



RURAL HEALTH

TRANSFORMATION

National Rural Health Association Policy Institute

February 10, 2026

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CMS Office of Rural Health Transformation

Office of Rural Health Transformation

Vision and Mission

Vision



A Nation where every rural community stands strong and vibrant, rooted in the foundational promise of equitable access to comprehensive, financially sustainable healthcare that restores dignity, promotes optimal health, and ensures the full vitality of the American Spirit.

Mission



To lead the national charge in transforming rural healthcare, leveraging American innovation and sustainable payment models to build resilient infrastructure and ensure unwavering access to high-quality care for every citizen in rural America, helping to Make America Healthy Again.

Office of Rural Health Transformation

Background

The Office of Rural Health Transformation (ORHT) is the first-ever office on rural health within CMS.

The CMS ORHT coordinates closely with HRSA and CDC to deliver a seamless federal engagement for States on rural health.

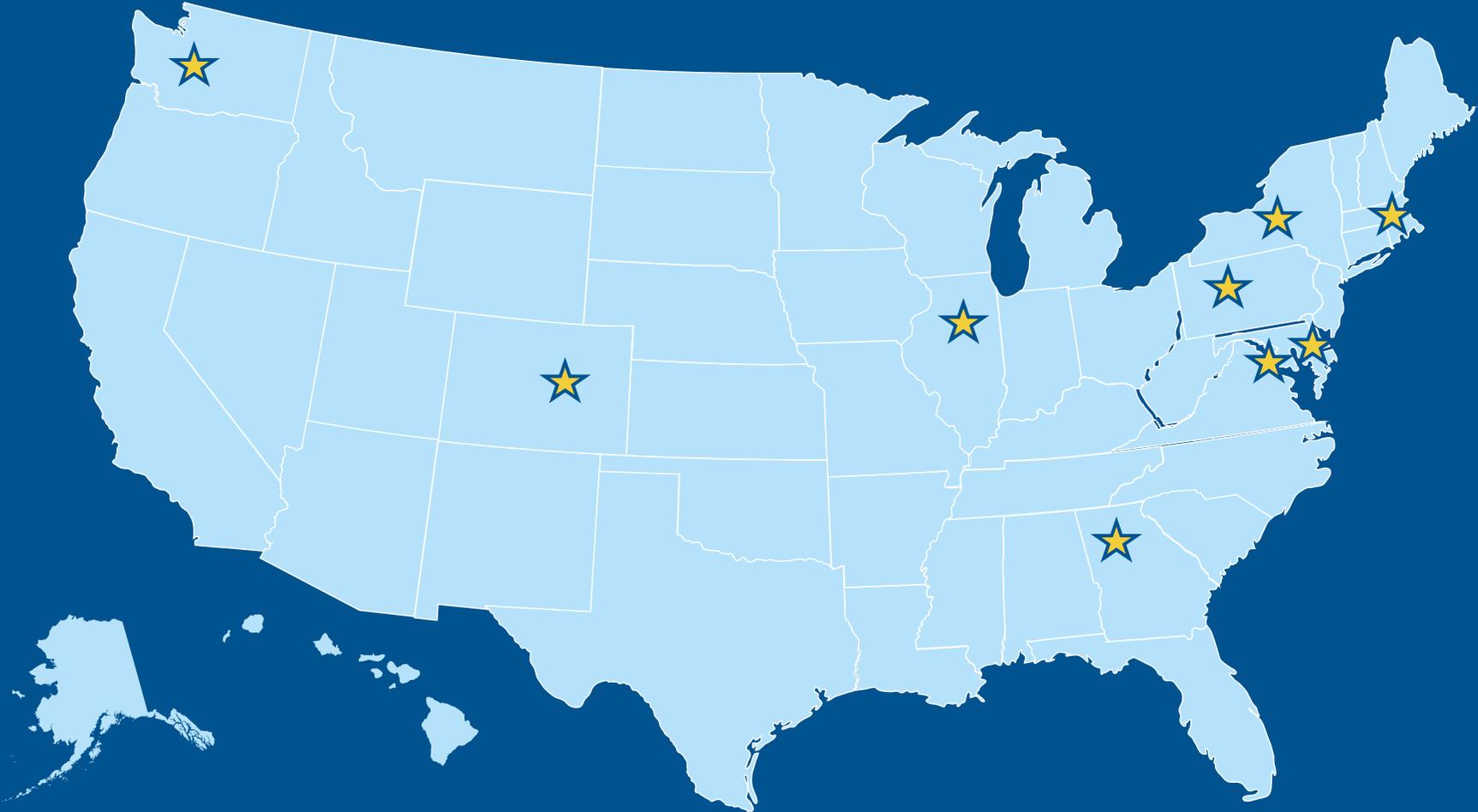
The ORHT is focused on supporting States in building sustainable rural health systems by stabilizing providers, growing the health workforce, using new care technologies, and promoting preventative health strategies.

Office of Rural Health Transformation

Core Functions



Office of Rural Health Transformation Footprint



The ORHT Team is comprised of 30 individuals, including office and division leadership, program support, 16 project officers located across the country in CMS Regional Offices, data analysts, and financial analysts.

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Rural Health Transformation (RHT) Program Overview

RHT Program at a Glance

Authorized by the Working Families Tax Cuts Legislation¹, the RHT Program empowers States to strengthen rural communities by improving healthcare access, quality, and outcomes through transformation of the healthcare delivery ecosystem.

- ✓ The recipient of each award is a single State.
- ✓ States with approved applications received funding from the program via cooperative agreements.

¹ Section 71401 of Public Law 119-21



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

RHT Program Strategic Goals

The RHT Program helps State governments improve rural health by laying the foundation for sustainable access to high-quality care through workforce development, innovative system-wide change, and technological innovation.

1. Make Rural America Healthy Again

Support health innovations and new access points to promote preventive health and address root causes of diseases



2. Sustainable Access

Help rural providers become long-term access points for care by improving efficiency and sustainability



3. Workforce Development

Attract and retain a high-skilled health care workforce by strengthening recruitment and retention of healthcare providers in rural communities



4. Innovative Care

Spark the growth of innovative care models to improve health outcomes, coordinate care, and promote flexible care arrangements

5. Tech Innovation

Foster use of innovative technologies that promote efficient care delivery, data security, and access to digital health tools by rural facilities, providers, and patients

Use of Funds - Examples

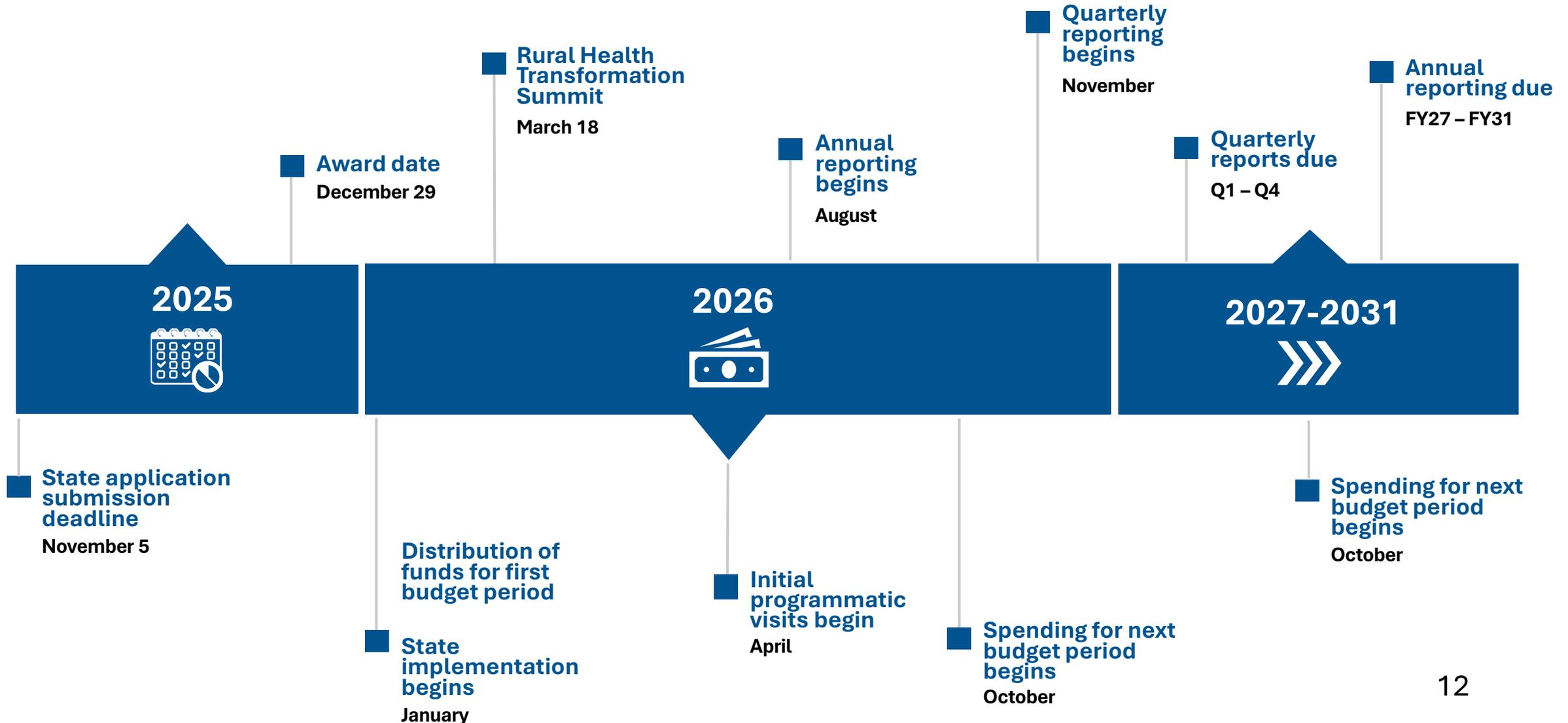
States must use awarded funds for eligible activities defined by the program. Each State must commit to investing in at least three of the approved uses. Examples include:

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|---|--|---|--|
|  | Prevention and chronic disease Developing tobacco cessation programs |  | Appropriate care availability Developing frameworks to integrate non-physician providers into care teams |
|  | Provider payments Establishing value-based Medicaid payment methodologies for behavioral health |  | Behavioral health Developing a model to formally integrate behavioral health, long term care, and physical health services |
|  | Consumer tech solutions Integrating digital care navigation tools, such as symptom checking |  | Innovative care Start-up funding for providers' initial costs to build capacity to participate in advanced payment models |
|  | Training and technical assistance Training for digital health navigators to help patients use new technologies |  | Capital expenditures & infrastructure Converting underutilized hospital space to be a standalone ER and OB ward |
|  | Workforce Conducting activities that address burnout amongst healthcare providers |  | Fostering collaboration Developing shared regional resources such as workforce development materials |
|  | IT advances Investing in the development of such as telehealth services | | |

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RHT Program Implementation

Program Milestones



Continued Eligibility and Funding

Eligibility continues for all 5 years of the program:

- Continued funding to State participants depends on:
 - Availability of funds
 - Program authority
 - Satisfactory performance
 - Compliance with the terms and conditions of the Federal award
 - Compliance with reporting requirements
- Funding can be decreased or terminated if the requirements of the award are not followed.
- CMS can suspend or terminate the award if there are performance issues.



Reassessment

- Certain factors used to determine eligibility and funding are reviewed and updated annually to reflect each State's progress.
- Half of the available funding each budget period is allocated equally among all approved States, while the other half is distributed based on updated scores.
- **Why it matters:** States that demonstrate continued progress may receive a larger share of funding over time.

Ongoing State Engagement & Support

As a Cooperative Agreement, this award involves active, ongoing coordination and collaboration between States and CMS.



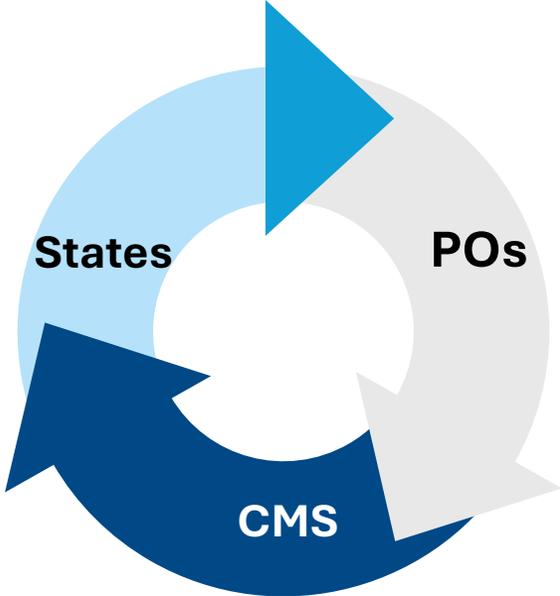
States collaborate with their Project Officers to implement the program and comply with conditions of the award.



Project Officers (POs) serve as liaisons between States and CMS. They maintain regular communication with States by meeting periodically, providing ongoing technical assistance and feedback.



CMS provides funding to States to implement approved project plans, trains Project Officers, monitors compliance with award requirements, and reallocates funds based on required reporting.



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State Trends & Initiative Snapshots

Key Themes

Driving Structural Efficiency & Empowering the Workforce: States are streamlining operations & empowering local entities to manage resources more effectively. This includes tailored hub-and-spoke models, establishing rural regional centers of excellence, comprehensive data-sharing platforms, establishing Certified Community Behavioral Health Clinics (CCBHCs), etc.

Market-Driven Technology & Measurable Productivity Improvement: States are leveraging capital investment in advanced technology, including AI, telehealth, and consumer-focused technology, to boost provider productivity, control costs, and increase patient healthcare access.

Chronic Disease & Population Health: To achieve the goal of “Make Rural America Health Again,” states are focused on deploying structural and technology-enabled solutions that proactively manage health and address preventive health needs at scale. Maternity care and behavioral health are two of the most common themes, with most States placing an emphasis on these areas.

Value-Based Care: The most impactful proposals create clear, measurable paths to financial sustainability, ensuring RHT Program funds are used as seed capital to transition the system to one that is focused on value. Generally seeing more of an appetite for exploring value-based care readiness.

Stakeholder Engagement: States are leaning into the power of partnerships, working with stakeholders across the community, including schools, local businesses, farms, Tribes, etc.

Program Resources

NOFO and Program Websites

- [NOFO posting on Grants.gov](#)
- [Rural Health Transformation \(RHT\) Program | CMS.gov/RHTProgram](#)
- [Rural Health Transformation 50 State Spotlights](#)

RHT Program Mailbox

- MAHARural@cms.hhs.gov

Questions and Answers

- [Frequently Asked Questions](#)

REMINDER: Sign up for the RHT Program Listserv on our website or:
[Centers for Medicare & Medicaid Services \(CMS\) Email Updates](#)