CALIFORNIA
RURAL HEALTH TRANSFORMATION

CalRHT Electronic Health Record Modernization Grant: Budget Period 1

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HCAi
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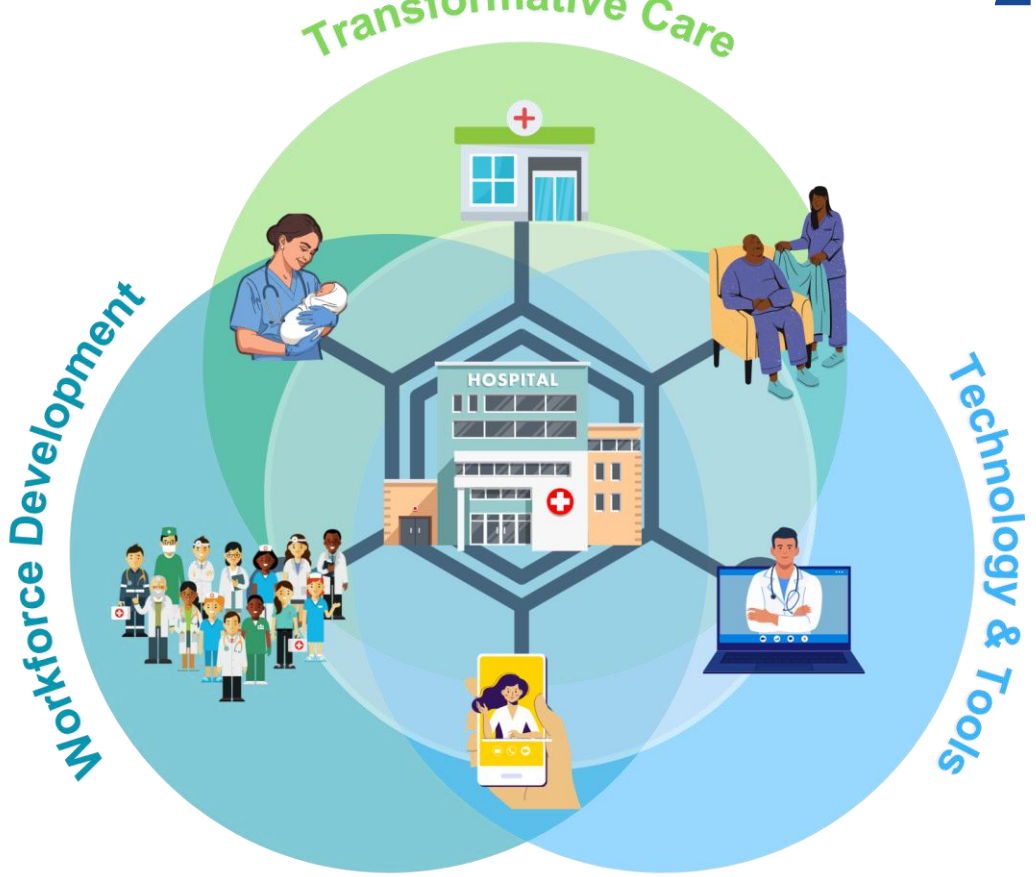
Agenda

- CalRHT Program Overview
- EHR Modernization Grant Overview
- Funding, Eligibility, and Allowable Uses
- Key Dates, Resources, and Q&A

The CalRHT 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 $233,639,308.46 with 100 percent funded by CMS/HHS. The contents are those of CalRHT and do not necessarily represent the official views of, nor an endorsement, by CMS/HHS, or the U.S. Government.

CalRHT Program

2026 – 2031



The California Rural Health Transformation (CalRHT) program vision is a **connected, resilient rural health system** in which every rural Californian can access timely, person-centered primary, maternal, specialty, chronic condition, and behavioral health care close to home, **supported by a sustainable workforce, modern technology and data infrastructure**.

CalRHT will expand Rural Collaboratives and partnerships; apply evidence-based care; deploy tools that work in low resource settings; and invest in local readiness and health care services.

CalRHT Initiatives

Transformative Care Model

Develop Rural Collaboratives to implement care models built on a foundation of skilled workforce and effective technology to strengthen access, quality, and sustainability in rural health systems.

Workforce Development

Grow and retain a homegrown rural health workforce through statewide mapping, education pathways, clinical pipelines, and retention supports.

Technology & Tools

Modernize rural health IT with grants and hands-on assistance to expand telehealth and eConsults, improve interoperability and cybersecurity, and scale patient-facing digital tools via shared services.

Accelerator Partners

Funding Available for Budget Period 1: **$39M**

Workforce Recruitment & Retention

Funding Available for Budget Period 1: **$54M**

EHR Modernization Grants

Funding Available for Budget Period 1: **$11.6M**

Funding Available and Award Structure

Total Available	**$11,650,000 in Budget Period 1.**
Maximum Award	**$2,000,000 per award.**
Projects Exceeding $2 million	**Applicants are still encouraged to apply, with a credible co-funding plan for project costs exceeding $2 million.**
Future Cycles	**Subrecipients may apply again in later cycles if they continue to meet eligibility requirements.**

Eligibility

Eligible Organizations	Rural hospitals/CAHs, FQHCs & Look-Alikes, RHCs, Tribal Clinics & Native American Health Centers, other community clinics, health care districts, SNF/LTC, and county outpatient facilities. See Grant Guide for full eligibility list.
Rural Definition	CalRHT uses HRSA's federal definition of rural; applicants can confirm using the HRSA Rural Health Grants Eligibility Analyzer, available at www.data.hrsa.gov/topics/rural-health/rural-health-eligibility.
One Application	One application per organization, but a single application can cover any number of the applicant's own sites implementing the one EHR being adopted or replaced. No joint, consortium, or pass-through applications.
Not Eligible	Only the listed eligible organizations may apply. Technology vendors and health information exchanges/organizations may not apply.

Allowable and Unallowable Uses of Funds

Allowable Uses

First-time adoption and configuration of a certified EHR, or replacement of an existing EHR with a certified EHR.

Applicants will submit a budget across the following allowable Cost Categories: EHR Software Licensing and Subscription Fees; Implementation and Configuration; Data Migration; Interface & Interoperability Development; Training and Change Management; IT hardware and Equipment; Program Costs Allowance (up to 10%). See Grant Guide for more detail.

Unallowable Costs

Upgrades or optimization of an existing EHR and HIE/QHIO onboarding and participation fees are not allowable.

Indirect costs are not allowed. A program costs allowance of up to 10% applies instead. Pre-award costs and construction are also unallowable. See Grant Guide for more detail.

Scoring Criteria

Feasibility & Vendor Readiness	**30 points possible**: Highest scoring applications have detailed vendor selection and implementation plan, including vendor identification. Plan includes business requirements and demonstration of identified vendor's capacity to support applicant.
Baseline Capability Gap	**25 points possible**: Highest scoring applications include those with no EHR, paper records, or a non-certified system.
Budget & Sustainability	**25 points possible**: Highest scoring applications have detailed line-item budget aligned with proposed scope, credible Total Project Cost and Co-Funding Plan, and detailed, plausible Sustainability Plan.
Regional Network Integration	**15 points possible**: Highest scoring applications have vendor selection and implementation plan details how EHR modernization will significantly advance regional integration and improve rural health outcomes in applicant's region.
Cybersecurity & Privacy Plan	**5 points possible**: Highest scoring applications include attestation that applicant will develop a Cybersecurity and Privacy Plan aligned with federal cybersecurity requirements (HHS HICP).

Budget, Workplan, and Milestone Payments

Milestone 0	**Signed Grant Agreement**: Completed Project Implementation Plan including budget and workplan approved by HCAI and adjusted to final grant amount. No later than October 30, 2026.
Milestone 1	**Procurement & Implementation Launch**: Completed Milestone 0, completed Technology Readiness Assessment with demonstrated feasibility, and a signed contract with EHR vendor dated post-grant agreement execution. 40% of payment.
Milestone 2	**Interim Report**: Completed interim report and required baseline training.
Milestone 3	**Final Report**: Completed Milestone 2, completed final report including confirmed go-live with EHR and percent of health professionals using new system, confirmed signatory of DSA, and fulfilled metrics requirements. 60% of payment.

Key Dates

Application closes	August 21, 2026 at 3:00 pm PT
Completeness and scoring review	August / September 2026
Award notifications issued	September 2026
Grant agreements executed	September / October 2026

Budget Year 1 applications are rolling until August 21 at 3:00 pm PT.
Organizations are encouraged to submit their applications as early as possible.

Additional Resources

Please visit the HCAI CalRHT webpage (https://hcai.ca.gov/rural-health/calrht/funding/) for program updates and additional resources:

- EHR Modernization Grant Guide
- EHR Modernization Request for Application (RFA)
- Budget and workplan templates
- Application portal
- Webinar recording *(to be published soon)*

For inquiries, please contact us at: info@calruralhealth.org or call 1-855-CAL-RHTP (855-225-7487)

Questions?

For CalRHT program updates, FAQs and more, visit the

HCAI CalRHT webpage
(https://hcai.ca.gov/rural-health/calrht)

OR
Please email
info@calruralhealth.org

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Thank You!