

Rural Health Transformation Program

NOFO Overview, Washington's Community Input Themes, and Application Planning



Agenda

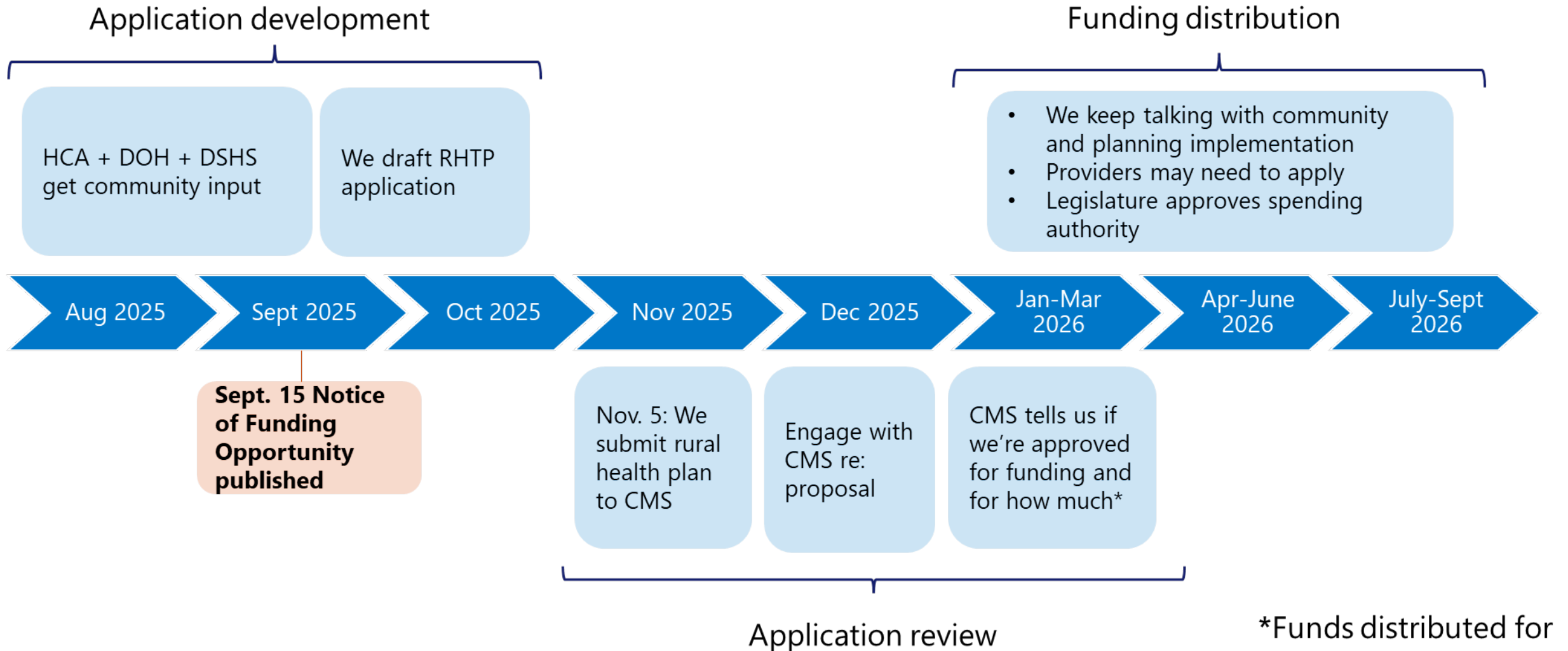
- ▶ Background
- ▶ Timeline and logistics
- ▶ Review of the Notice of Funding Opportunity (NOFO)
- ▶ Stakeholder feedback
- ▶ Application priorities
- ▶ Next steps
- ▶ Q & A

Please **use the Q&A feature** to ask any questions during the presentation. We will try to address questions today and will follow up as needed after the webinar.

Background

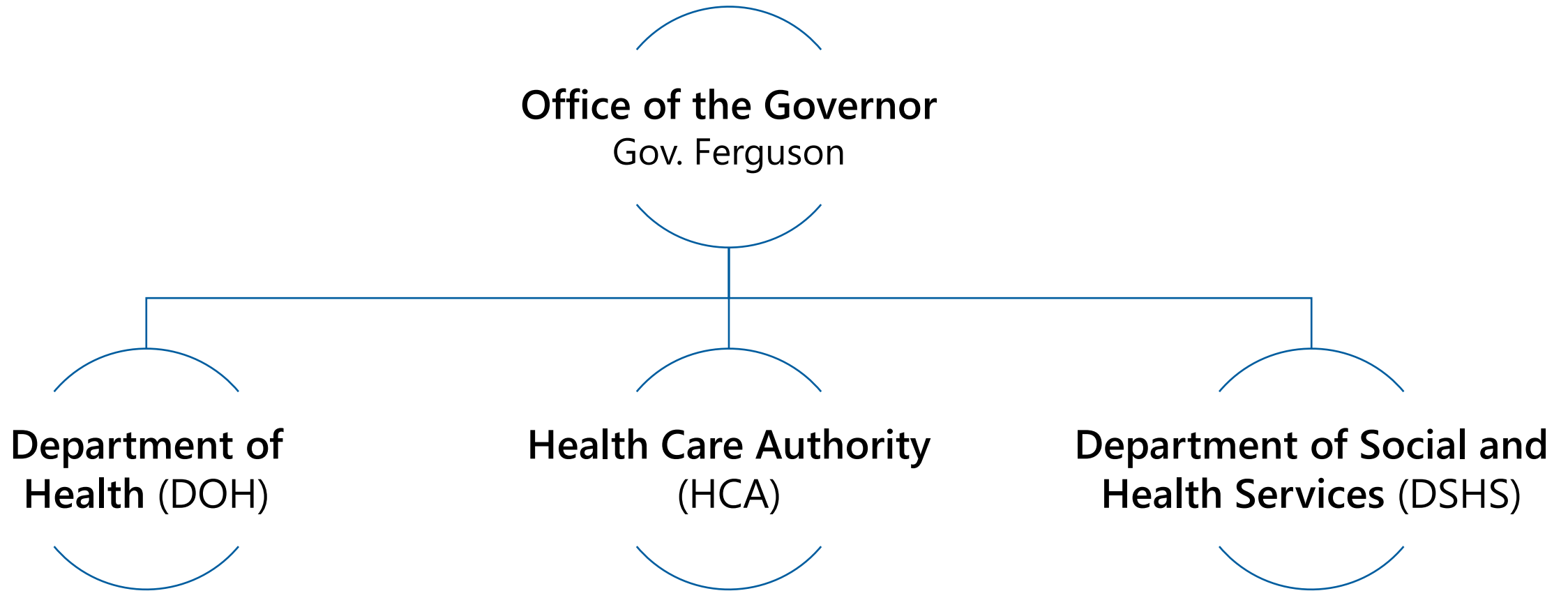
- ▶ The Federal Budget (H.R. 1), signed into law in July 2025, reduces federal funding for Medicaid and Affordable Care Act (ACA) marketplace plans.
- ▶ Many individuals could lose health insurance coverage, and health care providers will lose revenue.
- ▶ H.R. 1 created a **\$50 billion Rural Health Transformation Program (RHTP)**.
- ▶ Federal funding through RHTP does not offset H.R. 1 federal Medicaid cuts in rural communities.

RHTP Timeline



*Funds distributed for FFY 2026 must be used by 9/30/2027

State agencies supporting RHTP application



Notice of funding opportunity (NOFO)

Background

- ▶ On September 15, the Centers for Medicare and Medicaid Services (CMS) released the NOFO:
 - ▶ Application deadline
 - ▶ Submission requirements
 - ▶ Scoring mechanisms
 - ▶ Ongoing expectations for use of RHTP funds
- ▶ Find the [full NOFO](#) at Grants.gov.
- ▶ Get a [NOFO overview](#) from Manatt and State Health & Value Strategies.

States must use funding for at least three CMS-designated categories

Prevention and
chronic disease

Provider
payments*

Consumer
technology
solutions

Training and
technical
assistance

Workforce

IT advances*

Right-sizing care
availability

Behavioral health

Innovative care
models

Capital
expenditures and
infrastructure*

Community
collaboration*

Notable application components

RHTP plan

- Program objectives
- Initiative profiles
- Overarching implementation plan and timeline
- Stakeholder engagement
- Policy landscape
- Sustainability plan

Budget narrative

- The "best estimates" of the cost to carry out each proposed initiative
- Can be updated in annual reports to CMS

Governor's endorsement

- A formal letter to CMS to show support of the state's RHTP application

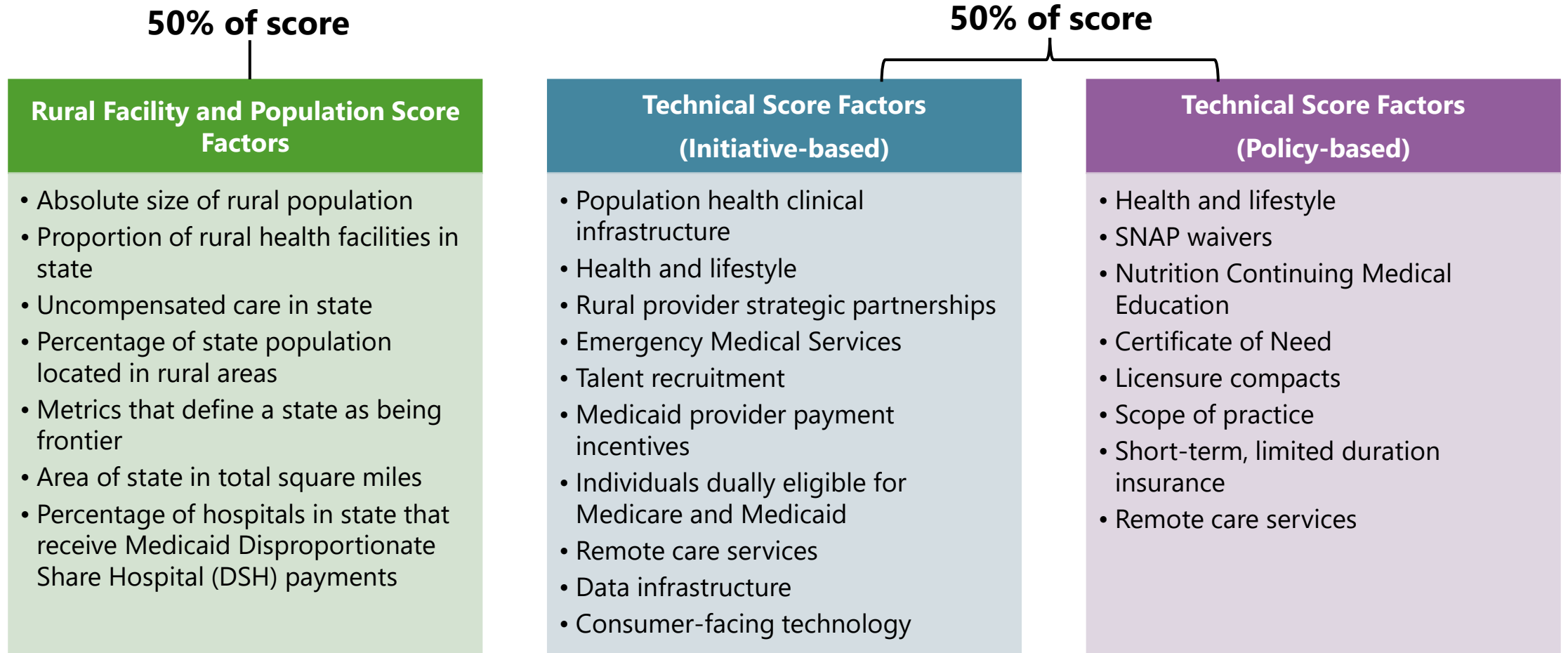
Fund allocation overview

- ▶ \$10 billion in federal funds annually
- ▶ 50% Baseline Funding (\$5 billion/year) – distributed equally among states with a complete and approved application
 - ▶ If all states are approved, WA would receive \$100 million annually
- ▶ 50% Workload Funding (\$5 billion/year) – distributed by CMS, with consideration of:
 - ▶ Rural Facility and Population Score Factors (50%)
 - ▶ Technical Score Factors (50%)

More fund allocation notes

- ▶ States directed to apply for \$200 million per year.
- ▶ Approved states may use up to 10% of funds for administrative expenses.
- ▶ Each federal fiscal year's (FFY's) funds are available through the following year (e.g., FFY 2027 funds must be used by the end of FFY 2028).
- ▶ Unexpended or unobligated funds will be redistributed by CMS.

Workload funding score factors



Washington stakeholder feedback

Washington stakeholder feedback

- ▶ In August, HCA, DOH, and DSHS put out a call for public input on use of RHTP funds.
 - ▶ Due date for submissions is **September 26**.
- ▶ As of September 23, we've received over **170 written submissions**.
- ▶ HCA, DOH, and DSHS also engaged in conversations with state associations, community collaboratives, and other stakeholders.

Input submitter types

- Rural hospitals and districts
- Nonprofit organizations
- Non-hospital provider groups
- Health care education programs
- State and national associations
- State agencies
- Interested individuals
- Colleges and universities
- School districts
- Tribes
- EMS and firefighters
- Public health departments

Key topics from stakeholder feedback

- ▶ Technology
- ▶ Hospital operations and buildings
- ▶ Workforce
- ▶ Service expansion and retention
- ▶ Data and EHR infrastructure
- ▶ Behavioral health
- ▶ Payment reform
- ▶ Education
- ▶ Opioid use disorder treatment
- ▶ Telehealth
- ▶ School-based care
- ▶ Special health care needs
- ▶ Wellness
- ▶ Youth -focused services
- ▶ Special health care needs
- ▶ Dental
- ▶ Maternity and perinatal care

Youth Older adult care
Tribal-specific recs Transportation
School-based care
Population health Nutrition Policy change
Telehealth Community
Payment reform HRSN
Digital navigators Peer support Licensure Equipment Contraceptive care
Technology EMS
Loan forgiveness Motivational interviewing Maternity/perinatal
Primary care Education Wellness
Data/EHR infrastructure
Service expansion & retention
Education
OTP/other OUD treatment

Priorities for Rural Health Transformation Plan



Investments in health of Tribes



Supporting essential hospital services: infrastructure, essential services, and building networks and supporting operations



Workforce investments: recruitment and retention, training, undergraduate and graduate medical education, continuing education programs



Technology: cybersecurity, AI tools, EHRs, remote monitoring, digital navigation



Prevention and care management: community hubs, discharge planning, health homes, school-based care, chronic disease and nutrition



Access to care: transportation, mobile health



Behavioral health care: opioid treatment providers, mobile crisis services, peer supports

What's next?

Next steps for the RHTP team

- ▶ Continue reviewing public input (due September 26)
- ▶ Continue Tribal Consultation
- ▶ Prepare application and keep public informed of updates via website

Next steps for webinar attendees

- ▶ **Engage Federal partners (CMS & Congress) to show support.**
- ▶ **Contact us with any questions.**
The Washington RHTP team at can be reached at PayingForValue@hca.wa.gov.
- ▶ **Return to [our website](#) for more updates.** We will continue to add new information when it's available.

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