the program team to ensure that key performance indicators are captured, trends are monitored, and deliverables are achieved on time.

Job Summary - RHT Program Coordinator (Connections to Care) – Vacant

The program coordinator supports the implementation and management for the Connections to Care initiative detailed in the project narrative within the larger RHT program. Reporting to the program director, the coordinator is responsible for serving as the primary contact for the Connections to Care sub awardees, ensuring they receive the guidance, resources, and oversight needed to meet program goals and compliance requirements. This role involves day-to-day coordination, monitoring sub awardee activities, facilitating communication, and assisting with data collection and reporting.

Job Summary - RHT Program Coordinator (Leveling Up) – Vacant

The program coordinator supports the implementation and management for the Leveling Up initiative detailed in the project narrative within the larger RHT program. Reporting to the program director, the coordinator is responsible for serving as the primary contact for the Leveling Up sub awardees, ensuring they receive the guidance, resources, and oversight needed to meet program goals and compliance requirements. This role involves day-to-day coordination, monitoring sub awardee activities, facilitating communication, and assisting with data collection and reporting.

Job Summary - RHT Program Coordinator (Wellness Within Reach) – Vacant

The program coordinator supports the implementation and management for the Wellness Within Reach initiative detailed in the project narrative within the larger RHT program. Reporting to the program director, the coordinator is responsible for serving as the primary contact for the Wellness Within Reach sub awardees, ensuring they receive the guidance, resources, and oversight needed to meet program goals and compliance requirements. This role involves day-to-day coordination, monitoring sub awardee activities, facilitating communication, and assisting with data collection and reporting.

Job Summary - RHT Program Coordinator (Shoring Up to Sustainability & Tech Catalyst Fund) – Vacant

The program coordinator supports the implementation and management for the Shoring Up to Sustainability and the Tech Catalyst Fund initiatives detailed in the project narrative within the larger RHT program. Reporting to the program director, the coordinator is responsible for serving as the primary contact for the Shoring Up to Sustainability and Tech Catalyst Fund sub awardees, ensuring they receive the guidance, resources, and oversight needed to meet program goals and compliance requirements. This role involves day-to-day coordination, monitoring sub awardee activities, facilitating communication, and assisting with data collection and reporting.

Job Summary – RHT Program Contracts Monitor – Vacant

The contract monitor supports the effective administration of all contracts associated with the RHT program. Reporting to the program director, this role is responsible for monitoring contractor performance, ensuring compliance with contractual terms, maintaining accurate records, and supporting the procurement and renewal processes. The contract monitor plays a key role in tracking deliverables, reviewing invoices, and coordinating with internal teams and external partners to ensure accountability and adherence to contract requirements.

Job Summary - RHT Program Fiscal Analyst – Vacant

The fiscal analyst is responsible for managing the financial activities and compliance requirements of the RHT program. Reporting to the program director, this role ensures proper budgeting, tracking, reporting, and reconciliation of awarded funds. The analyst works closely with program and finance teams to monitor expenditures, prepare financial reports, and ensure compliance with funding regulations and organizational policies.

Fringe Benefits

Fringe Benefit	Rate	Total Salaries Requested	Amount Requested	Initiatives
Retirement	24.66%	$550,000	$135,630	All
Social Security & Medicare	7.65%		$42,075	All
Insurance	$10,151 per person/year		$81,208	All
Worker's Compensation	1.68%		$9,240	All
		Total	**$268,153**	

Table 3: Fringe Benefits

Fringe benefits by budget year

Budget Year	Year-to-year Increase (Cost of Living Adjustment) *	Total Fringe Benefits
Year 1	Base year (adjusted to ten months)	$223,461
Year 2	$11,049	$279,202
Year 3	$11,582	$290,784
Year 4	$12,144	$302,929
Year 5	$12,738	$315,667
	Total	**$1,412,043**

**6.7% increase in Insurance and 3% in Retirement, Social Security & Medicare, Worker's Compensation*

Table 4: Fringe benefits by budget year

Fringe Benefits Justification

Fringe benefits are calculated using standard state agency rates. These represent administrative costs, with specific initiative allocations detailed in the Personnel section above.

Travel

Purpose of Travel	Location	Item	Rate	Cost per year	Initiative
Site Visits	Statewide	Mileage	120 trips x 75 miles x $0.70	$6,300	All
Site Visits	Statewide	Hotel (per diem)	$110 x 1-day x 60 trips	$6,600	All
Site Visits	Statewide	Meals (per diem)	$35 x 1-day x 60 trips	$2,100	All
			Total	**$15,000**	

Table 5: Travel

Travel by budget year

Budget Year	Year-to-year Cost	Total travel
Year 1	Site Visits	$15,000
Year 2		$15,000
Year 3		$15,000
Year 4		$15,000
Year 5		$15,000
	Total	**$75,000**

Table 6: Travel by budget year

Travel Justification

For this program, SCDHHS anticipates that staff will conduct site visits to each organization receiving RHT funds. Mileage reimbursement will follow the U.S. General Services Administration rate, with estimated mileage based on the average distance from Columbia (SCDHHS headquarters) to the furthest point in the state. The program director (1) and program coordinators (4) will conduct these visits twice per month, an estimated 120 trips per year. This travel is necessary to ensure sub awardees are using the funding as directed to further the RHT program goals.

To maximize staff efficiency, approximately half of the site visits are expected to require overnight travel. Accordingly, hotel and meal expenses—reimbursed at the standard per diem rate—are included in the cost estimate. These travel-related administrative expenses will recur annually from FY26 through FY30 and are not tied to any specific initiative.

Equipment

The state will not seek funding for equipment through this process.

Supplies

Item(s)	Rate	Cost per year	Initiative
General Office Supplies	12 months x $32/mo. x 8 staff	$3,072	All
	Total	**$3,072**	

Table 7: Supplies

Supplies by budget year

Budget Year	Item(s)	Total supplies

Year 1	General Office Supplies	$3,072
Year 2		$3,072
Year 3		$3,072
Year 4		$3,072
Year 5		$3,072
	Total	**$15,360**

Table 8: Supplies by budget year

Supplies Justification

Supply funding will be limited to general office supplies necessary to support the eight staff members assigned to this program. These supplies may include, but are not limited to, items such as tape, binders, tab dividers, labels, rubber bands, printer paper, notepads, sticky notes, folders, pens, writing instruments, desk calendars, desk accessories, staples, scissors, paperclips, and push pins. This is considered an administrative cost and is not associated with any specific initiative.

Consultant/Subrecipient/Contractual

	Year 1	Year 2	Year 3	Year 4	Year 5
Consultant	$20,300,000	$20,300,000	$20,300,000	$20,300,000	$20,300,000
Subrecipient	$159,700,000	$159,700,000	$159,700,000	$159,700,000	$159,700,000
Contractual	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Total	**$186,000,000**	**$186,000,000**	**$186,000,000**	**$186,000,000**	**$186,000,000**

Table 9: Consultant/Subrecipient/Contractual

Consultant/Subrecipient/Contractual by initiative

	Connections to Care	Leveling Up	Wellness Within Reach	Shoring Up to Sustainability	Tech Catalyst Fund	Administrative
Consultant	$0	$100,000,000	$1,500,000	$0	$0	$0
Subrecipient	$300,000,000	$75,000,000	$248,500,000	$150,000,000	$25,000,000	$0
Contractual	$0	$0	$0	$0	$0	$30,000,000
Total	**$300,000,000**	**$175,000,000**	**$250,000,000**	**$150,000,000**	**$25,000,000**	**$30,000,000**

Table 10: Consultant/Subrecipient/Contractual by initiative

Consultant/Subrecipient/Contractual Justification

Connections to Care – Subrecipient - $300 million over 5 years

The Connections to Care initiative funding will be distributed to **subrecipients** via a competitive grant application process that aligns with the projects outlined in the project narrative under the Connections to Care initiative.

Name of Subrecipient(s): Unknown, these will be determined through the competitive grant application process

Period of Performance: Summer 2026 – December 2030

Scope of Work: This will depend on the needs identified by the state and the subrecipient in alignment with the Connections to Care description and projects highlighted in the project narrative. Outcomes will be linked to the outcomes stated in the project narrative under the Connections to Care initiative.

Method of Accountability: Subrecipients will be held to a contract awarded as a result of the competitive grant application process. State staff will monitor compliance with deliverables identified as part of the grant application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the subrecipients.

Itemized Budget and Justification: The state will distribute $300 million over a five-year period through the competitive grant application process. Itemized budget and justification information will be available following this process.

Leveling Up – Consultant – $100 million over 5 years

The Leveling Up initiative funding will be distributed to **consultants** via a competitive application process that aligns with the projects outlined in the project narrative under the Leveling Up initiative. Consultants will be retained to assist in streamlining agency projects that align with the stated goals for the RHT program and completing a statewide rural needs assessment.

Name of Consultant(s): Unknown, these will be determined through the competitive application process

Organizational Affiliation: Unknown, this will be determined through the competitive application process

Nature of Services to be Rendered: The state will utilize consulting services under the Leveling Up initiative for streamlining agency projects that align with the stated goals for the RHT program and the completion of a statewide rural needs assessment. Specific services will be available following the competitive application process.

Relevance of Service to the Project: By utilizing consultant services under the Leveling Up initiative, the state will be able to ensure project accuracy and intended outcomes for the RHT program. Specific program objectives will be available following the competitive application process.

Number of Days of Consultation: Unknown, this will be determined through the competitive application process

Expected Rate of Compensation: Unknown, this will be determined through the competitive application process

Method of Accountability: Consultants will be held to a contract awarded as a result of the competitive application process. State staff will monitor compliance with deliverables identified as part of the application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the consultants associated with each initiative.

Leveling Up – Subrecipient - $75 million over 5 years

A portion of the Leveling Up initiative funding will be distributed to **subrecipients** via a competitive grant application process that aligns with the projects outlined in the project narrative under the Leveling Up initiative.

Name of Subrecipient(s): Unknown, these will be determined through the competitive grant application process

Period of Performance: Summer 2026 – December 2030

Scope of Work: This will depend on the needs identified by the state and the subrecipient in alignment with the Leveling Up description and projects highlighted in the project narrative. Outcomes will be linked to the outcomes stated in the project narrative under the Leveling Up initiative.

Method of Accountability: Subrecipients will be held to a contract awarded as a result of the competitive grant application process. State staff will monitor compliance with deliverables identified as part of the grant application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the subrecipients.

Itemized Budget and Justification: The state will distribute $75 million over a five-year period through the competitive grant application process. Itemized budget and justification information will be available following this process.

Wellness Within Reach – Consultant – $1,500,000 over 5 years

A portion of the Wellness Within Reach initiative funding will be distributed to **consultants** utilizing SCDHHS' current actuarial consultant. They will be retained to develop a rate methodology for community paramedics to determine financial feasibility of incorporating those rates into the South Carolina Medicaid fee schedule.

Name of Consultant: Milliman

Organizational Affiliation: None

Nature of Services to be Rendered: The state will utilize consulting services to develop an actuarially sound rate for community paramedic services

Relevance of Service to the Project: Consultant services allow the state to achieve the program objectives outlined in the Wellness Within Reach initiative as described in the project narrative

Number of Days of Consultation: Unknown, this will be determined prior to the beginning of the work

Expected Rate of Compensation: Approximately $450/hr. All other budget items will be determined after a full proposal is submitted by the vendor.

Method of Accountability: Consultants will be held to the contract that the state currently has with the vendor. State staff will monitor compliance as part of the process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the consultants associated with each initiative.

Wellness Within Reach – Subrecipient - $248.5 million over 5 years

A portion of the Wellness Within Reach initiative funding will be distributed to **subrecipients** via a competitive grant application process that aligns with the projects outlined in the project narrative under the Wellness Within Reach initiative.

Name of Subrecipient(s): Unknown, these will be determined through the competitive grant application process

Period of Performance: Summer 2026 – December 2030

Scope of Work: This will depend on the needs identified by the state and the subrecipient in alignment with the Wellness Within Reach description and projects highlighted in the project narrative. Outcomes will be linked to the outcomes stated in the project narrative under the Wellness Within Reach initiative.

Method of Accountability: Subrecipients will be held to a contract awarded as a result of the competitive grant application process. State staff will monitor compliance with deliverables identified as part of the grant application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the subrecipients.

Itemized Budget and Justification: The State will distribute $284.5 million over a five-year period through the competitive grant application process. Itemized budget and justification information will be available following this process.

Shoring Up to Sustainability – Subrecipient - $150 million over 5 years

The Shoring Up to Sustainability initiative funding will be distributed to **subrecipients** via a competitive grant application process that aligns with the projects outlined in the project narrative under the Shoring Up to Sustainability initiative.

Name of Subrecipient(s): Unknown, these will be determined through the competitive grant application process

Period of Performance: Summer 2026 – December 2030

Scope of Work: This will depend on the needs identified by the state and the subrecipient in alignment with the Shoring Up to Sustainability description and projects highlighted in the project narrative. Outcomes will be linked to the outcomes stated in the project narrative under the Shoring Up to Sustainability initiative.

Method of Accountability: Subrecipients will be held to a contract awarded as a result of the competitive grant application process. State staff will monitor compliance with deliverables identified as part of the grant application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the subrecipients.

Itemized Budget and Justification: The State will distribute $150 million over a five-year period through the competitive grant application process. Itemized budget and justification information will be available following this process.

Tech Catalyst Fund – Subrecipient - $25 million over 5 years

The Tech Catalyst Fund initiative funding will be distributed to **subrecipients** via a competitive grant application process that aligns with the projects outlined in the project narrative under the Tech Catalyst Fund initiative.

Name of Subrecipient(s): Unknown, these will be determined through the competitive grant application process

Period of Performance: Summer 2026 – December 2030

Scope of Work: This will depend on the needs identified by the state and the subrecipient in alignment with the Tech Catalyst Fund description and projects highlighted in the project narrative. Outcomes will be linked to the outcomes stated in the project narrative under the Tech Catalyst Fund initiative.

Method of Accountability: Subrecipients will be held to a contract awarded as a result of the competitive grant application process. State staff will monitor compliance with deliverables identified as part of the grant application process. In addition, the state will hire a consultant to monitor the overall RHT program, which will include the monitoring of the subrecipients.

Itemized Budget and Justification: The State will distribute $25 million over a five-year period through the competitive grant application process. Itemized budget and justification information will be available following this process.

Administrative – Contractual – $30 million over 5 years

The state will utilize third parties to perform some of the administrative duties of the RHT program. Third parties will be procured through a competitive application process that aligns with the stated goals of the RHT program. Third parties will be obtained to oversee the state's compliance with all RHT program requirement.

Name of Contractor: Unknown, these will be determined through the competitive application process

Method of Selection: Determined through a competitive application process.

Period of Performance: Spring 2026 – December 2030

Scope of Work: The state will utilize contractor services to assist in the administration of the RHT program and the monitoring of program compliance.

Method of Accountability: Contractors will be held to a contract awarded as a result of the competitive application process. State staff will monitor compliance with deliverables identified as part of the application process.

Itemized Budget and Justification: The state will distribute $30 million over a five-year period through the competitive application process. Itemized budget and justification information will be available following this process.

Construction (not applicable)

The state will not be seeking funding for construction through this process.

Other

The state will not be seeking funding for any other items not listed in the above categories

Administrative costs

Budget Year	Personnel	Fringe Benefits	Travel	Equipment	Supplies	Contractual	Indirect Costs	Total requested	Percentage (of total grant funding)
Y1	$458,333	$223,461	$15,000	$0	$3,072	$6,000,000	$13,300,134	$20,000,000	
Y2	$566,500	$279,202	$15,000	$0	$3,072	$6,000,000	$13,136,226	$20,000,000	
Y3	$583,495	$290,784	$15,000	$0	$3,072	$6,000,000	$13,107,649	$20,000,000	
Y4	$601,000	$302,929	$15,000	$0	$3,072	$6,000,000	$13,077,999	$20,000,000	
Y5	$619,030	$315,667	$15,000	$0	$3,072	$6,000,000	$13,047,231	$20,000,000	
Total	**$2,828,258**	**$1,412,043**	**$75,000**	**$0**	**$15,360**	**$30,000,000**	**$65,669,239**	**$100,000,000**	**10%**

Table 11: Administrative costs

Administrative costs description

Administrative costs include personnel, fringe benefits, travel, equipment, supplies, consultants, and indirect costs. These expenses represent 10% of the total award amount requested, remaining within the allowable limit of 10% for both individual fiscal years and the overall project budget.

Overall Budget

Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$458,333	$566,500	$583,495	$601,000	$619,030	**$2,828,358**
Fringe Benefits	$223,461	$279,202	$290,784	$302,929	$315,667	**$1,412,043**
Travel	$15,000	$15,000	$15,000	$15,000	$15,000	**$75,000**
Equipment	$0	$0	$0	$0	$0	**$0**
Supplies	$3,072	$3,072	$3,072	$3,072	$3,072	**$15,360**
Subrecipients/ Consultants/ Contracts	$186,000,000	$186,000,000	$186,000,000	$186,000,000	$186,000,000	**$930,000,000**
Other	$0	$0	$0	$0	$0	**$0**
Total Direct Costs	$186,699,866	$186,863,774	$186,892,351	$186,922,001	$186,952,769	**$934,330,761**
Indirect Costs	$13,300,134	$13,136,226	$13,107,649	$13,077,999	$13,047,231	**$65,669,239**
Total Project Costs	**$200,000,000**	**$200,000,000**	**$200,000,000**	**$200,000,000**	**$200,000,000**	**$1,000,000,000**

Table 12: Overall Budget

No funding received under the RHT program will be used for unallowable costs or funding limitations as detailed on pages 18-20 of the notice of funding opportunity.