CALIFORNIA RURAL HEALTH TRANSFORMATION

HCAi Department of Health Care Access and Information

CalRHT Technology and Tools EHR Modernization Grant Program

Grant Guide For Grant Year 2026-2027

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"A healthier California where all receive equitable, affordable, and quality health care."

If your program requires approval to contract from a coordinating authority, please inform the authority of the terms and conditions contained in the sample grant agreement. Applicants must agree to the terms and conditions before receiving funds. The Department of Health Care Access and Information will not make changes to the terms and conditions specified in the Grant Agreement.

The CalRHT program is supported by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services (HHS) as part of a financial award totaling $233,639,308.46 with 100 percent funded by CMS/HHS. The contents are those of CalRHT and do not necessarily represent the official views of, nor an endorsement, by CMS/HHS, or the U.S. Government.

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Section I: Technology and Tools EHR Modernization Grant Program

Purpose

This CalRHT Technology & Tools EHR Modernization Grant Program Grant Guide for Grant Year 2026 (Grant Guide) explains what the EHR Modernization Grant Program is and what is required to apply. It includes step-by-step instructions for applicants and important rules that subrecipients must follow. Every organizational applicant must agree to and meet the program requirements to be subawarded any funding. The Department of Health Care Access and Information (HCAI) does not allow any changes to the rules listed in this guide.

Background and Mission

The CalRHT EHR Modernization Grants established under Initiative 3: Technology and Tools, will provide funds to adopt or replace needed Electronic Health Record (EHR) systems, with a focus on rural facilities that are currently unable to effectively exchange patient data with other health professionals. In 2026, HCAI expects to subaward up to 18 grants to hospitals, clinics, tribal entities, and other rural health care organizations in California. These funds are allocated separately from other technology grants as a safeguard to remain within the constraints of the permissible use of funds for EHR replacements.

EHR Modernization Grants will contribute to the overarching goals of the CalRHT program by ensuring technology systems, data exchange, and digital tools support coordinated, efficient care delivery across rural networks. The grants will primarily achieve this by ensuring rural facilities can purchase and sustain modern, secure EHRs, and funding is directed to the entities that describe detailed plans to support EHR implementation.

EHR Modernization Grants fund the foundational systems required for basic data exchange and will continue through the five years of the program. Allowable uses are limited to core EHR modernization, including adoption and configuration of a first-time EHR or replacing an existing EHR. The separate Technology and Tools Improvement Grants program will begin in Year 2 and run through Year 5 and is intended to fund the tools and capabilities enabled by foundational EHR systems. Those tools may include telehealth, e-Consult, cybersecurity, population health, consumer-facing technology, performance analytics, care coordination, and advanced interoperability.

Subaward Funding

This grant year, $11,650,000 in CalRHT Budget Period 1 (BP1) funding will be available for EHR Modernization Grants. HCAI aims to fund up to 18 grants. Grants will be subawarded up to a maximum of $2 million for BP1 subaward cycle, reflecting the expected costs of adoption or replacement of EHRs.

Subrecipients may apply for additional subawards in subsequent cycles provided they continue to meet all eligibility requirements, abide by documented caps and maximums on a per health professional basis, and submit a new application. As funding permits, a subrecipient may apply annually for an additional subaward. HCAI requires a new application for any subsequent subaward cycle.

Eligibility Requirements

Eligible Organizational Settings

To be eligible, an applicant must be categorized as one of the following service site types:

Eligible organization type	Notes
Hospital (rural)	General acute care hospitals, including Critical Access Hospitals (CAH) and rural non-CAH hospitals, or acute psychiatric hospitals; facility must be physically located in a rural area
Federally Qualified Health Center (FQHC) or FQHC Look-Alike	HRSA-certified FQHC site or FQHC Look-Alike, including Tribal FQHC sites; facility must be physically located in a rural area
Rural Health Clinic (RHC)	CMS-certified rural ambulatory care site physically located in a rural area
Tribal Clinic or Native American Health Center	Includes Indian Health Service (IHS)-designated facilities and Tribal Health Organizations
Other Comprehensive Community Health Clinic	Direct-service rural health facility providing comprehensive community health services
Health Care District	District-based rural health professional or service site serving qualifying rural communities

Skilled Nursing Facility or Long-Term Care Facility	Certified skilled nursing or long-term care facility located in a rural area
County-Operated Health or Behavioral Health Facility	County government-operated outpatient health or behavioral health facility located in a rural area

CalRHT uses the federal definition of rural established by the Health Resources and Services Administration (HRSA). Applicants can determine whether their service areas qualify by using the HRSA Rural Health Grants Eligibility Analyzer, available at www.data.hrsa.gov/topics/rural-health/rural-health-eligibility, which is the standard tool referenced by both CMS and HCAI.

Each eligible organization may submit only one application per grant cycle, but it may use the grant funds for any number of its own facilities or sites to implement the single EHR it is adopting or replacing. For example, a health system with multiple hospitals or sites may apply to adopt or replace a single EHR. Joint, consortium, and pass-through applications are not permitted — each applicant must hold its own grant agreement with HCAI.

Organizations other than those listed above are not eligible, including but not limited to technology vendors and health information exchanges.

Allowable Use of Funds

Allowable uses of funds include:

- Adopting and configuring a first-time certified EHR
- Replacing an existing EHR with a certified EHR

Applicants will submit a budget across the following allowable cost categories:

A. EHR Software Licensing and Subscription Fees: initial software licenses, first-year SaaS subscription fees, and module add-ons required for the funded EHR system.

B. Implementation and Configuration: vendor or third-party services to configure, deploy, and customize the EHR system, including workflow design, template build, interface engine setup, testing support, and clinical documentation configuration.

C. Data Migration: costs for extracting, cleaning, transforming, and loading existing patient data into the new EHR, including historical record archival data mapping, and post-migration validation.

D. Interface and Interoperability Development: internal work to configure and activate interoperability capabilities within a new or replaced EHR system, including built-in

connectivity with labs, imaging, pharmacy, Health Information Exchanges (HIE) or Qualified Health Information Organizations (QHIO), national networks and other important or required exchange partners. HIE/QHIO onboarding and participation costs are not allowable under this grant.

E. Training and Change Management: training clinical and administrative staff on the new EHR, including vendor training, super-user development, training material development support, and on-site go-live coaching. Post-go-live stabilization and first-year optimization support are allowable.

F. IT Hardware and Equipment: hardware directly required for the EHR implementation, including servers, network equipment, medical devices, workstations, and printers.

G. Program Costs Allowance (up to 10% of total subaward): documented against actual staff time spent coordinating the EHR Modernization Grant project, including grant administration, vendor management oversight, reporting, and compliance activities.

Budget Category Limitations

Funds are intended for adopting and configuring a first-time EHR or replacing an existing EHR. EHR upgrades that are not full-scale adoption or replacement are not eligible uses of funds for the EHR Modernization Grant but may be permissible in future CalRHT Technology & Tools grants.

Supplanting: EHR Modernization Grant funds may not be used to replace (supplant) funding from any other state, federal, local, or private source.

Indirect costs are not an allowable budget category for the EHR Modernization Grant. In place of indirect costs, a 'program costs' allowance of up to 10% of the total subaward amount may be used to pay for organization staff time directly coordinating the EHR Modernization Grant project, including grant administration, vendor management oversight, reporting, and compliance activities. The 10% program costs allowance is taken from the total subaward amount (it reduces funds available for direct EHR implementation costs) and must be documented against actual staff time spent on grant coordination.

Unallowable Costs

The following costs are not eligible uses of EHR Modernization Grant subaward funds:

1. Pre-subaward costs incurred before the grant agreement start date.
2. Construction, renovation, or building improvements.
3. Promotional items, advertising and public relations promoting the non-federal entity, meals except in limited circumstances allowed by federal cost principles (e.g. outside of approved per diem during relocation), personal entertainment, or gifts.
4. Lobbying activities or political contributions.

5. Costs covered by any other HCAI program, federal grant, or employer reimbursement (non-supplantation).
6. Provider Payments (CalRHT Use of Funds Category B) under the CalRHT initiative.
7. Duplicate payments to the same individual across CalRHT initiatives or HCAI programs, per the Rural Health Transformation Program (RHTP) Terms and Conditions (T&Cs) §14.
8. Indirect costs are not allowed; a 10% program costs allowance applies in its place, capped at 10% of the total subaward amount and taken from the total subaward.
9. Any other cost determined by HCAI or CMS to be unallowable under applicable CMS Standard or Program Terms and Conditions, or under 2 CFR Part 200 Subpart E.

Program Structure: Subaward Process

1. EHR Modernization Grant Program Application Phase

a. EHR Modernization Grant Program Application Timeline

The EHR Modernization Grant Program Application will be open July 20, 2026, to August 21, 2026. Organizations that meet eligibility criteria may apply for EHR Modernization Grant Program funding.

b. EHR Modernization Grant Agreements with HCAI

HCAI will enter into grant agreements directly with subrecipient organizations.

Initiating an EHR Modernization Program Application

Applicants must submit their applications by August 21, 2026, at 3:00 p.m., through the web-based EHR Modernization Grant Application located at www.calruralhealth.org.

1. Applicants with application questions or technical difficulties should contact HCAI staff at info@calruralhealth.org.
2. Applicants must submit applications that are complete and accurate. HCAI may reject an application that is incomplete, inaccurate, or conditional.

   An individual authorized to represent the applicant shall complete and submit the EHR Modernization Grant Program Application.
3. HCAI may modify this Grant Guide prior to the final application submission deadline by issuing an addendum at www.calruralhealth.org.
4. Applicants are entirely responsible for costs incurred in developing applications in anticipation of a subaward and shall not charge the State of California for these costs.

HCAI considers the submission of an application as acceptance of all terms therein. All organizational applicants must agree to the terms and conditions as outlined in Attachment C. CalRHT EHR Modernization Grant Program Sample Grant Agreement.

- HCAI does not accept alternate grant agreement language from a prospective subrecipient. HCAI will consider an application with such language to be a counteroffer and will reject it. HCAI will not negotiate the terms and conditions outlined in Attachment C.

5. If your program requires approval from a coordinating authority to enter into a grant agreement with HCAI, please inform the authority of the terms and conditions contained in this document and contact HCAI before submitting an application.
   - Prospective subrecipients must sign and submit grant agreements by the HCAI due date. The signed grant agreement is due to HCAI within 45-60 days of subaward notifications to allow time to redistribute funds if necessary. Failure to sign and return the grant agreement by the due date may result in denial of a subaward.
   - When the prospective subrecipient is a county or other local public body, the prospective subrecipient must include a copy of the resolution, order, motion, ordinance, or other similar document from the local governing body authorizing execution of the grant agreement with HCAI and confirming the prospective subrecipient's authority to accept, receive, and expend the subawarded grant funds, including up to the applicable maximum subaward amount per award funding cycle ($2,000,000), with the signed grant agreement.
6. Applicants must verify in their submitted application that they understand and accept all funds provided as part of the EHR Modernization Grant must be for qualifying expenses incurred before September 30, 2027.
   - If, upon reviewing all application deliverables, HCAI finds that the prospective subrecipient has not met all requirements and/or expended all funds, HCAI will withhold payment(s) and/or request the remittance of funds from the prospective subrecipient.
7. HCAI may waive an immaterial deviation in an application. HCAI’s waiver of an immaterial deviation shall in no way modify the grant guide or excuse the applicant from full compliance with all requirements, if subawarded.
8. Ownership and Public Records Act: All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code §§ 7920.000 et seq.).
9. HCAI will not consider any oral understanding or agreement to be binding on either party.
10. If, in the opinion of HCAI, an application contains false or misleading information, or if provided documentation does not support an attribute or condition claimed, HCAI shall reject the application.

11. HCAI reserves the right to reject any or all applications, or to reduce the amount funded to an applicant based on cause (failure to comply with grant agreement) or in any case prior to the grant agreement being signed by both parties.

Organizational Application Documentation

Organizational Application Requirements

Organizational Information and Standard Compliance Documentation (no scoring points associated):

- Organizational identification and authorized representative information (legal name, state and federal identifiers including Unique Entity Identifier (UEI), Employer Identification Number (EIN), National Provider Identifier (NPI) per site; primary site address; all proposed qualifying sites).
- Active SAM.gov registration record and current Unique Entity Identifier (UEI).
- National Provider Identifier (NPI) and Employer Identification Number (EIN) for each proposed practice site, consistent with CMS Std T&Cs §31 Affirmative Duty to Track All Parties to the Subaward.
- Eligibility documentation demonstrating that each proposed site meets one of the eligible organizational settings listed.
- Federal compliance certifications, signed by the authorized representative.
- Single Audit history disclosure if the applicant has expended $1 million or more in federal subawards in any of the three most recent fiscal years.
- Organizational capacity confirmation that the organization has the administrative, technical, and financial capacity to execute and oversee an EHR implementation project and submit required reports through the program reporting endpoint.
- For counties and public-body applicants: governing body resolution, order, motion, ordinance, or other authorizing action, as applicable, authorizing execution of the grant agreement with HCAI and confirming the applicant's authority to accept, receive, and expend the subawarded grant funds, including up to the maximum applicable subaward amount, $2,000,000.
- High-level budget and workplan; detailed budget required after tentative subaward notification.
- Any other documentation requested by HCAI in the published application instructions.

E-Signature Legal Sufficiency for Tribal and Public-Body Applicants

Tribal and public-body applicants using electronic signatures must ensure the signature method is legally sufficient to bind the applicant and any required governing authority. HCAI may request additional documentation of signature authority before issuing or executing a subaward.

Documentation supporting the Baseline Capability Gap scoring criterion (up to 25 points):

For each proposed site, the following documentation must be supplied:
Current state EHR status: whether the site currently operates no EHR, a non-certified EHR, or a certified EHR; name and version of any existing system; approximate implementation year; and a description of the specific functional limitations, interoperability gaps, public health reporting gaps, or certification deficiencies driving the need for adoption or replacement.
Technology needs narrative: describing the patient population served, the care coordination and data exchange challenges attributable to current EHR status, and how adoption or replacement will address those challenges. A strong rationale includes innovative approaches such as enabling AI-assisted care, population health management, patient engagement, staff efficiency, revenue cycle improvement, or QHIO/HIE/national network connectivity.

Documentation supporting the Feasibility and Vendor Readiness scoring criterion (up to 30 points):

Proposed EHR solution overview: identifying the procurement approach (first-time adoption or full replacement), anticipated vendor or vendor type if known, key implementation phases and sequence, and expected timeline from contract execution to go-live. Applicants with a named vendor, letters of intent from a vendor, or attestation from a vendor will score more competitively.
Business requirements documentation: summarizing the clinical workflow, reporting, and integration requirements the new EHR must meet.
Complete implementation plan as described below.

Documentation supporting the Regional Network Integration scoring criterion (up to 15 points):

Regional integration narrative: describing how EHR modernization at the funded site(s) will advance regional health network goals, improve referral and care coordination pathways, and contribute to rural health outcomes in the service area.
California Data Exchange Framework (DxF) connectivity plan: DxF participation is a requirement for subrecipients. The plan must describe current Data Sharing Agreement (DSA) signatory status, QHIO/HIE connection status or national network participation, and planned approach to greater data exchange and connectivity capabilities.

Documentation supporting the Cybersecurity and Privacy Plan scoring criterion (up to 5 points):

Cybersecurity attestation: confirming that the applicant's EHR implementation will comply with applicable federal cybersecurity requirements, and the organization has, or will have by grant agreement execution, a cybersecurity plan consistent with HHS Health Industry Cybersecurity Practices (HICP) guidelines.

Documentation supporting the Budget and Sustainability scoring criterion (up to 25 points):

Budget: demonstrating that the requested amount is consistent with the scope of work and that the applicant has accounted for total project cost beyond the grant ceiling, if applicable. Detailed budget required after tentative subaward notification.
Sustainability plan: as part of the budget, describing how the organization will maintain and fund EHR operations after grant funds are expended, including: (a) projected ongoing costs for licensing, maintenance, IT staffing, and future system updates; (b) specific funding sources that will cover those costs; and (c) where total initial implementation cost exceeds the $2,000,000 grant ceiling, a credible co-funding plan identifying confirmed or anticipated sources and timing. A plan that does not account for total project cost will score lower under the Budget and Sustainability criterion.

Budget and Workplan

Budget Format

Each organizational applicant must submit a budget at application aligned to the EHR Modernization Grant cost categories below. After tentative subaward notification, organizations selected for subaward will submit a detailed budget with annual allocations by funding category. Every budget must, where applicable, disclose the total estimated cost of EHR implementation, identify and quantify any gap between the grant subaward and total project cost, and explain how the full implementation will be funded, including the sources and timing of co-funding. HCAI will not subaward grants where the budget does not credibly demonstrate that the project can be completed.

The budget must include the following cost categories:

A. **EHR Software Licensing and Subscription Fees**: initial software licenses, first-year SaaS subscription fees, and module add-ons required for the funded EHR system.
B. **Implementation and Configuration**: vendor or third-party services to configure, deploy, and customize the EHR system, including workflow design, template build, interface engine setup, testing support, and clinical documentation configuration.
C. **Data Migration**: costs for extracting, cleaning, transforming, and loading existing patient data into the new EHR, including historical record archival data mapping, and post-migration validation.

D. **Interface and Interoperability Development**: internal work to configure and activate interoperability capabilities within a new or replaced EHR system, including built-in connectivity with labs, imaging, pharmacy, HIE/QHIO, national networks and other important or required exchange partners. HIE/QHIO onboarding and participation costs are not allowable under this grant.
E. **Training and Change Management**: training clinical and administrative staff on the new EHR, including vendor training, super-user development, training material development support, and on-site go-live coaching. Post-go-live stabilization and first-year optimization support are allowable.
F. **IT Hardware and Equipment**: hardware directly required for the EHR implementation, including servers, network equipment, medical devices, workstations, and printers.
G. **Program Costs Allowance** (up to 10% of total subaward): documented against actual staff time spent coordinating the EHR Modernization Grant project, including grant administration, vendor management oversight, reporting, and compliance activities.

Additionally, the budget must include:

Non-Supplantation: confirming no overlap with other HCAI programs, federal grants, state, local, private, or other funding sources. Any other federal funding for the same activities must be identified and subtracted. Applicants will attest that CalRHT funding will not supplant existing funding or result in duplicative funding for the same activities from another funding source.
Sustainability plan: describing how the organization will maintain and fund EHR operations after grant funds are expended.
Total Project Cost and Co-Funding Plan: a statement of the total estimated cost of EHR implementation across all funded sites, the amount requested under this grant, and the gap between them. For each source of co-funding identified to cover the gap -- such as operating reserves, capital budget, other grants, financing, or philanthropy -- the budget narrative must indicate the amount, the funding source, and its confirmed or anticipated status. Co-funding that is not yet secured must be clearly identified as anticipated, with an explanation of how and when it will be obtained.

Budget must not exceed documented eligible expenses. Other federal funding must be subtracted, if applicable. HCAI will not release the first payment until the detailed budget is approved.

Workplan Elements

A workplan is required as part of the application package. EHR Modernization Grant subrecipient workplans must align with CalRHT program goals and objectives. Each organizational applicant must submit a workplan including the following elements:

- **Vendor selection and implementation plan**: describing the approach to selecting an EHR vendor or implementation partner, including evaluation criteria, procurement process, and expected contract execution date. Applicants with a named vendor, letters of intent from a vendor, or attestation from a vendor will score more competitively.
- **California Data Exchange Framework (DxF) connectivity plan**: DxF participation is a requirement for subrecipients. The workplan must describe: current DSA signatory status, QHIO/HIE connection or national network participation status, and planned approach to implementing the DxF.
- **Reporting plan** aligned to annual financial Reports, annual activity Reports, streamlined quarterly financial and performance reports, and streamlined monthly subrecipient activity and financial reporting.
- **Cybersecurity and Privacy Plan Attestation** — Attest that EHR implementation will comply with applicable federal cybersecurity requirements, and that the organization has (or will have by grant execution) a cybersecurity plan consistent with HHS Health Industry Cybersecurity Practices (HICP). A standardized security risk assessment is required for Milestone 3.

Annual milestones and key activity dates aligned to CalRHT BP1 federal obligation October 30, 2026, notice of subaward (NOA) August/September 2026, execute grant agreements September/October 2026, and final HCAI payment no later than September 30, 2027.

Budget Adjustment

After full review, HCAI intends to issue tentative subawards. Organizations selected for tentative subawards will be required to submit a detailed budget that aligns with the subaward amount offered by HCAI.

HCAI may adjust requested amounts based on total available funding, geographic and facility type distribution priorities, applicable Tribal set-aside requirements, technology need, and application score relative to the eligible applicant pool.

Once the detailed budget is approved and the grant agreement is issued, the subrecipient has seven (7) business days to electronically sign and accept or decline the agreement. Agreements not signed within this period may be considered declined.

Subsequent budget adjustment requests during the subaward period must be submitted to HCAI in writing at least 90 days before the grant end date. Adjustments must remain within the total approved subaward amount; a budget adjustment may not increase the total subaward.

Indirect Costs and Program Costs Allowance

Policy for EHR Modernization Grant subrecipients:

Indirect costs are NOT allowed for EHR Modernization Grant subrecipients. The federal-level indirect cost recovery is being charged by HCAI against the CalRHT cooperative agreement at the 10% de minimis Modified Total Direct Cost (MTDC) rate; EHR Modernization Grant subrecipients do not separately charge indirect costs.

In place of indirect costs, EHR Modernization Grant allows a 'program costs' allowance of up to 10% of the total subaward amount. The 10% program costs allowance may be used to pay for organization staff time spent coordinating the EHR Modernization Grant program.

The 10% program costs allowance is taken from the total subaward amount (it reduces funds available for direct EHR implementation costs, it is not in addition to them).

Subrecipients must document program costs against actual staff time spent on EHR Modernization Grant coordination. Program costs may not be used to bypass the Executive Level II salary cap or to fund unallowable activities.

The 10% program costs election must be documented in the subrecipient's approved budget.

EHR Modernization Grants Review, Evaluation and Scoring

HCAI will make final selections using the Evaluation and Scoring Criteria described in *Attachment A: EHR Modernization Grants Evaluation Criteria*.

HCAI reserves the right to determine the number of grant agreement(s) subawarded and to modify the amount subawarded to each subrecipient. Competitive proposals will meet the EHR Modernization Grants evaluation criteria and demonstrate commitment to fulfill the conditions of the grant.

During the review process, HCAI staff will verify the presence or absence of required information as specified in this grant guide and score applications using only the evaluation criteria described in *Attachment A: EHR Modernization Grants Evaluation Criteria*. The most competitive applicants will be those most consistent with the intent of this grant opportunity.

EHR Modernization Grants Subaward Process

After full review, HCAI intends to issue tentative subawards. Subrecipients selected for tentative subawards will then be required to submit a detailed budget, including annual allocations by funding category. This budget must align with the subaward amount offered by HCAI. The milestones and timeline table is for planning purposes only, and can fluctuate depending on acceptance of grant agreement terms.

Milestone	Timeline
RFA release date	July 20, 2026
Application window opens	July 20, 2026
Application window closes	August 21, 2026
Completeness review complete	August/September 2026
Scoring review complete	August/September 2026
Subaward notifications issued	September 2026
Grant agreements executed	September/October 2026
First payment disbursed	October/November 2026
Final payment disbursed	No later than September 30, 2027

Post Subaward and Payment Provisions

Subrecipient agreements will expire on November 30, 2032, or earlier. Under no circumstances shall payments to the subrecipient be made after September 30, 2027.

Subrecipients must submit annual financial Reports, annual activity Reports, a streamlined quarterly financial and performance report, and streamlined monthly subrecipient activity and financial reporting. Monthly and quarterly reporting captures obligation, expenditure, health professional subaward status, and service-obligation compliance to support HCAI reporting to CMS.

HCAI and/or its designee will make prospective payments beginning in 2026 after required detailed budgets, financial reports, activity reports, and other required documentation have been reviewed and approved by HCAI and/or its designee for quality and accuracy. Under no circumstances shall payments be made after September 30, 2027.

Further detail on milestones requirements and payments schedule for subrecipients is included in Attachment B: EHR Modernization Grants Milestones and Payments Schedule.

i. EHR Modernization Grant Program Resources

For more information about the resources available regarding the application process, visit www.calruralhealth.org, where you can find:

1. Grant Guide: Outlines the requirements, rules, and timeframes between HCAI and its subrecipient.
2. Technical Assistance Guide: Assists applicants and subrecipients with navigating the web-based Funding Portal and submitting required deliverables. https://fundingportal.hcai.ca.gov/
3. Webinar: A formal presentation to provide information to prospective applicants.

ii. Key Dates

The key dates for the program year are:

Key Event	Dates and Times
Application Launch	July 20, 2026, at 3:00 p.m.
Technical Assistance Webinar	July 2026
Application Period Ends	August 21, 2026, at 3:00 p.m.
Notify Subrecipients	September 2026
Grant Agreement Execution	September/October 2026

EHR Modernization Grant Program and the Media

As a state department, HCAI is responsible for what it releases to the public and is required to provide information to anyone who requests it under and subject to the provisions of the California Public Records Act. HCAI reviews all information for accuracy, risk, relevancy, and other factors. The office also coordinates timing for all HCAI news and press engagements in conjunction with other news coming out from the California Health and Human Services Agency (CalHHS) and the Governor's Office. Subrecipient organizations must take this into consideration when preparing media statements or press releases about its programs. If an entity is engaging with the media to promote its grant award and/or program activities, there are important steps to follow:

- All subrecipient organizations are required to submit press releases for review by HCAI for review and approval a minimum of two weeks in advance of the intended publication date.

- Subrecipient organizations understand that portions, or the entirety, of its press release may be used by HCAI, CalHHS, or the Governor's office, and may be changed without notice to the Subrecipient.
- If HCAI, CalHHS, or the Governor's Office issues a press release or statement about an award the grantee subrecipient received, but does not use the awarded organization's press announcement, the subrecipient may issue its release after HCAI, CalHHS, or the Governor's Office issues a statement. The draft release must still be reviewed by HCAI before release.
- For some grants or programs, a pre-approved press release template may be developed in a tool kit for the program, which may reduce the review/approval time by HCAI. (This does not apply to all grants; please contact your program officer for this information at CalRHT@hcai.ca.gov)
- Any discussion regarding media engagements or press releases should only be directed to and approved by HCAI staff.
- Subrecipient organizations should stay in close contact with grant managers and provide any detailed plans related to news media engagement.

Prospective applicants may submit questions to info@calruralhealth.org at any time during the application cycle.

iii. HCAI Department Contact

For questions related to the EHR Modernization Grant application, please email HCAI staff at info@calruralhealth.org.

Thank you!

We thank you for your interest in applying for the CalRHT Technology and Tools EHR Modernization Grant Program.

Section II: Attachments

Attachment A: EHR Modernization Grant Application Scoring Criteria

Scoring Framework

HCAI will use the 100-point evaluation rubric set forth in Attachment A to score eligible applications. The rubric assesses CMS-approved factors including:

- Baseline capability gap,
- Feasibility and vendor readiness,
- Regional network integration value,
- Cybersecurity and privacy plan, and
- Budget and Sustainability.

HCAI reserves the right to make funding and scoring decisions that account for additional factors such as geographic parity, operational readiness (e.g., as demonstrated in implementation and workforce plans), and fund availability.

Scoring Criteria for CalRHT EHR Modernization Grants Program

Core Categories	Guideline	Max Points Possible
Baseline capability gap	No EHR, paper-based records, or a non-certified EHR with a strong replacement rationale (up to 25 points) • Certified EHR with a strong replacement rationale (up to 15 points) • No EHR, paper-based records, a non-certified or certified EHR with a weak replacement rationale (5 points) • No documented capability gap (0 points)	**25**
Feasibility and vendor readiness	Detailed Vendor selection and implementation plan, including vendor identification. Plan includes business requirements and demonstration of identified vendor's capacity to support applicant (up to 30 points) Vendor selection and implementation plan is present, with some commitment to vendor selection (up to 15 points)	**30**

	Vendor Selection and implementation plan includes identified vendor but with unclear or limited details (up to 10 points) No Vendor selection and implementation plan or vendor identification (0 points)	
Regional network integration value	Vendor selection and implementation plan details how EHR modernization will significantly advance regional integration and improve rural health outcomes in applicant's region (up to 15 points) No clear plan for regional integration (0 points)	**15**
Cybersecurity and privacy plan	• Attestation with commitment to developing a Cybersecurity and Privacy Plan aligned with HHS Health Industry Cybersecurity Practices (HICP) (5 points) • Absent attestation with commitment to developing a Cybersecurity and Privacy Plan (0 points)	**5**
Budget and Sustainability	Detailed line-item budget aligned with proposed scope, credible Total Project Cost and Co-Funding Plan, and detailed, plausible Sustainability Plan (up to 25 points) Reasonable, high-level budget identifying Total Project Cost and Co-Funding Plan, with basic Sustainability Plan (up to 15 points) Budget lacks detail and does not adequately address full funding, insufficient Sustainability Plan (up to 5 points) Budget and Sustainability plan does not exist or is inconsistent, incomplete, or contains unallowable uses (0 points)	**25**
Total Points Possible		**100**

During the review process, HCAI staff will verify the presence or absence of required information as specified in this Grant Guide and score applications using only the evaluation criteria described in Attachment A.

Attachment B: EHR Modernization Grants Milestones and Payments Schedule

Milestone Framework

HCAI will require subrecipients to follow the milestone structure in Attachment B: EHR Modernization Grants Milestones and Payments, with subawarding of funds tied to specific requirements for subrecipient.

Milestones and Payments Schedule for CalRHT EHR Modernization Grants Program

Milestone	Requirements	Date	Payment
Milestone 0 – Signed Grant Agreement	Completed Project Implementation Plan including budget and workplan approved by HCAI and adjusted to final grant amount	**Prior to October 30, 2026**	**0%**
Milestone 1 - Procurement and Implementation Launch	• Completed Milestone 0 • Completed Technology Readiness Assessment with demonstrated feasibility • Signed contract with EHR vendor dated post-grant agreement execution	**TBA**	**40%**
Milestone 2 – Interim Report and Compliance	• Completed Interim Report • Completed Required Baseline Training	**TBA**	**0%**

Milestone 3 – Final Report	• Completed Milestone 2
	• Completed Final Report, including confirmed go-live with EHR and percent of health professionals using new system
	• Confirmed Signatory of DSA
	• Metrics requirements
	  ○ Hospitals: Connection to a national network or QHIO
	  ○ Primary care: Reporting data exchange capabilities
		Prior to September 30, 2027	**60%**

	○ Completion of standardized security risk assessment ○ Data managed by technology with a sustained cybersecurity certification ○ Patient portal access		