Washington State Health Care Authority

Rural Health Transformation Webinar

Questions and Answers (Q&A)

This document contains the questions and answers posed during the Washington Rural Health Transformation Webinar on September 25, 2025.

Q: Will the state be releasing the application once it is submitted to the Centers for Medicare & Medicaid Services (CMS)?

A: Yes, we plan to publish the application once submitted.

Q: Is the state going to submit the optional letter of intent?

A: Yes, we're submitting a letter of intent.

Q: Will you take more consideration for requests for funds that are examples highlighted in the notice of financial opportunity (NOFO)?

A: We're taking many factors into consideration for our application, including the priorities and examples highlighted in the NOFO. Other factors include public input, priorities from the Governors' Office, and ability to get funds out the door expediently in Year 1.

Q: What is the definition of rural when related to Tribal services?

A: The NOFO includes the following criteria when measuring rurality scoring factors:

- Absolute size of rural population in state
- Proportion of rural health facilities in state
- Uncompensated care in state
- Percentage of state population located in rural areas
- Metrics that define a state as being frontier
- Area of state in total square miles
- Percentage of hospitals in state that receive Medicaid Disproportionate Share Hospital payments

Washington intends to set aside a percentage of the funding for Tribes, and we will continue to engage with Tribal Partners regarding specifics.

Q: Does uncompensated care include bad debt?

A: Yes. Here's how CMS explains what data sources are permissible related to uncompensated care:

- Uncompensated care as a share of hospital operating expenses uses the same methodology as described in MACPAC's latest published "Annual Analysis of Medicaid Disproportionate Share Hospital Allotments to States" report as of September 1, 2025.
- Uncompensated care defined as charity care and bad debt from the Medicare cost report.
- Hospital operating expenses are from the Medicare cost report.

Q: If we are doing a remodeling capital project and start the project before the release of funds, how far will allowable expenses be backdated and still be reimbursable?

A: We're still assessing the detailed guidance. However, there are some restrictions set out in the NOFO related to infrastructure funding, particularly that Rural Health Transformation Project (RHTP) funds can't be used to supplant existing state, local, Tribal, or private funding of infrastructure or services, including for staff salaries.

Q: State Request for Input included language about reviewing responses on a "first come, first served basis" - can you elaborate on what that means in this context?

A: We've been reviewing priorities and outlining our application concurrent to the receipt of additional written comment, driven by the tight deadlines and capacity limitations. This was solely to note that the earlier feedback was received, the more time we'd have to review and contemplate for incorporation. We'll still be reviewing all written comments received through the deadline on September 26 and there will be opportunities for engagement throughout the duration of RHTP as well.

Q: Under Workforce investments, you specify medical education, but do you intend that to include nursing, advanced practice nurses, behavioral health and midwifery?

A: Our intent is not to be restrictive in the types of professions invested in — with a focus on provider types of highest need in rural communities. We recognize that nurses, behavioral health providers, midwives, home health providers, and other professions are as critical to the rural workforce as physicians. We are planning to emphasize a few examples of workforce programs in Washington that could be invested in or expanded but imagine other of the workforce related funds could be available for recruitment, retention and training investments for many provider types.

Q: Can you expand on the meaning of 'Primary Care'? I assume this is specific to physicians who are practicing in family medicine, pediatrics, etc. Or is it also open to other providers (Physical Therapist, Dentists, etc.) who are serving in a primary care setting?

A: We broadly interpret primary care as encompassing many provider types and subspecialties that may focus on preventive services. This certainly includes non-physicians, such as nurse practitioners. You can learn more about how the state has historically defined and measured "primary care" on the **HCA website**.

Q: Can you say more about how the state plans to manage the risk of initiating investments in certain areas that might be underway when CMS can change the Technical Factor score impacting annual funding availability?

A: This is a known risk. Our goal is to focus investments where one-time funds can help achieve measurable and attainable outcomes or where funding can be paired with other state and local sources to create a sustainability plan that extends beyond the RHTP funding window.

For projects that may require a multiple year RHTP investment to deliver on project goals, we'll work with community and provider partners to measure the risk before investing. But we can't guarantee that CMS won't change its funding allocation to the state and impact future years.

Additional resources

- **HCA's RHTP Page**
- **CMS RHTP Page**
- **Manatt and State Health and Value Strategies RHTP NOFO Summary**
- **KFF RHTP Takeaways**