

Allowable and Prohibited Costs

The information below has been pulled from the [Memo No. QI-2613](#), and show examples of allowable and unallowable costs under this funding opportunity.

Funding Domain	Example Uses
Business and Operational Practices <i>Policies, procedures, and operational infrastructure</i>	Program Participation Assessment: Limited funding for staff salary, payments to subcontractors, or other costs associated with assessing the feasibility of program participation and/or evaluating the costs and benefits of program implementation. Activities may include organizational gap analyses, contract review or development, legal review, and financial impact analysis. Policies or Workflow Development: Staff salary, payments to subcontractors, or other costs associated with developing or updating policies and workflows needed to operationalize HRSN services, including referral and service delivery; billing, invoices, and claims submissions; data sharing and reporting; program oversight and monitoring; and member privacy and confidentiality. Equipment and Supplies: Purchasing equipment or supplies needed to support the delivery of HRSN services (e.g., computers, tablets, office chairs, desks, etc.). Administrative Support: Staff salary or payments to subcontractors to provide administrative support such as billing support, revenue cycle management, data entry, program coordination, or other implementation support functions. Program Startup Costs: Staff salary, payments to subcontractors, or other costs associated with remittance processing or electronic fund transfer setup, clearinghouse setup/electronic data interchange enrollment, contracting, or other necessary costs to establish HRSN program processes and protocols.
Technology Investments <i>Systems, tools, and data infrastructure</i>	Technology Systems: Purchasing, configuring, or modifying technology to support HRSN program activities, such as HRSN billing; claims submission; service delivery documentation; eligibility screening; case management/referral tracking; data sharing/care coordination; and analytics, reporting, and monitoring. Software Licensing/Subscriptions: Purchasing licensing or subscriptions for software platforms integral to HRSN operations.

	Technology-Related Services: Staff salary, payments to subcontractors, or other costs associated with services needed to configure and implement systems, set up IT security/HIPAA compliance controls, or onboard/train staff on new, modified, or existing systems.
Workforce Development <i>Staffing and training</i>	Staffing: Staff salary, payments to subcontractors, or other costs associated with recruiting, hiring, and onboarding staff to support HRSN service delivery. Required Training and Certification: Staff salary, payments to subcontractors, or other costs associated with required training or certifications for staff participating in HRSN programs, such as Trauma-Informed Care training, Fair Housing training, NIMRC certification, and Food Is Medicine Coalition MTM accreditation. Optional Training and Certification: Staff salary, payments to subcontractors, or other costs associated with optional trainings to strengthen service delivery, such as CSI-NSPIRE accreditation, cultural competency training, and HRSN program-specific training on privacy, confidentiality, documentation, screening, referral, or reporting. Training Development: Staff salary, payments to subcontractors (e.g., subject matter experts on HRSN implementation and service delivery), or other costs associated with developing training materials. Conferences: Costs associated with attending conferences and convenings relevant to workforce development for HRSN service delivery. Translation and Interpretation Services: Staff salary, subcontractor payments, or other costs associated with translation or interpretation for HRSN implementation and service delivery.
Education and Outreach <i>Engagement and awareness</i>	Education and Outreach Activities and Material Development: Staff salary, payments to subcontractors, or other costs associated with developing materials or conducting outreach and education to, for example, increase awareness of HRSN services and referral pathways. Administrative Costs: Administrative or overhead costs associated with outreach and education activities directly tied to HRSN program implementation (e.g., renting event spaces).

Note: Applicants not yet enrolled in the HOKU system may apply to receive funding covering the full scope of allowable activities but are only eligible to receive a one-time payment of up to \$50,000 in funding associated with Program Participation Assessment, as described in Table 1, until they have enrolled in the HOKU system. QI Health Plans are responsible for ensuring that only applicants enrolled in the HOKU system receive funding covering the full scope of allowable activities. Additional information on funding request parameters can be found in the Application Protocol section of this guidance document.

Prohibited Funding Uses

At a minimum, Community Capacity Grants **must not** be used for any of the following:

- Activities for which other payments have been made, or will be made, by another federal, state, or local funding source for the same purposes
- Any project, activity, or workforce cost not associated with HRSN program development or implementation (e.g., staff time for non-HRSN responsibilities or services)
- Real estate investments or construction
- Capital expenditures or projects (e.g., industrial-grade refrigerators)
- Vehicles
- Costs incurred to cover ongoing financial losses
- Debt restructuring and bad debt
- Costs for defense and prosecution of criminal and civil proceedings or claims
- Donations and contributions
- Entertainment costs (e.g., receptions, parties, sporting events, etc.)
- Alcohol
- Fines and penalties
- Fundraising or investment management costs
- Goods or services for personal use
- Costs associated with idle facilities or infrastructure
- Interest expense
- Marketing materials not directly related to HRSN
- Lobbying
- Memberships and subscription costs not related to HRSN programs
- Patent costs
- Recurring insurance costs (e.g., liability or rental insurance)
- Individual-level incentives (e.g., commission or similar performance-based bonuses)
- Research grants or expenditures not related to HRSN program monitoring or evaluation
- Any other project, activity, or workforce cost outside the scope of allowable Community Capacity Grant funding uses