

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

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