

# Rural Health Transformation Program – Application & Process



Department  
of Health

# Agenda

- Introduction to Rural Health Transformation Program Cooperative Agreement
  - Award
  - Notice of funding opportunity orientation
  - Application Process
- Rural Health Transformation Plan (RHTP) Initiatives:
  - Rural Community Health Integration (Rural Safety Net Transformation Program)
  - Strengthening Rural Communities with Technology-Enhanced Primary Care (Patient-Centered Medical Home)
  - Rural Roots: Building a Sustainable Rural Healthcare Workforce
  - Investments in Technology Innovation & Cybersecurity Enhancements for Rural NY
- Next Steps

# Rural Health Transformation Program – Funding

- New York State Award: \$212,058,207
- Year 1: December 29, 2025 – October 30, 2026
- Five-Year Period: December 29, 2025 – October 30, 2030

# Rural Health Transformation Program – Funding

- \$50 billion to all approved States over 5 years, \$10 billion each year
- Baseline Funding: \$25 billion to be distributed equally to all approved States
- Workload Funding: \$25 billion distribution to states based on the content and quality of application and rural factors, to include:
  - Rural factors data: population, proportion of rural facilities, uncompensated care, % state population in rural, frontier areas, state area in square miles, % hospitals receiving Medicare DSH
  - Data-driven metrics compared to other states, assessment of program initiatives, state policy actions that are complementary and enhance initiatives to benefit rural communities
- Notice of Funding Opportunity stated that applicants should use \$200 million each budget period to develop budget, amount awarded could be higher or lower

# Principles of Rural Health Transformation Funding

- Feasible
- Measurable
- Sustainable
- Transformative
- This is NOT a capital or operational grant program

# Funding may not be used for:

- Pre-award costs.
- Meeting matching requirements for any other federal funds or local entities.
- Supplanting existing State, local, tribal, or private funding of infrastructure or services, such as staff salaries.
- Construction or building expansion, purchasing or significant retrofitting of buildings, cosmetic upgrades, or any other cost that materially increases the value of the capital or useful life as a direct cost.
- Independent research and development.
- Lobbying.
- Purchase of covered telecommunications and video surveillance equipment (See 2 CFR 200.216) as well as financial assistance to households for installation and monthly broadband internet costs.
- New construction or supplanting funding for in-process or planned construction projects or directing funding towards new construction builds.
- Replacement of payment for clinical services that could be reimbursed by insurance.
- Funding for providers payments may not exceed 15% of total funding.

# Cooperative Agreements

- High-touch model
- Will require annual “reapplication,” updated annual budget, and ongoing reporting between New York and CMS.
- First cycle spending is important.
- Future budget allocations contingent upon successful current cycle spend.

# Target Populations and Geographic Areas

- HRSA's Federal Office of Rural Health Policy definition includes counties with 10% or more of the population in rural census tracts or with fewer than 200,000 residents
- NY has identified 47 out of 62 counties that have been classified as rural for the purposes of this application.
- All of NY's RHTP initiatives have been carefully designed to address the needs of the rural populations within those counties.

# Stakeholder Input: Collaboration

- Informed by input from nearly 170 stakeholder organizations and community partners.
- NY's RHTP strategy seeks to improve health care access for rural patients and communities through a set of interrelated initiatives that strategically leverage local assets, regional partnerships, and statewide infrastructure.

# Goals and Strategies

- **Rural Health Transformation Plan (RHTP) Strategies:**
  - Rural Community Health Integration
  - Strengthening Rural Communities with Technology-Enhanced Primary Care (Patient-Centered Medical Home)
  - Rural Roots: Building a Sustainable Rural Healthcare Workforce
  - Investments in Technology Innovation & Cybersecurity Enhancements for Rural NY

# Rural Community Health Integration: Partnerships

## *Key Activities and Projects*

### **Overall Goal:**

- Establish coordinated rural health partnerships that facilitate comprehensive care coordination
- Enhance patient access to a wide range of providers across the care continuum,
- Effectively address health and social needs.
  - Rural hospitals will collaborate with health care organizations to jointly apply for funding and technical support to build or grow integrated health networks to enhance healthcare delivery, coordination, and outcomes in rural areas.



# Strengthening Rural Communities w/Technology-Enhanced Primary Care: Improving Access and Outcomes

**Overall Goal:** Improve rural patient access to and utilization of high-quality primary care.

- Expand the number of Patient Centered Medical Home-recognized providers and accelerate their adoption of enabling technology.
- A primary care practice designated a Patient-Centered Medical Home by the *National Committee for Quality Assurance* focuses on team-based care, patient-centered access and continuity of care, care management support when needed, care coordination, and quality improvement processes.
- Patient Centered Medical Homes help to improve access, care coordination, and outcomes. Higher utilization of this model will directly enhance the capacity of rural providers to meet community needs.
- Additionally, improving access through targeted grants to primary care practices to assist with modest capital improvements and staff training on best care practices for patients with accessibility issues will help to improve Americans with Disabilities Act compliance.



# Rural Roots: Building a Sustainable Rural Healthcare Workforce: Partnerships

## Overall Goal:

- Comprehensive strategy to recruit and train more practitioners for rural areas by combining planning, targeted education, and innovative support.
- Data-driven approach to identify local specialty gaps, invest in early career exposure for students, support enhanced clinical rotations, strengthen employer-based training programs, and expand EMS education through new remote supported training technologies.
- Addresses both immediate staffing needs and long-term capacity-building,
- Ensuring New York's rural communities have continuous access to high-quality health care services tailored to their regional circumstances.
- Aims to create a self-sustaining cycle of workforce development



# Investments in Technology Innovation and Cybersecurity Enhancements for Rural New York: Partnerships

## Overall Goal:

- Expand access to care through telehealth
- Improve patient outcomes through eConsult partnerships
- Improve care coordination alerts between healthcare agencies in rural counties
- Strengthen cybersecurity of rural facilities
- Strategic efforts to partner health care facilities and practices with the State Health Information-NY health information exchange, cybersecurity experts
- Support systems with a cloud-native, Artificial Intelligence-enabled, modular platform that generates actionable intelligence for rural health care providers.

## Next Steps

- Submit revised budget by January 30, 2026
- Review revised budget and plan with CMS following review
- Continue preparing for program implementation – cannot draw down funds until CMS provides prior approval
- Year 1 Reporting Period End Date: July 31, 2026
- Annual Report #1 Due: August 30, 2026
- Quarterly Report for August 1, 2026 – October 30, 2026 due: November 29, 2026

# Thank You

# Questions?

[rhtp@health.ny.gov](mailto:rhtp@health.ny.gov)



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