

Notice of Award budget revision

Washington State Rural Health Transformation Program

The **Rural Health Transformation (RHT) Program** is part of the H.R.1 budget reconciliation bill. The Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health & Human Services (HHS), which administers the program, suggested all states apply with a **\$200 million** yearly budget. Washington state applied in November 2025 with a budget based on that amount.

On December 29, 2025, the Health Care Authority (HCA) received a Notice of Award (NoA) from CMS. The NoA allocated a yearly budget of **\$181 million**. HCA, in partnership with the Department of Health (DOH) and Department of Social and Health Services (DSHS) — in support of the Governor’s Office — has adjusted the application to meet CMS’s request without eliminating any activity. The first-year budget alignment focuses on projects that can leverage existing partnerships and activities that are ready for rapid implementation.

The updated budget was approved by CMS on February 9, 2026.

Initiative highlights and the proposed annual funding

Initiative and example projects	Proposed annual funding
<p>1: Ignite innovation in Washington’s rural hospitals</p> <ul style="list-style-type: none"> Expand rural health network with the Rural Health Collaborative Rural health payment co-design with the Rural Health Design Center Critical technology infrastructure for hospitals with the Washington State Hospital Association Sustain maternal, emergency and specialty services 	\$60 million
<p>2: Prevent disease and manage care in community settings</p> <ul style="list-style-type: none"> Expand community based workforce, with 211 investments, rural training and testing sites Expand dementia resources building Dementia Capable Communities program with Area Agencies on Aging Expand EMS inter-facility transport and support trauma designated facilities Triage to appropriate care with mobile health services like Care-A-Van, and AAA Mobile Assistance Van 	\$18 million
<p>3: Invest in the health of Native families</p> <ul style="list-style-type: none"> Invest in the Native workforce Establish care coordination agreements Invest in health information exchange solutions 	\$19 million
<p>4: Adopt technology and data solutions to enable health improvements</p> <ul style="list-style-type: none"> Expand remote care through Project ECHO in partnership with the University of Washington Create a provider technology fund in support of rural providers 	\$19 million

5: Develop Washington’s rural workforce to support rural communities <ul style="list-style-type: none"> • Support rural residencies with WWAMI Rural Family Residency Network • Support rural training with Washington State University rural health education programs • Expand rural Nursing Education Program • Support grow-your-own training programs • Support rural workforce incentive programs 	\$32 million
6: Expand and sustain Washington’s rural behavioral health system <ul style="list-style-type: none"> • Expand mobile crisis supports • Technical assistance with transition to Certified Community Behavioral Health Clinics model • Community support for youth • Rural opioid treatment provider recruitment and retention 	\$25 million
Administration	\$4 million
Total \$181 million	

HCA, DOH, and DSHS will be developing more information as the program develops in partnership with CMS, and we will post updates on our [RHT Program webpage](#). We will learn more as states attend an in-person kick-off with CMS mid-March. As a budget is approved, we will begin hiring staff, drafting contracts, designing the Advisory Committee, and developing future competitive procurements. Questions may be directed to the [RHT Program team](#).

Disclaimer: This program is supported by CMS/HHS as a financial assistance award totaling \$181,257,515.06 with 100 percent funded by CMS/HHS. The contents are those of the author and do not necessarily represent the official views of, nor an endorsement, by CMS/HHS, or the U.S. Government.