

Rural Health Transformation Program

Improving Access, Quality and Sustainability of Rural Healthcare

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Housekeeping and Introduction

- This webinar is hosted in Microsoft Teams, if you're not familiar with the platform, you can find the chat and view controls in the menu bar at the top of your screens
- The chat option will be open for asking questions during the Q&A session, which is at the end of this webinar
- We will try to answer as many questions as possible, but may need to defer questions specific to individual situations or to the CMS Notification of Funding Opportunity (NOFO)
- This webinar will be recorded and will be available within 5 business days

Webinar Objectives

- Inform and clarify the role of HCAI and the State Office of Rural Health in the Rural Health Transformation Program (RHTP) planning.
- Review the current rural health landscape.
- Inform participants on the purpose and goals of RHTP.
- Identify the types of approved activities supported through RHTP.
- Inform participants on the RHTP stakeholder engagement, and how HCAI intends to gather feedback and input.



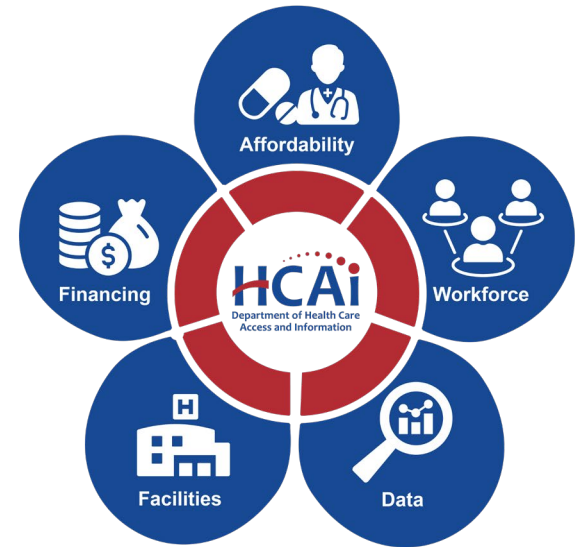
A woman with long dark hair, seen from the side, is looking at a large monitor. The monitor displays a video conference with several participants. The background is a bright, out-of-focus window with a brick wall visible outside.

Opening Remarks

Elizabeth Landsberg, HCAI Director

HCAI Program Areas

- **Facilities:** Monitor the construction, renovation, and seismic safety of California's hospitals and skilled nursing facilities.
- **Financing:** Provide loan insurance for non-profit healthcare facilities to develop or expand services.
- **Workforce:** Expand and diversify California's health workforce for underserved areas and populations.
- **Data:** Collect, manage, analyze, and report actionable information about California's healthcare landscape.
- **Affordability:** Improve health care affordability through data analysis, spending targets, and measures to advance value. Enforce hospital billing protections, and provide generic drugs at a low, transparent price.



HCAI's Vision and Mission



Vision

A healthier California where all receive equitable, affordable, and quality health care.

Mission

HCAI expands equitable access to quality, affordable health care for all Californians through resilient facilities, actionable information, and the health workforce each community needs.

Health Workforce Approach and Strategy



HCAI enables the expansion and development of a **health workforce that reflects California and addresses supply shortages and access to care**. We do this by administering programs and funding and publishing actionable data about California's health workforce and training.



Our Programs Cut Across Four Areas

Develop, support and expand a health workforce that:

- Serves medically underserved areas
- Serves Medi-Cal members
- Reflects and responds to the needs of California's population

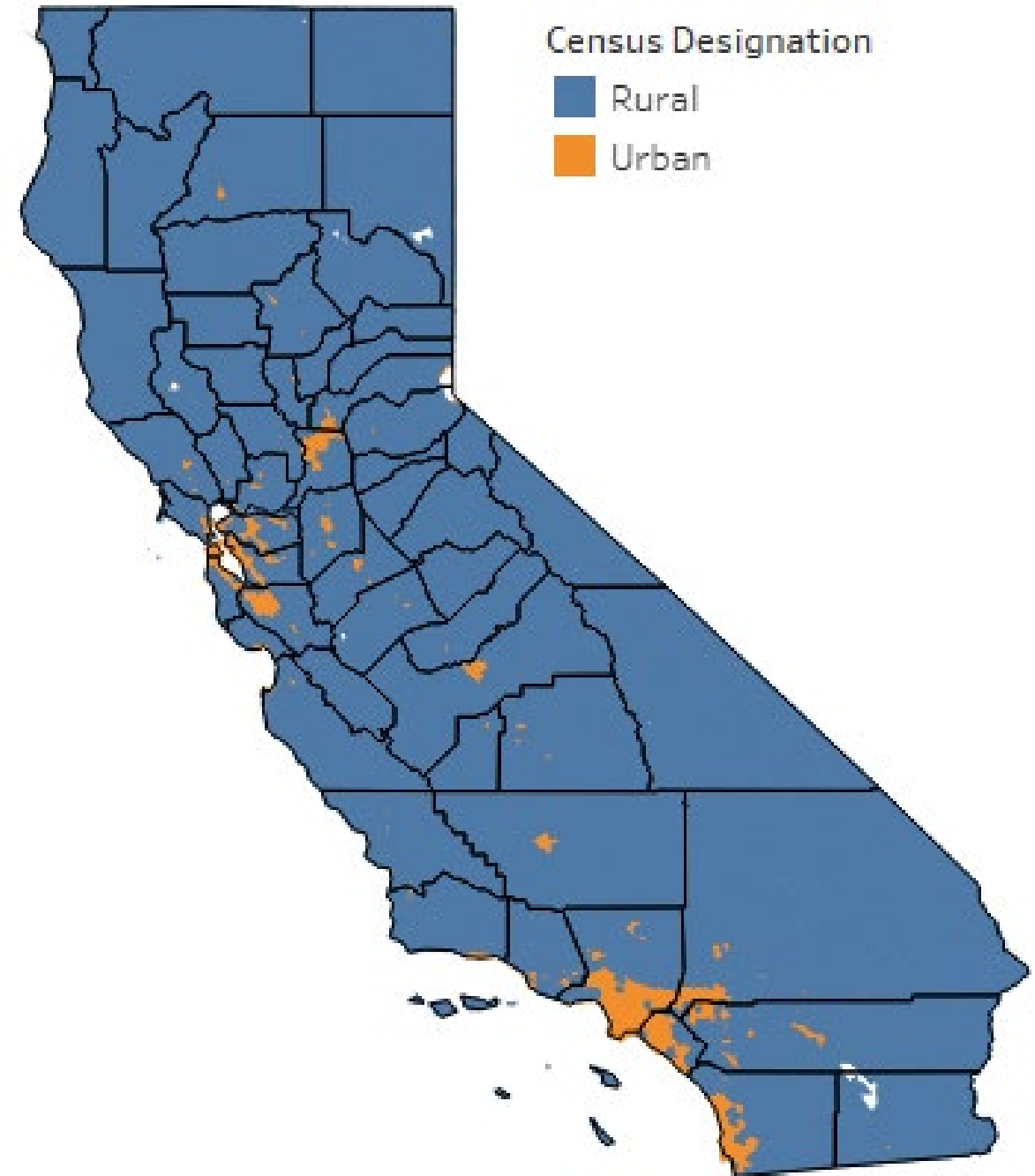
Offer programs that provide financial support for:

- Organizations building the workforce pipeline
- Organizations expanding educational capacity
- Individuals pursuing health careers
- Organizations supporting providers and addressing retention

Rural in California

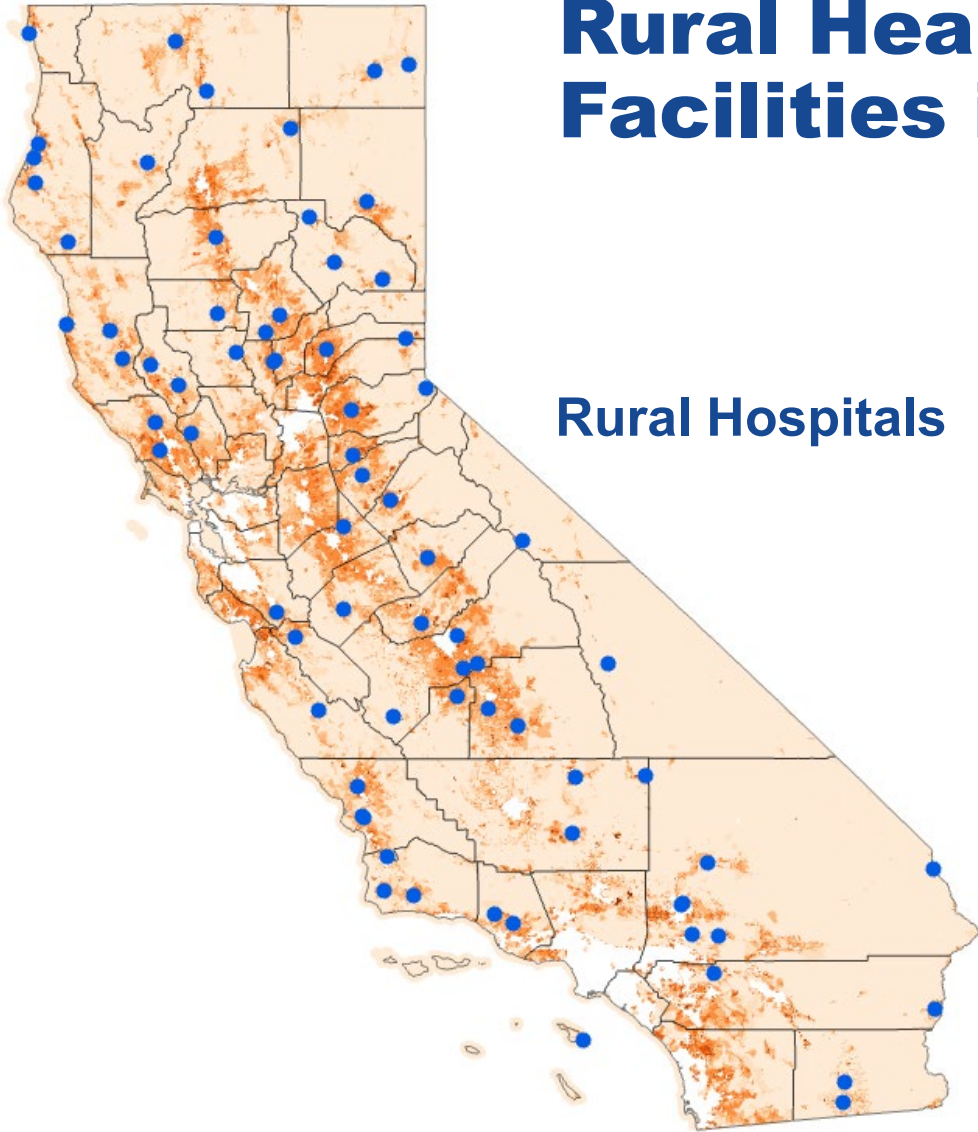
- 95.2% of California is a rural census block
- 2,278,733 people live in these rural census blocks
- 57 of California 58 counties have rural populations
- 279 Rural Health Clinics (RHC)
- 151 Federally Qualified Health Centers (FQHC)
- 76 rural hospitals
- Nearly 50% of rural communities are in a Primary Care Health Professional Shortage Area

Data based on U.S. Census Bureau definitions and American Community Survey estimates



Rural Health Facilities in California

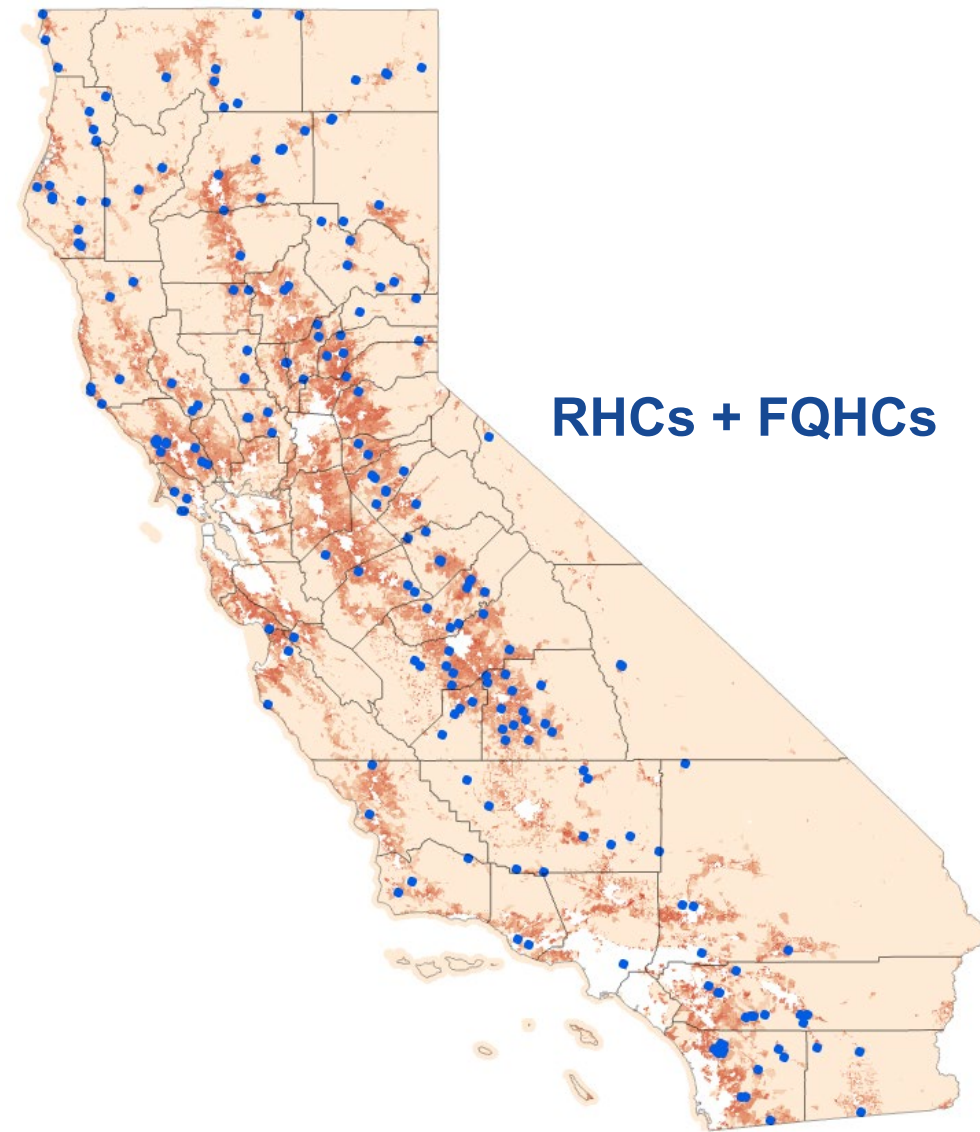
Rural Hospitals



Rural
Population Density



RHCs + FQHCs



Challenges in Rural Healthcare

California faces challenges that are consistent nationally and, in some cases, unique to California:

- Rural hospital closures including labor and delivery wards
- Health IT Infrastructure
- Workforce shortages (clinical and non-clinical)
- Housing shortages for workforce
- Changes in federal legislation for safety net providers
- Transportation for patients
- Rural population is aging and has increased need of chronic disease management
- Access to Specialty Care

What is a State Office of Rural Health?

The State Office of Rural Health (SORH) program is a federal-state partnership through the Health Resources and Services Administration (HRSA), Federal Office of Rural Health Policy (FORHP).

SORH transitioned to HCAI in 2022 as a part of a package that included Small Hospital Improvement Program, Medicare Rural Hospital Flexibility Program, and the J1-Visa Program

The general purpose of a SORH is to help rural communities build healthcare delivery systems.

A SORH is expected to:

- Collect and disseminate information
- Coordinate rural healthcare activities in states to avoid duplication
- Provide technical assistance to public and non-profit private entities

What is the Rural Transformation Program?

The Rural Health Transformation Program (RHTP) is a strategic effort to improve health care in rural areas, where access, workforce, and infrastructure gaps create unique challenges. The RHTP is an investment of \$50 billion over five years to transform rural health access.



This program was designed to:

Improve access to community healthcare providers.

Improve Health Outcomes

Intent of the Funding

- The RHTP provides support for hospitals, clinics, FQHC's, and other healthcare providers to make investments necessary to better meet the needs of rural communities and become more sustainable over the long term.
- This fund was not created to supplant Medicare/Medicaid but as a resource to states to transform how rural healthcare is delivered and paid for.



Funding

Federal Funding Distribution: \$50 billion will be disbursed for five years (FFY 2026 – FFY 2030).

\$25B will be distributed equally among approved states

Additional \$25B funding as determined by factors identified by CMS



State Funding Distribution

A baseline of \$100M will be distributed to approved states

Additional funding may be available based on application scores.



CMS must have all applications approved by December 31, 2025.



Spending Deadline: States have two years to spend each year's funding allotment.

Rural Health Transformation Goals

Federal legislation requires states to address the following goals in their proposals:

Improving Access
to Care

Improving Health
Care Outcomes

Promoting
Consumer Facing
Technology
Driven Solutions

Strengthening
Local
Partnerships and
Networks

Expanding the
Rural Health
Workforce

Advancing Data
& Technological
Innovation

Support System
Sustainability

Identifying
Specific Causes
for Rural Hospital
Closures

Rural Health Transformation Activities

States must identify at least 3 of the following activities within their proposals:

Promoting evidence-based interventions to improve prevention/chronic disease management.

Payments to providers

Promoting technology driven solutions for prevention and management.

Training/TA for developing and adopting technology-enabled solutions that improve care delivery in rural hospitals

Recruiting and retaining clinical staff to rural areas with a 5-year service obligation

TA, software, hardware for significant tech advances to improve efficiency, cybersecurity, patient outcomes

Right sizing health care delivery by identifying needed services, facilities, etc.

Supporting access to OUD/SUD treatment

Projects that support value-based care

Additional uses “designed to promote sustainable access to high quality rural health care services” as determined by CMS

Stakeholder Engagement

HCAI will be reaching out to stakeholders to conduct stakeholder engagement sessions via webinars, surveys, and listening sessions before the application deadline.

RHT Stakeholder Engagement Schedule	
September 4	Kickoff Webinar
September 5 – September 12	Stakeholder Survey
Mid September	NOFO Released from CMS
September 15 – September 26	Key Stakeholder Engagement
September 15 – September 26	HCAI Drafting of Priorities
September 29 – October 3	Feedback Listening Sessions
October 6 – November 7	Application finalization, Review, and Submission

Stakeholder Engagement

We welcome additional feedback and input!

Contact: State Office of Rural Health:

CalSORH@hcai.ca.gov

Sign Up for our Rural Health Mailing List:

<https://hcai.ca.gov/mailing-list/>

When subscribing, remember to select “Rural Health” under the *Healthcare Workforce* category to ensure you receive updates directly from SORH.

CalSORH website:

<https://hcai.ca.gov/workforce/health-workforce/california-state-office-of-rural-health/>



Questions & Answers

Chris Roina, Lead Communications Analyst, HCAI



Closing Remarks

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