

# Rural Health Transformation Plan (RHTP) Update

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DEPARTMENT OF  
PUBLIC HEALTH &  
HUMAN SERVICES

# Montana is Committed to Five RHTP Initiatives

The \$233M CMS award must be used to support the five initiatives outlined in Montana's original application:

1. Develop **workforce** through recruitment, training, and retention
2. Ensure **rural facility sustainability** and access through partnerships and restructuring
3. Launch **innovative care** delivery and payment models
4. Invest in **community health and preventive** infrastructure
5. Deploy modern health care **technologies** to guide rural health interventions



# Definitions for Rural and Frontier Communities

	Options	Number of counties	% population implied
<b>Rural</b>	HRSA (used by CMS)	51	49%
<b>Frontier</b>			
<i>Population density based definition</i>	6 people per square mile (Rural Health Information Network)	47	29%
<i>Distance traveled based definition (USDA)</i>	<b>FAR1:</b> areas up to 50,000 people that are 60 minutes or more from an urban area of 50,000 or more people	36	35%
	<b>FAR2:</b> areas up to 25,000 people that are: 45 minutes or more from an urban area of 25,000-49,999 people; and FAR1	30	17%
	<b>FAR3:</b> areas up to 10,000 people that are: 30 minutes or more from an urban area of 10,000-24,999; and FAR1 and FAR2	30	17%
	<b>FAR4:</b> areas that are: 15 minutes or more from an urban area of 2,500-9,999 people; and FAR1-FAR3	19	6%

## Considerations

Through the RHTP award period, DPHHS will **monitor and report funding and program reach across all** of these rural and frontier classifications.

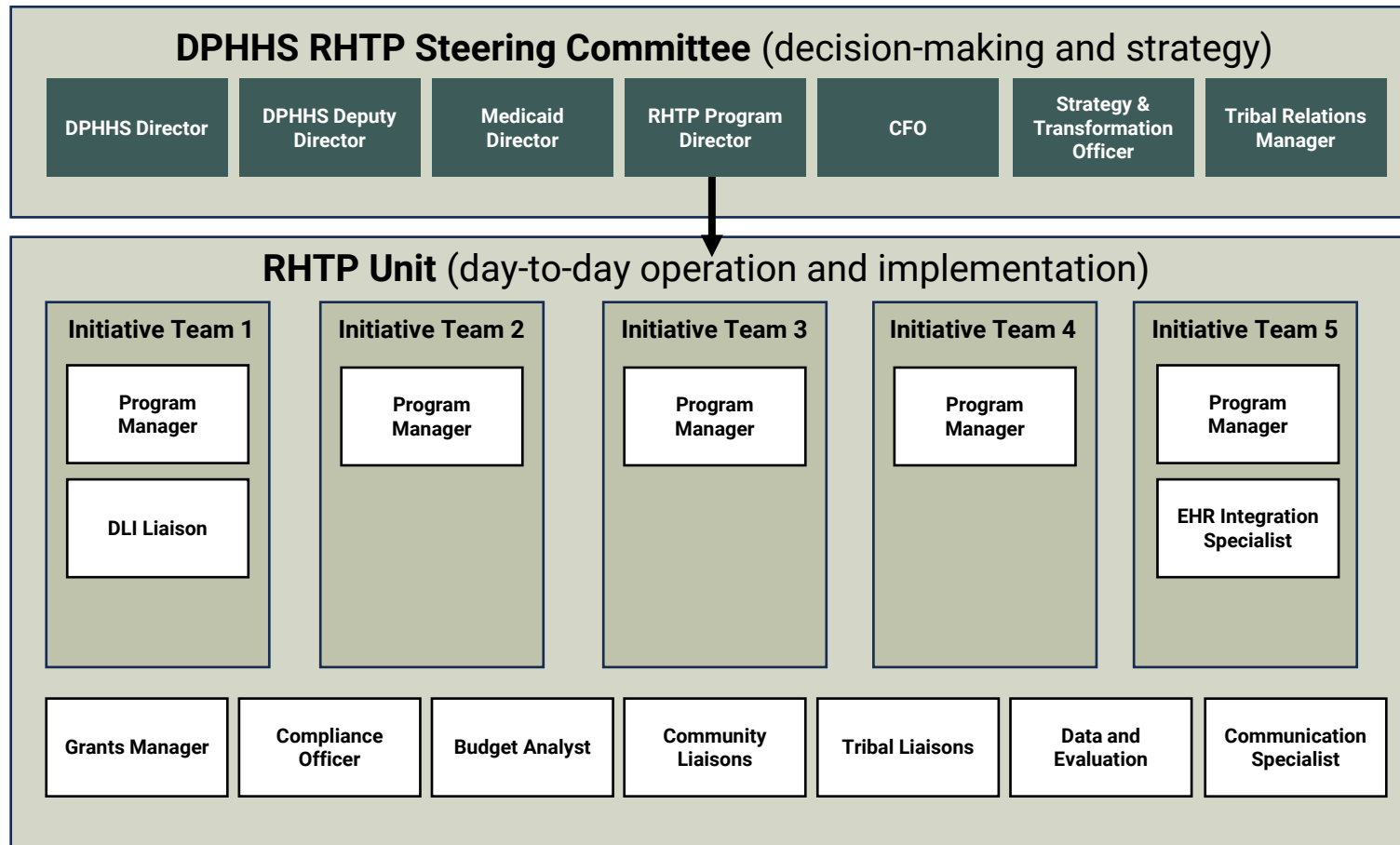
For procurement and implementation purposes, **RFPs and vendor contracts will emphasize the 47-county** frontier definition as the operational standard.

Source: HRSA: How We Define Rural, USDA: Frontier and Remote Area Codes



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# DPHHS RHTP Governance Overview



**Stakeholder Advisory Committee**  
(non-decision-making consultative body representing community feedback)

30+ stakeholder member groups

**MT Rural Health Center of Excellence**  
(develop and oversee implementation of data-backed financial sustainability recommendations for rural facilities)

Governance Board

# RHTP Implementation

## Recent Accomplishments

- CMS approved / lifted restrictions on full FY26 budget (\$233M); DPHHS can now incur costs
- Conducted first **Stakeholder Advisory Committee** – feedback very positive
- Initiated **working relationships** with select implementing partners to define implementation plans and align on program evaluation metrics (e.g., DLI, BSCC, MHA)
- **Vendor Fair conducted** on March 11

## Current priorities

- Developing **priority procurements**, including extensions to existing contracts
- Hiring for 21 roles comprising the **RHTP Unit**, and preparing to onboard new staff
- Standing up proactive **stakeholder communications** channels (e.g., monthly RHTP newsletter)
- Designing **CoE Governance**

## Upcoming milestones

- Late March:: first **RHTP newsletter** released
- Late March: CoE Strategy and Analytics and CoE Implementation **RFPs** released
- Early April: **RHTP Program Director** onboarded
- Early April: **RHTP Program Managers** onboarded



# Select RHTP Milestones: CY 2026

NOT EXHAUSTIVE

	Rest of Q1 (Mar)	Q2 (Apr-Jun)	Q3 (Jul-Sep)	Q4 (Oct-Dec)
<b>Cross-cutting</b>	<ul style="list-style-type: none"> <li>• <b>Priority RHTP roles</b> (incl. Program Director, Program Managers) onboarded</li> <li>• First wave of <b>procurements</b> posted, virtual vendor fair offered</li> </ul>	<ul style="list-style-type: none"> <li>• First <b>CMS Program Officer site visit</b> expected</li> </ul>	<ul style="list-style-type: none"> <li>• <b>CMS Annual Report 1</b> due</li> <li>• Second <b>Stakeholder Advisory Committee</b> takes place</li> <li>• Policy changes requested (e.g., Treat no Transport coverage, SNAP waiver)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>FFY27 funding</b> awarded by CMS</li> <li>• <b>CMS Quarterly Report 1</b> due</li> </ul>
<b>Initiative-specific</b>	<ol style="list-style-type: none"> <li>1 Finalize <b>MOU with DLI</b></li> <li>2 Finalize <b>IDD telehealth</b> contract expansion</li> <li>5 Finalize SOW with <b>HIE</b> (BSCC)</li> </ol>	<ol style="list-style-type: none"> <li>1 Pre-apprenticeship pilots launched</li> <li>2 Analysis for rural health profile started</li> <li>5 EHR readiness assessment, stakeholder consultations conducted</li> </ol>	<ol style="list-style-type: none"> <li>2 COE Board convened; Y1 payments allocated</li> <li>3 Provider TA for value-based payments started</li> <li>3 Pharmacist point-of-care testing grants launched</li> <li>5 EHR modernization grants launched</li> </ol>	<ol style="list-style-type: none"> <li>1 Clinical training pilots launched</li> <li>2 Virtual care expansions launched</li> <li>4 CHAP award distributed</li> <li>5 HIE tool (e.g., bed registry) development started</li> </ol>



# Spotlight: Montana Rural Health Center of Excellence

**Montana Rural Health Center of Excellence (CoE) will:**

- Rapidly create a **rural health supply and demand fact base and develop recommendations** to align care delivery services with rural health needs at the county and facility level
- Develop plans for participating facilities to achieve persistent positive operating margins beyond the RHTP period without any additional State support
- Inform an opt-in program that provides incentive payments to providers that commit to measurable improvements in access, quality, and financial performance
- Be overseen by a governance board that includes impacted stakeholders, such as independent hospitals in rural and frontier communities

**Voluntary Participation:**

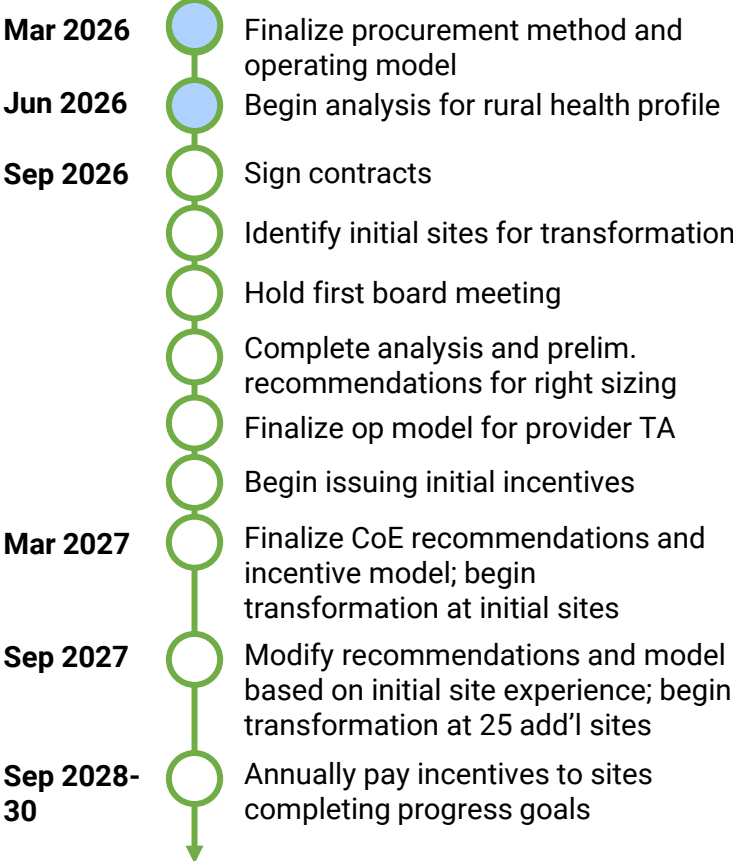
- Facilities that choose to participate and implement these CoE recommendations will receive incentive payments after implementing the recommended changes.

**Implementation Support:**

- A separate implementation partner will provide hands-on support, technical expertise, and change management resources to participating facilities to ensure that improvements are practical, sustainable, and aligned with the unique circumstances of rural Montana.

1. Not exhaustive; emphasizes nearer-term milestones and long-term milestones tied to impact targets or substantive outputs; milestones due at end of listed month, per implementation plan  
 2. Assumes \$233M total RHTP funding in FFY26 and \$200M each in FFY27-30, pending further CMS decisions

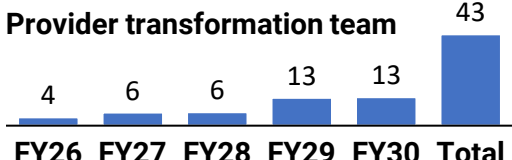
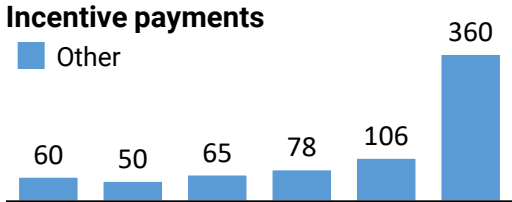
**Priority implementation milestones<sup>1</sup>**



**Annual budget (\$M)<sup>2</sup>**

CoE, provider transformation funding disbursed to **contractors**

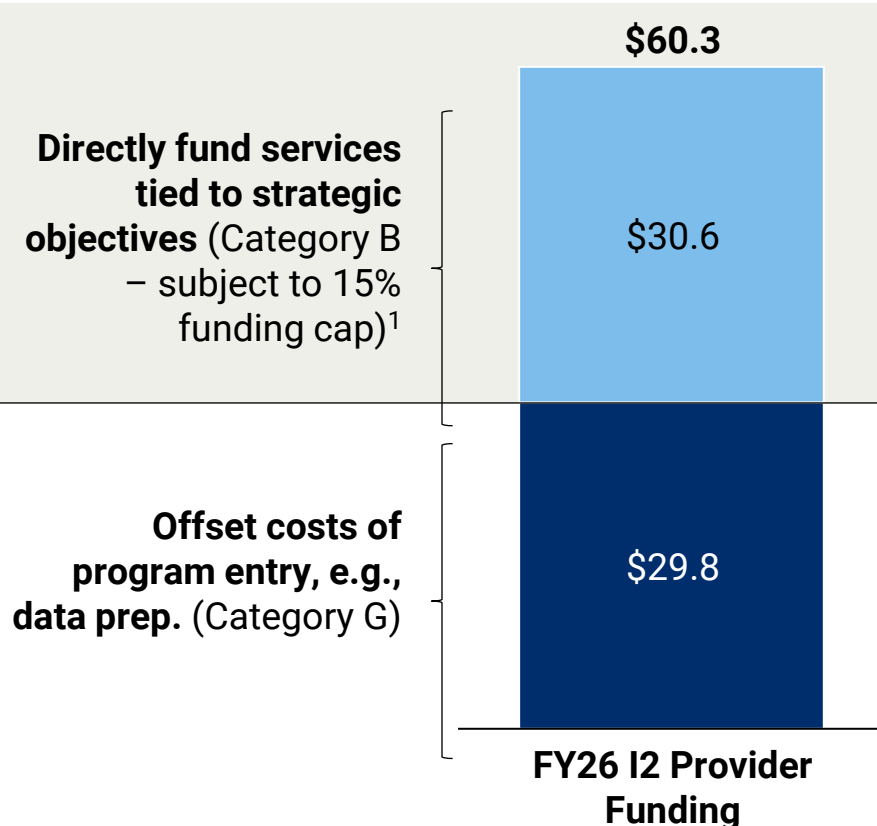
Incentive payments disbursed by DPHHS directly to provider orgs., within **grant agreements** (to be confirmed)



# Initiative 2 Funding Approach

Focus of this discussion

## Updated I2 funding split per CMS guidance



## Approach to determining provider organization-level awards

**Application** comprising overview of specific services provided and detailed budget to meet one or more of the following RHTP strategic objectives:

- Improving access to primary, specialty, or emergency care
- Improving outcomes (including data collection, preventive care)
- Improve facility operating margins / long-term financial sustainability

**Flat stipend** (~\$350,000)<sup>2</sup> per provider organization, to cover program entry costs, including:

- Financial and operational data preparation
- Development of data systems for ongoing reporting
- Administrative submission drafting

1. Category B ("Direct provider payments") subject to cap of 15% of total annual RHTP spend, per CMS requirements  
 2. Based on benchmark yearlong health analytics project costs by a boutique service provider ([source](#))

Source: DPHHS-CMS discussion, 4 February 2026; CMS RHTP Notice of Funding Opportunity

# Menu of Potential Services

Category	Funded activities / capacity
<b>A Access</b>	<b>A1</b> Expanded community-based care capacity (e.g., for maternity care, sexual & reproductive health)
	<b>A2</b> Expanded weekend / holiday coverage for primary care / urgent care / ED
	<b>A3</b> Capacity for virtual patient care (including behavioral health, specialty)
<b>B Care coordination</b>	<b>B1</b> Care coordination services for hypertension and diabetes management
	<b>B2</b> BH clinician collaborative support model for PHQ-9 (depression), GAD-7 (anxiety) screenings
<b>C Primary care</b>	<b>C1</b> Hospital-at-home / ER-at-home capabilities
	<b>C2</b> Preventive screenings linked to HEDIS measures (e.g., for breast / colorectal / cervical cancers)
	<b>C3</b> Post-ED / inpatient discharge phone calls
	<b>C4</b> Post-discharge home visits for high-risk member populations

1. Assuming ~85 facilities apply

Source: MT RHTP Project and Budget Narrative; CMS RHTP Notice of Funding Opportunity, HEDIS

## Proposed program design

Each facility receives a **flat amount** (~\$360,000<sup>1</sup>)

Facilities must select at least **two activities** to be funded, and indicate how they will allocate their \$360,000 across activities

Facilities must attest that selected activities are either **new** (not currently done today) or **expansions of current capacity** (e.g., extending facility opening hours, offering more appointment slots)

Participants will report on **uses of funds** and **outcome metric(s)** tied to selected activities after one year

## Rationale

**Financially sustainable** past Year One, given CoE is likely to make similar recommendations for Years Two – Five

Requirement for new / expanded services enables **better progress on RHTP outcome metrics**






# Overview of Priority Requests For Proposals

Program	FY26 Budget	RFP launch timeline
<b>A CoE Analytics</b>	\$11.6M	March 2026
<b>B CoE implementation*</b>	\$105.5M	March 2026
<b>C School-based care*</b>	\$5M	April-June 2026
<b>D Talent attraction</b>	\$1.5M	March 2026

\* Potential for subawards and/or grants



# Planned Procurements By Sub-Initiative<sup>1</sup>

PRELIMINARY; SUBJECT TO CHANGE BASED ON CMS APPROVAL AND PROGRAM NEEDS  Planned March 2026 release; detail follows  Planned release by September 2026  Planned procurement, future years

	Planned RFPs		Planned grant programs	
1.1 Recruitment			<b>D</b> Talent attraction	
1.2 Clinical training capacity				
1.3 Workforce retention & upskilling				
2.1 Rural Health CoE	<b>A</b> CoE implementation	<b>B</b> CoE strategy & analytics		
2.2 Clinical partnerships	Interfacility transport, telemedicine*			
2.3 Shared services	Shared services			
3.1 Innovative payment models		Duals care (RFI)		
3.2 EMS modernization		EMD system <sup>3</sup>	EMS infrastructure	Community paramedicine Blood storage
3.3 Care access through pharmacists				Point of care testing grants
3.4 Ambulatory svc. optimization	Outpatient expansion			
4.1 Community-based care	Mobile care vans	<b>C</b> School-based care	Tribal awards	
4.2 Health infra. updates	Facility repairs, crisis safe spaces			
4.3 Healthy lifestyles				Community nutrition grants
5.1 Data usability	PHM interventions <sup>2</sup>			
5.2 EHR modernization				EHR modernization grants

1. Represents open procurements only; excludes intergovernmental agreements, sole source procurements, and existing contract amendments; excludes sub-recipient opportunities that may be offered by primary recipients sourced from procurements listed here | 2. Population Health Management | 3. Emergency Medical Dispatch



# Planned Procurements By Sub-Initiative: Additional Descriptions<sup>1</sup>

PRELIMINARY; SUBJECT TO CHANGE BASED ON CMS APPROVAL AND PROGRAM NEEDS

Planned March 2026 release

Planned release by September 2026

Planned procurement, future years

Type	Opportunity	Purpose of funding
RFP	<span style="background-color: #FFD700;">1.1</span> Talent attraction	Develop a statewide health care <b>workforce talent attraction campaign</b> to recruit new providers to rural Montana
	<span style="background-color: #FFD700;">2.1</span> CoE implementation	Centrally coordinate <b>provider-facing RHTP programs</b> and provide high-touch technical support to rural facilities
	<span style="background-color: #FFD700;">2.1</span> CoE strategy & analytics	Create facility and county-level <b>recommendations for restructuring service lines</b> to match projected demand
	<span style="background-color: #FFD700;">4.1</span> School-based care	Assess provider capacity, select sites, and facilitate <b>site buildouts</b> including renovations, training, billing setup
	<span style="background-color: #ADD8E6;">3.2</span> EMD system	Develop and integrate new statewide <b>emergency medical dispatch system</b> across public safety answering points
	<span style="background-color: #ADD8E6;">3.2</span> EMS infrastructure	Coordinate <b>acquisition and retrofitting of ambulances</b> and other critical EMS infrastructure across rural agencies
	<span style="background-color: #ADD8E6;">4.1</span> Tribal awards	Conduct needs assessments; support planning and disburse funding for <b>tribal CHAP and other training programs</b>
RFI	<span style="background-color: #ADD8E6;">3.1</span> Duals care	Propose <b>integrated care models</b> for individuals dually eligible for Medicare and Medicaid
Grant programs	<span style="background-color: #ADD8E6;">3.2</span> Community paramedicine	Fund sites to <b>train community paramedics</b> to provide in-home clinical evaluations, chronic disease management, and behavioral health interventions
	<span style="background-color: #ADD8E6;">3.2</span> Blood storage	Fund EMS agencies' startup costs for <b>blood storage equipment</b> and placement into ambulances serving rural communities
	<span style="background-color: #ADD8E6;">3.3</span> Point of care testing grants	Fund pharmacies' <b>startup costs for point-of-care testing</b> , incl. for medical equipment and rapid diagnostic tests
	<span style="background-color: #ADD8E6;">4.3</span> Community nutrition grants	Fund community-submitted projects to <b>create community spaces</b> promoting nutrition and healthy lifestyles
	<span style="background-color: #ADD8E6;">5.1</span> EHR modernization grants	Three pools of funding available: <ul style="list-style-type: none"> <li>To establish <b>regional hubs</b> with larger health systems extending EHR access to rural providers (e.g., via community connect), including onboarding, training, and ongoing technical assistance for rural providers</li> <li>For rural providers opting out of hub model to upgrade to <b>HITECH-certified EHR platforms</b>, with funds subsidizing new platform purchases and implementation costs</li> <li>To activate <b>consumer-facing EHR modules</b> for nutrition, disease prevention, and chronic disease management</li> </ul>

1. Represents open procurements only; excludes intergovernmental agreements, sole source, and existing contract amendments; excludes sub-recipient opportunities that may be offered by primary recipients



# Planned RHTP Funding Opportunities By End Recipient<sup>1</sup>

PRELIMINARY; SUBJECT TO CHANGE BASED ON CMS APPROVAL AND PROGRAM NEEDS   Funding starts in 2026   Funding starts in future years   Program to be managed by DPHHS (vs. vendor / subrecipient)

Provider organizations		Healthcare trainees / professionals	Community groups / other orgs.
1.1 Recruitment		Professional training support	
1.2 Clinical training capacity	Preceptor incentives and support	Supportive services for workforce	
1.3 Workforce retention & upskilling		RHCN participation support <sup>2</sup>	RHCN participation support <sup>2</sup>
2.1 Rural Health CoE	CoE payments <sup>3</sup>		
2.2 Clinical partnerships	Telehealth capability development		
2.3 Shared services			
3.1 Innovative payment models			
3.2 EMS modernization			EMS infra <span style="background-color: #0070c0; padding: 0 5px;"> </span> Community paramedicine, blood storage
3.3 Care access through pharmacists	Point-of-care-testing startup		
3.4 Ambulatory svc. optimization	Outpatient expansion renovations		
4.1 Community-based care	Mobile care vans	Tribal training support – CHAP, Caring For Our Own <sup>4</sup>	Tribal CHAP startup <sup>4</sup>
4.2 Health infra. updates	Critical repairs, crisis safe space buildouts		
4.3 Healthy lifestyles			<span style="background-color: #0070c0; padding: 0 5px;"> </span> Community nutrition grants
5.1 Data usability	PHM intervention pilots <sup>5</sup>		
5.2 EHR modernization	EHR modernization		

1. Immediate cash recipients from the State, not to be conflated with end beneficiaries; excludes intermediaries/service providers (including vendors procured through RFPs listed on prior page) | 2. Rural Health Care Network | 3. Year One payments to fund costs of Rural Health Center of Excellence program entry (e.g., data preparation) and targeted services to improve rural health outcomes/access; payments in future years to be tied to implementation of CoE recommendations for financial sustainability | 4. Community Health Aide Program | 5. Population Health Management



# Planned RHTP Funding Opportunities By End Recipient: Additional Descriptions<sup>1</sup>

PRELIMINARY; SUBJECT TO CHANGE BASED ON CMS APPROVAL AND PROGRAM NEEDS

Funding starts in 2026

Funding starts in future years

Recipient	Opportunity	Purpose of funding
<b>Provider organizations</b>	<span style="background-color: #d9e1f2;">1.2</span> Preceptor incentives and support	Offer financial incentives and training to attract and increase the capacity of qualified preceptors and mentors
	<span style="background-color: #d9e1f2;">2.1</span> CoE payments	Fund costs of CoE program entry (e.g., data preparation) and targeted svcs. to improve outcomes / access
	<span style="background-color: #d9e1f2;">2.2</span> Telehealth capability development	Fund teleservice equipment, provider onboarding, training, and upfront technology costs (where needed)
	<span style="background-color: #d9e1f2;">3.3</span> Point-of-care-testing startup	Cover startup costs for pharmacist point-of-care testing, incl. for medical equipment and rapid diagnostic tests
	<span style="background-color: #d9e1f2;">3.4</span> Outpatient expansion renovations	Renovate existing infrastructure and invest in outpatient equipment to restructure outpatient capacity <sup>3</sup>
	<span style="background-color: #d9e1f2;">4.1</span> Mobile care vans	Purchase and equip mobile care vans to deliver preventive services, screenings, and immunizations
	<span style="background-color: #d9e1f2;">4.2</span> Critical repairs, crisis safe space buildouts	Invest in critical repairs and tech to improve rural facility efficiency; set up crisis safe spaces at targeted facilities
	<span style="background-color: #e6e6e6;">5.1</span> PHM intervention pilots <sup>5</sup>	Pilot population health management interventions as identified through HIE-facilitated population health analysis
<b>Healthcare trainees / professionals</b>	<span style="background-color: #d9e1f2;">1.1</span> Professional training support	Fund technical instruction for HCPs, including MDs, NPs, PAs, RNs, dental hygienists, midwives, EMTs
	<span style="background-color: #d9e1f2;">1.2</span> Supportive services for workforce	Provide time-bound relocation assistance and wellness & resilience programs for HCPs in rural communities
	<span style="background-color: #d9e1f2;">1.3</span> RHCN participation support <sup>2</sup>	Offer stipends for Rural Health Care leadership to attend national conferences
	<span style="background-color: #d9e1f2;">4.1</span> Tribal CHAP training support <sup>4</sup>	Offset training costs for CHAP participants
	<span style="background-color: #d9e1f2;">4.1</span> Tribal "Caring For Our Own" Program	Offset training costs for American Indian nursing students
<b>Community groups / other orgs.</b>	<span style="background-color: #d9e1f2;">1.3</span> RHCN participation support <sup>2</sup>	Expand RHCN programming, including educational webinars, hosting conferences, and provide cohort trainings
	<span style="background-color: #d9e1f2;">3.2</span> EMS infra., community paramedicine, blood storage	Fund EMS infrastructure upgrades, ambulance blood storage equipment, and community paramedic training for in-home care services
	<span style="background-color: #d9e1f2;">4.1</span> Tribal CHAP startup <sup>4</sup>	Cover initial training and development costs for CHAP
	<span style="background-color: #e6e6e6;">4.3</span> Community nutrition grants	Create high-impact community spaces promoting nutrition and healthy lifestyles

1. Immediate cash recipients from the State, not to be conflated with end beneficiaries; excludes intermediaries/service providers (including vendors procured through RFPs listed on prior page) | 2. Rural Health Care Network | 3. In line with CoE recommendations to improve rural facility financial sustainability and community health access | 4. Community Health Aide Program | 5. Population Health Management

