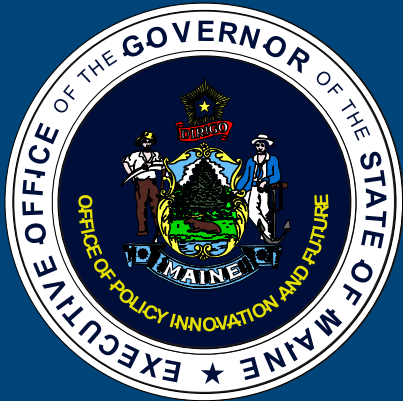


Maine's Rural Health Transformation Program (RHTP)

February 2026



RURAL HEALTH
TRANSFORMATION

Objectives

- RHTP Overview
- ME RHTP Proposal Development
- ME RHTP Proposal Components:
 - Initiatives
 - Proposed Activities
 - Budget
- CMS award
- Next Steps

Overview

Rural Health Transformation Program (RHTP)

Creation

- H.R. 1 enacted in July 2025; will cause Maine to lose ~\$5B in federal health funding over 10 yrs; projected impacts:
 - Rural health providers at risk
 - Higher costs for consumers
 - Increased number of uninsured individuals
- RHTP included in H.R. 1 as federal initiative to bolster rural health

RHTP Funding

- \$50B over 5 years (2026-2030)
- Distributed by US Centers for Medicare & Medicaid Services (CMS) to states with approved applications
- Two-Part Funding Allocation
 - Part 1: \$25B allocated evenly across all states (\$100M min per state each year)
 - Part 2: \$25B allocated to subset of states (at least 14) at CMS' discretion
 - All funds must be used quickly, with demonstrated results
 - States must use funds by end of 2nd fiscal year after funds distributed (i.e. Yr 1 funds by Sept 30, 2027)
 - Unused funds within stated time limits will be redistributed to other states

Federal RHTP Goals

Make Rural America Healthy Again

Sustainable Access

Workforce Development

Innovative Care

Technology Innovation

Federally-Approved Uses of RHTP Funding

(States required to select 3+)

1. Evidence-based prevention and chronic disease interventions
2. Payments to providers for care delivery (no more than 15% of total)
3. Consumer-facing digital health tools
4. Training/Technical Assistance (TA) for tech-enabled solutions
5. Rural clinical workforce recruitment and retention
6. Software, hardware, TA for major IT upgrades
7. Right-sizing rural health systems across the care continuum
8. Access to substance use treatment and mental health services
9. Innovative care models (value-based, alternative payment models)
10. Other CMS-approved rural health uses

Federally-Defined Funding Scope

Use funding to pay for...

- ✓ Transformation of care delivery
- ✓ Improved access to, quality of, and cost of healthcare in rural America
- ✓ Expanded or enhanced services but not duplicate programs
- ✓ Technological & infrastructure investments and startup costs that will have sustainable impact beyond the end of the program

Do not use funding to pay for...

- × New construction
- × Clinical services that duplicate billable services and/or attempt to change payment amounts of existing fee schedules
- × Other specified limitations outlined in the NOFO

CMS RHTP Timeline



September
2025



October
2025



November
2025



December
2025



Q1 2026

Application Released

September 15:
Application released

September 17:
Maine launches public engagement process

September 23 & 24:
Informational webinars

Application Formation

October 1: Maine's online public comment period through website closes

Mid-Late October:
Community Listening Sessions

Submission Deadline

November 5:
Application due

Awardee Decisions

December 29:
Awardee decisions

Monitoring Begins

2026+: Continuous monitoring & support from CMS

Maine RHTP Proposal Development

First, We Listened

- Created [Maine RHTP landing page](#)
- Hosted a public comment period (Sept 16 – Oct 1), resulting in 304 comments
- Hosted 2 webinars in mid-September
- Hosted 4 rural community listening sessions in late September

The screenshot shows the website for the Rural Health Transformation Program (RHTP) on the Maine Department of Health and Human Services (DHHS) website. The page includes a navigation menu with links for Home, About Us, Programs & Services, Offices/Divisions, and Data & Reports. The main content area is titled "Rural Health Transformation Program" and contains several sections: "Timeline" with key dates from July 2025 to 2026, "Public Input Complete - Partner Engagement Underway" with a thank-you message, "RHTP Structure & Funding" with details on national and state funding, and "Required Components" for funding approval. A sidebar on the right provides "For more information" with links to the budget reconciliation bill, program website, funding opportunity notice, and webinar slides.

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Home About Us Programs & Services Offices/Divisions Data & Reports

DHHS → Rural Health Transformation Program

Rural Health Transformation Program

[The State will apply for newly available funding](#) from the federal Rural Health Transformation Program (RHTP). The RHTP was created within the federal budget reconciliation bill, H.R. 1 (Section 71401 of Public Law 119-21) which was signed into law on July 4, 2025 and makes [significant cuts to Medicaid](#). These cuts are permanent and expected to increase the number of uninsured individuals and costs to provide health care to those individuals over the next several years, particularly in rural areas.

Nationally, these Medicaid cuts amount to nearly \$1 trillion over the next 10 years. That includes an estimated \$5 billion in cuts to Maine.

If awarded funding through RHTP, Maine anticipates receiving an estimated \$500 million, amounting to \$100 million a year over five years. States may also receive competitive discretionary funding above that amount. Funding for RHTP is temporary and one-time and must be used within the specified time period.

Public Input Complete - Partner Engagement Underway

The public comment period to inform Maine's RHTP plan and application has closed. Thank you to the many people who took the time to share their ideas, expertise, and experiences. Your feedback is helping guide how these important funds can best support rural health in Maine.

The State of Maine has now moved into the next stage - working more closely with partners and communities across rural Maine - as we prepare an application due on Nov. 5, 2025.

The State of Maine hosted public information webinars about RHTP, which can be viewed in their entirety:

- [September 23: Webinar Recording](#)
- [September 24: Webinar Recording](#)

RHTP Structure & Funding:

Total funding for the RHTP is \$50 billion nationally, to be allocated to approved States over five fiscal years, with \$10 billion of funding available each fiscal year, beginning in fiscal year 2026 and ending in fiscal year 2030.

The funding will be distributed by the U.S. Centers for Medicare & Medicaid Services (CMS) as follows:

- 50% to be distributed equally amongst all States with a CMS-approved RHTP plan.
- 50% will be allocated by CMS to a subset of states based on a variety of factors including rural population, the proportion of rural health facilities in the state, the situation of certain hospitals in the state, and other factors to be specified by CMS.

Required Components:

To qualify for RHTP funding, the State of Maine will develop its RHTP plan and submit it to CMS for approval. The plan will outline how the State will address specific components required by the federal law, including how Maine's RHTP plan will:

- [Improve access to hospitals, other health care providers, and health care items and services provided to rural residents](#)

Timeline

- **July 4, 2025:** H.R. 1 budget reconciliation bill signed, appropriating \$50 billion in funding for the RHTP over five years
- **September 15, 2025:** CMS releases RHTP funding application (Notice of Funding Opportunity) for states
- **September 17, 2025:** Public input process opens
- **October 1:** Public comment through website closes
- **Nov. 5, 2025:** State applications due to CMS
- **December 31, 2025:** CMS to complete State awardee decisions
- **2026 onward:** CMS provides continuous monitoring and support to states

For more information

- [H.R. 1 Budget Reconciliation Bill - federal bill text](#)
- [Rural Health Transformation Program - CMS program website](#)
- [Notice of Funding Opportunity \(NOFO\)](#)
- [Maine RHTP Public Webinar Slides](#)

What We Heard

Concerns about rural health & healthcare:

- Unaddressed root causes of disease and barriers to care – e.g. transportation
- Workforce shortages
- Gaps in technology & infrastructure
- Concerns about losing access to care
- Financial instability of hospitals and providers serving rural Mainers

These Themes Became → Maine's RHTP Approach

Empower rural Mainers to achieve their own healthy living goals

- Adopt and expand proven population health solutions that promote timely access to high-quality preventive, primary, chronic, and specialty care across the lifespan

Expand the supply of care

- Grow Maine's rural healthcare workforce
- Spread technology & innovation that connects every community to advanced care

Ensure care will be available and affordable long into Maine's future

- Support access to healthcare for rural Mainers otherwise unable to afford it
- Ensure a sustainable rural health care ecosystem by addressing persistent financial instability facing rural healthcare systems

Maine's Proposal Components

We Envision a Future Rural Health System that...

✓ **Bridges the Rural Divide:**

- Where one lives no longer dictates health outcomes or access to care
- All Mainers have tools to make healthy choices and live healthier lives, and rural communities have information, choices, and flexibility to create their own local, data-driven solutions

✓ **Provides Seamless Delivery:**

- A stronger rural healthcare workforce, innovations, and technologies ensure convenient, accessible and effective care
- Care is available to rural Mainers when they need it, where they need it

✓ **Offers Efficient, Incentive-Aligned Systems:**

- Communities come together to reduce fragmented service delivery
- Value-based payments move us beyond fee-for-service, ensuring dollars go further
- Rural health systems are strong and sustainable for future generations of Mainers

5 Initiatives, Each Comprised of Multiple Proposed Activities (Projects)

Initiative 1 **Population Health:** Promoting timely access to high-quality care

Initiative 2 **Workforce:** Strengthening Maine's rural health workforce

Initiative 3 **Technology Innovation:** Modernizing rural care delivery with digital health technology

Initiative 4 **Access:** Bridging the healthcare affordability gap for rural Mainers

Initiative 5 **Sustainable rural health ecosystems:** Addressing financial instability of rural providers

Initiative 1: Population Health

Empower rural Mainers to achieve their own healthy living goals: Adopt and expand proven population health solutions that promote timely access to high-quality preventive, primary, chronic, and specialty care across the lifespan.

Proposed Activities

- Expand alternative sites of care
- Deploy evidence-based practices
- Strengthen rural Maine's nutrition education infrastructure
- Expand Community Paramedicine programs
- Expand Community Health Worker and Peer Support programs
- Support access to mental health and SUD support

Initiative 2: Workforce

Expand the Supply of Care: Grow Maine's rural healthcare workforce across the continuum of care.

Proposed Activities

- Train, recruit, and retain healthcare clinicians and allied health professionals
- Strengthen local talent pipelines
- Develop and deploy a Healthcare Workforce Data Dashboard
- Invest in mobile training labs and simulation centers
- Pilot new models in rural workforce transportation

Initiative 3: Technology Innovation

Expand the Supply of Care: Spread technology & innovation that connects every community to advanced care

Proposed Activities

- Expand telehealth services, supports, and infrastructure
- Support data integration and the reliable exchange of healthcare data
- Expand the use of consumer-facing health technology tools
- Enhance Electronic Medical Records (EMR) systems
- Create Maine Rural AI Hub to support rural providers in adopting today's AI technologies
- Establish Rural Health AI Innovation Institute to promote development of new AI technologies purpose-built for rural populations

Initiative 4: Access

Ensure care will be available & affordable: Support access to healthcare for rural Mainers otherwise unable to afford it

Proposed Activities

- ~~• Issue provider payments for uncompensated care delivered by FQHCs, hospitals, and CCBHCs*~~
- ~~• Issue provider payments for provision of Essential Health Benefits to uninsured population*~~
- Implement more efficient and user-friendly MaineCare Provider Enrollment technology
- Improve coordination and leveraging of existing transportation infrastructure to assist rural Mainers to meet their health and wellness needs through technology and mobility planning
- Improve consumer-friendly transparency tool on state-based marketplace to improve access to and create competition for more affordable care plan options

**NOTE: These two activities were included in Maine's original proposal but were not allowed by CMS; Maine has proposed moving funds for these activities to Initiative 5: Sustainable Rural Health Ecosystems*

Initiative 5: Sustainable Rural Health Ecosystem

Ensure care will be available & affordable: Ensure a sustainable rural health care ecosystem by addressing persistent financial instability facing rural healthcare systems

Proposed Activities

- Improve hospital financial stability through tailored hospital financial management, planning and targeted investment
- Conduct rural regional health ecosystems planning and implementation
- Develop and provide support for providers to participate in multi-payer alternative payment models
- Strengthen Maine's interfacility non-emergency transport system
- Expand access to high-acuity, non-inpatient hospital care for children with complex behavioral health needs

Maine RHTP Overarching Performance Metrics

Objective	Goal	Motivation
Living Healthier Lives: Well-controlled blood pressure (BP) among individuals in rural areas with high BP	Increase relative percentage of residents in rural areas with high BP that is well-controlled by 10%	Heart disease is the leading cause of death across the state's most rural and remote counties. Improving BP control among rural residents will demonstrate effectiveness of healthy lifestyles, preventive interventions, and chronic disease management strategies.
Quality of Healthcare Delivered: 30-day all-cause readmission rate	Reduce relative 30-day all-cause readmission rate among rural patients by 10%	Rural Maine residents face access barriers due to limited provider availability, a challenge that is expected to grow as the state's population ages substantially in the coming years. Delivering efficient and high-quality care, central to Maine's RHTP strategy, will be paramount to managing patient care and preventing complications during this period.
Getting Care When Mainers Need It: Non-financial barriers to care	Reduce relative percentage of adults in rural areas who report delaying medical care for reasons other than costs by 10%	Between 2018 and 2022, the percentage of adults in rural areas of Maine who reported delaying medical care for non-cost reasons rose from 14% to 26%, an 86% relative increase. Maine's RHTP plan aims to significantly reduce non-financial barriers and improve access to care in rural communities, through initiatives that include workforce recruitment, telehealth expansion, and AI-driven provider efficiencies.
Durability of Care Options: Rural hospitals' financial health	Reach at least 75% of Maine's rural hospitals achieving annual operating margins sufficient to make ongoing investments to improve operations and	Maine's rural hospitals serve as crucial access points for care and economic anchors in their communities, yet a recent hospital closure and two hospital conversions highlight the financial challenges these facilities face. Maine's RHTP initiatives aim to not only prevent closures but to strengthen

Maine RHTP Budget

- **Budget development:** All 50 states were required to submit initial “hypothetical” budget of \$200M/year for 5 yrs with their application to CMS
- **ME RHTP Original/Proposed Budget Allocation** (total over 5 years):
 - Population Health: \$183M
 - Workforce: \$204M
 - Technology & Innovation: \$202.2M
 - Access to Care: \$186.7M
 - Sustainable Rural Health Ecosystems: \$198.6M
- **CMS notified Maine DHHS (12/29/2025) of Year 1 award: \$190,008,051**
- Maine DHHS currently working to adjust proposed budget and activities to align with CMS award

How Maine RHTP Funds Will be Distributed Post-Award

- Maine DHHS will use range of contract procurement methods- i.e.
 - Subawards & expedited contracts
 - Amendments to existing state contracts
 - Competitively bid contracts (RFPs, etc)
- State will post competitive solicitations for implementing proposed activities within Maine RHTP five Initiatives
- Contracts and funding will be managed through ME Department of Administrative & Financial Services (DAFS), Office of Procurement Services, in partnership with ME DHHS and other relevant state Departments
- Parties interested in responding to RFPs **must** register as a State of ME vendor and must have an active User ID and password in State's [Vendor Self Service \(VSS\) system](#)
- When RFPs are posted, they and related documents will be posted on the Office of State Procurement Services [Vendor Self Service \(VSS\) webpage](#) by selecting [VSS Portal link](#).

Next Steps

Maine RHTP: Next Steps

1. Continue engaging with Maine communities and providers

- Information and updates posted on Maine RHTP webpage
- Continue presentations, discussions, and meetings with key partners

2. Prepare for new Maine RHTP staff & partners

- Recruiting now for several positions on RHTP core team
- Identifying contracting options, developing RFPs for contracted functions, partners

3. Working with CMS on final ME RHTP budget & activity adjustments

- CMS has committed to finalizing agreements with states within 30D of updated budget proposals

For Additional Information

For more information or to follow progress:

- CMS: [CMS.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program](https://www.cms.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program)
- Maine RHTP: [Maine.gov/dhhs/ruralhealth](https://www.maine.gov/dhhs/ruralhealth)

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