



# California Rural Health Transformation (CalRHT) Program Briefing

March 20, 2026

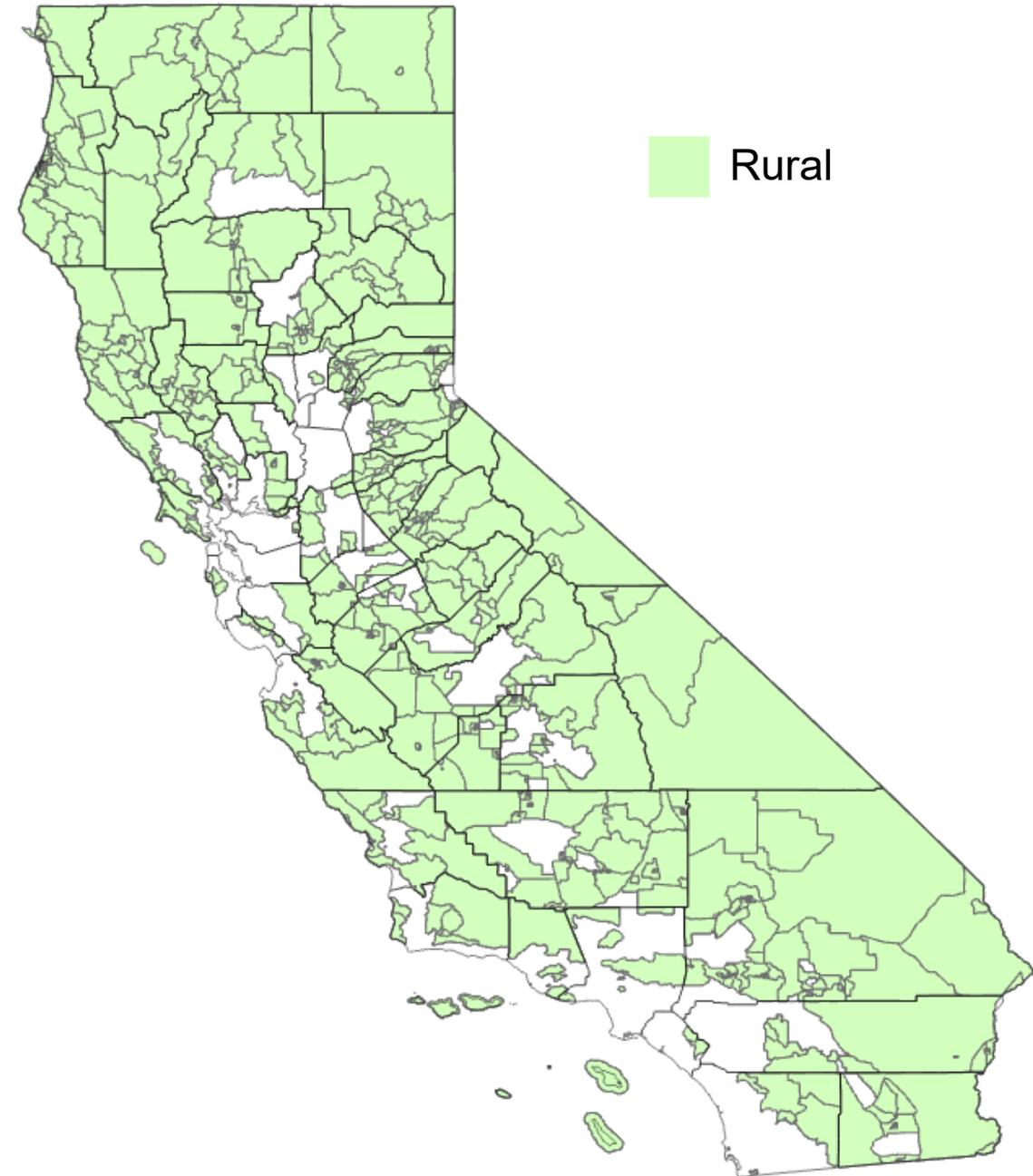
# Overview

- Rural California
- CMS's Rural Health Transformation Program (RHTP) Overview
- Timeline to Funding
- Stakeholder Engagement
- CalRHT Proposal & Timelines
- Rural Health Policy Council
- Next Steps

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, pending budget approval. 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.

# Rural California

- The state has over 2.7 million rural residents
- Of California's 58 counties, 57 contain rural areas
- 82.1% of California is a rural census tract
  - Approximately 76% of rural census tracts are in a Primary Care Health Professional Shortage Area
- The state has:
  - 279 Rural Health Clinics (RHC)
  - 45 Indian Health Service clinics
  - 296 Federally Qualified Health Centers (FQHC), including dual funded tribal clinics
  - 65 hospitals meeting HRSA or CMS's definitions of rural



# CMS's RHTP Strategic Goals

H.R.1 created the \$50 billion Rural Health Transformation Program (RHTP) with the following strategic goals:

Make rural  
America  
healthy again

Sustainable  
access

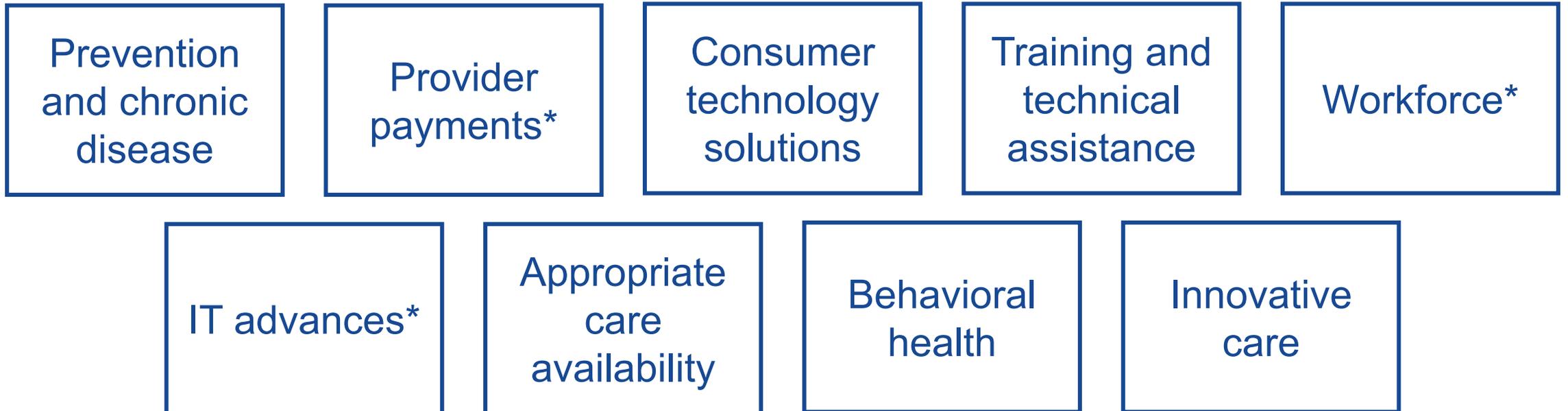
Workforce  
development

Innovative  
care

Technology  
innovation

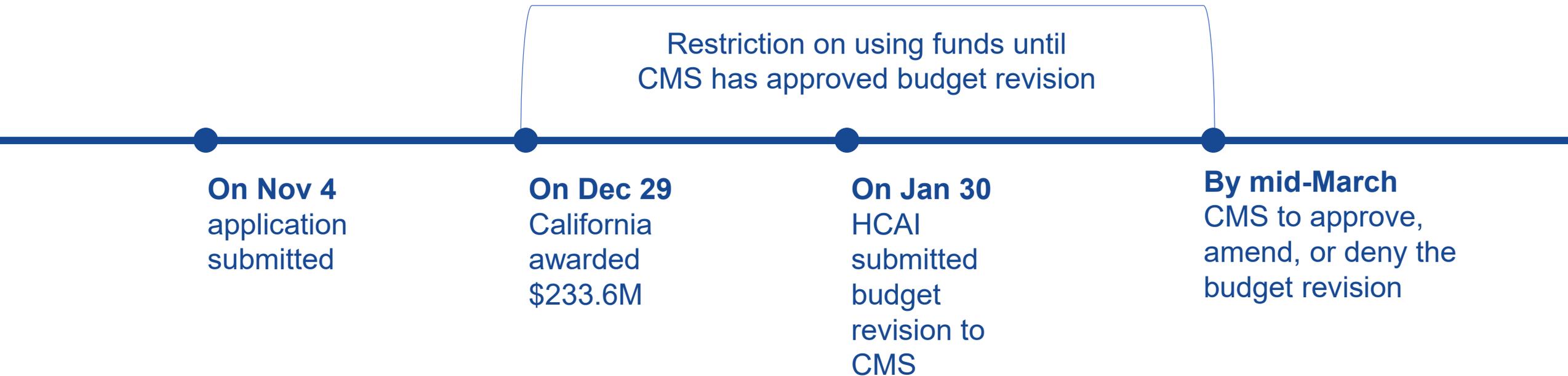
# Permissible Use of Funds

Funds must be used for at least three of the CMS-designated categories:



# Overview of CMS RHTP Award Process

- California was awarded the 3rd highest award in the nation
- **\$233,639,308\*** for Budget Period 1 (Jan – Oct 2026) of the RHTP



# Stakeholder Engagement

*In just over 8 weeks through the application process, HCAI heard from over 1600 stakeholders about priorities for strengthening California's rural healthcare.*

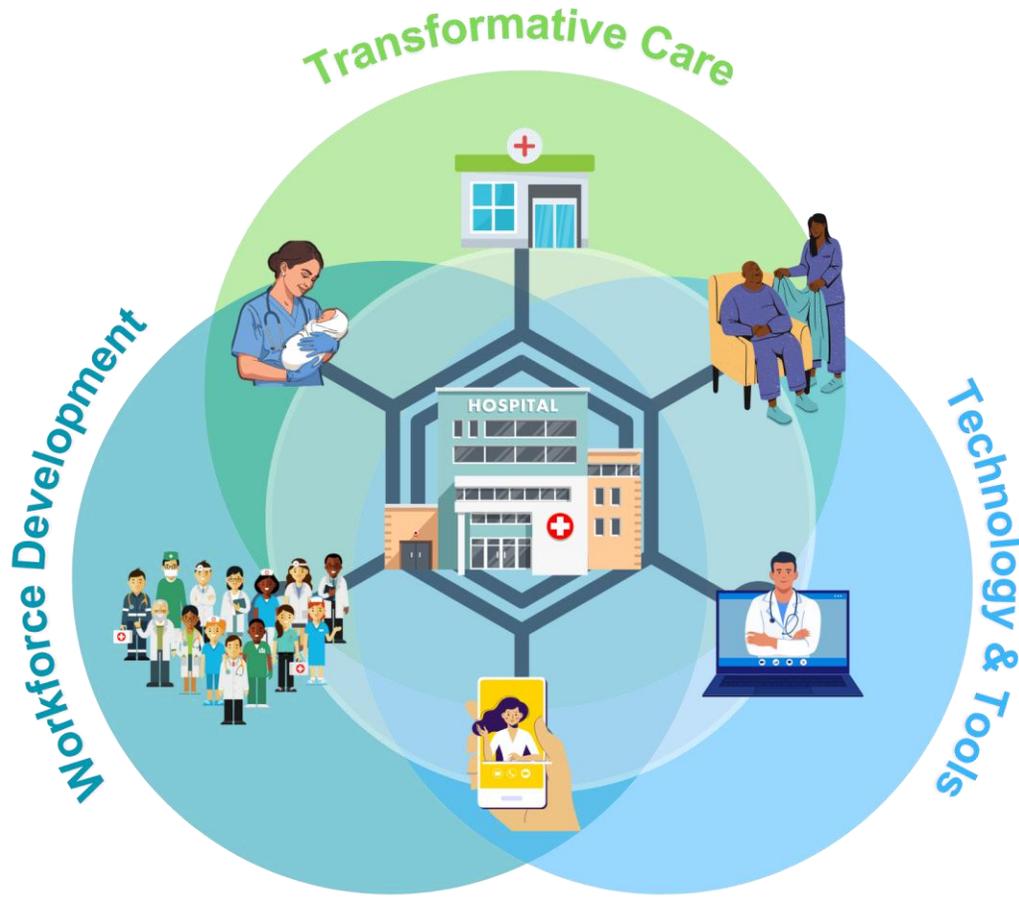
*Stakeholders included Hospitals, including Critical Access; Federally Qualified Health Centers; Indian Health Service, Tribal Health, or Urban Indian Health Organizations; Mental Health Programs; Academic Centers; Health Plans; Community Based Organizations; County and Local Governments and Departments.*

Stakeholders mentioned the following priorities:

- **Access to care (77%)**
- **Financial stability of rural hospitals (66%)**
- **Telehealth and remote monitoring (63%)**
- Infrastructure modernization (54%)
- Workforce recruitment and retention (51%)
- Training and education (49%)
- Innovation pilots (40%)
- Culturally responsive care (34%)
- Community health workers and doulas (23%)
- Maternal and child health (20%)
- Tribal health partnerships (14%)

# CaRHT Program Proposal

2026 - 2031



The California Rural Health Transformation (CaRHT) program vision is a **connected, resilient rural health system** in which every rural and frontier 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.**

CaRHT will expand regional care collaboratives, networks, and partnerships; apply evidence-based care; deploy tools that work in low resource settings; and invest in local readiness and health care services.

# CalRHT Initiative: Transformative Care Model



## Establish regional hub-and-spoke networks

*To create rural primary and maternity regional care collaboratives, networks, and partnerships that elevate rural health care by connecting regional hospital system hubs with local healthcare facilities and other providers to improve access to local, high-quality care.*

## Implement evidence-based models

*Through Extension for Community Healthcare Outcomes (Project ECHO), OB Nest, California Child and Adolescent Mental Health Access Portal (CAL-Map), and Perinatal Psychiatry Access Program (PPAP) to extend workforce and improve quality of care.*

## Leverage technology

*That will expand telehealth primary, maternity, specialty and chronic condition care; e-Consults; remote patient self-monitoring; and other tailored technology solutions.*

## Expand and support rural workforce capacity

*To reduce rural bypass by offering obstetrics training fellowships, supporting development of CHWs, LVNs, doulas, midwives, and other allied health professions.*



# CaRHT Initiative: Technology & Tools

## Infrastructure enhancement

*To help rural health entities meet baseline technology needs, tailored to facilitate reliable connection to and participation in regional care collaboratives, networks, and partnerships.*

## Technical assistance

*Through the Rural Technical Assistance Center which provides expert advice and hands-on support to transformative care model participants and other grantees.*

## Grant funding

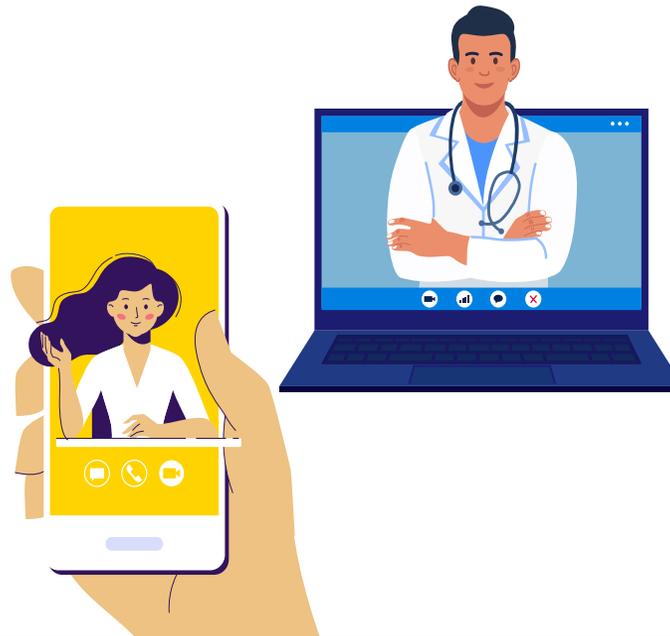
*To support providers in a variety of needs including modernizing electronic health records, practice management, screening tools, population health systems, telehealth and e-Consult platforms, optimizing interoperability, and improving revenue cycle management.*

## Expand regional collaboration

*By leveraging the Rural Technical Assistance Center to coordinate efforts to reduce technology costs and staffing burden for rural providers and create opportunities for group purchasing and shared management of tech services.*

## Technology & tools to empower consumers

*By promoting development of accessible digital tools and technologies and educating consumers on self-monitoring and reporting.*



# CalRHT Program Timeline

2026

2027

**Transformative  
Care Model**

**Pending CMS  
approval**



**Rural Workforce  
Development**

**Technology  
and Tools**

**Hub & Spoke, Regional Collaborative Networks**

**Leverage Technology**

**Rural Workforce Capacity**

**Launch Workforce Mapping Tool**

**Recruitment & Retention Programs**

**Clinical Placement Networks**

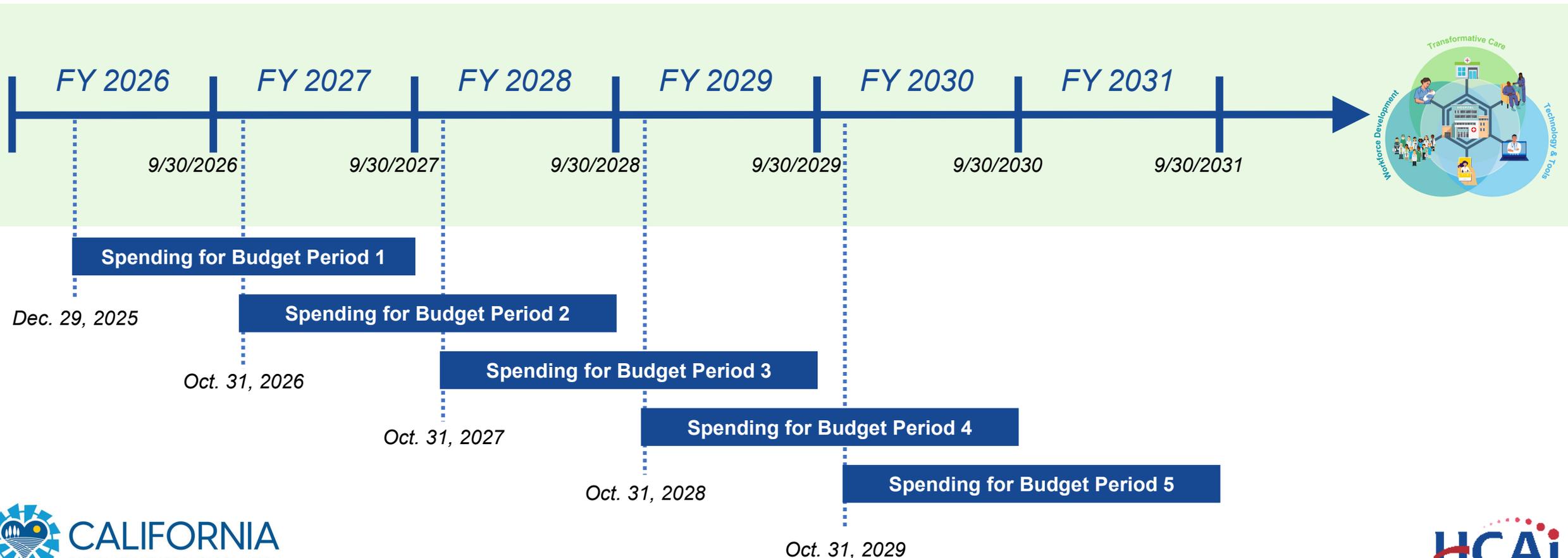
**Establish Rural Tech Assistance Center**

**T&T Grant Program**

# CaIRHT Budget Period Timeline

Program funding is appropriated from FY2026 through FY2030

- The Federal Fiscal Year's funding aligns with the five Budget Periods. Funds for each period need to be obligated by the end of the Budget Period.
- Expenditures obligated during each Budget Period may extend to the end of the following Federal Fiscal Year, as shown below.



# CalRHT Stakeholder Engagement

## *Key Dates*



### **Information & Communications**

**March 2026**

- *FAQs published*
- *Website updated*



### **CalRHT Webinars**

***Spring – Fall 2026***

- *Webinars will be scheduled to align with launch of new programs*



### **Rural Health Policy Council**

**Spring – Summer 2026**

- *RHPC council members announced*
- *RHPC convenes for first meeting*

# CalRHT Program Grants

## Key Dates



### Applications

Spring 2026

- *Begin release of request for applications*
- *Submission deadlines*



### Selection

Summer 2026

- *HCAI announcements of CalRHT awardee selection*
- *CalRHT awardees submitted for CMS review*



### CMS Review

Summer – Fall 2026

- *CMS will approve, amend, or deny CalRHT subaward decisions*
- *CMS authorizes fund use for grant subawards*



### Grant Funding

Summer – Fall 2026

- *CalRHT begins disbursement of grants*
- *Awardees must use funds by Sep 30, 2027*

# CaIRHT Rural Health Policy Council (RHPC)

*HCAI will convene a broad group of stakeholders representative of California's rural health providers, including rural hospitals, clinics physicians, clinicians, health plans, patient representatives, Tribal leaders, and state departments.*

RHPC will be a public forum for rural health stakeholders to discuss the CaIRHT program implementation, including:



Addressing policy questions from the CaIRHT team



Proposing ideas for CaIRHT consideration



Providing subject matter expertise



Helping communicate CaIRHT policy to the community



Sharing program performance feedback from rural California communities

# What's next for CalRHT?

- Complete discussions with CMS to gain approval on the use of funds
- Program design and standing up grants administration



## Look out for:

- FAQs to be released March 2026
- Rural Health Policy Council to convene in Summer 2026
- Upcoming CalRHT Program webinar notifications

# Questions?

For CalRHT program updates and FAQs, go to the HCAI-CalRHT webpage  
[California State Office of Rural Health - HCAI](#)

OR

Please email  
[CalRHT@hcai.ca.gov](mailto:CalRHT@hcai.ca.gov)