

Understanding the Rural Health Transformation Program

National Council of Insurance Legislators (NCOIL)

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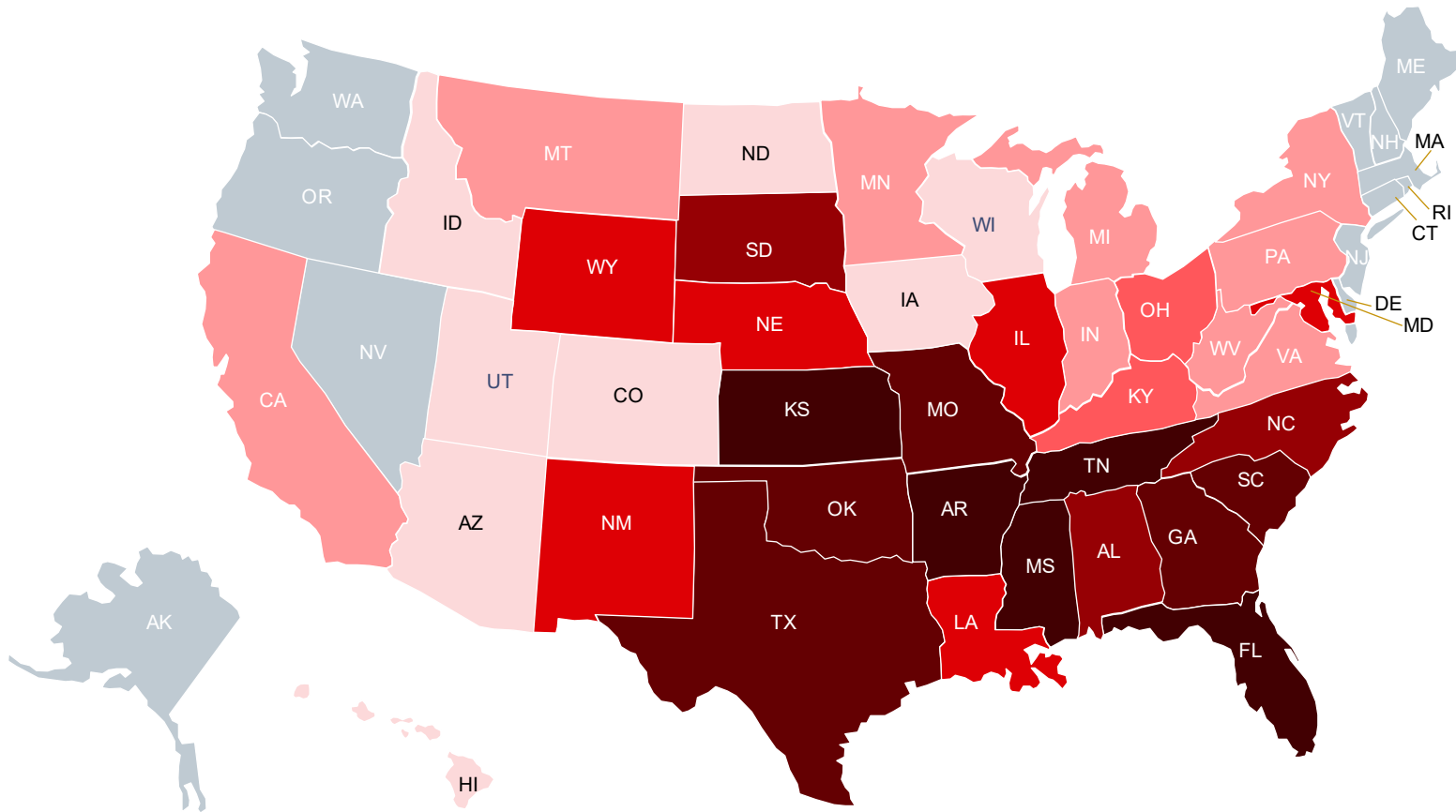


NRHA

Your voice. Louder.

Our mission is to provide leadership on rural health issues through advocacy, communications, education, and research.

432 Rural Hospitals Vulnerable to Closure



432 rural hospitals across America are **vulnerable to closure**.

Across **15 states**, the percentage of rural hospitals **vulnerable to closure is 25% or higher**.


Non-expansion states are home to **205** vulnerable rural hospitals.

Percentage of State Rural Hospitals Determined to be Vulnerable




Rural Health Transformation Program


\$50 billion over 5 years (Fiscal Year (FY)26- FY30) for all states with approved plans



60M, or 1 in 5
Americans live in rural areas

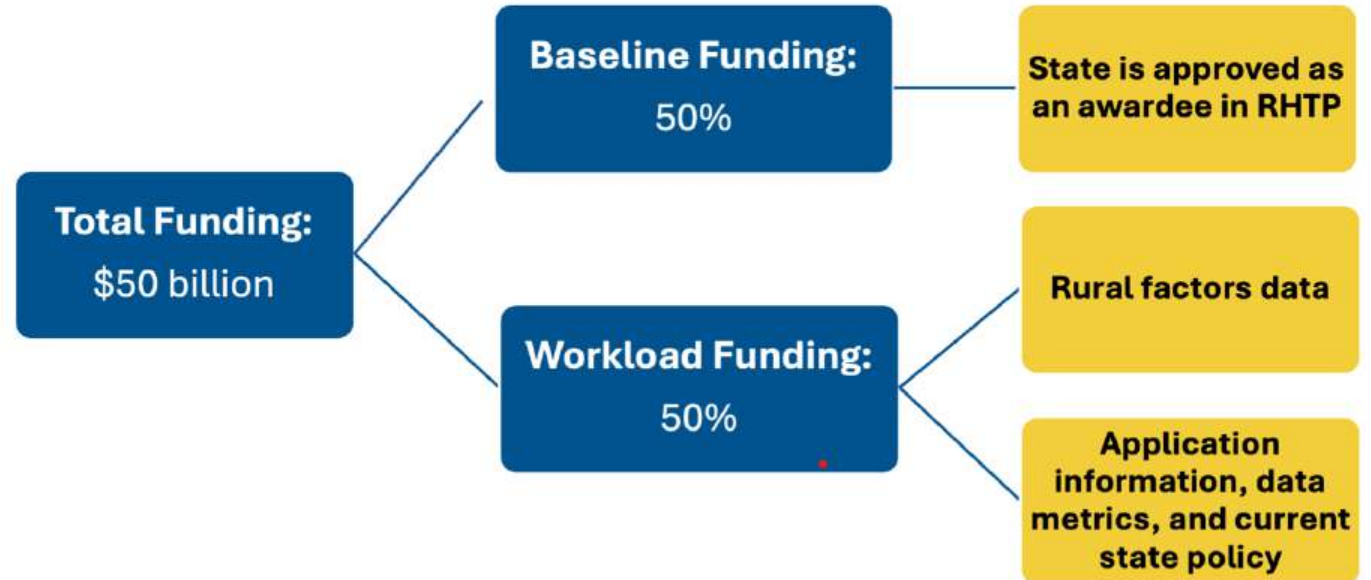


\$50B
Total funding allocated over 5 years
FY26 - FY30



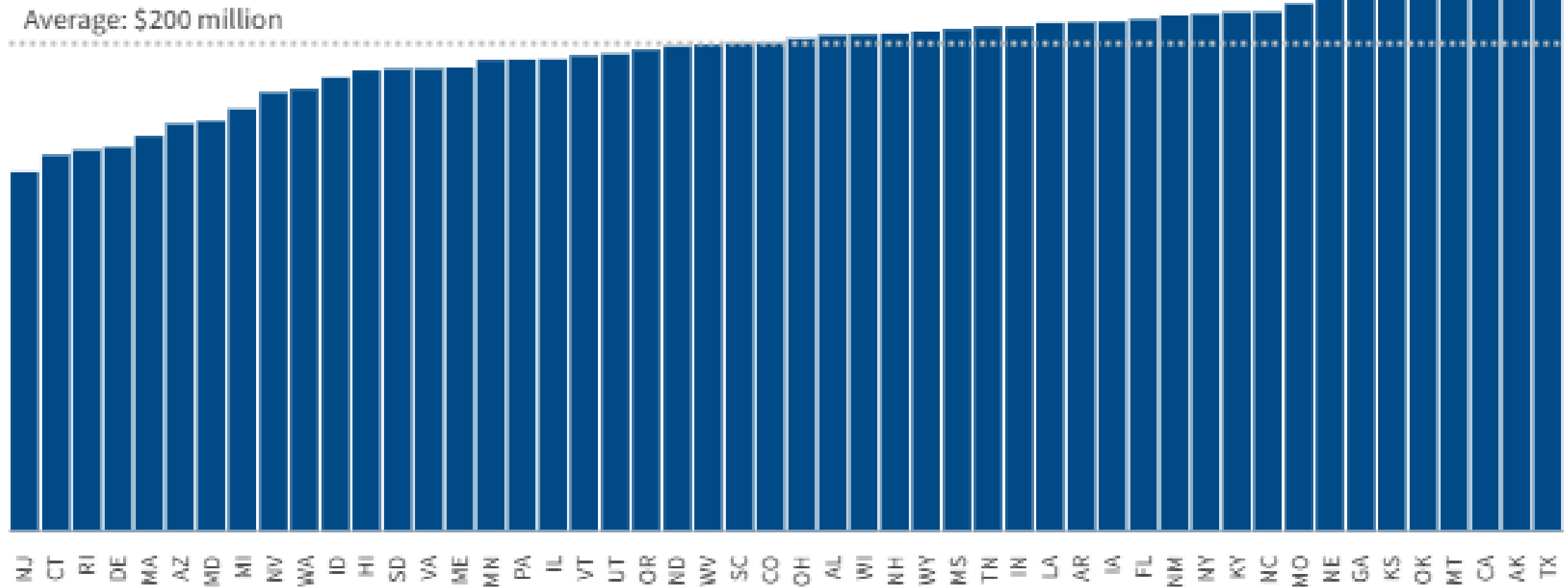
\$10B
Allocated per fiscal year:

- 50% of annual funding **distributed equally** among approved States
- 50% allocated based on rural health metrics



Rural Health Transformation Program

FY 2026 Awards



Notes: DC and the U.S. territories were ineligible for funding.

Source: KFF analysis of rural health fund awards from the HHS Tracking Accountability in Government Grants System (TAGGS). [Get the data](#)

Rural Health Transformation Program

Strategic Goals and How States Prioritized Programs

Making Rural America Healthy Again

1. Population health
2. Prevention
3. Chronic disease
4. Behavioral health

1

Fostering Sustainable Access

1. Viable economic model
2. Appropriate care delivery
3. Provider payments

2

Workforce Development

1. Strengthening recruitment and retention
2. Scope of practice

3

Innovative Care

1. Value base payment
2. Clinically integrated networks

4

Supporting Technology Innovation

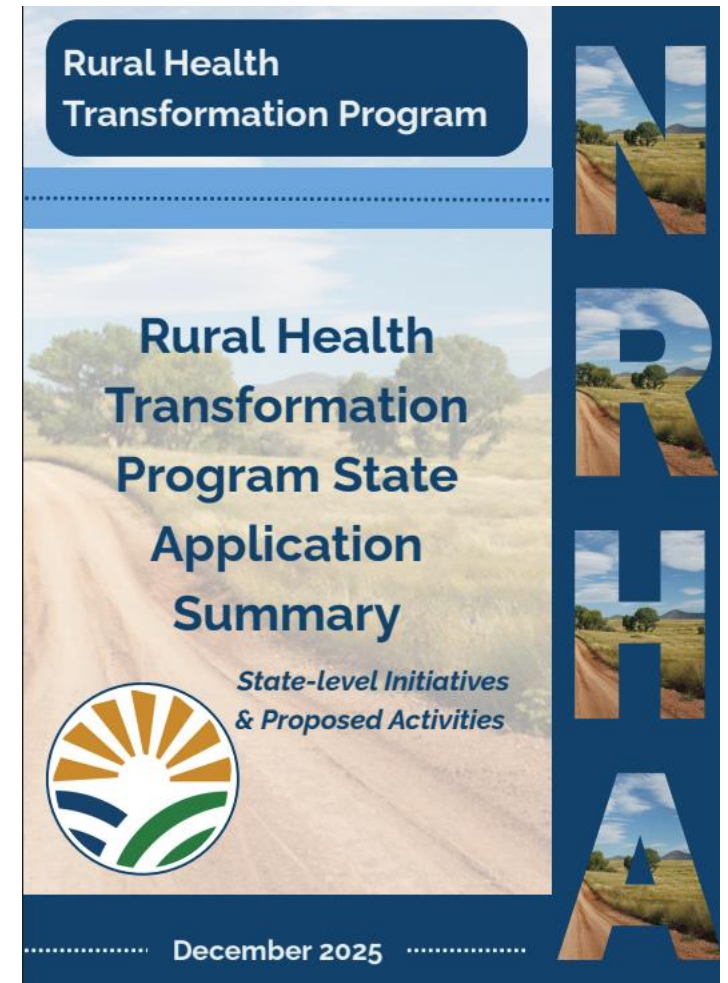
1. Technology-based solutions
2. Training and technical assistance
3. IT investments

5

Rural Health Transformation Program

State Plan Themes

- **Telehealth expansion, virtual or technology-enabled care, HIT modernization**
- Rural workforce recruitment, training, and retention pipelines
- Transition toward value-based care and financial sustainability (OB and BH)
- Strong focus on rural hospital stabilization and service sustainability
- EMS modernization and mobile care delivery
- Chronic disease management and prevention, and community-based, whole person care models
- Regionalization and hub-and-spoke care models



State Legislatures Set Up RHTP Compliance and Oversight



Kentucky HCR 113

Establishes the Rural Health Transformation Task Force



New York SB 5854

Establishes a Rural Health Zone Board to administer a rural health zone pilot program



Oklahoma HB 3066

Creates the Health Care Workforce Training Commission and the Rural Health Transformation Revolving Fund



South Dakota SB 89

Establishes an Emergency Medical Services Funding Task Force



Wyoming HB 122

Creates the Rural Health Transformation Advisory Committee



Idaho SB 1253

Establishes the Rural Health Transformation Committee

Office of Rural Health Transformation

- CMS formally established the Office of Rural Health Transformation (ORHT) within the Center for Medicaid and CHIP Services
- Will lead implementation of RHTP
- Core functions:
 - Guide states in implementing approved rural health transformation plans
 - Provide TA and strategic guidance
 - Coordinate federal-state partnerships
 - Ensure program oversight, accountability, and stewardship
- **Will include 16 project officers throughout CMS regional offices to work with states**

Next Steps

Items to Consider

- Alignment with the governor's office, Medicaid agency, public health, and rural stakeholders.
- Criteria being used to distribute funds across rural communities.
- Metrics being used to define success in year 1, year 3, and year 5.
- How legislatures can influence state milestones.
- Plan for sustaining improvements after federal dollars end.

Potential Partners & Resources

- Federal Partners:
 - [CMS Office of Rural Health Transformation](#)
 - [Federal Office of Rural Health Policy \(HRSA\)](#)
 - [CDC Office of Rural Health](#)
- State Organizations
 - [State Rural Health Association](#)
 - [State Offices of Rural Health](#)
- NRHA RHTP Resources:
 - [NRHA Rural Health Transformation Hub](#)
 - [NRHA RHTP State Plan Summary Guide](#)
 - [NRHA RHTP Implementation Resources](#)

2026 NRHA Advocacy Resources

- Sign up to receive [NRHA's Rural Roundup](#) & [NRHA Today](#).
- Contact the NRHA Government Affairs Team
 - Email: [Carrie Cochran-McClain](#), [Alexa McKinley Abel](#), [Zil Joyce Dixon Romero](#), [Sabrina Ho](#), [Marguerite Peterseim](#), [Reese Lycan](#)
- Engage with NRHA Advocacy online!



One stop scan of our
advocacy goodies here!



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