

1.16.2026



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# Rural Health Transformation Program (RHTP)

# Agenda

## Rural Health Transformation Program (RHTP)

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- Background and timeline
- Oregon's transformation plan framework and proposed initiatives
- Rural Health Coordinating Council
- Next steps for program launch
- Discussion and Q&A



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# **RHTP Background and Timeline**

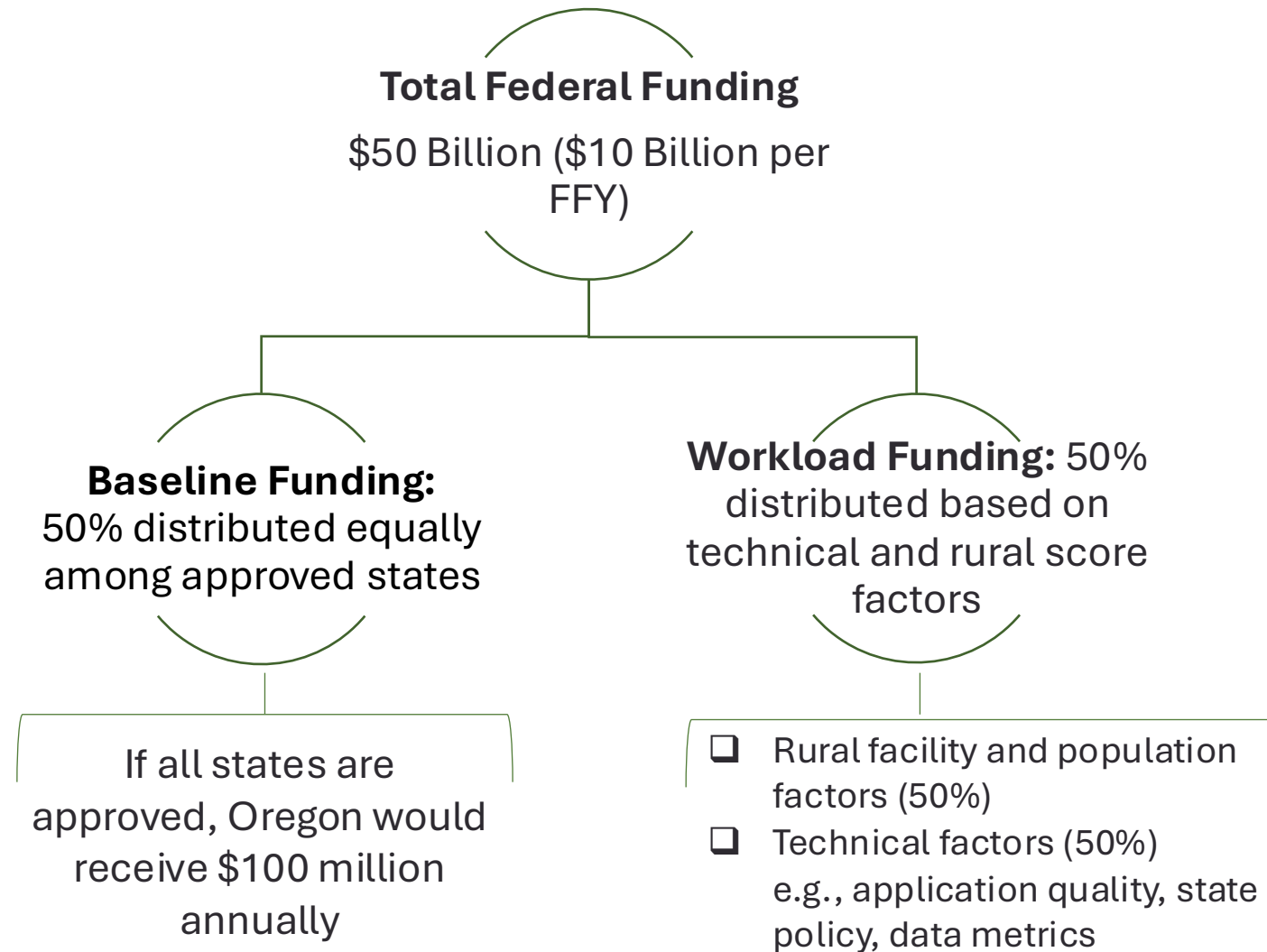
# Background

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- H.R. 1, the Trump Administration's federal budget reconciliation bill, was signed into law on July 4, 2025, introducing an estimated \$15 billion in cuts to federal funding from Oregon for health insurance coverage, food benefits, and other programs. **Federal funding through RHTP is not intended to offset H.R. 1 Medicaid cuts.**
- H.R. 1 establishes a **one-time, five-year** Rural Health Transformation Program (RHT Program or RHTP), which makes funding available to states for health-related activities supporting rural communities and rural health system transformation.
- The Centers for Medicare & Medicaid Services (CMS) is charged with administering the program as a cooperative agreement.

# Funding Framework

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# CMS announced \$50B in awards to all 50 states

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- On 12/29/25, CMS announced all 50 states will receive awards
- In 2026, first-year awards average \$200M, ranging \$147-281M
- **Oregon is set to receive \$197.3M in 2026**
  - Funds are frozen until the budget is finalized and approved by CMS in January 2026
- If approved for a similar amount in subsequent years, Oregon will receive an estimated \$1B over the five-year grant period

# CMS RHTP Strategic Goals

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## **Make Rural America Healthy Again**

- Support rural health innovation and new access points to promote disease prevention, chronic disease management, behavioral health, and prenatal care.

## **Sustainable Access**

- Improve efficiency and sustainability of long-term access points through high-quality regional systems and coordinated operations, technology, primary and specialty care, and emergency services.

## **Workforce Development**

- Attract and retain a high-skilled workforce with a broader set of health care providers who are supported in practicing at the top of their license.

## **Innovative Care**

- Spark the growth of innovative care models and develop and implement payment mechanisms to improve quality, outcomes, and care coordination, and shift care to lower cost settings.

## **Tech Innovation**

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

# CMS - Uses of Funds

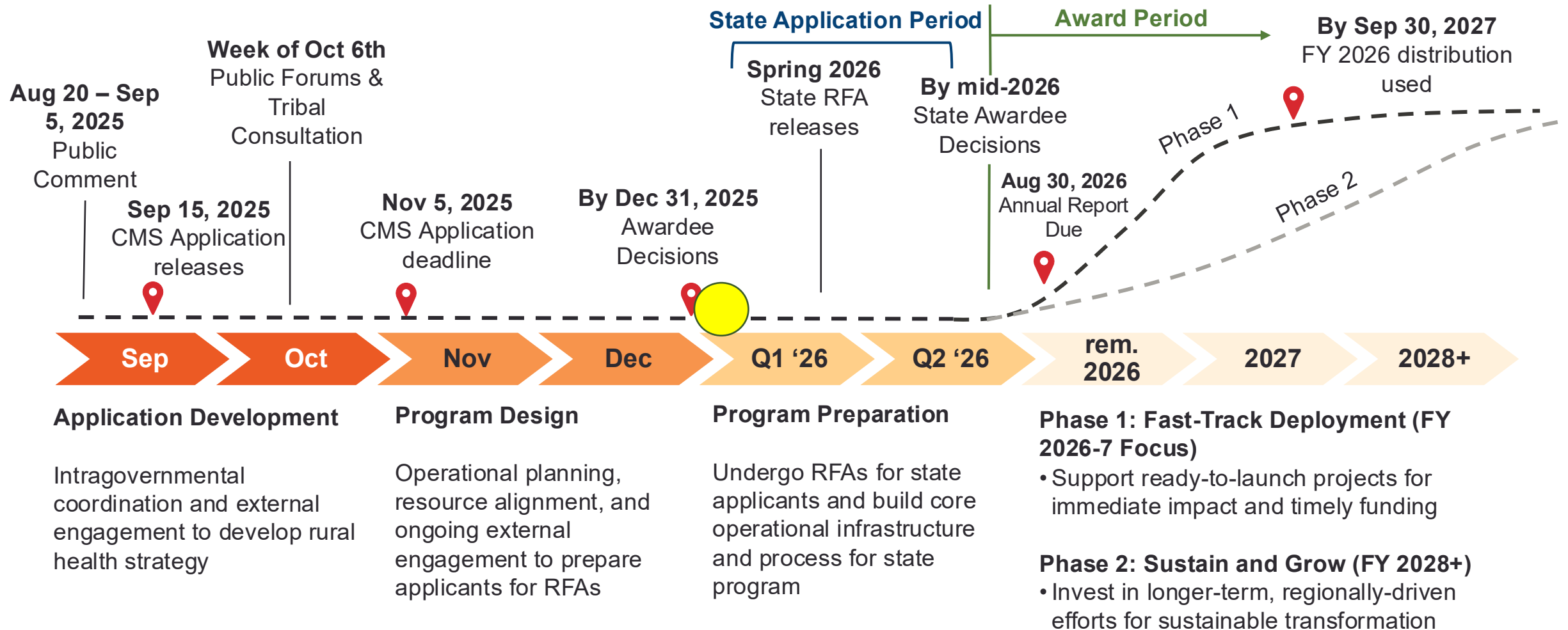
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States must commit to using funds for three or more of the health-related activities below:

1. Promote chronic disease management
2. Pay health care providers
3. Promote consumer-facing tech for chronic disease management
4. Train and assist rural hospitals in adopting technology-enabled solutions
5. Recruit and retain clinical workforce in rural areas with 5-year service commitments
6. Provide IT support to improve efficiency, cybersecurity, and patient outcomes
7. Help rural communities right-size delivery systems
8. Expand access to opioid, substance use, and mental health treatment
9. Develop innovative care models, including value-based and alternative payment models
10. Invest in rural health care facility infrastructure
11. Foster and strengthen strategic partnerships between local and regional partners



# Oregon RHT Program Timeline and Phases



\*All dates are proposed and contingent on CMS award decisions.



# **Oregon's Transformation Plan Framework and Initiatives**

# Framing the Initiatives in the Application

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- **Align with CMS Strategic Goals:** Each initiative is mapped to one or more CMS strategic goals (e.g., MAHA, sustainable access, workforce development, innovative care, and tech innovation) to ensure federal alignment and maximize scoring potential.
- **Integrate Public Comment Ideas:** Initiatives include for consideration projects submitted during public comment, ensuring responsiveness to community-identified needs and alignment with ongoing efforts.
- **Elevate What's Already Working:** Models and programs that have demonstrated success and clear timelines will be strongly considered as initiative projects, allowing for replication and scaling.
- **Invest in Sustainable Transformation:** Support ready-to-launch projects for immediate impact and longer-term, regionally-driven efforts for sustainable transformation.

This approach allows for local solutions and innovation while maintaining state-level oversight and adaptability, ensuring funds are used effectively and within required timelines.

# Oregon's Five Initiatives

Regional Partnerships & System Transformation	Healthy Communities & Prevention	Workforce Capacity & Resilience	Technology & Data Modernization	Tribal Initiative
Focus on building rural regional networks and shared services to accelerate long-term sustainable strategies	Focus on scaling successful delivery models and creating new health access points to rural counties	Focus on developing a broad workforce from training to professional development programs	Focus on expanding and connecting rural health systems to needed technologies and data infrastructure	Focus on supporting the Tribes with improving health access and outcomes
<b>Example Use of Funds:</b> <ul style="list-style-type: none"> <li>Regional convenings &amp; collaboratives</li> <li>Hub-and-spoke models</li> <li>Investment in Critical Access Hospitals</li> <li>Learning collaboratives</li> <li>Shared infrastructure, workforce, data</li> <li>Maternity care coalitions</li> <li>EMS modernization</li> <li>Standby Capacity Payments</li> </ul>	<b>Example Use of Funds:</b> <ul style="list-style-type: none"> <li>Expanding access points</li> <li>Social health services</li> <li>Behavioral health integration</li> <li>Non-traditional models of care (e.g., digital tools and mobile vans)</li> <li>Chronic disease prevention</li> </ul>	<b>Example Use of Funds:</b> <ul style="list-style-type: none"> <li>Rural residencies and fellowships</li> <li>Rural k-12 pathway programs</li> <li>Tele-mentoring and e-consults</li> <li>Training and certification of non-physician providers</li> <li>Recruitment incentives and family assistance</li> </ul>	<b>Example Use of Funds:</b> <ul style="list-style-type: none"> <li>Health IT system investments</li> <li>AI-enabled tech solutions</li> <li>Community-information exchange &amp; closed-loop referrals</li> <li>Cybersecurity</li> <li>Technical assistance for IT implementation</li> </ul>	<b>Example Use of Funds:</b> <ul style="list-style-type: none"> <li>Strengthen Tribal Health Systems</li> <li>Facility &amp; Infrastructure</li> <li>Behavioral health expansion</li> <li>“Grow Your Own” workforce programs</li> <li>Consumer-facing tech tools for managing chronic disease</li> <li>IT support and EHR upgrades</li> </ul>

# Initiatives and Uses of Funds Crosswalk

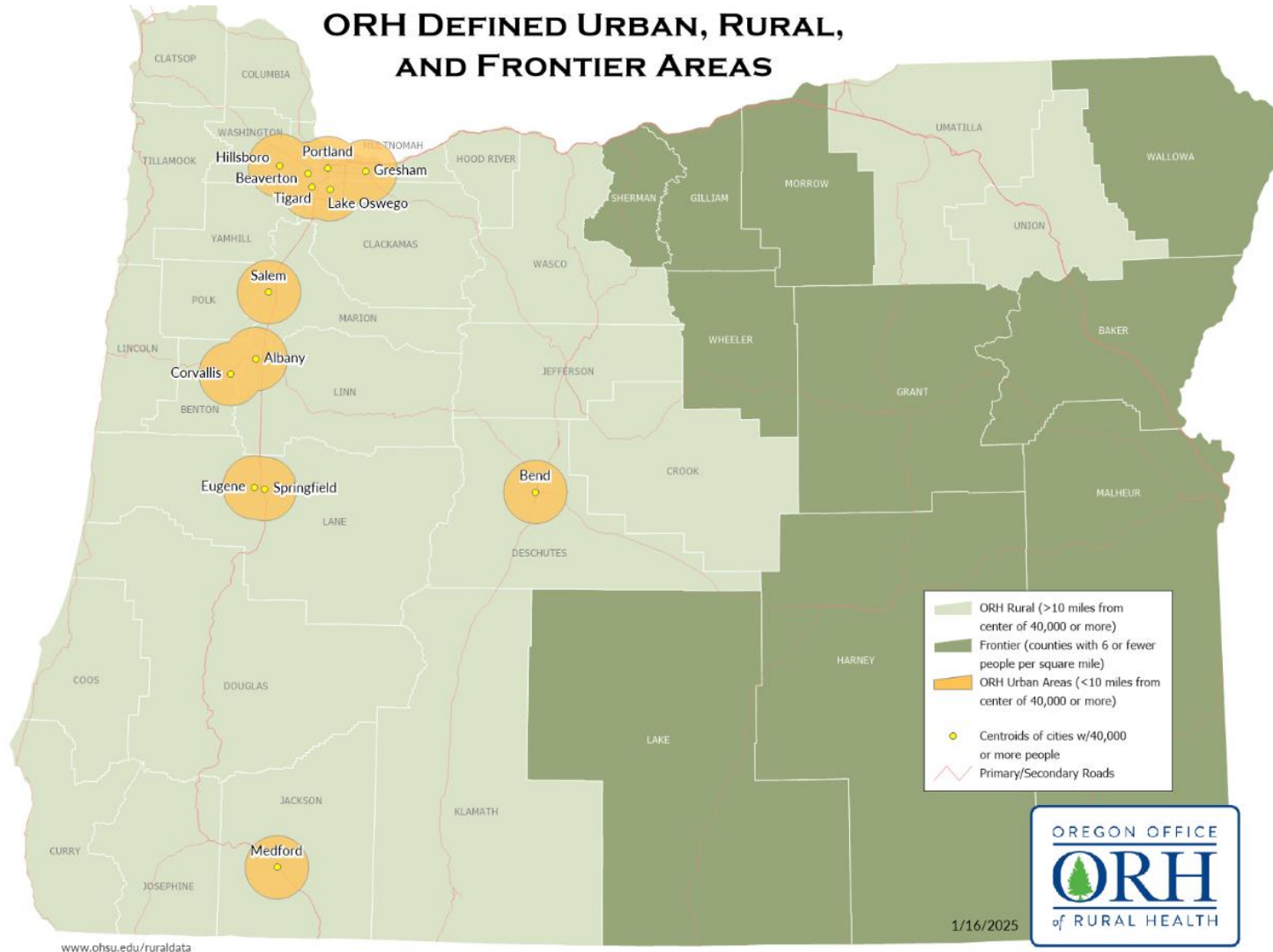
	Regional Partnerships & Systems Coordination	Healthy Communities & Prevention	Workforce Capacity & Resilience	Technology & Data Modernization	Tribal Initiative/ Set-aside
Prevention & chronic disease management	●	●			●
Provider payments (with restrictions)	●	●			●
Consumer tech solutions		●			●
Training & technical assistance on tech solutions				●	●
Workforce recruitment & retention			●		●
IT advances & cybersecurity	●			●	●
Right-sizing care availability	●	●	●	●	●
Behavioral health & substance use disorder services	●		●		●
Innovative care/value-based models	●				
Capital expenditures (≤20%)		●			●
Partnership-building	●	●	●	●	●

# Monitoring, Reporting, and Oversight

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<b>Outcome Metrics/Milestones</b>	<ul style="list-style-type: none"><li>• <math>\geq 4</math> outcomes with metrics &amp; FFY milestones per initiative</li></ul>
<b>Reporting</b>	<ul style="list-style-type: none"><li>• Quarterly and annual reports to CMS</li></ul>
<b>Redetermination of Funding</b>	<ul style="list-style-type: none"><li>• CMS uses reports to evaluate compliance and determine funding for subsequent budget period</li></ul>
<b>State Program Oversight</b>	<ul style="list-style-type: none"><li>• Emphasize strong oversight, data collection, and technical assistance</li></ul>

# How is Oregon defining “rural” communities?



- Oregon is using the definition of “rural” used by the Oregon Office of Rural Health, which is defined as areas greater than 10 miles away from a population center of 40,000 or more people.
- All funds will be directed to rural and remote/frontier areas, with specific exceptions for only if funds will specifically advance rural health transformation (e.g., new medical residency programs).



# Fund Distribution Timeline and Plan



# Phase 1 (FY26 – FY27)

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Initial phase will focus on three pathways for fund distribution:

1. **Catalyst Awards:** Through a grant application process, organizations will be expected to apply across initiatives for ready-to-go projects that can be implemented within the first two years of the RHT Program.
2. **Immediate Impact:** Direct awards (non-compete) for a select set of aligned opportunities identified by the state (not through an application process)
2. **Regional Sustainability:** Award a subcontractor(s) to provide facilitation and technical assistance to entities developing rural health networks and regional solutions. Strategic investments will be made to independent rural hospitals and critical access hospitals to stabilize essential services and build readiness for Phase 2.

## Phase 2 (FY28 – FY30)

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Phase 2 will mirror the initial phase but focus on incentivizing true transformation with increased expectations related to regional alignment and sustainability.

1. **Competitive Catalyst awards:** Through a competitive Request-for-Grant-Proposal (RFGP), organizations will be incentivized to apply collectively or demonstrate significant alignment with regional priorities and needs.
2. **Sustained awards:** Fund some Phase 1 projects that have demonstrated significant success and valuable impact but require additional years of investment to ensure completion.

# RHT Program Spending Timeline

Pre- launch	RHTP Program Period														RHTP Closeout Period				
2025	Budget Period 1 12/31/25 – 10/30/26			Budget Period 2 10/31/26 – 10/30/27			Budget Period 3 10/31/27 – 10/30/28			Budget Period 4 10/31/28 – 10/30/29			Budget Period 5 10/31/29 – 10/30/30			10/31/30 – 9/30/31			
	Spending period for Budget Period 1 12/31/25 – 9/30/27 (end of FFY27)																		
				Spending period for Budget Period 2 10/31/26 – 9/30/28 (end of FFY28)															
							Spending period for Budget Period 3 10/31/27 – 9/30/29 (end of FFY29)												
										Spending period for Budget Period 4 10/31/28 – 9/30/30 (end of FFY30)									
													Spending period for Budget Period 5 10/31/29 – 9/30/31 (end of FFY31)						
			★			★			★			★			★				

★ Metric milestone/target reporting

**Explanation:** Funds cannot be carried over from one budget period to another. Subcontractors and subgrantees will have through the following Federal Fiscal Year (FFY) to spend funds awarded for each budget period. Subcontractors and subgrantees can only pay for expenses that have been approved for the budget period. No new activities for the second year can be proposed once the budget period ends, but the subcontractors and subgrantees can still access the funds in the FFY following the budget period to pay for activities approved for that budget period.

**Sample Scenario:** A state is awarded funding for the budget period of 12/31/25 – 10/30/26 to implement an initiative that will take 18 months to complete. In this scenario, the state would have access to the funding after Budget Period 1 ends to pay the contractor for those services until the end of the next FFY (9/30/27). That means if the contractor did work from January to June 2027, and that work was an approved activity for Budget Period 1, the state could pay for those costs incurred in January – June 2027 from Budget Period 1 funds.

# Proposed Funding by Initiative

Initiatives	BY1	BY2	BY3	BY4	BY5
1. Regional Partnerships	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$55,000,000
2. Healthy Communities	\$75,000,000	\$75,000,000	\$55,000,000	\$50,000,000	\$50,000,000
3. Workforce	\$37,600,000	\$30,000,000	\$45,000,000	\$35,000,000	\$35,000,000
4. Tech/Data	\$7,400,000	\$15,000,000	\$20,000,000	\$35,000,000	\$20,000,000
5. Tribal	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000

# Proposed Funding by Pathways

Funding Pathways	Proportion	*Amount budgeted per year under \$200 million budget
1. Phase 1 Catalyst Awards	~40%	~\$80 million
2. Immediate Impact Direct Awards	~20%	~\$40 million
3. Regional Sustainability	~20%	~\$40 million
4. Tribal Set-Aside	10%	~\$20 million
[Note: Application does not require details of how funds would be divided between the Tribes]		
<i>Administrative Costs, distributed across</i>	<10%	<\$20 million

Note on Admin: OHA personnel staffing estimates for the full pricing are ~\$5.5M, with \$14.5M being distributed across subcontractors, and 10% of total admin reserved for the Tribal Initiative



# Rural Health Coordinating Council

# Advisory Body

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The [Rural Health Coordinating Council](#) (RHCC), an 18-voting member council [statutorily](#) required to advise the Office of Rural Health, will serve as the advisory body for the state RHT Program.

- ❑ Consists of healthcare provider organizations, rural consumers, and healthcare leaders.
- ❑ Act as an accountability board; and
- ❑ Advise on matters related to aligning RHT Program activities with the needs of rural and remote communities.

# Discussion Questions

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- Gather input on your envisioned role and responsibilities.
  - What role does the RHCC see themselves filling?
  - What responsibilities does the RHCC want to take on?
- How might RHTP leverage the statutory obligations of the RHCC to enhance its work?
- Identify opportunities within representation, structure, and process.
  - What points of view are missing?
  - Does the current RHCC structure and process present any challenges to meaningful RHTP advising?
- Co-design responsibilities and scope together.





# Program Launch and Q&A

# Some key guiding principles for launch

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- Focus on self-identified health care needs in rural communities
- Quickly and effectively distribute funds
- Ensure projects are aligned with outcome metrics to strengthen likelihood of future funding
- Strength in partnerships
- **Are there others you might suggest?**

## Q1-Q2 2026: Next steps (non-comprehensive...)

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- Begin shifting from a temporary “transition team” to a more established and longer-term project team
- Negotiate and finalize award with CMS
- Establish necessary and urgent subcontracts
- Activate initial immediate impact awards (direct grant awards)
- Design, open and announce Catalyst Award applications



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# Thank You

**Website:** <https://www.oregon.gov/oha/HPA/HP/Pages/rural-health-transformation.aspx?>

**Email:** [rhtp@oha.oregon.gov](mailto:rhtp@oha.oregon.gov)



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# Appendix

# Metrics and Outcomes: Healthy Communities & Prevention

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## Initiative: Healthy Communities & Prevention

### **Outcome 1: Universal access to home visiting services**

Metric: # of families receiving home visits

Data Source and Timing: County-specific, Oregon Family Care Connects data, annual

### **Outcome 2: Increase availability of mental health and substance use disorder treatment**

Metric: Follow up after ED visit for MH & SUD (7-day and 30-day rates)

Data Source and Timing: State-specific, Oregon Medicaid data for CMS Core (NCQA), annual

### **Outcome 3: Increase patient engagement with new preventative health and/or self-management programs**

Metric: # of new preventative health or self-management programs in rural Oregon

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 4: Increase rural populations served by new health care and social health services (i.e., health services)**

Metric: # of new access points to care

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 5: Expanded access to health care services, including chronic disease management, through increased availability of telehealth**

Metric: Increased proportion of telehealth encounters

Data Source and Timing: County-specific, Claims and encounter data, annual

# Metrics and Outcomes: Workforce Capacity & Resilience

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## Initiative: Workforce Capacity & Resilience

### **Outcome 1: Increase # of rural providers/partner organizations participating in workforce training programs**

Metric: # of provider trainings held

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 2: Increase # of providers recruited to deliver health care in rural areas through local partnerships and relocation and retention incentives**

Metric: Provider-to-population ratio (direct patient care FTE per 100,000 population) in rural areas.

Data Source and Timing: County-specific, Oregon Health Care Workforce Reporting Program data, annual

### **Outcome 3: Increase health care career pathway programs in rural K-12 schools**

Metric: # of K-12 health career pathway programs launched

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 4: Increased hiring, training, and use of non-physician, non-hospital, and allied health professionals**

Metric: # of non-physician, non-hospital and allied health professionals recruited to rural areas

Data Source and Timing: State-specific, participant-reported, annual

# Metrics and Outcomes: Technology & Data Modernization

<b>Initiative: Technology &amp; Data Modernization</b>
<b>Outcome 1: Robust engagement in IT technical assistance</b> Metric: % organizations requesting health IT technical assistance that complete health IT and cybersecurity self-assessment Data Source and Timing: State-specific, participant-reported, annual
<b>Outcome 2: Increase health IT adoption and interoperability</b> Metric: # of tools/capabilities adopted by awardees Data Source and Timing: County-specific, participant-reported, annual Note: Tools/capabilities are counted at the organization level
<b>Outcome 3: Reduce administrative burden on providers</b> Metric: % of organizations adopting a new health IT tool/capability that self Data Source and Timing: State-specific, participant-reported, annual
<b>Outcome 4: Improve organizational cybersecurity practices</b> Metric: % of organizations completing a cybersecurity self-assessment implementing measures to improve cybersecurity Data Source and Timing: State-specific, participant-reported, annual
<b>Outcome 5: Increased use of remote care services and remote patient monitoring to prevent and manage chronic disease and reduce hospital</b> Metric: % increase in providers using remote patient monitoring Data Source and Timing: State-specific, claims data, annual



# Metrics and Outcomes: Regional Partnerships & Systems Transformation

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## Initiative: Regional Partnerships & Systems Transformation

### **Outcome 1: Reduce operating costs for rural health organizations through shared infrastructure according to regional/local needs**

Metric: Operating margins for CAHs

Data Source and Timing: State-specific, Oregon Hospital Financial and Utilization Data, quarterly

### **Outcome 2: Increase access to high-need or at-risk service lines, such as maternity care**

Metric: # of patients receiving care from shared resources for at-risk service

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 3: Increase regional planning efforts focused on shared governance models, including CINs and consortiums**

Metric: # of organizations participating in regional partnerships

Data Source and Timing: State-specific, participant-reported, annual

### **Outcome 4: Increase participation in value-based care models**

Metric: # of organizations participating in value-based care models

Data Source and Timing: State-specific, participant-reported, annual

# Reporting Periods

Type of Report	Reporting period start date	Reporting period end date	Due to CMS from OHA
Annual #1	December 29, 2025	July 31, 2026	August 30, 2026
Quarterly #1	August 1, 2026	October 30, 2026	November 29, 2026
Quarterly #2	October 31, 2026	January 30, 2027	March 1, 2027
Quarterly #3	January 31, 2027	April 30, 2027	May 30, 2027
Annual #2	August 1, 2026	July 31, 2027	August 30, 2027
Quarterly #4	August 1, 2027	October 30, 2027	November 29, 2027
Quarterly #5	October 31, 2027	January 30, 2028	February 29, 2028
Quarterly #6	January 31, 2028	April 30, 2028	May 30, 2028
Annual #3	August 1, 2027	July 31, 2028	August 30, 2028
Quarterly #7	August 1, 2028	October 30, 2028	November 29, 2028
Quarterly #8	October 31, 2028	January 30, 2029	March 1, 2029
Quarterly #9	January 31, 2029	April 30, 2029	May 30, 2029
Annual #4	August 1, 2028	July 31, 2029	August 30, 2029
Quarterly #10	August 1, 2029	October 30, 2029	November 29, 2029
Quarterly #11	October 31, 2029	January 30, 2030	March 1, 2030
Quarterly #12	January 31, 2030	April 30, 2030	May 30, 2030
Annual #5	August 1, 2029	July 31, 2030	August 30, 2030
Quarterly #13	August 1, 2030	October 30, 2030	November 29, 2030
Final Report	December 29, 2025	October 30, 2030	February 27, 2031



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# Public Engagement

# Public Engagement History

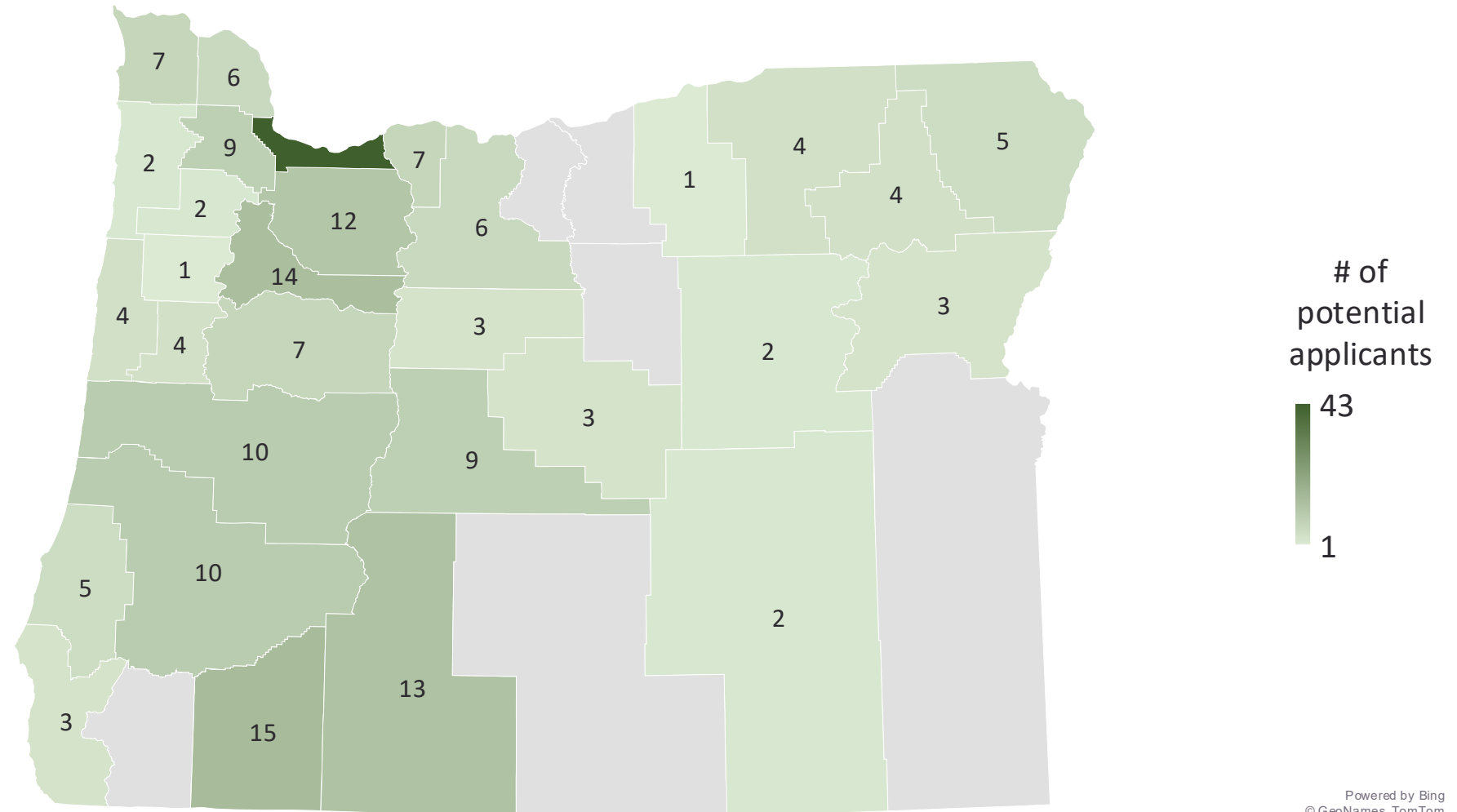
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- Initial public comment period ran from 8/20 to 9/12
  - 240 responses were collected.
  - Results informed OHA's scoping of the proposed initiatives and related activities.
- October's public survey was open from 10/8 to 10/15, following two public forums.
  - 180 responses were collected.
  - Results validated the direction of the State's proposed initiatives and informed the budget plan.
- "Intent to Apply" Survey fielded 11/25 to 12/29
  - 255 responses were collected. 384 projects were proposed.

# Intent to Apply Survey Results

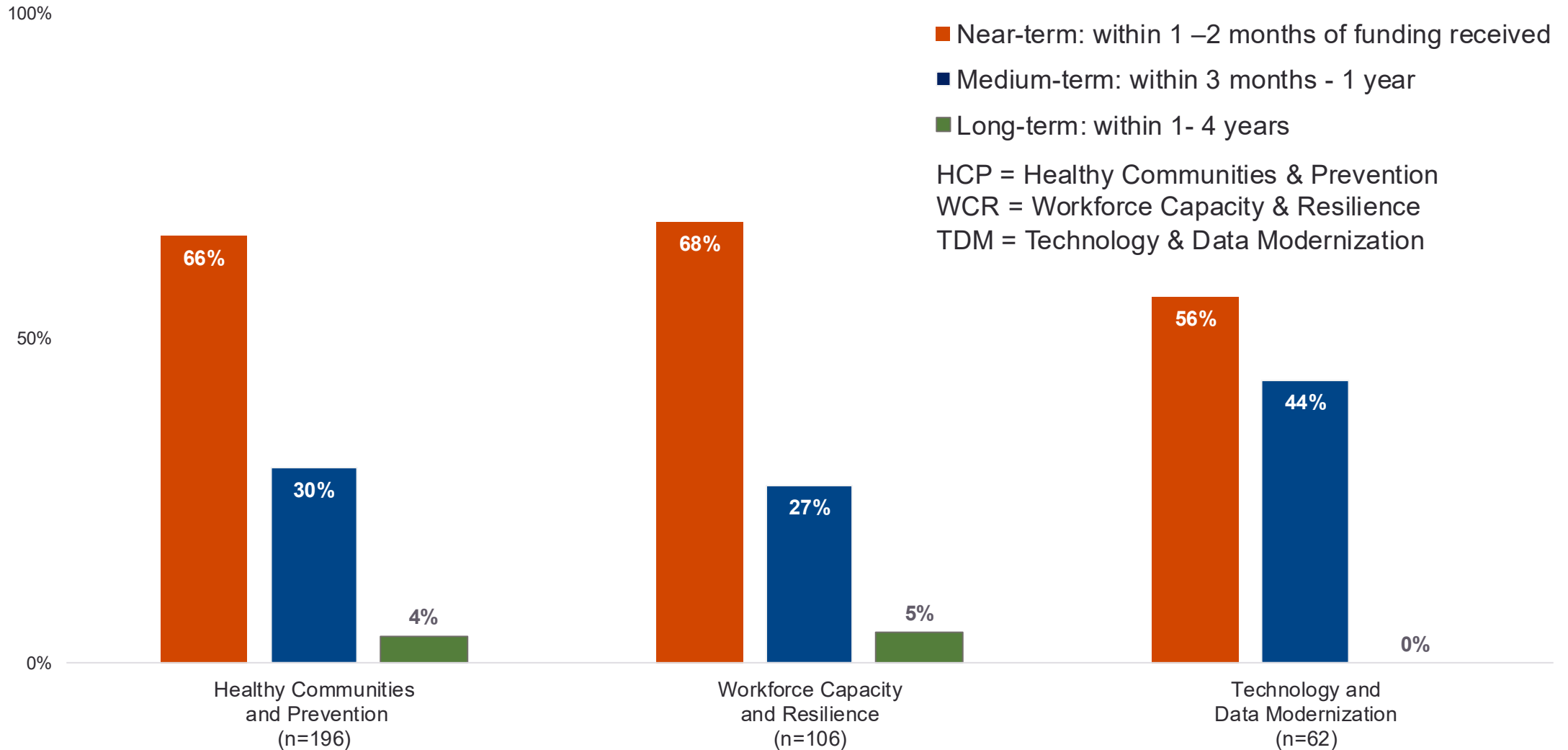
## General Information

- Applicants could submit multiple projects
- Non-binding
- Not required
- 255 responses
  - 217 within Oregon
- 384 projects proposed



# Intent to Apply Survey Results

Percentage of projects proposed within each initiative by timeframe



# Intent to Apply Survey Results

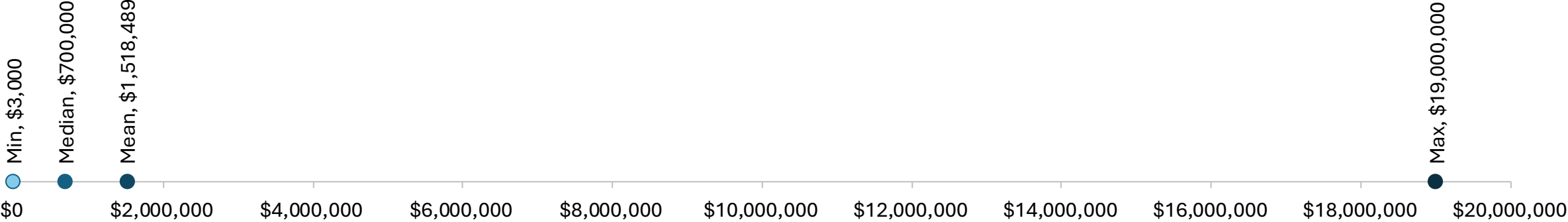
## Estimated annual funds that will be requested for near-term projects

- “Near-term” means projects that applicants said could be implemented “immediately, within 1-2 months of funding received”
- These amounts reflect responses to the survey, not actual funding amount available nor any funding decisions

Initiative (n=223)	Min	Max	Mean	Median
Healthy Communities & Prevention	\$3,000	\$7,800,000	\$1,313,320	\$575,000
Workforce Capacity & Resilience	\$5,000	\$5,000,000	\$1,083,882	\$500,000
Technology and Data Modernization	\$7,010	\$3,750,000	\$664,932	\$426,126
Total expected to be requested across near-term projects: \$256,290,781				

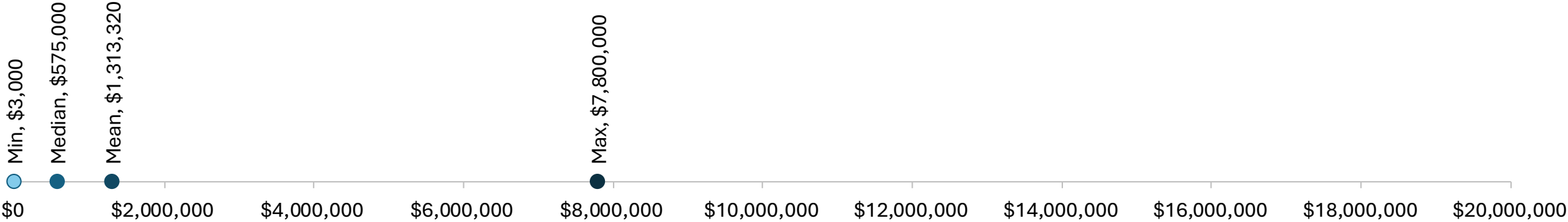
Healthy Communities and Prevention (HCP) Initiative Estimated Annual Funds - all immediate projects (n=124\*)

**Total across all immediate projects: \$188,292,588**



HCP Initiative Estimated Annual Funds - immediate projects minus two outliers (n=122)

**Total across all immediate projects (minus two outliers): \$160,225,088**

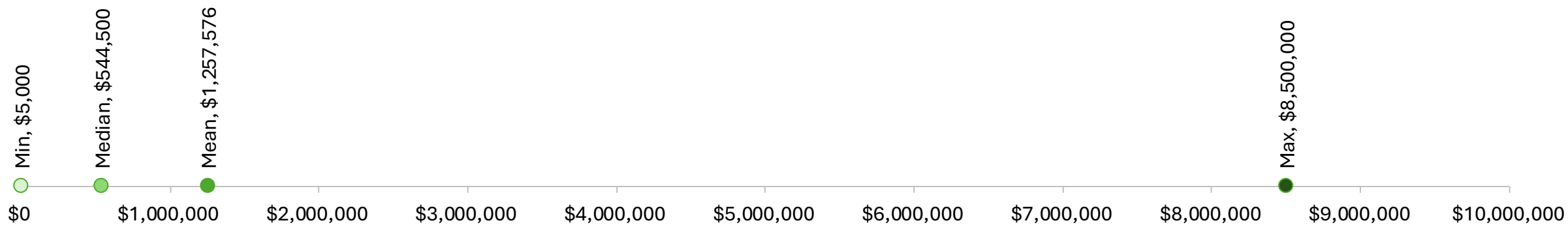


\* Three HCP projects did not include budget estimates



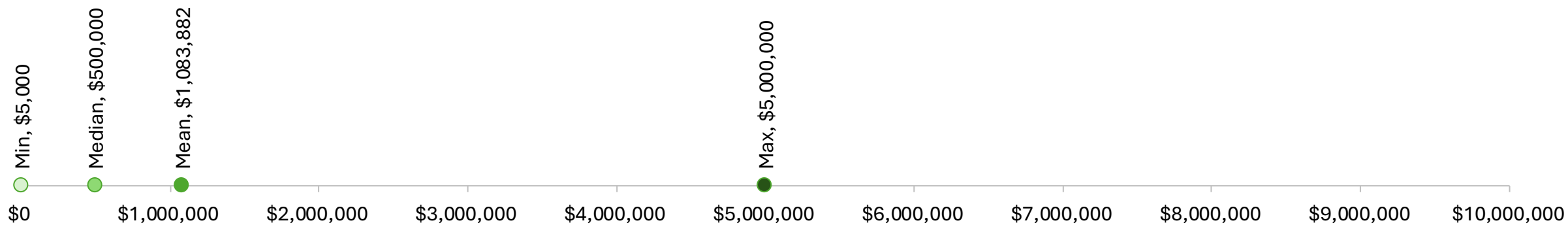
## Workforce Capacity and Resilience (WCR) Initiative Estimated Annual Funds - all immediate projects (n=71\*)

**Total across all immediate projects : \$89,287,871**



## WCR Initiative Estimated Annual Funds - immediate projects minus two outliers (n=69)

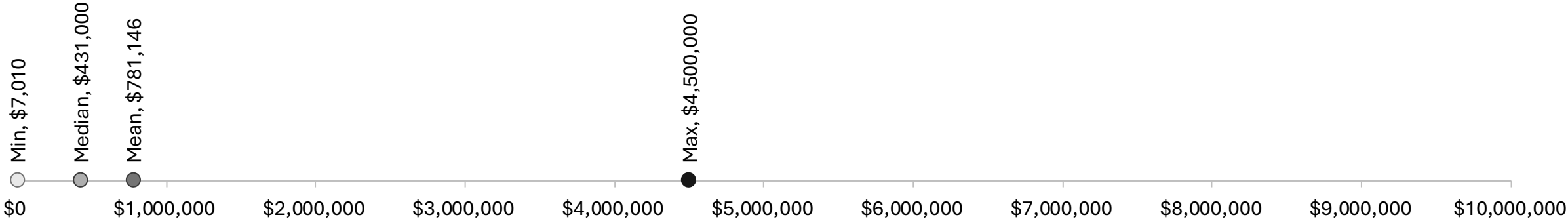
**Total across all immediate projects (minus two outliers) : \$74,787,871**



\* One WCR project did not include a budget estimate

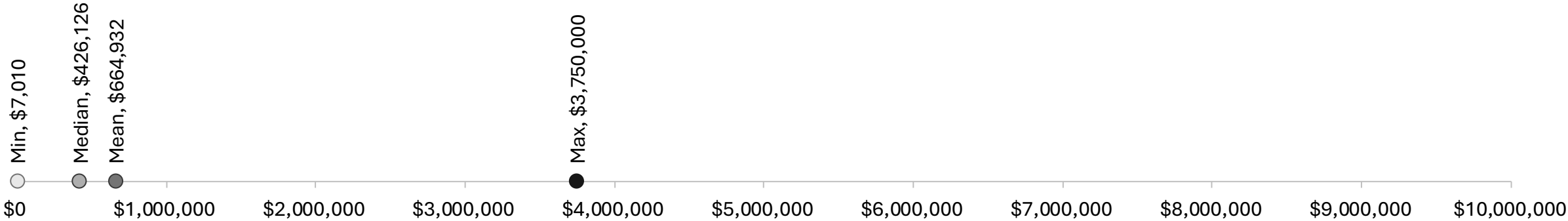
Technology and Data Modernization (TDM) Initiative Estimated Annual Funds - all immediate projects (n=33\*)

**Total across all immediate projects : \$25,777,822**



TDM Initiative Estimated Annual Funds - immediate projects minus one outlier (n=32\*)

**Total across all immediate projects (minus one outlier) : \$21,277,822**



\* Two TDM projects did not include budget estimates