



INDIANA
RURAL HEALTH TRANSFORMATION

An Overview of Indiana's Rural Health Transformation Program



Indiana
Department
of
Health

This **Rural Health Transformation Program** 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 **\$206,927,896.80** 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.

Overview

- Working Families Tax Cut Legislation included \$50 billion for a Rural Health Transformation Program (RHTP) to transform care and improve health outcomes in rural communities.
- Indiana applied for \$1 billion through a collaborative effort led by the Indiana Family and Social Services Administration and the Indiana Department of Health
- Indiana received on Dec. 29, award notification of \$206.9 million for Year 1

Needs Assessment

- Hoosiers living in 64 of Indiana's 92 counties account for 1,846,221 people or 27% of the state's total population. These rural counties tend to have smaller, aging populations.
- A survey of rural Hoosiers' health needs conducted this fall offers further insight into the root causes of these poor outcomes and financial health challenges. The top four concerns were:
 - Barriers to access, such as transportation
 - Availability of Healthcare Services
 - Workforce Shortages
 - Rural Facility Financial Health

Let your voice be heard!

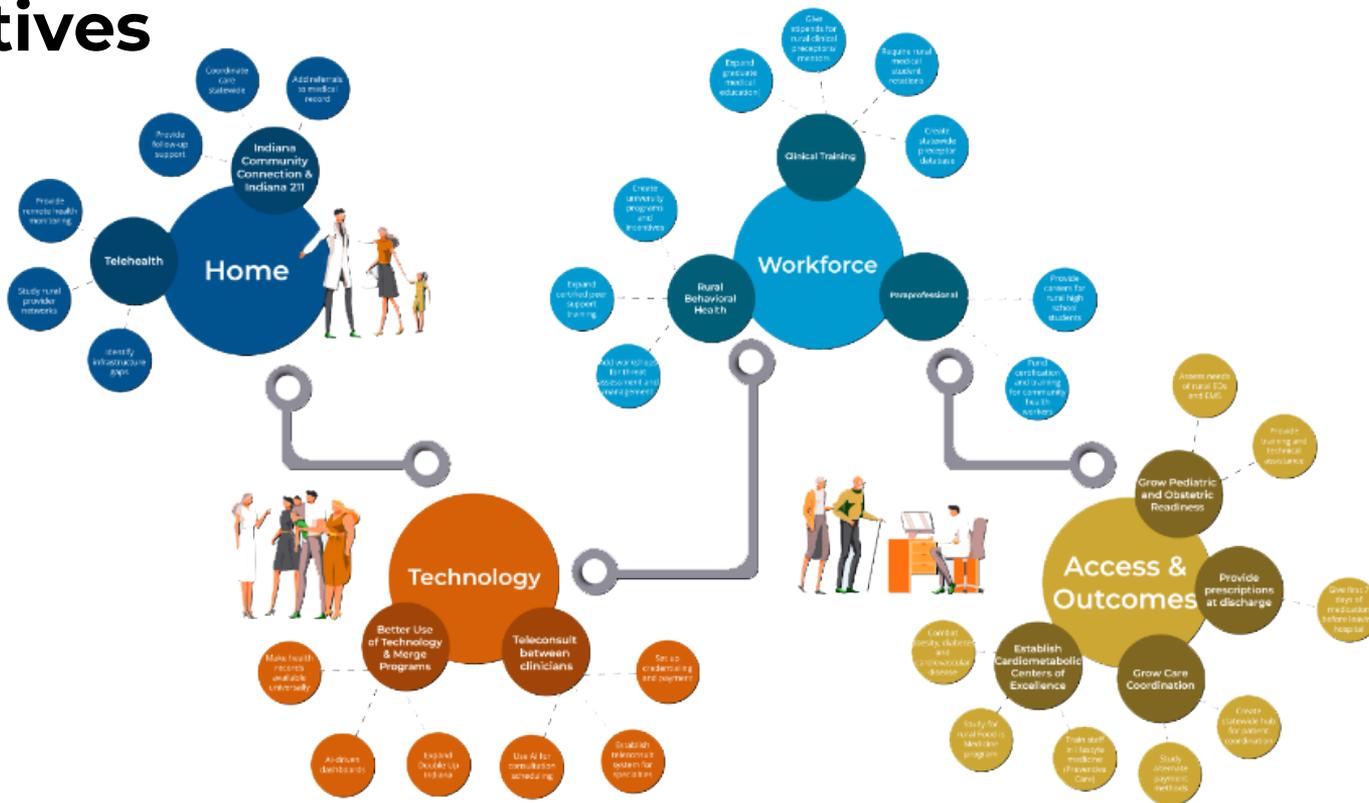
Take the **Rural Community Health Priorities Survey**

Your response will be used to prepare Indiana's application for the Rural Health Transformation Program to strengthen healthcare across rural America.

**Complete the
survey by Oct. 3**



Initiatives



12 Indiana GROW Initiatives

- Indiana proposed 11 statewide initiatives managed at the state level
 - 40% spend of total grant
- Indiana proposed 1 regional level initiative called GROW Regional Grant Program
 - 60% spend of total grant
 - Eight regions

Statewide Initiative 1

Growing Care Coordination: Medical Operations Coordination Center (MOCC) and Alternate Payment Model Feasibility Study

Description: A 24/7 statewide hub to coordinate patient transfers, EMS resources, and hospital capacity

- Ensure rural communities get timely access to trauma, stroke, psychiatric, and maternal care.
- Streamline referrals, reduce inappropriate ER use, support rural hospital sustainability, and strengthen preparedness for mass casualty events.

Budget: \$56.2 million

Statewide Initiative 2

Growing Community Connections through Indiana 211

Description: Establish Indiana Community Connect: A statewide coordinated care network that links hospitals, providers, and community organizations to address social needs such as food, housing, and behavioral health. By integrating referrals into the EMR and ensuring follow-up, the initiative reduces preventable ER visits, improves health outcomes and strengthens support for vulnerable Hoosiers.

Budget: \$3.3 million

Statewide Initiative 3

Growing Improved Patient Outcomes Through Enhanced Interoperability and Technology

Description: Modernize Indiana's HIE to connect 450 rural healthcare facilities (hospitals, outpatient, long term care, behavioral health), close data gaps, and strengthen care coordination through EMR integration into EMRs, AI-driven dashboards and EMS collaboration.

Budget: \$66.5 million

Statewide Initiative 4

Growing Pediatric & Obstetric Readiness in Rural Emergency Departments

Description: Strengthening emergency care capacity in rural hospitals and EMS by ensuring readiness for pediatric and obstetric emergencies. Partnering with Indiana Emergency Medical Services for Children (IEMSC) and IDHS, the initiative provides needs assessments, training, equipment and technical assistance.

Budget: \$45.4 million

Statewide Initiative 5

Growing Cardiometabolic Health Standards of Care in Rural Indiana

Description: Launch a statewide collaborative care model to combat obesity, diabetes, and cardiovascular disease by establishing Cardiometabolic Centers of Excellence in each rural health region. The initiative equips 6,000 rural health professionals with Lifestyle Medicine training, embeds nutrition education in medical schools, and certifies up to 2,000 clinicians to lead preventive care. A feasibility study will also assess logistics for a rural Food is Medicine program, leveraging Hoosier-grown foods and telehealth-based nutrition therapy.

Budget: \$15.3 million

Statewide Initiative 6

Growing Access to Hospital Post-Discharge Medications

Description: Ensures patients receive prescribed medications before leaving the hospital, eliminating access and transportation barriers. By charging outpatient prices and providing bedside counseling, the program improves recovery readiness and reduces readmissions. Hospital in Indiana utilizing this program reports reduction as high as 4% in readmissions. National studies report reduction in ED utilization as high as 30%.

Budget: \$11 million

Statewide Initiative 7

Growing Specialty Provider Access through Expanded Teleconsult Capabilities

Description: This initiative assesses existing provider networks and specialty gaps while building a secure teleconsultation system to expand access to high-need specialties such as psychiatry and behavioral health. By addressing barriers like credentialing and payment incentives, and leveraging AI to optimize consultation availability, the initiative strengthens rural healthcare infrastructure. Competitive partnerships will support rollout across communities, ensuring sustainable, scalable access to specialty care.

Budget: \$2.6 million

Statewide Initiative 8

Growing Telehealth Access and Infrastructure

Description: Indiana will conduct a statewide feasibility study to assess rural provider networks, infrastructure gaps, and opportunities for remote health monitoring using wearable devices to reduce clinician burnout and improve patient outcomes. Findings will guide the rollout of a unified telehealth system, procured through competitive selection, with solutions designed for rural connectivity and enhanced by AI-driven decision support.

Budget: \$28.9 million

Statewide Initiative 9

Growing our Rural Health Paraprofessional Workforce

Description: Expands the rural health workforce by funding certification and upskilling for Community Health Workers (CHWs), who play a vital role in connecting patients to care, reducing hospitalizations and improving chronic disease outcomes. In partnership with a state-wide university system, the initiative will also launch career pathway programming for rural high school students, offering early exposure and training toward health careers.

Budget: \$11.8 million

Statewide Initiative 10

Growing Clinical Training and Readiness

Description: Indiana will expand Graduate Medical Education (GME) capacity and incentivize physicians to practice in rural communities through targeted grants and stipends in key specialties such as primary care, pediatrics, OB/GYN, and general surgery. To strengthen the training pipeline, the state will provide stipends for rural clinical preceptors, require rural rotations for medical students by 2028 and launch a statewide preceptor database to connect students with rural training opportunities.

Budget: \$83 million

Statewide Initiative 11

Growing our Rural Behavioral Health Workforce

Description: Indiana will grow and retain the rural behavioral health workforce by creating university-based certificate and degree programs, offering scholarships and stipends, and introducing career pathways for high school and college students. The initiative strengthens peer support by expanding Certified Peer Support Specialist training and continuing education, while sustaining internship programs that incentivize local practice. A statewide workshop will also equip rural paraprofessionals with threat assessment and management skills to improve crisis response and community safety.

Budget: \$5.3 million

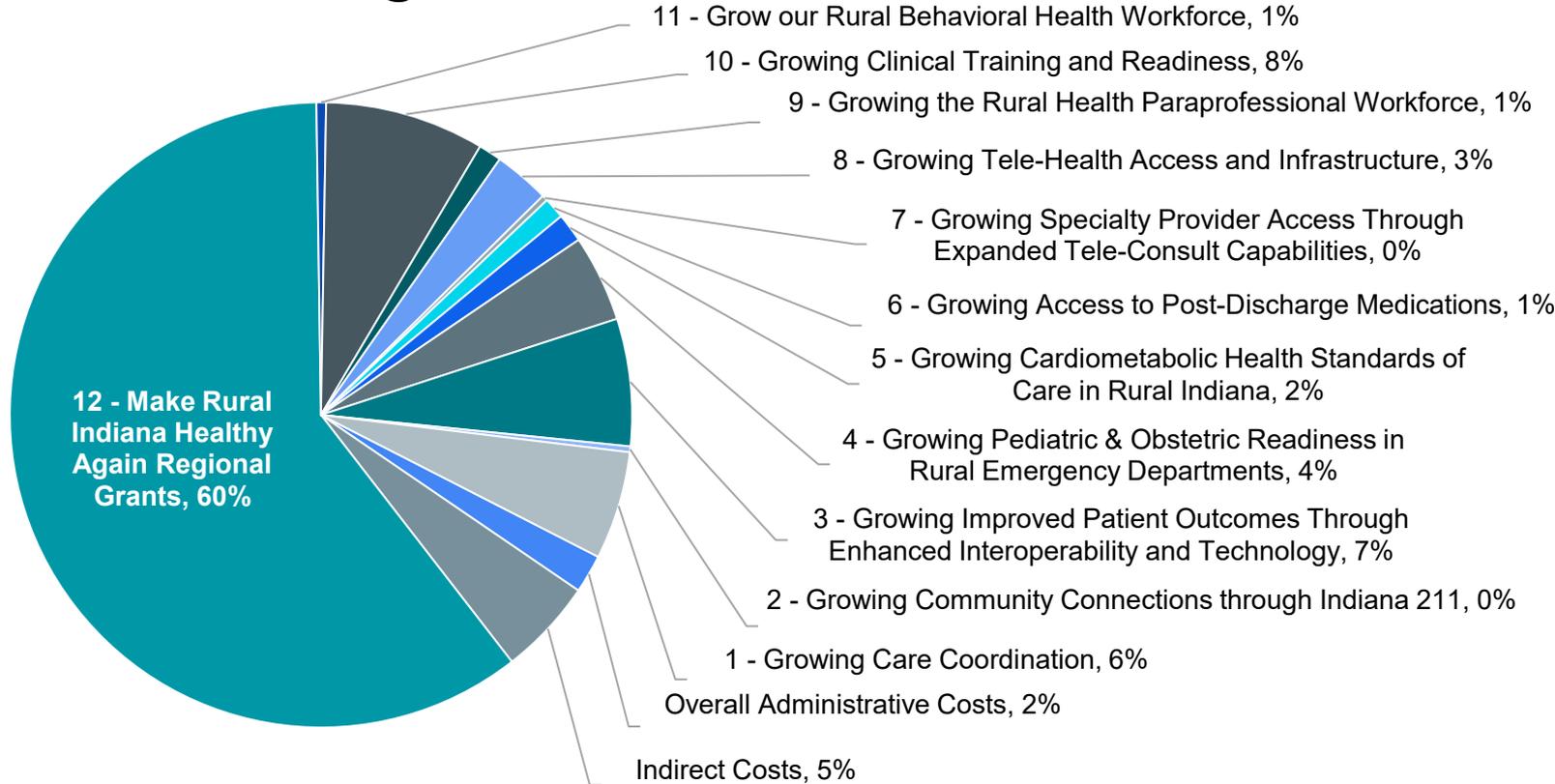
Initiative 12 – GROW (Growing Rural Opportunities for Well-being) Regional Grants

Tailored to engage local stakeholders in 8 regions to identify opportunities for resource sharing to tackle specific community needs

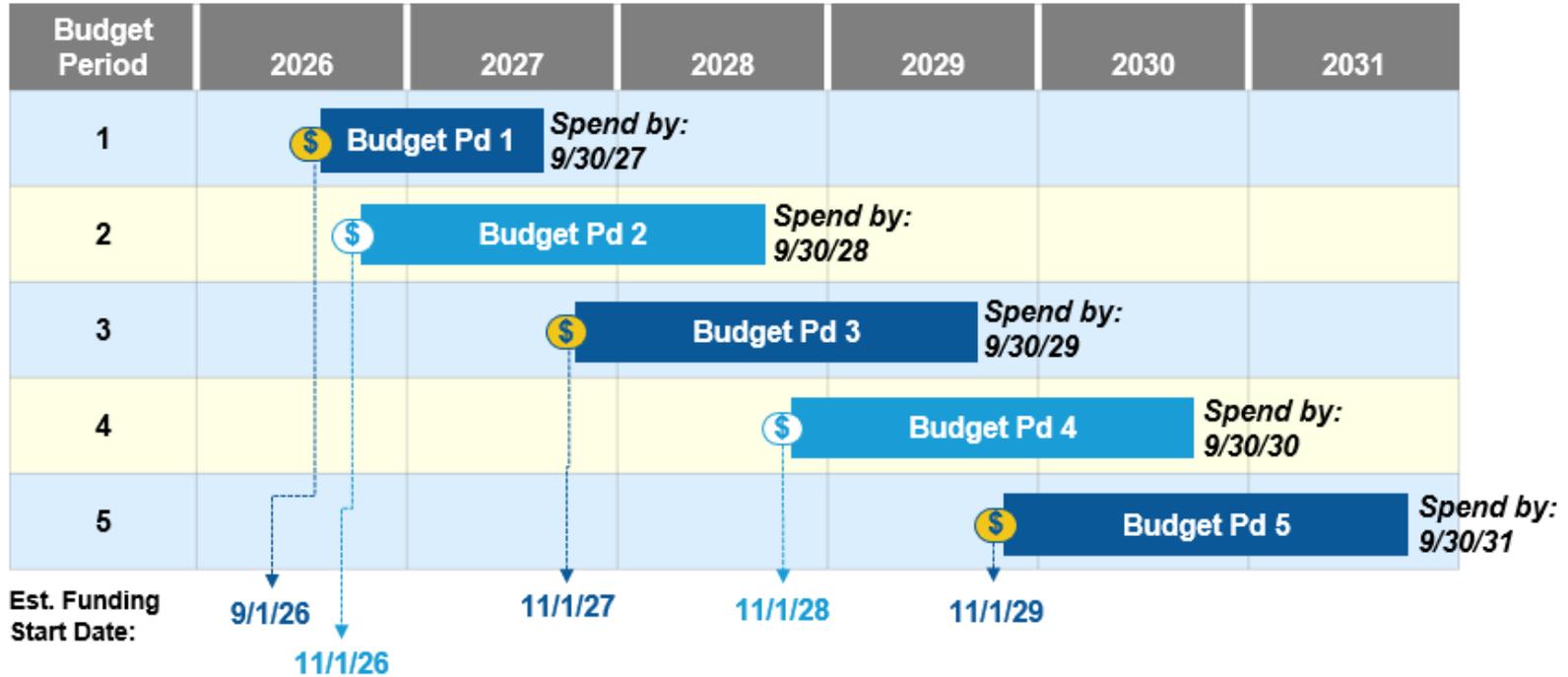
Similar needs, but solutions may be unique to the challenges and partners available within a region.

- More comprehensive and effective approach to problem-solving
- Solutions are tailored to the distinct contexts of different areas
- Fosters collaboration, optimizes resource use and ultimately leads to more sustainable solutions

RHTP Initiative Funding Distribution

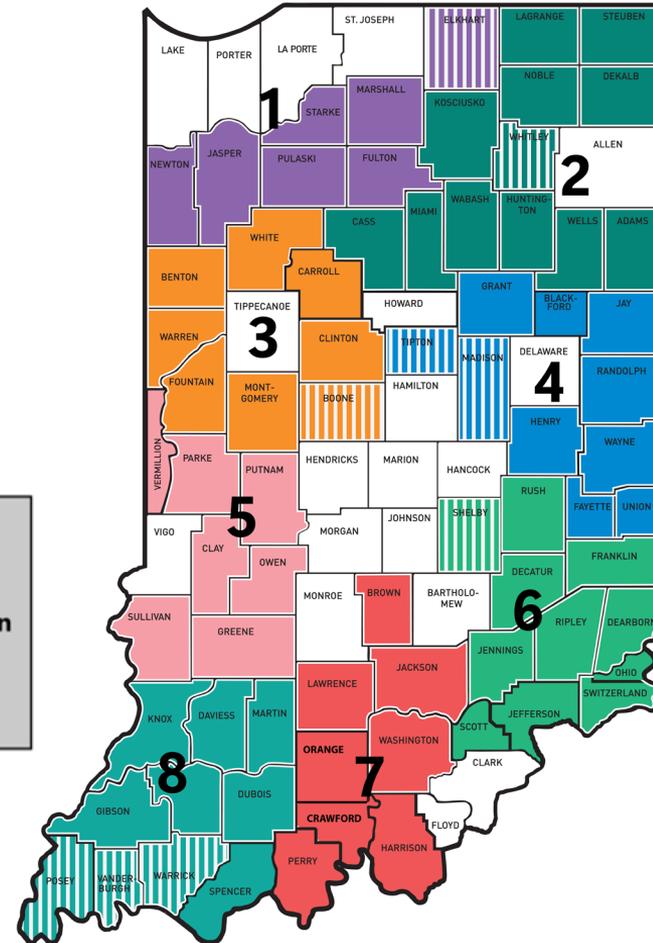


GROW Budget Timeline



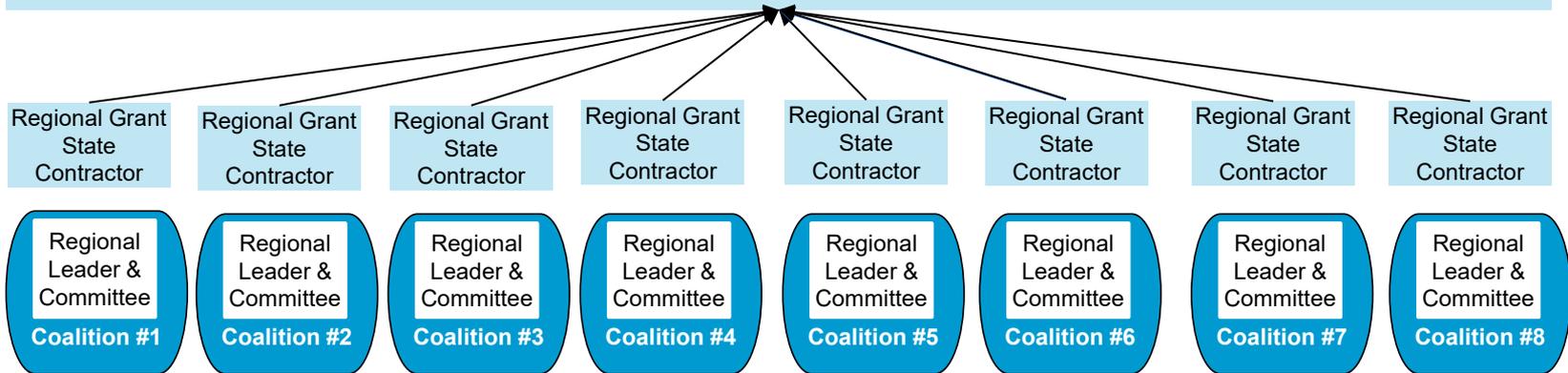
GROW Regional Grants

	Ineligible for direct funding
	Partial Rural HRSA Designation
	Fully Rural HRSA Designation



GROW State Steering Committee

State Regional Grant Initiative Team (IDOH State staff)



Technical Assistance Providers

Needs Assessments, Regional Priority-Setting, Project Selection, Application Writing

GROW Regional Grants

The Regional Committees

- Each Regional Committee will include members, approved by the State Executive Oversight Committee, representing key rural health stakeholders
- Their role is to use subject matter expertise to evaluate grant beneficiaries, ensuring fair fund distribution and accountability
- Committees must meet quarterly to provide oversight, encourage collaboration, maintain accountability, and review budgets

Each Committee must include:

- Indiana General Assembly (1)
- Provider Community (1)
- Non-Provider Medical Worker (1)
- Patient Community (1)
- Pharmacy (1)
- Regional Business Community (2)
- Community-based Organizations (2)
- Local Health Department (1)
- Medicaid Managed Care (1)
- Rural Hospital (1)

Application and Award Process

Five-Year Regional Grant Program

- Regional awards: Estimated average award of \$15 million per year per region
- Funding adjusted annually based on compliance, outcomes, and cross-regional collaboration
- Awards determined through state review, proportion of rural population served, application quality with favorable consideration for strong partnerships, innovation, and sustainability
- Funding available Oct. 1, 2026: \$120 million annually across eight Regional Coalitions
- All eight regions expected to receive funding

Regional Application Requirement

Each Regional Coalition must submit **one unified application** that includes:

- All funding requests
- A comprehensive needs assessment (health and tech)
- Letters of support from stakeholders and partners
- A sustainability plan
- Acknowledgement of understanding and compliance with grant, fund usage, reporting, and state requirements
- Connection to measurable KPOs and description of how progress will be demonstrated annually based on listed goals below:
 - Increased access to prenatal care
 - Increased access to chronic disease prevention programs
 - Increased access to oral health
 - Improved patient quality and safety
 - Improved community health worker workforce expansion and interoperability
 - Improved transportation access
 - Increased access to healthcare
 - Increased telehealth and community paramedicine utilization to reduce preventable ED visits
 - Increased regional collaboration
 - Improved sustainability indicators

Regional Application Development and Early Expectations

The state will:

- Develop a grant application aligned with the NOFO and RHTP guidelines to help applicants address rural health needs through data-driven, innovative and sustainable solutions
- Leverage experienced grant-making vendor to support application development, evaluation design, agreements and outcome reporting

Regional Coalitions are expected to begin pre-application work by:

- Identifying partners
- Convening discussions on shared rural priorities
- Conducting joint needs assessments
- Exploring data-sharing agreements

Funding Categories and Required Investments

Regional Coalitions can apply for funding across four categories shaped by state surveys, stakeholder input, rural assessments, NOFO priorities and state-led initiatives.

The four categories are:

- Technology Innovation and Capital Project
- Sustainable Access
- Innovative Care Models
- Workforce Development

Regional Coalitions

The grants require collaboration from key stakeholders engaged in the local delivery of healthcare in each of the regions, including:

- Healthcare organizations (CAHs, FQHCs, rural health clinics, rural hospitals, behavioral health organizations, EMS)
- Public Health and Community Organizations (LHDs)
- Educational and Workforce Development Entities (clinical training programs and preceptorship sites)
- State Agencies and Support Organizations (IDOH, FSSA including Medicaid Department of Children's Services, State Office of Rural Health, Indiana Hospital Association, Indiana Rural Health Association)
- Patients and Community Members (patient advisory councils, community advisory boards, chambers of commerce)
- Medicaid MCOs, commercial payers
- Members of the Indiana General Assembly (IGA)

Oversight Components

HFS will conduct rigorous oversight of each regional grant component at every phase:

- **Pre-Award:** Will verify partnerships and governance, review budget cap compliance (20% capital and 5% EMR), and share scoring with CMS before finalizing awards.
- **Financial:** Required quarterly financial reports, annual independent audits, and monthly desk reviews, with pre-approval for large capital or EMR purchases; funds will be reimbursed quarterly, with payment holds for non-compliance
- **Programmatic:** Required quarterly programmatic reports on outcomes, milestones, partnerships, and county-level data, supported by annual coalition site visits for governance and progress assessment. Centralized dashboard to monitor key metrics monthly with audits ensuring data accuracy.
- **NOFO:** Will conduct semi-annual compliance reviews and require annual coalition certifications, promptly align activities with new CMS guidance, and address compliance questions through CMS project officer calls.
- **Risk-Based Differentiated:** Oversight is tiered by risk, with stricter reporting and visits for higher-risk coalitions, and regions can move to lower tiers with strong performance.
- **Progressive:** Non-performance triggers progressive consequences; from remediation and corrective plans to payment suspension, scope reduction, or termination with due process.

GROW Regional Grants Application Timeline

Date

March 2026

Milestone

Request for Applications released to public
Letter of Collaboration due to State for each region

February – July 2026

Technical assistance available for coalition formation
and application development

July 1, 2026

Applications due to state

July – September 2026

Application review, scoring and award determinations

Oct. 1, 2026

Grant agreement period begins, and funding
distributed to individual entities

GROW Regional Grants

Outcomes:

- Identification of duplication of services and gaps in care to right size healthcare delivery
- Increased care of pregnant women, through increasing percentage of women with first trimester care and completing all pre and postnatal visits
- Increased access to preventive services and connection to appropriate primary or specialty care through engagement with telehealth and teleconsult, mobile integrated health, hub and spoke models and other innovative care delivery models
- Improved blood pressure and diabetes control through cardiometabolic programs
- Increased workforce recruitment and retention through development of rural preceptorships
- Leveraging the collective of healthcare providers in rural Indiana, rather than bolstering singular entities there will improve system integration and sustainability

Key Performance Objectives (KPOs)

- Improve chronic disease indicators
- Decrease ED and hospital utilization
- Improve maternal and infant health outcomes
- Rural health workforce stability
- Improved timeliness and access to care
- Data interoperability
- Telehealth and teleconsult expansion
- Cross-sector collaboration

Website: GrowRuralHealth.in.gov

Rural HealthTransformation Program website should be consulted for updates including:

- Frequently Asked Questions
- Initiative Descriptions
- Regional grant application
- Results of stakeholder survey



Email questions to GrowRuralHealth@health.in.gov



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Questions & Answers

✉ growruralhealth@health.in.gov

🌐 www.growruralhealth.in.gov



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