# FAQ: Community Capacity Grants

## Eligibility

- Do we have to already be enrolled in HOKU to apply?
    - No, you can apply if you're currently delivering similar/related services outside Medicaid and *intend* to enroll as an eligible HRSN provider type.
    - Applicants who are 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 1-time payment of up to $50,000 in funding associated with Program Participation Assessment, until they have enrolled in the HOKU system.

- Where can an organization enroll as a HOKU provider?
    - Use the HOKU Provider Enrollment System: https://medquest.hawaii.gov/en/plans-providers/Provider-Management-System-Upgrade.html.
    - Organizations that are not yet enrolled may still be eligible to apply if they intend to enroll as an eligible HRSN provider type and currently provide similar or related services in Hawaiʻi.

- We are a supplier (e.g., a landlord or farmer), not a direct service provider, can we apply?
    - No, not directly. An eligible HRSN provider can apply for funds to pay you for allowable services, but you cannot apply yourself.

- Do we need a recent external audit?
    - Yes, unless you're newly established, in which case a viable financial plan can substitute.

- Can multiple organizations apply together?
    - Yes, joint applications are allowed with one lead entity; all co-applicants must independently meet eligibility.

- Can we apply if we serve only one island, or don’t yet serve Medicaid members statewide?
    - Yes.

- Can you provide an example of why one might request co-applicant funding versus establishing a subcontract arrangement with partners?
    - A co-applicant arrangement may be appropriate when multiple eligible organizations jointly plan and implement grant-supported activities and share responsibility for the proposed work. For example, eligible HRSN providers could develop shared infrastructure, workforce capacity, or service-delivery capabilities through one application. A subcontract arrangement may be more appropriate when the applicant is the primary grant recipient and purchases services or support from another organization. Organizations that are not eligible HRSN providers may still benefit through allowable contractual arrangements with eligible applicants. All co-applicants must independently meet eligibility requirements, and the lead applicant remains responsible for application accuracy and grant compliance.
- Could health treatments delivered in partnership with an organization providing housing-related supports or medical respite qualify under the grant? Or must [APPLICANT] directly provide one of the designated HRSN services?
    - Community Capacity Grants can fund essential activities needed to address the organization-specific needs of current and future HRSN providers across four domains: Business and Operational Practices; Technology Investments; Workforce Development; Education and Outreach. The application would need to clearly describe each organization's role and the connection between the requested investment and capacity-building for HRSN service delivery. Examples of allowable and unallowable costs under this funding opportunity can be found here: https://www.auw.org/wp-content/uploads/2026/09/CCG-Allowable-and-Prohibited-Costs.pdf.

- Can [APPLICANT] apply independently as a healthcare practice without 501(c)(3) status or a fiscal sponsor?
    - Nonprofit status or a fiscal sponsor are not identified as a threshold requirement in the CCG eligibility guidance. Key to eligibility is whether the organization meets all applicant eligibility criteria as a current or future HRSN provider. This includes enrollment or intent to enroll in HOKU as an eligible HRSN provider type, a direct role in delivering at least one eligible HRSN service, demonstrated Hawaiʻi experience and capability, culturally and linguistically appropriate service capacity, financial stability, and

required attestations. A for-profit healthcare practice may therefore apply independently if it meets the full provider and program requirements.

- If our proposed activities do not independently meet the HRSN requirements, could we participate through an eligible community organization?
    - Organizations that do not have a direct role in Medicaid service provision are not eligible for Community Capacity Grant funding. Other organizations may still benefit from Community Capacity Grant funding through allowable arrangements with eligible applicants, e.g., an eligible HRSN provider apply as the lead applicant and engage another organization as a partner or subcontractor under a clearly defined scope within an allowable funding category. If organizations submit a joint application as co-applicants, each co-applicant must independently meet the eligibility requirements. The lead applicant would remain responsible for the application, use of funds, grant compliance, monitoring, and reporting.

- As an existing Medicaid provider, would I need to complete additional enrollment to qualify as an eligible HRSN provider?
    - To be eligible for Community Capacity Grant funding, an applicant must either:
        1. Be currently enrolled in the HOKU system as an eligible HRSN provider type; or
        2. Intend to enroll in the HOKU system as an eligible HRSN provider type and currently provide similar or related services in Hawai‘i.

    - Applicants should be enrolled in HOKU, or intend to enroll in HOKU, under the provider type that corresponds to the HRSN services they plan to deliver. Eligibility requirements for HOKU enrollment vary by provider type. Applicants are responsible for reviewing the applicable HRSN provider requirements for the specific service(s) they intend to provide.
- Supporting entities. Organization A, through Organization B, would ultimately house the billing hub, engage community health workers and lead learning sessions but does not plan to enroll in HOKU. Can Organization A be listed as an applicant? Or does the lead applicant pay Organization A as a contractor for this work?
    - Community Capacity Grants are limited to current or future HRSN providers. To apply directly, an organization must be enrolled in HOKU as an eligible HRSN provider type or intend to enroll and meet the other applicable eligibility requirements. Organizations that are not enrolled in HOKU, or do

not intend to enroll in HOKU, as an eligible HRSN provider type may not apply directly, but may benefit from grant funding through allowable arrangements with eligible applicants. The application should clearly describe the services such organization would perform, how those services support the eligible applicant's HRSN capacity, and the associated costs.
    - Organizations not intending to enroll in HOKU as an eligible HRSN provider should not be listed as the lead applicant or co-applicant.

- Can an organization request funding for a general fund for organizations that want to participate as subcontractors under an organization's Community Care Hub model?
    - Community Capacity Grant funding should be requested for defined capacity-building activities and expenditures.
    - The program is intended to address the organization-specific capacity needs of current and future HRSN providers. Applicants are expected to explain how their proposed expenditures will develop their capacity to implement and continue delivering HRSN services and identify an anticipated timeline for expenditure.
    - An eligible applicant may include payments to subcontractors when those costs support allowable HRSN capacity-building activities.
    - A request to establish an undesignated general fund for organizations that may later participate would not provide the information needed to evaluate the allowability and reasonableness of the proposed expenditures.

## Funding uses

- What can the money actually pay for?
    - Four domains: business/operational practices, technology, workforce development, education/outreach

- Can we use it for a vehicle, building renovation, or equipment like an industrial refrigerator?
    - No, those are explicitly prohibited. Please see document labeled "Allowable and Prohibited Costs".

- Can we use it for staff salaries?
    - Yes, for HRSN-related roles, including hiring, training, admin support, etc.

- Is there a minimum or maximum award amount?
    - The suggested range for Round 1 awards is from $100,000 per year to $1,000,000 per year. Award ranges for Rounds 2 and 3 are to be determined.

- Can we request multi-year funding, or does it have to be spent in one cycle
    - Applications may be for terms of 1 year or longer; all funds must be expended by Oct. 31, 2029.

- Can grant funds duplicate other funding we already receive for the same purpose
    - No, that is explicitly prohibited, and awardees must attest to non-duplication.

- Are incremental liability insurance costs resulting from participation in the HRSN program allowable?
    - No. Incremental liability insurance costs associated with the program are not an allowable use of Community Capacity Grant funding.

- An organization would like to offer retention payments of $2,500 to their new CIS+ staff at 3 and 9 months of service. Is that allowable?
    - Retention payments are allowable, but only after one year of service.

- Can costs incurred between the award announcement in December and the release of funds in February be reimbursed?
    - No. Community Capacity Grant funds cannot be used to retroactively reimburse expenses incurred prior to the approved expenditure period (starting 2/27/2027).

- Are common-area furniture and staff desks and chairs for respite houses allowable equipment and supplies?
    - Community Capacity Grants are intended to build the organizational capacity, including workforce, technology, business and operational processes, and education and outreach, needed by current and future HRSN providers to implement and deliver HRSN services. For all proposed costs, applicants should explain how the investment supports HRSN service delivery and organizational capacity. Final allowability will be determined

during application review based on the proposed use and alignment with Community Capacity Grant requirements.

- Will there be any required trainings applicants should budget for?
    - Applicants should not need to budget for any provider trainings. Applicants may include costs associated with required certifications or trainings specific to their area of service (e.g., NIMRC certification) if needed for their organization.

- Can refrigerated lockers be written as equipment/technology investments? The org wanted to make sure that they would qualify since it lists that industrial-grade refrigerators are not allowed (they said the lockers are refrigerated and serve a very different purpose)
    - Community Capacity Grants are intended to build the organizational capacity, including workforce, technology, business and operational processes, and education and outreach, needed by current and future HRSN providers to implement and deliver HRSN services. For all proposed costs, applicants should explain how the investment supports HRSN service delivery and organizational capacity. Final allowability will be determined during application review based on the proposed use and alignment with Community Capacity Grant requirements.

- Can the services supported by this grant focus on eligible Medicaid clients already enrolled in our programs, primarily veterans? Or would accepting this grant require us to serve people referred from outside our programs?
    - Community Capacity Grants are intended to build the organizational capacity, including workforce, technology, business and operational processes, and education and outreach, needed by current and future HRSN providers to implement and deliver HRSN services. Hawai‘i’s Section 1115 Demonstration separately authorizes specified HRSN services, including CIS+ and Nutrition Supports, for qualifying Medicaid beneficiaries. Community Capacity Grant applicants should demonstrate a clear connection between the requested funding, the organizational capacity need being addressed, and their ability to implement or continue delivering HRSN services to Medicaid beneficiaries in Hawai‘i.

- Food pilot. May grant funds pay for supplier agreements, packing supplies, and delivery testing for a Nutrition Supports pilot? We understand grant funds may not pay for food that is also billed to Medicaid.
    - Community Capacity Grants are intended to build the organizational capacity, including workforce, technology, business and operational processes, and education and outreach, needed by current and future HRSN providers to implement and deliver HRSN services. For all proposed costs, applicants should explain how the investment supports HRSN service delivery and organizational capacity. Final allowability will be determined during application review based on the proposed use and alignment with Community Capacity Grant requirements.

## Application process

- Can we submit more than one application per cycle?
    - No, only one application per cycle.

- Is only one application allowed per provider, for one need?
    - Applicants may submit only one application per Funding Round. Organizations should include all requested funding needs in that single application and associated budget. Applicants may request funding across multiple allowable Community Capacity Grant domains, including business and operational practices, technology investments, workforce development, and education and outreach. Organizations funded in one round may apply in later rounds, but prior awards will be reviewed to prevent duplicate funding of the same activities.

- If my organization receives funding in Round 1, can I apply in subsequent rounds?
    - Yes, one application per funding round: If you receive funding in Round 1, you can apply in Round 2 and/or Round 3; if you receive funding in Round 2, you can apply in Round 3.

- If we're denied, can we appeal?
    - No, award decisions are final, but you can apply in a future cycle.

- Who reviews and decides on applications?

- The QI Health Plans will review the applications and have final decision-making authority.

- What are the reporting requirements, specifically financial reporting?
  - Specific reporting templates, submission schedules, and reporting frequency will be communicated as they are confirmed. Awardees should expect to maintain documentation sufficient to support the use of grant funds and participate in monitoring activities if requested.

- What is required in the financial audit?
  - The application requires submission of the applicant's most recent external audit. The purpose of the audit requirement is to help demonstrate that the organization is financially stable and capable of responsibly managing public funds. Applicants should submit the most recent completed audit available at the time of application. Organizations that do not have an audit available may use the viable financial plan process.
- What is a "viable financial plan" and when would it be applicable?
  - Organizations, such as newly established organizations, that do not yet have a current external audit available may submit a viable financial plan instead as an alternative method for demonstrating financial stability. Please provide a Viable Financial Plan which includes the information below:
    - Current financial position (the baseline)
    - Most recent balance sheet and income statement (year-to-date and prior full year) or Cash flow Statement, or P&L Statement
    - Listing of funding sources along with evidence that grant costs are also not billed to another funder (no double-dipping)
    - Financial management and internal controls
    - Explanation of the accounting system that tracks grant funds separately by budget line
    - Cash or accrual basis stated explicitly
    - Explanation of the separation of duties for approving, paying, and reconciling
    - Conflict-of-interest and related-party disclosure policy, with any current-related-party arrangements disclosed.
    - Governance and sign-off
    - Signature and date from an authorized officer

        - The Viable Financial Plan will only be necessary when applicant does not have a recent financial audit.

- For organizations considering CIS+ specifically, what are the most common readiness gaps Med-QUEST and the QI Health Plans are currently seeing among prospective providers?
    - Organizations should focus their applications on the specific operational, workforce, technology, or implementation needs that must be addressed to support successful participation in HRSN programs.

- What kind of documentation is acceptable for an organization's proof of demonstrated capability?
    - Capability is defined as having either: i) One (1) or more years of relevant experience providing HRSN, similar, or related services in Hawai‘i; OR ii) Demonstrated experience operating in Hawai‘i for at least one (1) or more years and capacity to participate in the delivery of one (1) or more HRSN services. Applicants should submit documentation that directly substantiates the capability described in the application. Examples may include, but are not limited to, grant award or performance records, service reports, program descriptions, de-identified utilization or outcome summaries, staff qualifications, policies or workflows, licensing or accreditation records where applicable, and other records showing Hawai‘i operations and relevant service-delivery capacity. Applicants should explain how it demonstrates capability to provide or participate in an eligible HRSN service.

- Can organizations request up to $1 million annually for three years ($3 million total), or is funding limited to two years?
    - Organizations may request funding for multi-year activities. The planned distribution of first-year funds for Round 1 awards is by February 27, 2027. All funded grant activities must be completed by October 31, 2029.

- Can an out-of-state vendor be included as a funded vendor in an applicant's budget?
    - Yes. Community Capacity Grant funding may be used for allowable subcontractor, consultant, technology, training, or other support services if those services are necessary to support the applicant's HRSN capacity-building activities and otherwise comply with program

requirements. Applicants should clearly describe the purpose of the service and demonstrate how it supports the proposed Community Capacity Grant activities.

- Can the same vendor be named in more than one application, as long as each scope and budget is separate and not duplicative?
    - Yes. The same vendor or subcontractor may be included in more than one application, provided each funding request supports a distinct scope of work and does not duplicate activities, services, or costs funded through another award. Applicants remain responsible for ensuring that proposed expenditures are not duplicative. All awards will be subject to non-duplication review.
- Is a letter of commitment from each co-applicant enough, or do you prefer a signed partnership agreement or MOU? May we include letters of support from partners such as food suppliers, the state, and is there a limit?
    - Applicants may choose the documentation they believe best demonstrates the planned relationship among participating organizations. The documentation should help explain the roles of the parties, how funding will be used or shared, and how activities will be coordinated.
    - Letters of support may be submitted if they help reviewers understand the proposed project, partnerships, or community need. At this time, no specific limit on letters of support has been established. Applicants should focus on providing materials that are relevant and add meaningful information to the application.
- The application allows up to three co-applicants. Can additional eligible HRSN providers take part as subcontracted partners paid by the lead applicant, and would that limit their ability to apply on their own in a later round?
    - Yes. A co-applicant arrangement is one option for collaboration, but it is not the only way organizations may work together. A subcontract arrangement may be appropriate when the applicant is the primary grant recipient and is purchasing services or support from another organization. Community Capacity Grant funding may support allowable contractual arrangements with eligible applicants.
    - Organizations participating as subcontractors are not automatically excluded from applying in a future funding round. Current guidance states that organizations receiving funding in one round may still apply in

future rounds. Prior awards will be reviewed to prevent duplicate funding of the same activities.
    - Applicants should clearly describe the relationship between the lead applicant, co-applicants, and any subcontracted partners and ensure that requested funding does not duplicate previously funded activities.

- If our joint application is funded in Round 1, can the same lead and co-applicants submit another joint application in Round 2 or Round 3 for new cohorts of organizations?
    - Yes. Under current program guidance, organizations that receive funding in one round may still apply in future rounds. Prior awards will be reviewed to prevent duplicate funding of the same activities or services.
    - Accordingly, a lead applicant and co-applicants that participated in a successful Round 1 application may submit a future application in Round 2 or Round 3, provided the new request is otherwise eligible and does not seek funding for activities already funded through a previous Community Capacity Grant award.

- The application suggests $100,000 to $1,000,000 per year. Because the request funds shared infrastructure for many organizations, Round 1 comes to about $2.0 million in 2027, $1.7 million in 2028, and $0.9 million in 2029. Will the health plans consider a request above $1,000,000 per year for a shared hub, or should we size Round 1 to the range and request later cohorts in Rounds 2 and 3?
    - Applicants requesting funding substantially above the suggested range should provide a clear rationale, explain the number and type of organizations expected to benefit, and demonstrate why the proposed scale is necessary and reasonable. Please also note that organizations may apply in future funding rounds, subject to available funding and program requirements. The QI Health Plans retain discretion to evaluate funding requests based on eligibility, allowability, reasonableness, alignment with program objectives, available funding, and overall portfolio considerations. QI Health Plans may approve, partially approve, modify budgets, apply conditions, or deny requests.

- The application is only set up to allow for 3 co-applicants. How should we proceed with an application involving more than 3 co-applicants?

- The Community Capacity Grant application is currently configured to collect information for up to three co-applicants. However, applicants are not prohibited from proposing collaborations that involve additional eligible partner organizations. Applicants proposing a collaboration involving more than three eligible co-applicants may identify additional co-applicants through supporting documentation submitted with the application.
- All co-applicants must independently meet applicable Community Capacity Grant eligibility requirements. The lead applicant is responsible for the accuracy of the application and compliance with grant requirements, and the application must describe how requested funding will be utilized and allocated among the co-applicants and how activities will be coordinated. An MOU is not required at the time of application. However, if the joint application is approved for funding, the lead applicant must enter into an MOU with each co-applicant before grant funds are disbursed. Each MOU should document the partnership and the intended flow of grant funds and clearly establish the expectation that the lead applicant will distribute the applicable portion of grant funds to the co-applicant consistent with the approved application and budget.
- For a proposal involving more than three co-applicants, the lead applicant should:
  - Complete the application using the available co-applicant fields.
  - Use the co-applicant documentation attachment and/or other supporting attachments to provide the required information for any additional co-applicants.
  - Clearly identify all co-applicants, their roles in the proposed activities, how grant funding will be allocated among the organizations, and how activities will be coordinated.
  - Ensure that each organization identified as a co-applicant independently meets applicable Community Capacity Grant eligibility requirements.
- The lead applicant remains responsible for the accuracy of the application and compliance with grant requirements.

- When filling out the application would we say 3 years if the program is for three years and only provide budget figures for 1 or 2 years depending upon what our Round 1 request duration is for?

- The term entered in the application should reflect the duration of the funding request being submitted in that application, rather than the overall duration of the Community Capacity Grant program.
- For example, if an applicant is requesting funding for activities to occur over two years, the application and budget should reflect a two-year request. If the applicant is requesting a three-year award, the application and budget should reflect the full three-year request and anticipated expenditures associated with that request. The term and budget should correspond to the specific multi-year request being made in the current application.
- Requests may support multi-year activities, with first-year funds released according to the applicable funding-round schedule and later-year funding following the approved expenditure timeline. Organizations may apply again in a subsequent round, subject to review for duplication of previously funded activities.

## Post-Award

- Can we shift funds between budget categories after approval?
  - Minor reallocations (0-10% of the total budget) are allowed if they don't change the funding's purpose; changes over 10% of the total budget need approval.

- What if we don't spend all the funds by the end of the demonstration period (Dec 31, 2029)?
  - All funds must be expended by Oct. 31, 2029. Unspent funds must be returned.

- Are we required to participate in the UH SSRI evaluation (interviews, site visits, etc.)?
  - Yes, participation is a condition of the award.