

Oregon's Approach to the Rural Health Transformation Program

The Rural Health Transformation Program (RHTP) is a federal initiative administered by the Centers for Medicare and Medicaid Services (CMS). Within the program is an opportunity to strengthen collaboration in rural areas and design regional solutions to address healthcare challenges.

Oregon recognizes that sustainable transformation happens when hospitals, clinics, EMS providers, local public health authorities, behavioral health organizations, community-based organizations and other partners come together around shared priorities. By building stronger regional partnerships, communities can identify common challenges — from workforce shortages and financial pressures to growing behavioral health needs and limited access to care. Through partnerships, communities can coordinate investments, share innovative solutions and create strategies that reflect each region's unique strengths and needs.

The RHTP is a five-year initiative funded through a federal investment in rural healthcare. Oregon was awarded \$197 million for the program's first year, which began Jan. 1, 2026, and expects nearly \$1 billion over the next five years. The Oregon Health Authority (OHA) is delivering these dollars to rural communities through multiple pathways, including the following:

- Transformation Awards to provide direct funding to eligible rural hospitals, clinics and local public health authorities.
- Tribal Initiative Awards under a set-aside for the Nine Federally Recognized Tribes of Oregon, to improve Tribal healthcare access and health outcomes in rural and remote Tribal communities, based on each individual Tribe's identified needs.
- Immediate Impact Awards are non-competitive funding opportunities designed to support projects that address urgent and high-priority needs in rural communities. They are for projects positioned to respond quickly to pressing rural health needs and directly support progress toward Year 1 targets, recognizing that timely implementation of these projects is critical to overall program success.
- Catalyst Awards, competitive grants that fund innovative community-driven projects designed to strengthen rural healthcare systems.

Additional funding opportunities will be available as the program continues.

ORH's Role

The Oregon Office of Rural Health (ORH) has partnered with OHA to help implement the RHTP by administering Transformation Awards to rural hospitals and Rural Health Clinics (RHCs), facilitating regional convenings and providing technical assistance to organizations that are planning or implementing rural health projects.

The regional convenings bring partners together to identify shared priorities, strengthen relationships, coordinate regional strategies and develop grant applications for future RHTP funding opportunities. By the end of Year 2, each region will identify priorities that can inform future RHTP grant applications to OHA.