



**NEW YORK**  
RURAL HEALTH TRANSFORMATION



Department  
of Health

# Rural Community Health Integration

Funding Guidance Overview

June 23, 2026

**This project is supported by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$212,058,207.80 in Budget Period 1 with 100 percent funded by CMS/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by CMS/HHS, or the U.S. Government.**



# AGENDA

- Introduction to Rural Health Transformation Program Cooperative Agreement
- Rural Community Health Integration Funding Guidance
  - Goals
  - Funding and Contract Period
  - Eligibility
  - Key Results
  - Planning and Implementation
- Funding Limitations
- Key Dates

# RURAL HEALTH TRANSFORMATION PROGRAM – FUNDING

- New York State Award: \$212,058,207.80
- Year 1:  
December 29, 2025 – October 30, 2026
- Five-Year Period:  
December 29, 2025 – October 30, 2030
- Future budget allocations are contingent upon successful current cycle spend and review and approval by CMS

# TARGET POPULATIONS AND GEOGRAPHIC AREAS

- HRSA's Federal Office of Rural Health Policy definition
  - full counties and
  - partially rural counties with 10% or more of the population in rural census tracts or with fewer than 200,000 residents
- 47 out of 62 New York counties that have been classified as rural are eligible for the purposes of this program.

# RURAL HEALTH TRANSFORMATION PRINCIPLES

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

# RURAL COMMUNITY HEALTH INTEGRATION

## 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
- Assist rural hospitals and community providers to build or grow integrated health networks to enhance health care delivery, coordination, and outcomes in rural areas while increasing financial sustainability through collaborative partnerships

# RURAL COMMUNITY HEALTH INTEGRATION

## Funding – Contract Period:

- Budget Period 1: \$76,190,022
- Contracts: September 1, 2026 – June 30, 2027
  - Ensures that all funds will be paid by September 30, 2027
- All funded projects must be completed by June 30, 2027

# RURAL COMMUNITY HEALTH INTEGRATION

## Eligibility:

- Lead Applicant is a registered not-for-profit 501(c)(3) organization or municipal hospital
- Lead Applicant has a three-year or more history of regulatory compliance including adherence to Department rules and other direction
- Lead Applicant is an eligible entity located in counties defined as rural in New York's Rural Health Transformation Program application and listed in Attachment 1 of Funding Guidance
- At least one hospital located in the counties listed in Attachment 1 is included in the application
- Funded projects will be completed by June 30, 2027



# RURAL COMMUNITY HEALTH INTEGRATION

## Key Results Specified in Rural Health Transformation Application:

1. Increased access to the right care at the right time
  - Potential Preventable Emergency Visits
2. Decreased readmissions due to high-quality discharge planning and post-acute supports
  - Hospital-wide all-cause unplanned readmission
3. Increased preventive care spanning primary and specialty care
  - Colorectal screening

# Application: Two Funding Opportunities

## 1) Planning

- Up to \$500,000 per county

## 2) Implementation

- 3 projects
- Up to \$3 million total for all implementation projects per application

# RURAL COMMUNITY HEALTH INTEGRATION

## Planning

- Up to \$500,000 per county
- Develop collaborative plans resulting in networks that enhance health care delivery, coordination, and outcomes in rural areas
- Activities should result in an implementation ready plan for transformation
- Collaboration among providers to submit one application per county is encouraged
- Multiple applications from the same county will be asked to work together or awards will be reduced accordingly
- Funding opportunities to implement activities identified in Budget Period 1 may be available in years 2 – 5 through additional funding guidance and subject to the availability of funds

# RURAL COMMUNITY HEALTH INTEGRATION

## Implementation

- Submit up to 3 projects
- Total funding for all 3 projects should not exceed \$3,000,000
- Projects should be transformative within the budget period or prepare organizations for transformation in years 2 – 5
  - Implementation funds for years 2 – 5 will be made available through additional funding guidance
- Collaboration among providers is encouraged
- Implementation funding opportunities may be available in years 2 – 5 subject to the availability of funds

# FUNDING MAY NOT BE USED FOR:

- Administrative costs, including direct and indirect costs, exceeding the 5% limit for Budget Period 1.
- Pre-award costs.
- 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 costs that materially increased the value of the capital or useful life as a direct cost. Funds also may not be used to supplant funding for in-process or planned construction projects or directing funding towards new construction builds. Funds may not be used for demolition.
- Purchase of covered telecommunications and video surveillance equipment or financial assistance to households for installation and monthly broadband internet costs.
- Using RHTP funds for any project or initiative that is currently funded (or planned to be funded) by other sources.
- Payment for direct health care services including replacing payment for clinical services that could be reimbursed by insurance or another form of health coverage.
- Clinician salaries or workforce development initiatives where the clinicians or initiative beneficiaries (e.g. new clinicians in a rural area because of a funded workforce development initiative) are subject to a noncompete agreement.

# FUNDING MAY NOT BE USED FOR:

- Meals, including food costs for community meetings and medically tailored meals in schools or in any other context. Initiatives that focus on developing the infrastructure for healthy living, such as funding the infrastructure necessary to facilitate nutrition improvement programs at schools in rural communities, would be allowed. Meals are allowed as part of a per diem or allowance in conjunction with allowable travel.
- Meeting matching requirements for any other funding source.
- Services, equipment, or supports that are the legal responsibility of another party under federal, state, or Tribal law, such as vocational rehabilitation or education services.
- Services, equipment, or supports that are the legal responsibility of another party under any civil rights law, such as modifying a workplace or providing accommodations that are obligations under law.
- Ongoing operating expenses with no path to sustainability. RHTP funds are intended to support transformational investments.
- Goods or services not allocable to the project.
- Soliciting donations.
- Taxes, except sales tax on goods and services.

# FUNDING MAY NOT BE USED FOR:

- Lobbyists, political contributions.
- Bad debts, late payment fees, finance charges, or contingency funds.
- Independent research and development.
- Electronic Medical Record (EMR) systems if a previous HITECH-certified EMR system is in place as of September 1, 2025.
- Activities prohibited under 2 CFR 200.450 and the Health and Human Services Grants Policy Statement, including but not limited to:
  - Payments related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any state government, state legislature, local legislature or legislative body, including but not limited to paying the salary or expenses of any grant recipient or agency acting for such recipient for such activity
  - Lobbying, but recipients can lobby at their own expense if they can segregate federal funds from other financial resources used for lobbying

# RURAL COMMUNITY HEALTH INTEGRATION – KEY DATES

Questions Due: June 18, 2026

Questions and Answers Posted: June 25, 2026

Applications Due: July 9, 2026



# THANK YOU

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