

Rural Tech Catalyst Fund

Request for Proposals: Program Operator — Frequently Asked Questions

Purpose. This document consolidates questions received from prospective Respondents and provides clarifications regarding the Rural Tech Catalyst Fund Program Operator RFP. The RFP remains the controlling procurement document. Where this FAQ references an RFP section, Respondents should review that section in full.

1. Program Overview, Eligibility and Outcomes

What types of companies will be eligible to participate in the Rural Tech Catalyst Fund program? (RFP Sections 1.1 and 1.4; Appendix A)

DPP intends for the Operator to recruit for-profit and nonprofit startups. Participating companies must meet the applicable Catalyst Fund eligibility requirements, including being U.S.-based and U.S.-owned business entities; being less than 10 years from founding and having raised less than \$50 million in prior funding at the time of application; committing to an active Delaware presence (physical or operational) as a condition of award; establishing measurable milestones and benchmarks; meeting applicable reporting requirements; and complying with applicable federal and state requirements.

Must participating startups conduct milestone activity in Delaware? (RFP Sections 1.1 and 1.5; Appendix A)

Yes. To participate in Delaware's program, a startup must be able to satisfy applicable milestone requirements through activity in Delaware. The startup's activities do not need to occur exclusively in Delaware, and companies may also serve or deploy in other rural communities where appropriate.

2. Program Parameters, Governance and Challenge Statements

Does DPP have a target number of startups that the Program Operator should design toward? (RFP Section 2.1)

No. DPP has intentionally not prescribed a target number of participating startups. Respondents should recommend the number of startups and program structure they believe are most likely to achieve the RFP objectives within the available funding, period of performance, milestone requirements, and other applicable CMS/DHSS requirements.

What is the status of CMS approval for DPP's Catalyst Fund structure, and when is startup recruitment expected to begin? (RFP Section 2.2; Appendix A)

CMS has approved DPP's entity structure for the Catalyst Fund. Public startup recruitment is expected to begin after the Program Operator is selected and onboarded and the applicable program/contract approvals are in place.

How many Challenge Statements does DPP expect, and when will stakeholder discovery be completed? (RFP Sections 2.1 and 2.2)

DPP is conducting stakeholder discovery to identify and develop rural health Challenge Statements. The final number of Challenge Statements and the completion date for discovery have not yet been fixed. The selected Program Operator will support DPP and DHSS in validating, refining, and prioritizing the resulting Challenge Statements and translating them into program tracks and startup recruitment criteria.

3. Program Design and Milestone-Based Awards

Have DPP or DHSS secured Delaware healthcare organizations to serve as pilot or deployment sites, and what role should the Operator assume? (RFP Section 3.3)

DPP is leading statewide healthcare stakeholder engagement and is building relationships with healthcare providers, payers, FQHCs, academic institutions, community organizations, and other partners. DPP has not represented that specific organizations are committed pilot sites. Respondents should describe how they would support development of appropriate pilot or deployment relationships when needed, working in partnership with DPP and DHSS.

Within a program track, may milestone evidence requirements vary by startup or technology pathway? (RFP Section 3; Appendix A)

CMS requires every selected Applicant within a given program track to be subject to the same milestone timeline and milestone payment structure. Each track must include at least three sequential milestones, including at least one outcome-based milestone, and milestones must represent observable technical events or quantifiable outcomes. The CMS guidance does not expressly state whether the specific evidence or proof of completion used to demonstrate achievement of a common milestone may be tailored to an individual startup or technology pathway.

May the Operator compensate rural residents or community organizations that participate in startup validation activities? (RFP Section 3)

Such compensation is not identified as an excluded Operator cost. Any proposed expense should be reasonable, necessary to program delivery, appropriately documented, included in the proposed budget, and consistent with applicable federal cost requirements.

Should Respondents use 15 business days as the planning baseline for CMS review of startup finalists? (Appendix A, Step 4)

Respondents should build sufficient time into the proposed schedule for both DHSS and CMS review of startup finalists. DPP recommends allowing 2–3 business days for DHSS review plus at least 15 business days for CMS review. The 15-business-day period identified in Appendix A should be treated as a minimum planning assumption rather than a guaranteed CMS turnaround time, as recent experience indicates that CMS review may take longer. Respondents should therefore incorporate reasonable schedule flexibility for additional CMS review time, follow-up questions, or requested information before award announcements are made.

When will the application for startups seeking to participate in the Rural Tech Catalyst Fund be available?

The startup application will be developed and launched following selection and onboarding of the Program Operator. DPP, DHSS, and the selected Operator will finalize the program tracks, Challenge Statements, eligibility and selection criteria, milestone structure, and related application materials before startup recruitment begins. The startup application is therefore not expected to be available during the Program Operator RFP process. Additional information regarding the startup application and recruitment timeline will be announced separately. To stay informed, complete the interest form here: <https://www.choosedelaware.com/startup-resources/>

Must Catalyst Fund dollars be fully disbursed by September 30, 2027, or is it sufficient for the funds to be obligated by that date?

Catalyst Fund dollars awarded for the applicable budget period should be planned to be fully disbursed/expended by September 30, 2027, rather than merely obligated through executed startup award agreements. Respondents should design their proposed program timeline and milestone-payment structure accordingly, allowing sufficient time for startups to achieve milestones and for milestone verification, required approvals, and payment processing to occur before the deadline. The RFP anticipates up to approximately \$5 million for direct Catalyst Fund awards. Accordingly, the requirement should not be interpreted as an obligation to award exactly \$5 million regardless of the number or quality of eligible startups; rather, Catalyst Fund amounts ultimately awarded for the applicable budget period should be fully disbursed/expended by the applicable deadline.

5. Program Management, Staffing and Knowledge Transfer

May the proposed Delaware Program Director begin several weeks after the anticipated program start date? (RFP Section 5)

DPP expects the selected Operator to be prepared to mobilize promptly following contract execution. A Respondent proposing a later start date for a key individual should clearly identify the proposed start date, explain how required responsibilities will be covered during the interim period, and demonstrate that the proposed transition will not delay program implementation.

Are tools, frameworks, or other intellectual property owned by the Operator or its subcontractors before award excluded from the RFP's knowledge-transfer requirements? (RFP Section 5)

DPP's intent is that program-specific data, records, configurations, materials, and other information necessary for continuity and administration of the program be available to DPP. Treatment of pre-existing intellectual property owned by the Operator or its subcontractors will be addressed through the contracting process and applicable contract terms.

6. Proposal and Evaluation

What materials count toward the 15-page narrative limit? (RFP Sections 6.2 and 6.3)

The 15-page limit applies to the proposal narrative described in Section 6.2. A cover letter does not count toward the 15-page limit. A table of contents and section-divider pages do not count toward the limit. Materials expressly identified as supplemental materials in Section 6.3 are excluded from the narrative page limit.

7. Budget, Contract and Procurement

Will DPP provide a standardized budget template? (RFP Section 7.1)

Yes. DPP has provided a standardized budget template for Respondents on the Catalyst Fund webpage.

May Catalyst Fund dollars support travel costs for participating startups? (RFP Sections 7.1 and 7.2)

Yes. Catalyst Fund dollars may support an Applicant's travel when the expense is incorporated into the Applicant's approved milestone funding. Catalyst Fund payments must be made directly to selected Applicants in accordance with the approved milestone schedule; DPP or the Program Operator should not use Catalyst Fund dollars to purchase travel directly on an Applicant's behalf. Mentorship, technical assistance, and similar program services are funded through DPP/Operator administrative resources.

Will DPP provide its standard form of agreement before the proposal deadline? (RFP Section 7.7)

DPP is coordinating with legal counsel regarding the Program Operator agreement.

Respondents should prepare proposals based on the requirements in the RFP and any formal addenda or procurement materials issued by DPP. Any additional contract materials made available before the proposal deadline will be posted through the same procurement channel.