Rural Health Transformation Program Grant Application Working Group

August 2025

Agenda

Schedule	*Agenda Item*	*Presenter*
8:30 – 8:40	**Welcome & opening remarks**	Mitch Roob & Dr. Lindsay Weaver
8:40 – 9:00	**Overview of the OBBBA RHTP & Working Group**	Tara Morse
9:00 – 9:15	**Introduction of team**	Eric Miller
9:15 - 9:30	**Landscape of rural health in Indiana**	Jon Ferguson
9:30 – 10:00	**Current recommendations**	Tara Morse

Welcome to the Indiana Rural Health Transformation Program Grant Application Working Group Kick-Off!

The One Big Beautiful Bill Act – Rural Health Transformation Program

The One Big Beautiful Bill Act (OBBBA)
Chapter 4—Protecting Rural Hospitals and Providers, pages 256-261, Section 71401

Rural Health Transformation Program is a $50 billion federal relief program to improve healthcare access and outcomes in rural communities.

- RHT program aims to address key challenges such as
  - limited access to care,
  - financial instability for rural providers, and
  - the need for technological advancements in healthcare delivery

Rural Health Transformation Program Grant working group will identify what should be included in the application which can address the initiatives of:

- Improving access to care
- Promoting financial stability
- Leveraging technology
- Strengthening Partnerships
- Recruiting and retaining healthcare professionals
- Data and technology infrastructure

Total $50B split by $10B for each fiscal year 2026-2030.

Timeline and Eligibility

- **One-time application must include plan to use its allotment to carry out 3 or more activities as described on the Use of Funds slide**
- Once approved, a state is eligible for each subsequent fiscal year 2026 - 2030
- Only the 50 states shall be eligible for an allotment
- 50% of appropriated amount ($5B) for each fiscal year will be split equally among all States with an approved application (min. $100,000,000/per state/per FY)
- CMS administrator will determine the other 50% of the amount of the allotment for each state
  - considering % of the State population located in a rural census tract of a metro area,
  - proportion of rural health facilities in the State relative to number of rural health facilities nationwide,
  - other factors as determined by CMS

Rural Health Transformation Program Grant Application submitted to CMS must include a detailed rural health transformation plan:

Key objectives for RHTP funds	Detailed objectives
ACCESS	To improve access to hospitals, other health care providers, and health care items and services furnished to rural residents of the State
OUTCOMES	to improve health care outcomes of rural residents of the State
DISEASE MANAGEMENT WITH TECHNOLOGY	to prioritize the use of new and emerging technologies that emphasize prevention and chronic disease management
STRATEGIC PARTNERSHIPS	to initiate, foster, and strengthen local and regional strategic partnerships between rural hospitals and other health care providers to promote measurable quality improvement, increase financial stability, maximize economies of scale, and share best practices in care delivery
CLINICIAN RECRUITMENT & TRAINING	to **enhance** economic opportunity for, and the supply of, health care clinicians through enhanced recruitment and training
LOCAL HEALTH CARE WITH TECHNOLOGY	to prioritize data and technology driven solutions that help rural hospitals and other rural health care providers furnish high-quality health care services as close to a patient's home as is possible
FINANCIAL SOLVENCY	that outlines strategies to manage long-term financial solvency and operating models of rural hospitals in the State
RISK ASSESSMENT FOR SERVICE REDUCTIONS	that identifies specific causes driving the accelerating rate of stand-alone rural hospitals becoming at risk of closure, conversion, or service reduction

Use of Funds must include 3 or more of the following health-related activities

	Health Related Activities
PROVIDERS	**Training -** Providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, artificial intelligence, and other advanced technologies
	Payments - Providing payments to health care providers for the provision of health care items or services, as specified by the Administrator
	Workforce - Recruiting and retaining clinical workforce talent to rural areas, with commitments to serve rural communities for a minimum of 5 years
CARE MODELS	**Interventions** - Promoting evidence-based, measurable interventions to improve prevention and chronic disease management
	Developing projects that support innovative models of care that include value-based care arrangements and alternative payment models, as appropriate
	SUD - Supporting access to opioid use disorder treatment services (as defined in section 1861(jjj)(1)), other substance use disorder treatment services, and mental health services.
TECHNOLOGY	**Technology Solution -** Promoting consumer-facing, technology-driven solutions for the prevention and management of chronic diseases
	Technical Assistance - Providing technical assistance, software, and hardware for significant information technology advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes
SCALABLE	Assisting rural communities to right size their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care, outpatient care, and post-acute care service lines
SUSTAINABLE	Additional uses designed to promote sustainable access to high quality rural health care services, as determined by the Administrator

Fund Restrictions

Not more than 10% of funds can be used for Administrative expenses

None of the funds shall be used by the State

- for an expenditure that is attributable to an intergovernmental transfer,
- certified public expenditure, or
- any other expenditure to finance the non-Federal share of expenditures required under any provision of law, including
  - under the State plan established under this title,
  - the State plan established under title XIX, or
  - under a waiver of such plans;
- A State approved for an allotment under this subsection for a fiscal year shall not be required to provide any matching funds as a condition for receiving payments from the allotment

Rural Health Transformation Program (RHTP) Application Working Group

Executive Oversight

Audrey Arbogast	Chief of Staff, Indiana Health and Family Service
Mitch Roob	Secretary, FSSA
Lindsay Weaver, MD, FACEP	State Health Commissioner, IDOH

State Agencies

Eden Bezy, MPH	Assistant Commissioner, Women Children & Families Commission, IDOH
Paul Bowling	Chief Financial Officer, FSSA
Michael Cook	Director, Provider Services, Indiana Medicaid, FSSA
Jon Ferguson, JD	Chief of Staff/Deputy Health Commissioner, IDOH
Lindsey Lux	Chief of Staff/Deputy Director, Indiana Medicaid, FSSA
Eric Miller	Deputy Secretary/Chief of Staff, FSSA
Katrina Norris, LCSW LAC CADAC V	Executive Director, Indiana State Psychiatric Hospital Network, FSSA
Sarah Sailors	Director Division of Mental Health & Addiction, FSSA
Tara Morse	Director Indiana 211, FSSA

Rural Health Transformation Program (RHTP) Application Working Group

Legislators

Beau Baird	State Representative, District 44
Brad Barrett, MD	State Representative, District 56
Greg Goode	State Senator, District 38

Rural Health Landscape Members

Anne Hazlett, JD, LLM	Senior Director of Governmental Relations and Public Affairs, Purdue University
Patrick McGill, MD, MBA, FAAFP	Chief Medical Information Officer, Community Hospital
Scott Smith, MD, MBA	CEO & Medical Director, Adams Health Network Indiana Rural Health Association Board Member
Cara Veale, DHS, FACHE	Chief Executive Officer, Indiana Rural Health Association
Cameual Wright, MD, MBA	President, CareSource Indiana Market Indiana Rural Health Association Board Member
Eric Yazel, MD	EMS Medical Director, State of Indiana Department of Homeland Security

Over 5 sessions, the RHTP Working group will work to identify, plan and submit the application by Friday Nov 14, 2025

Kick-Off, 8/27

Review of plans and initial recommendations for use and mapping to health-related activities

Session #2, 9/9-919
Dependent on release of application details

Explore additional recommendations

Session #3, 10/7

Map out recommendations to application requirements

Session #4, 10/21

Review feasibility and sustainability of recommendations beyond FY2030

Session #5, 11/13

Review final application submission

Note: Schedule is subject to change as details of applications and deadlines are released by CMS

Working Group ground rules

Review pre-read materials to familiarize yourself with session content

Participate actively in Working Group meetings or provide information via email

Brainstorming will lead to many suggestions, allowing space for all voices to be heard

Focus on objective of meaningful and measurable use of the funds which do not include sustainability nor maintenance funding post 2030

Round Robin:

1. Please briefly introduce yourself
2. Please share what perspective you bring to this Working Group

A reminder to keep your introduction to ~1 minute

Rural Health Hospital and Clinic Landscape in Indiana

1

54 Rural Health Hospitals

HRSA Rural Designation	52
CMS Rural Designation	37
OMB Rural Designation	38
US Census Bureau Rural Designation	7

Hospital affiliated	32
vs	
Independent	22

2

FSSA 151 Rural Health Clinics

Hospital affiliated	115
vs	
Independent	36

IDOH 152 Rural Health Clinics

Accredited	111
vs	
Unaccredited	41

1 Source: Indiana Rural Health Association (IRHA)

2 Source: IRHA and IDOH Count of Active Facilities Report (difference of 1 between IRHA and IDOH)

Rural Health Landscape in Indiana

1

Rural Health Landscape in Indiana

Rural Opioid Treatment Centers	26
Certified Community Behavioral Health Clinics covering 39 counties	8
Medicare Dependent Small Rural Hospital	3
Rural Emergency Hospitals	0

1 Source: IDOH Worksheet

Indiana Trauma Center Access

1

Indiana Trauma Center Access: Areas Within a 45-Minute Drive

45-Minute Accessible Trauma Center *

45-Minute Accessible Areas

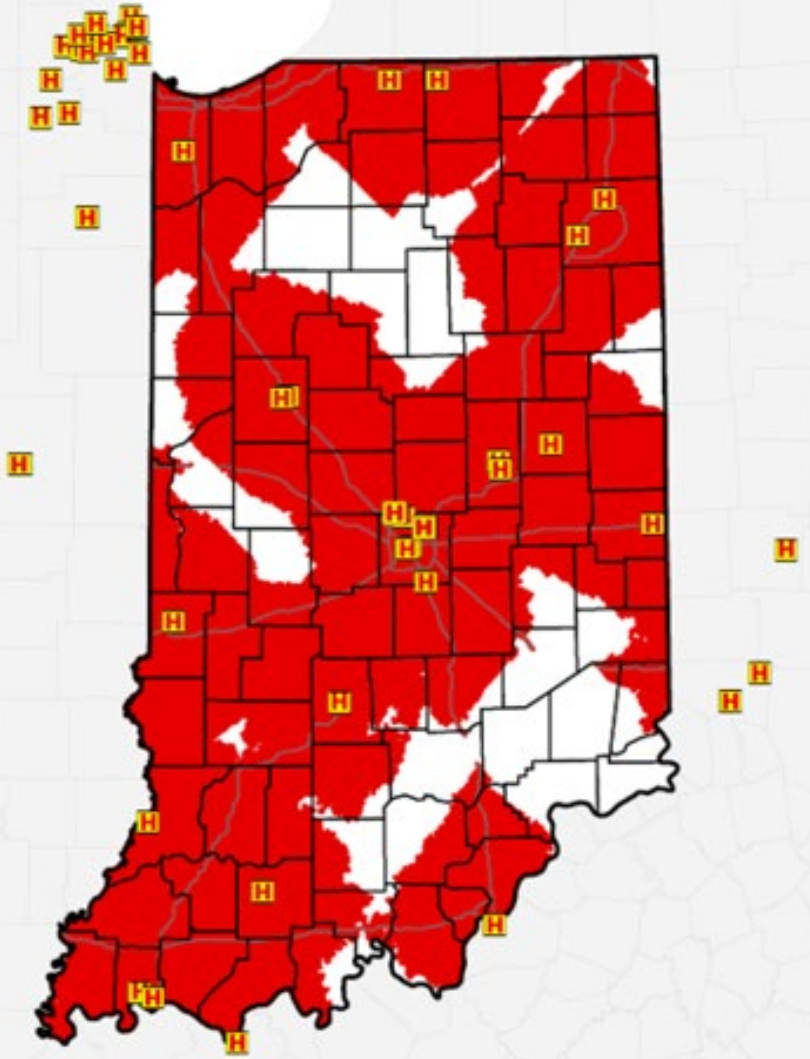
Average Travel Time
based on posted and historical speeds

	45-Minute Coverage (at average speed)		State Total
	n	% of state	n
Land Area	26,648 sq mi	74%	35,826 sq mi
Population	5,937,078 people	92%	6,483,802 people
Interstates	1,219 miles	96%	1,266 miles

* Considered a trauma center for purposes of the triage and transport rule.

Travel times are calculated with 2016 street network reference data published by Esri. Travel times do not take into account current traffic volume or restrictions. Population and land area are calculated from the 2010 U.S. Census block summary geography. Interstate mileage is calculated using a single direction of a divided highway (source: INDOT). All statistics should be considered an estimate.

Indiana Department of Health

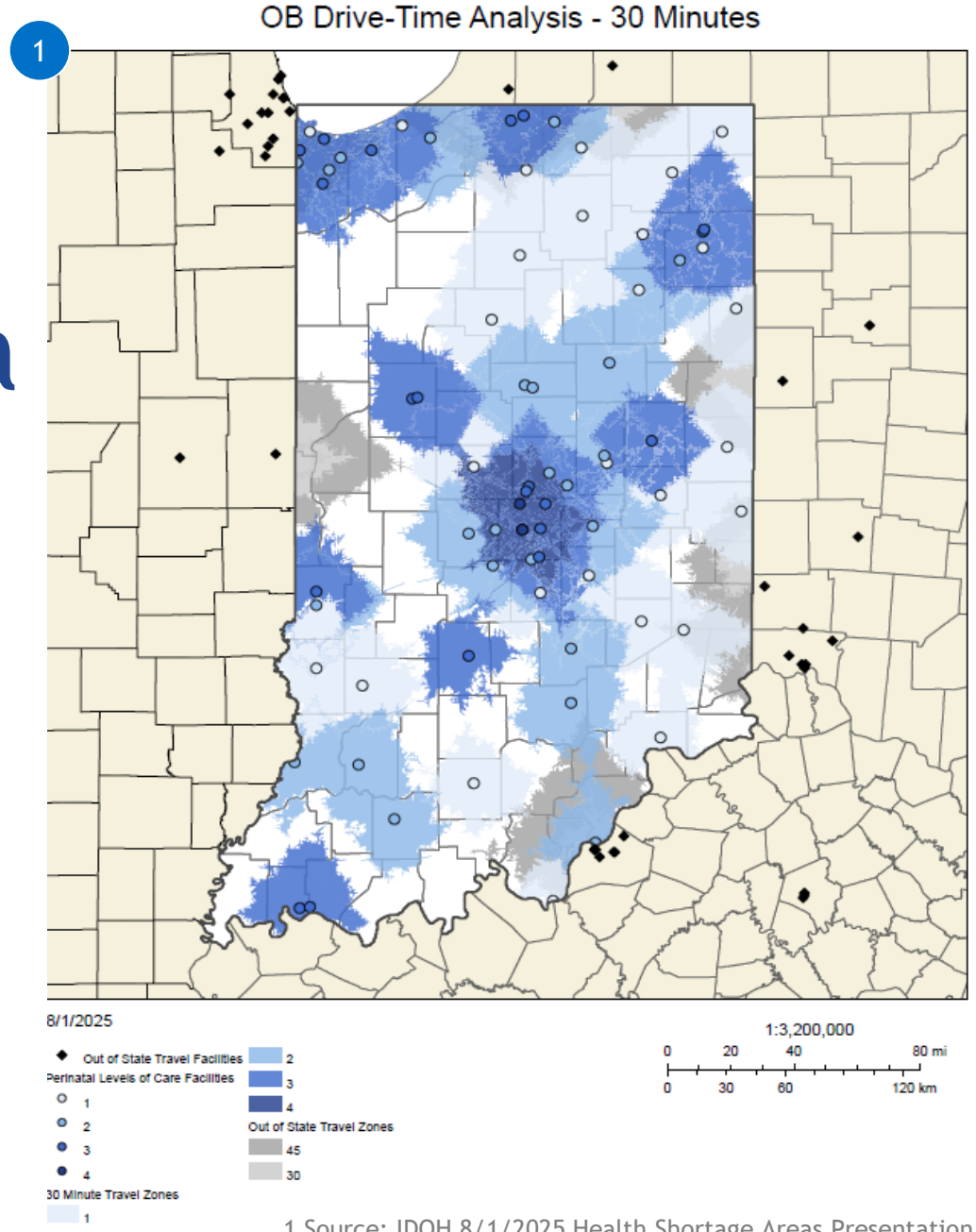


0 40 Miles

Map Author: IDOH ERC PHG and IDOH Trauma & Injury Prevention - September 2024

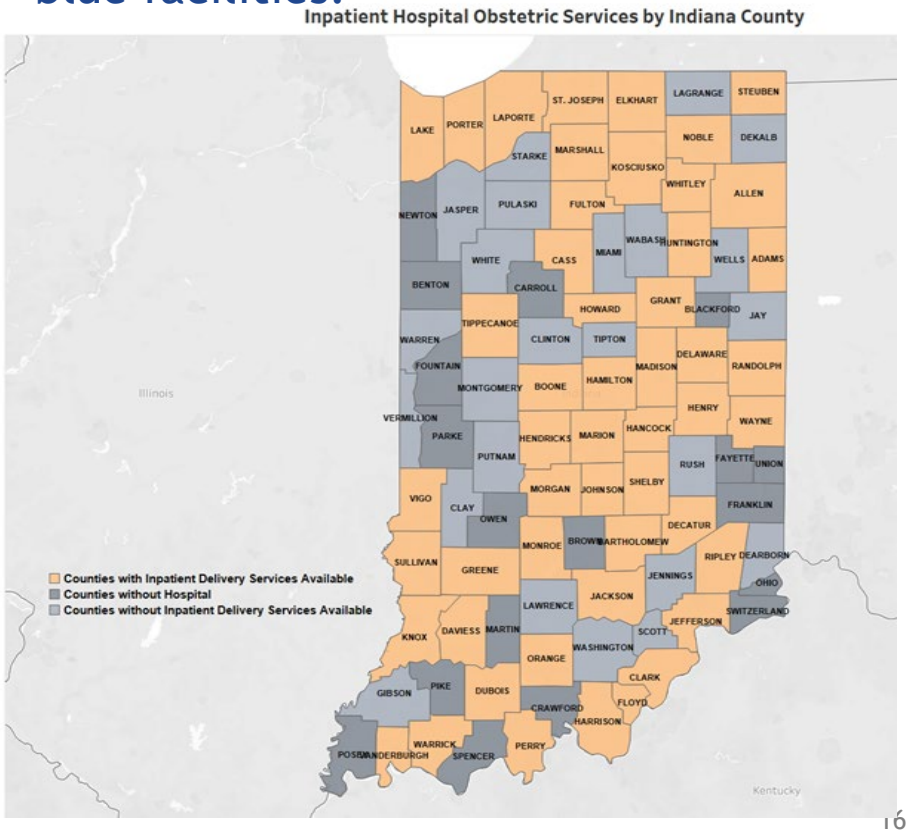
1 Source: IDOH 8/1/2025 Health Shortage Areas Presentation

Indiana OB Access



OB Delivery Drive-Time

- Areas in white are greater than 30 minutes away from a delivery hospital
- All the light blue areas can only serve the healthiest of moms and babies
- Any women in this area with pregnancy risk would have to drive to the darker blue facilities.



1 Source: IDOH 8/1/2025 Health Shortage Areas Presentation

IIDOH Program Goals & Alignment with RHTP

RHTP Requirement	Proposed IT Strategy
Improve access and services	Expand telehealth via Indiana Telehealth Network and kiosks. Deploy mobile units and remote monitoring tools to provide care in isolated communities and reduce travel burden for patients. Improve patient convenience, appointment compliance, and healthcare reach.
Improve outcomes	Analytics dashboards, shared EHR systems. Use clinical data to support outcome-based tracking, enable risk stratification, and improve chronic disease management across multiple rural facilities. Empower care teams with real-time data for proactive interventions.
Prioritize emerging technology	Remote monitoring, AI tools, and cloud-based systems. Incorporate wearable technology, virtual assistants, and predictive models to anticipate and prevent health events. Help providers tailor care plans using predictive analytics and streamline routine diagnostics.
Build strategic partnerships	Shared IT consortia for EHR, cybersecurity, help desk. Collaborate with regional hospitals, academic institutions, and nonprofits to pool resources and standardize digital services. Promote cross-agency collaboration, resource sharing, and cost savings.

IIDOH Program Goals & Alignment with RHTP

RHTP Requirement	Proposed IT Strategy
Technology-driven solutions	Analytics-as-a-service, mobile health IT units. Provide smaller clinics access to real-time insights, digital forms, and mobile connectivity to reach underserved populations. Enhance flexibility in delivering care to remote or transient populations.
Data-driven innovations	Population health analytics, SDOH tracking tools. Enable proactive care planning and community health interventions based on geographic and demographic health trends. Identify gaps in care, target high-risk groups, and assess social determinants effectively.
Strengthen mental/behavioral health	Expand Faith Net telepsychiatry and remote behavioral health. Scale behavioral health access through virtual counseling, integrated care coordination, and EHR-based screening. Support whole-person care and early mental health intervention in communities with few providers.
Workforce recruitment and retention	Remote IT staffing models, rural digital literacy programs. Support IT apprenticeships and flexible roles for technologists, while empowering patients and providers with digital skills. Build a sustainable talent pipeline while improving community-wide tech fluency.

Access Recommendations to consider

- Review Nurse midwives' prescriptive authority in rural areas where OB access to care is limited.
- Collaborative care model where pharmacists can receive payment to conduct intake assessments and follow-up appointments with patients taking medication for opioid use disorder to further expand access to treatment
- Enacting a “standard of care” approach to pharmacy practice recognizes and empowers pharmacists to use their professional judgment and robust clinical training to provide effective healthcare for their communities
- Regional medical operation centers - as a means for smoothing patient flow, facilitating movement of patients with time dependent conditions, etc. , including supported interfacility transport teams as indicated

Outcomes Recommendations to consider

- Payment for Pharmacist clinical services to support chronic disease prevention and management, opioid and substance use disorder support, and mental health effort
- Pilot project with high-risk Medicaid members in rural areas focused on ER visit reduction, hospital admission reduction, HEDIS improvement, engagement rate improvement through partnership with Medicaid, MCEs and in-network primary care providers

Disease Management with Technology Recommendations to consider

- Adopt Remote Patient Monitoring infrastructure to encourage chronic disease management via wearables and hospital at home programs to connect rural patients with their providers.
  - Funds should also be used to purchase devices but also encourage EMR interoperability with technology to maximize efficiency and patient safety.
- Acquire AI guided ultrasound and other available technology which can be effective and accurate in assessing patients

Strategic Partnerships Recommendations to consider

- Create Clinically Integrated Networks (CINs) to allow independent rural providers to contract with one another to minimize risks and enhance negotiations with payers in VBC contracts.
  - Includes EMR interoperability, data systems coordination, and provider alignment
  - Aids in quicker adoption of new technology and software enhancements at a lower cost
- Partner with pharmacy chains to host campaigns encouraging people to get a baseline health screening, eat healthy food, and access resources and educational information
- Establish more robust transportation networks within rural communities. Building capacity through infrastructure purchases via community partners

Clinician Recruitment & Training Recommendations to consider

- Create new simulation-based training or state of the art technologies utilizing AI or other methodologies for rural providers to increase skills for providers or enhance efficiency.
- Telehealth mentoring and Workforce Training
- Recruiting & Retaining Clinical Staff with a Commitment to Serve in a Rural Area for at least 5 Years
    - Increase ratio of 10.3 physicians per 10,000 residents in rural areas as compared to 20.1 per 10,000 in urban areas
- Launch rural focused residency programs which require significant startup investment
    - Creating a Rural Graduate Medical Education (GME) Consortium will provide the momentum needed to open more residency slots to our graduating medical students while also exposing them to rural healthcare. The GME Consortium model can also be used for other healthcare disciplines to help fill the workforce shortages faced by rural communities across Indiana.
- State Loan Repayment Program- increase to 300,000 for clinicians. Other specialty SLRPs
- Tax incentive programs for clinicians to train clinician learners (MDs, APPs, nurses) to recruit and train

Clinician Recruitment & Training Recommendations to consider

- Simulation: Advanced hands-on simulation training using high fidelity simulators and nationally developed curriculum.
- Training Academy: Development of on-demand training curriculum based upon job type and/or skillsets such as quality, infection control, rural financing, cybersecurity, informatics, and more
- Rural GME Consortium: Develop primary care residency tracks using a consortium model for administrative oversight
- Evening/Weekend RN Cohorts: Develop a weekend/evening program with focus on rural facilities.

Local Healthcare w/ Technology Recommendations to consider

- Create a cybersecurity and electronic medical record technical assistance network for rural providers.
- Create a shared ownership structure to contract with state and national experts to conduct threat analyses and adopt new mitigation strategies
- Create a new to link Indiana's Bioscience Industry with rural providers to pilot new therapeutics, devices, and software. Partnering with local healthcare providers will also encourage greater adoption of new technology from rural communities.
- Mobile integrated health integration with prenatal care visits- exam, lab work, ultrasound transmission to remote OB providers to bridge maternal health care deserts
- Value Based- produce prescription, childcare, medically tailored meals, transportation. Codes and ability to reimburse

Local Healthcare w/ Technology Recommendations to consider

- Acuity/Utilization matching - using nurse navigation/paramedic practitioners to triage low and medium acuity 911 calls to either telemedicine platforms, mobile integrated health visits, or alternative destination protocols- urgent care, open access at federally qualified health centers, etc.
- Shared Services: Identify opportunities for shared services for rural providers such as transcription, provider credentialing, translation, information technology, etc
- Group purchasing or cybersecurity infrastructure, collective cybersecurity infrastructure.

Financial Solvency Recommendations to consider

- Program/Capital Investments: Develop a payment methodology to reimburse hospitals to deliver new innovative services, invest in critical infrastructure/technology needs, and maintain rural access points.

Risk Assessment for Service Reductions Recommendations to consider

- Increase access to T2 broadband and high-speed reliable internet in rural areas
- Utilizing both the RHTF and the new SDPP to prioritize rural facilities in Medicaid reimbursement provides substantial relief and helps stabilize rural health safety net
  - **End of Year Supplemental Payments:** Include additional end-of-year payments to qualified providers in rural areas in Indiana, like the current DSH system
  - **Enhance Reimbursement for Outpatient Services:** Unlike urban health systems, small rural hospitals often receive up to 90% of their revenue from outpatient services. Enhancing reimbursement for Medicaid patients in the outpatient setting will assist rural providers while also incentivizing chronic disease management and help rural providers address population health in rural communities
  - **Specific Service Reimbursement:** 14 labor and delivery units have closed in Indiana since 2020, with one third of Indiana's counties lacking a provider. The latest Health Provider Shortage Areas (HPSAs) show that the entire state of Indiana lacks adequate access to Mental Health Providers. Half of Indiana's counties are impacted by an Ambulance desert and Medicaid rates for Ambulance services are woefully inadequate, even compared to Medicare.2 Women's Health, Mental Health, and EMS are often the three service lines that are most dire and lack providers in rural communities. Providing specific reimbursement add-ons in these areas would help rural providers continue to operate for Hoosiers

Recommendations included have been presented to FSSA by the following as ideas for use of funds

- Indiana Rural Health Association
- National Association of Chain Drug Stores (NACDS), the National Community Pharmacists Association, the Independent Pharmacy Cooperative, the American Pharmacists Association, the American Association of Colleges of Pharmacy, and the Indiana Pharmacy Association
- 4BH-ForBetterHealth
- Alzheimer's Association, Greater Indiana Chapter
- Indiana EMS
- Indiana Hospital Association

Information sessions

- CMS hosted webinar Tuesday, August 26, 2025, 2:00 PM to 3:00 PM ET
- Rural Health Transformation Summit, Monday, September 30, 2025, Washington, DC

What stood out to you?

What questions do you have?

What ideas do you have?

Next steps

Continue to identify options for use of funds in application
Specifically, the required use of 3 or more health related activities (see slide 6 – Use of Funds)

Prepare for Working Group Session #2 (9/9-919
Dependent on release of application details)

Send comments or recommendations to
ruralhealthworkgroup@fssa.in.gov

FSSA Website:
https://www.in.gov/fssa/policiesinfoforms/indiana-rural-health-transformation-program-grant-application-working-group/