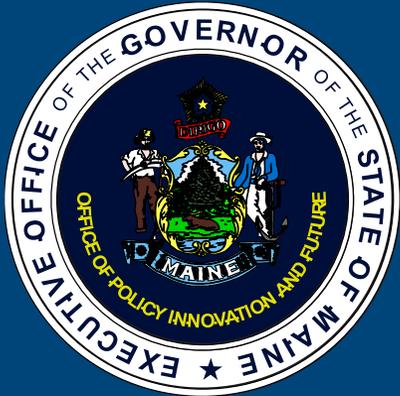


Maine's Rural Health Transformation Program (RHTP)

November 2025



RURAL HEALTH
TRANSFORMATION

Objectives

- RHTP Overview
- ME RHTP Proposal Development
- ME RHTP Proposal Components:
 - Initiatives
 - Proposed Activities
 - Budgeting
- Next Steps

Overview

Rural Health Transformation Program (RHTP)

Creation

- H.R. 1 enacted in July 2025; will cause Maine to lose ~\$5B in federal health funding over 10 yrs; projected impacts:
 - Rural health providers at risk
 - Higher costs for consumers
 - Increased number of uninsured individuals
- RHTP included in HR1 as federal initiative to bolster rural health

RHTP Funding

- \$50B over 5 years (2026-2030)
- Distributed by US Centers for Medicare & Medicaid Services (CMS) to states with approved applications
- Two-Part Funding Allocation
 - Part 1: \$25B allocated evenly across all states (\$100M min per state each year)
 - Part 2: \$25B allocated to subset of states (at least 14) at CMS' discretion
 - All funds must be used quickly, with demonstrated results
 - States must use funds by end of 2nd fiscal year after funds distributed
 - Unused funds within stated time limits will be redistributed to other states

Federal RHTP Goals

Make Rural America Healthy Again

Sustainable Access

Workforce Development

Innovative Care

Technology Innovation

Federally-Approved Uses of RHTP Funding

(States required to select 3+)

1. Evidence-based prevention and chronic disease interventions
2. Payments to providers for care delivery (no more than 15% of total)
3. Consumer-facing digital health tools
4. Training/Technical Assistance (TA) for tech-enabled solutions
5. Rural clinical workforce recruitment and retention
6. Software, hardware, TA for major IT upgrades
7. Right-sizing rural health systems across the care continuum
8. Access to substance use treatment and mental health services
9. Innovative care models (value-based, alternative payment models)
10. Other CMS-approved rural health uses

Federally-Defined Funding Scope

Use funding to pay for...

- ✓ Transformation of care delivery
- ✓ Improved access to, quality of, and cost of healthcare in rural America
- ✓ Expanded or enhanced services but not duplicate programs
- ✓ Technological & infrastructure investments and startup costs that will have sustainable impact beyond the end of the program

Do not use funding to pay for...

- × New construction
- × Clinical services that duplicate billable services and/or attempt to change payment amounts of existing fee schedules
- × Other specified limitations outlined in the NOFO

CMS RHTP Timeline



September
2025



October
2025



November
2025



December
2025



Q1 2026

*Application
Released*

September 15:
Application released

September 17:
Maine launches
public engagement
process

September 23 & 24:
Informational webinars

*Application
Formation*

October 1: Maine's
online public comment
period through website
closes

Mid-Late October:
Community Listening
Sessions

*Submission
Deadline*

November 5:
Application due

*Awardee
Decisions*

December 31:
Awardee decisions

*Monitoring
Begins*

2026+: Continuous
monitoring & support
from CMS

Maine RHTP Proposal Development

First, We Listened

- Created [Maine RHTP website](#)
- Hosted a public comment period (Sept 16 – Oct 1), resulting in 304 comments
- Hosted 2 webinars in mid-September
- Hosted 4 listening sessions in late September

The screenshot shows the official website of the Maine Department of Health and Human Services (DHHS). The page is titled "Rural Health Transformation Program" and provides detailed information about the program's funding, public input process, and timeline. The header includes the state logo, navigation menu, and search bar. The main content area is divided into sections: "Rural Health Transformation Program", "Timeline", "Public Input Complete - Partner Engagement Underway", "RHTP Structure & Funding", and "Required Components". A sidebar on the right contains a "Timeline" section with key dates and a "For more information" section with links to related documents and websites.

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DHHS → Rural Health Transformation Program

Rural Health Transformation Program

[The State will apply for newly available funding](#) from the federal Rural Health Transformation Program (RHTP). The RHTP was created within the federal budget reconciliation bill, H.R. 1 (Section 71401 of Public Law 119-21) which was signed into law on July 4, 2025 and makes [significant cuts to Medicaid](#). These cuts are permanent and expected to increase the number of uninsured individuals and costs to provide health care to those individuals over the next several years, particularly in rural areas.

Nationally, these Medicaid cuts amount to nearly \$1 trillion over the next 10 years. That includes an estimated \$5 billion in cuts to Maine.

If awarded funding through RHTP, Maine anticipates receiving an estimated \$500 million, amounting to \$100 million a year over five years. States may also receive competitive discretionary funding above that amount. Funding for RHTP is temporary and one-time and must be used within the specified time period.

Public Input Complete - Partner Engagement Underway

The public comment period to inform Maine's RHTP plan and application has closed. Thank you to the many people who took the time to share their ideas, expertise, and experiences. Your feedback is helping guide how these important funds can best support rural health in Maine.

The State of Maine has now moved into the next stage - working more closely with partners and communities across rural Maine - as we prepare an application due on Nov. 5, 2025.

The State of Maine hosted public information webinars about RHTP, which can be viewed in their entirety:

- [September 23: Webinar Recording](#)
- [September 24: Webinar Recording](#)

RHTP Structure & Funding:

Total funding for the RHTP is \$50 billion nationally, to be allocated to approved States over five fiscal years, with \$10 billion of funding available each fiscal year, beginning in fiscal year 2026 and ending in fiscal year 2030.

The funding will be distributed by the U.S. Centers for Medicare & Medicaid Services (CMS) as follows:

- 50% to be distributed equally amongst all States with a CMS-approved RHTP plan.
- 50% will be allocated by CMS to a subset of states based on a variety of factors including rural population, the proportion of rural health facilities in the state, the situation of certain hospitals in the state, and other factors to be specified by CMS.

Required Components:

To qualify for RHTP funding, the State of Maine will develop its RHTP plan and submit it to CMS for approval. The plan will outline how the State will address specific components required by the federal law, including how Maine's RHTP plan will:

- [Improve access to hospitals, other health care providers, and health care items and services provided to rural residents](#)

Timeline

- **July 4, 2025:** H.R. 1 budget reconciliation bill signed, appropriating \$50 billion in funding for the RHTP over five years
- **September 15, 2025:** CMS releases RHTP funding application (Notice of Funding Opportunity) for states
- **September 17, 2025:** Public input process opens
- **October 1:** Public comment through website closes
- **Nov. 5, 2025:** State applications due to CMS
- **December 31, 2025:** CMS to complete State awardee decisions
- **2026 onward:** CMS provides continuous monitoring and support to states

For more information

- [H.R. 1 Budget Reconciliation Bill - federal bill text](#)
- [Rural Health Transformation Program - CMS program website](#)
- [Notice of Funding Opportunity \(NOFO\)](#)
- [Maine RHTP Public Webinar Slides](#)

What We Heard

Concerns about rural health & healthcare:

- Unaddressed root causes of disease and barriers to care – e.g. transportation
- Workforce shortages
- Gaps in technology & infrastructure
- Concerns about losing access to care
- Financial instability of hospitals and providers serving rural Mainers

These Themes Became → Maine's RHTP Approach

Empower rural Mainers to achieve their own healthy living goals

- Adopt and expand proven population health solutions that promote timely access to high-quality preventive, primary, chronic, and specialty care across the lifespan

Expand the supply of care

- Grow Maine's rural healthcare workforce
- Spread technology & innovation that connects every community to advanced care

Ensure care will be available and affordable long into Maine's future

- Support access to healthcare for rural Mainers otherwise unable to afford it
- Ensure a sustainable rural health care ecosystem by addressing persistent financial instability facing rural healthcare systems

Maine's Proposal Components

We Envision a Future Rural Health System that...

✓ **Bridges the Rural Divide:**

- Where one lives no longer dictates health outcomes or access to care
- All Mainers have tools to make healthy choices and live healthier lives, and rural communities have information, choices, and flexibility to create their own local, data-driven solutions

✓ **Provides Seamless Delivery:**

- A stronger rural healthcare workforce, innovations, and technologies ensure convenient, accessible and effective care
- Care is available to rural Mainers when they need it, where they need it

✓ **Offers Efficient, Incentive-Aligned Systems:**

- Communities come together to reduce fragmented service delivery
- Value-based payments move us beyond fee-for-service, ensuring dollars go further
- Rural health systems are strong and sustainable for future generations of Mainers

5 Initiatives, Each Comprised of Multiple Proposed Activities (Projects)

Initiative 1 **Population Health:** Promoting timely access to high-quality care

Initiative 2 **Workforce:** Strengthening Maine's rural health workforce

Initiative 3 **Technology Innovation:** Modernizing rural care delivery with digital health technology

Initiative 4 **Access:** Bridging the healthcare affordability gap for rural Mainers

Initiative 5 **Sustainable rural health ecosystems:** Addressing financial instability of rural providers

Initiative 1: Population Health

Empower rural Mainers to achieve their own healthy living goals: Adopt and expand proven population health solutions that promote timely access to high-quality preventive, primary, chronic, and specialty care across the lifespan.

Proposed Activities

- Expand alternative sites of care
- Deploy evidence-based practices
- Strengthen rural Maine's nutrition education infrastructure
- Expand Community Paramedicine programs
- Expand Community Health Worker and Peer Support programs
- Support access to mental health and SUD support

Initiative 2: Workforce

Expand the Supply of Care: Grow Maine's rural healthcare workforce across the continuum of care.

Proposed Activities

- Train, recruit, and retain healthcare clinicians and allied health professionals
- Strengthen local talent pipelines
- Develop and deploy a Healthcare Workforce Data Dashboard
- Invest in mobile training labs and simulation centers
- Pilot new models in rural workforce transportation

Initiative 3: Technology Innovation

Expand the Supply of Care: Spread technology & innovation that connects every community to advanced care

Proposed Activities

- Expand telehealth services, supports, and infrastructure
- Support data integration and the reliable exchange of healthcare data
- Expand the use of consumer-facing health technology tools
- Enhance Electronic Medical Records (EMR) systems
- Create Maine Rural AI Hub to support rural providers in adopting today's AI technologies
- Establish Rural Health AI Innovation Institute to promote development of new AI technologies purpose-built for rural populations

Initiative 4: Access

Ensure care will be available & affordable: Support access to healthcare for rural Mainers otherwise unable to afford it

Proposed Activities

- Issue provider payments for uncompensated care delivered by FQHCs, hospitals, and CCBHCs
- Issue provider payments for provision of Essential Health Benefits to uninsured population
- Implement more efficient and user-friendly MaineCare Provider Enrollment technology
- Improve coordination and leveraging of existing transportation infrastructure to assist rural Mainers to meet their health and wellness needs through technology and mobility planning
- Improve consumer-friendly transparency tool on state-based marketplace to improve access to and create competition for more affordable care plan options

Initiative 5: Sustainable Rural Health Ecosystem

Ensure care will be available & affordable: Ensure a sustainable rural health care ecosystem by addressing persistent financial instability facing rural healthcare systems

Proposed Activities

- Improve hospital financial stability through tailored hospital financial management, planning and targeted investment
- Conduct rural regional health ecosystems planning and implementation
- Develop multi-payer alternative payment models
- Strengthen Maine's interfacility non-emergency transport system
- Expand access to high-acuity, non-inpatient hospital care for children with complex behavioral health needs

PROPOSED Maine RHTP Budget

Budget development: All 50 states expect to get minimum of \$100M/year for 5 yrs, but required by CMS to submit “hypothetical” budget of \$200M/year for 5 yrs

ME RHTP Proposed Budget Allocation (total over 5 years):

- Population Health: \$183M
- Workforce: \$204M
- Technology & Innovation: \$202.2M
- Access to Care: \$186.7M
- Sustainable Rural Health Ecosystems: \$198.6M

Final funding decisions to be made by CMS by 12/31/25
States will then need to adjust proposed budgets based
on CMS’ final award decision

How Maine RHTP Funds Will be Distributed Post-Award

- Maine DHHS will use range of contract procurement methods- i.e.
 - Subawards & sole source contracts
 - Amendments to existing state contracts
 - Competitively bid contracts (RFPs, etc)
 - State will post competitive solicitations for implementing proposed activities within Maine RHTP five Initiatives
 - Contracts and funding will be managed through ME Department of Administrative & Financial Services (DAFS), Office of Procurement Services, in partnership with ME DHHS and other relevant state Departments
 - Interested parties should monitor [DAFS State Procurement website](#), sign up for email updates
-

Next Steps

Maine RHTP: Next Steps

1. Continue engaging with Maine communities and providers

- Information and updates on Maine RHTP webpage
- Continue presentations, discussions, and meetings with key partners

2. Prepare for new Maine RHTP staff & partners

- Develop internal positions for RHTP oversight team; recruiting efforts to start asap
- Identify contracting options, develop RFPs for contracted functions, partners

3. Plan for ME RHTP budget & activity adjustments pending CMS final funding decision

- Anticipate CMS communications mid to late December
- CMS obligated to make final funding decisions for all states by Dec 31, 2025

For Additional Information

For more information or to follow progress:

- CMS: [CMS.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program](https://www.cms.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program)
- Maine RHTP: [Maine.gov/dhhs/ruralhealth](https://www.maine.gov/dhhs/ruralhealth)

Contact: Lisa.Letourneau@maine.gov