Maine Rural Health Transformation Program

Summary of DHHS Project Narrative

November 15, 2025

Maine Hospital Association

Overview

Maine Hospital Association

DHHS submitted RHTP Project Narrative (Nov 5, 2025)

60-Page Application on MHA & DHHS Websites

CMS to Decide by December 31st

Uncertainty: What happens to this $200M plan if they only get $100M?

Overview

Maine Hospital Association

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Rural Health Transformation Program

Maine has submitted its application for funding through the Rural Health Transformation Program (RHTP). Supporting materials are available, including the Summary of Maine's RHTP Plan (PDF) and the State of Maine RHTP Project Narrative (PDF).

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.

Valuable Public Input – Partner Engagement

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

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:

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

https://www.maine.gov/dhhs/ruralhealth

Overview

Maine Hospital Association

State of Maine

Rural Health Transformation Program
Project Narrative

Takeaways

Direct Aid for Hospitals is Limited & Targeted

Lots of Consultants and Bureaucracy…*Partner* in Reform?

Interesting Proposals Everywhere

Uncertainty: What happens to this $200M plan if they only get $100M?

Target Population

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690,000 RESIDENTS IN 12 “FULLY RURAL” COUNTIES

PLUS, RURAL AREAS OF 4 PARTIALLY RURAL COUNTIES

FOCUS ON AGING, LOW-INCOME, AND MEDICALLY UNDERSERVED POPULATIONS

Rural Maine Profile

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Demographics:

Older and poorer demographics

Population Health

Sicker population health outcomes

Behavioral Health

More Need Less Access

Infant & Maternal

OB/L&D closures reducing maternal care access

Access to Care

Limited and getting worse

Financial Health

Financially strained hospitals across rural counties

Specific Performance Objectives

Maine Hospital Association

Healthier Lives –

Increase # of rural people with controlled hypertension

Quality –

Cut hospital readmissions by 10%

Access –

Reduce % of adults who report delayed care

Financial Health –

75% of rural hospitals w/ 1% margins

Specific Performance

Objective	Baseline	Goal	Motivation
Living Healthier Lives: Well-controlled blood pressure (BP) among individuals in rural areas with high BP	Baseline rate for all Mainers is not currently available but will be collected beginning in FY 2026 using RHTP funding. For Maine Medicaid populations in 2023, 64% of members with high BP had adequate BP control.	Increase the 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	Baseline rate for all Mainers is not currently available but will be collected beginning in FY 2026 using RHTP funding. Nationally, the 30-day all-cause readmission rate from 2016-2020 was 13.9.	Reduce the 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	In 2022, 26% of Maine adults in rural areas reported delaying medical care for reasons other than costs.	Reduce the 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	In 2023, 57% of Maine's rural hospitals had operating margins at or above 1%.	Reach at least 75% of Maine's rural hospitals achieving annual operating margins sufficient to make ongoing investments to improve operations and care (at or above 1% operating margin).	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 hospital operations and support investments in quality care improvements.

RHTP Core Initiatives

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1. **Population Health –** access to high-quality care
2. **Workforce –** grow and retain rural healthcare workers
3. **Technology Innovation –** telehealth & digital modernization
4. **Access –** affordability & transportation
5. **Financial Sustainability –** stabilize rural health systems

Initiative 1: Population Health

"This initiative targets the complex health challenges facing rural Mainers. It focuses on an aging population, rising chronic and behavioral health conditions, and fragmented care."

Expamd Alternative Sites of Care

(CCBHCs, School Based Clinics, Mobil Units)

Evidence Based Practice Training

Nutrition & Community Education

Expand Community Paramedicine

Expand Community Health Workers and Peer Support Programs

Continuum of Care for MH and SUD

(Largely Tribal)

Metrics: Population Health

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Initiative 1 – Population Health			
Number of Maine CDC recognized SBHCs in Maine	Maine CDC and Maine Public Schools/Annual	School-level (ZIP Code)	Baseline: 19 SBHCs in Maine public schools/Goal: 29 SBHCs by FY 2030
Proportion of attendees at EBP trainings from rural organizations	EBP Training vendor logs/ Annual	ZIP Code of organization	Goal: 50% by FY 2030
Number of new OTP access points located in rural areas	Maine Office of Behavioral Health & Service Providers/ Annual	ZIP Code	Baseline: 6 rural OTP sites/Goal: 1 additional per year
Proportion of MaineCare rural population with BH needs that accessed ambulatory or primary care	MaineCare claims data/ Annual	ZIP Code	Goal: Increase current proportion by 5 percentage points by FY 2030, with progressive growth across Years 1-5
Number of CP agencies per county	Department of Public Safety (EMS)/Annual	County	Baseline: All counties except Aroostook and Washington have a CP agency/Goal: CP agency in every county by FY 2030

Initiative 2: Workforce

"Maine will grow the pipeline of rural health workers, mitigate barriers, strengthen incentives for health professionals to serve rural communities, and expand education, training, and clinical rotations in rural health settings."

Recruitment/Retention

Financial incentives, customized training

Local Training & Development

K–12 Bridge Academy, HTFM, CHET, rural and mobile simulation labs

Innovation

Workforce data dashboard, rural medical worker transportation pilot, EMR upgrades

Metrics: Workforce

Maine Hospital Association

Initiative 2 – Workforce			
Number of clinicians that commit to working in rural communities	Award vendor/Annually	ZIP Code	Goal: Recruit 200 clinicians per program year beginning in Year 2 (FY 2027)
Number of new health career pathway programs launched in rural school districts	Maine Department of Education/Annual	School District	Goal: Launch 2 new programs per year in rural communities beginning in Year 2 (FY 2027)
Number of students enrolled in health certificate and degree programs in rural communities	Health Care Training for ME Partners/Annual	ZIP Code	Goal: Enroll 500 new students per year beginning in Year 2 (FY 2027)
Number of new clinical preceptors supervising students in a rural setting	CHET Consortium/Annual	ZIP Code	Goal: Add 50 new preceptors per year throughout program duration (FY 2026 - FY 2030)

Initiative 3: Technology Innovation

"This initiative will enable rural health providers and patients to benefit from technology and information advances. Activities include enabling electronic medical record (EMR) upgrades, building interconnectivity of EMRs, expanding telehealth access, and supporting the adoption of emerging digital and Augmented Intelligence (AI) applications."

Expanded Access

(Urgent Care, Tele-BH, Specialty care for special populations, Facilitator training, Access hubs, provider-to-provider specialist consultations.)

Updated Technology

(EMR upgrades, Cybersecurity for Providers, EMS Connectivity)

Data Integration

(CHARM, HIN, CIE)

Patient Facing Tech

(Remote monitoring, other tools)

Artificial Intelligence

(Rural AI Hub & Rural Health AI Institute)

Metrics: Technology

Initiative 3 - Technology			
Percentage of adults who have had at least one ambulatory care visit and have one or more of those visits delivered via telehealth	Maine All-Payer Claims Database (APCD) and MaineCare claims data (with 1-2 year lag in APCD reporting, a subset of MaineCare claims will be used for	County	Goal: From FY 2026 to FY 2030, increase the relative percentage of adults who have had at least one ambulatory care visit and have had one or more of those visits delivered via telehealth by 20 percent, with progressive increases across program years
	timely reporting)/ Annual		
Among youth (5 to 18 years of age) the percentage of BH visits that are delivered via tele-BH services	Maine All-Payer Claims Database (APCD) and MaineCare claims data (with 1-2 year lag in APCD reporting, a subset of MaineCare claims will be used for timely reporting)/ Annual	County	Goal: From FY 2026 to FY 2030, increase the relative percentage of youth BH visits delivered via tele-BH by 20 percent, with progressive increases across program years
Percentage of primary care practices in rural communities that gain access to specialty consultations via either synchronous or asynchronous telehealth	Practice surveys/Annual	Provider-level (ZIP code)	Goal: From FY 2026 to FY 2030, increase the relative percentage of practices in rural areas that gain access to telehealth specialty consultations by 20 percent, (excluding practices that had access to services at baseline), with progressive increases across program years
Percentage of primary care practices in rural communities that gain access to an AI-supported ambient documentation service	Practice surveys/Annual	County	Goal: From FY 2026 to FY 2030, increase the relative percentage of practices in rural counties with AI ambient dictation system by 20 percent, (excluding practices that had access to services at baseline), with progressive increases across program years

Initiative 4: Access

"This initiative addresses the financial and transportation barriers to healthcare experienced by rural Mainers that limit access to preventive care and effective disease management… Activities include provider payments to reimburse for otherwise uncompensated care, technology to help rural Mainers select best value coverage for their needs, and innovating transportation solutions."

Uncompensated Care Payments (Yr. 1)

Hospitals, FQHCs and CCBHCs – directly related to UC costs.

Essential HB For Uninsured (Yr. 2-5)

This is subject to the 15% cap for provider payments.

Provider Enrollment in Medicaid

Been a request of MHA for several years.

Coordinated Transportation

Maine Regional Coordinated Services Pilot

Consumer Transparency Tools for SBE

Better way to shop for exchange plans.

Metrics: Access

Initiative 4 – Access			
Rate of primary care utilization among individuals in uninsured pool	MaineCare claims data/Annual	ZIP Code	Goal: Maintain parity with current MaineCare utilization rate throughout program duration
Asthma Medication Ratio: Percentage of individuals in uninsured pool with persistent asthma who had a ratio of controller medications to total asthma medications of 0.50 or greater (19-64 years of age)	MaineCare claims data/Annual	ZIP Code	Goal: Match national median for Medicaid (currently 62%) by FY 2030, with progressive increases across Years 2-5 (FY 2027 – FY 2030)
Initiation and Engagement of SUD Treatment: Percentage of new SUD episodes for adults age 18 to 64 in uninsured pool with initiation of SUD Treatment within 14 days.	MaineCare claims data/Annual	ZIP Code	Goal: Match national median for Medicaid (currently 44%) by FY 2030, with progressive increases across Years 2-5 (FY 2027 – FY 2030)
Breast Cancer Screening: Percentage of women ages 50 to 74 in uninsured pool who received a mammogram to screen for breast cancer	MaineCare claims data/Annual	ZIP Code	Goal: Match national median for Medicaid (currently 50%) by FY 2030, with progressive increases across Years 2-5 (FY 2027 – FY 2030)
Number of transportation organization provider vehicles	App vendor/Annual	State	Goal: 10 additional providers per year
participating in Maine Regional Coordinated Services Pilot			

Initiative 5: Financial Instability of Rural Health Providers

"This initiative supports the long-term financial strength and resilience of Maine's rural health ecosystem, which is challenged by shrinking patient volumes, rising supply and labor costs, gaps in the service continuum, and a shifting payer mix."

Hospital efficiency & management support

Grants to hospitals to plan, and tech upgrades.

Regional health ecosystem planning

DHHS & OAHC & & MHDO & Consultant

Multi-payer APM development

PCP+ on steroids?

Interfacility transport system

Similar to Covid/FEMA; EMS Board Initiative

Pediatric residential treatment facility

PRTF Development

Metrics: Financial

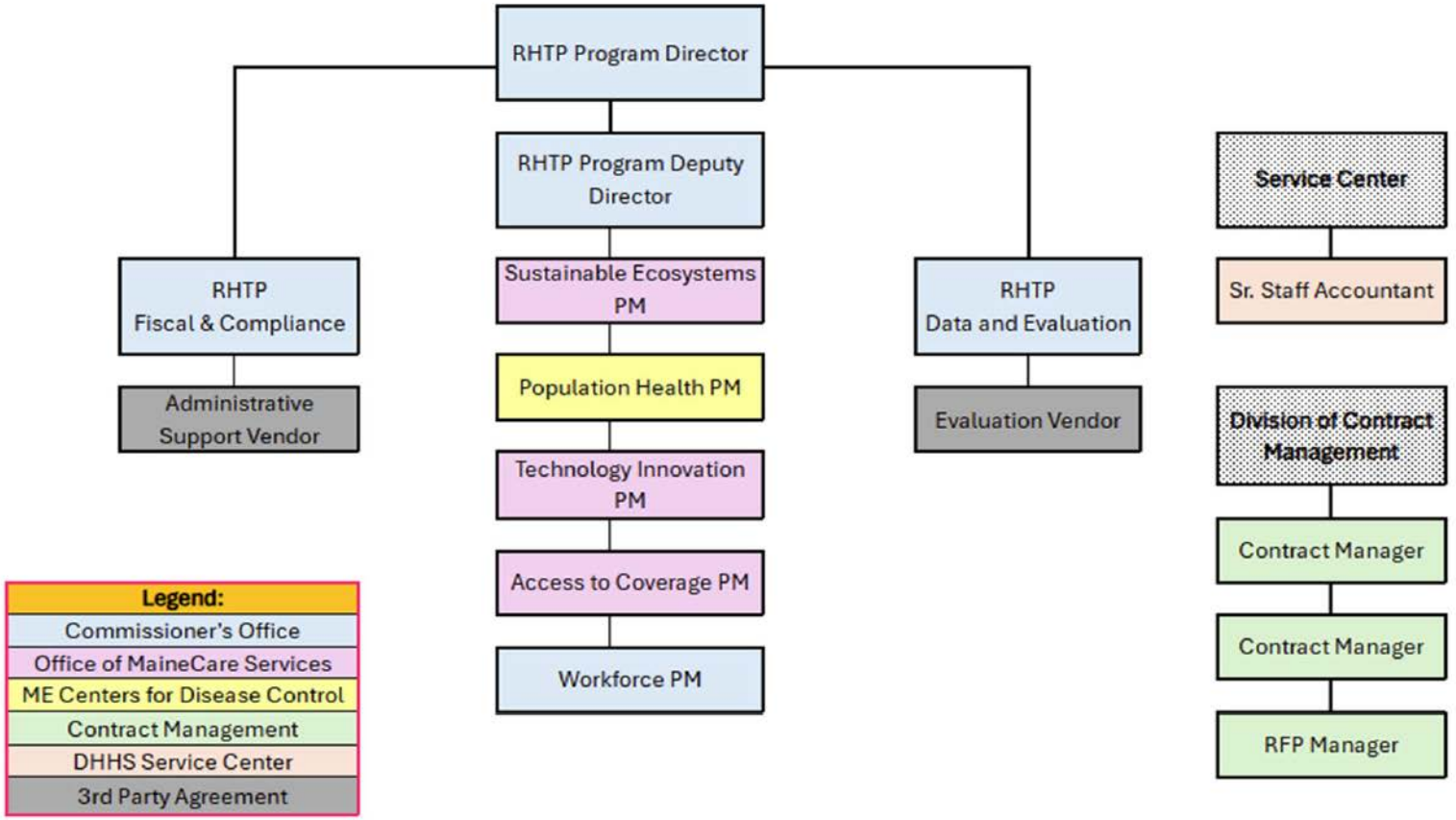
Initiative 5 – Sustainable Rural Health Ecosystems			
Percentage of MaineCare reimbursement in APMs	MaineCare claims data/Annual	State	Baseline: 57%/Goal: 60% by FY 2030
Number of hospitals serving rural communities that implement actions in alignment with developed financial management plans	Maine hospitals/Annual	ZIP Code	Goal: 90% of hospitals selected to participate in trainings
Percentage of Maine children/youth who receive PRTF-level services in-state	Maine Office of Behavioral Health/ Annual	State	Baseline: 0%/ Goal: Increase by 10 percentage points annually beginning in year 2 (FY 2027), reaching 40% by FY 2030
New partnerships as a result of regional health ecosystems planning and implementation	Maine Health Data Organization/Annual	State	Goal: 100% increase in cross-organizational partnerships throughout program period

Governance & Advisory

Governance Committee:	DHHS, Governor's Office, Medicaid, CDC, Behavioral Health, DOL
Advisory Committee:	Rural hospitals, FQHCs, Tribal, EMS, LTC, CBOs, public health, academia

Monthly oversight & cross-sector input

Governance & Advisory



Sustainability Plan

Updates to laws, payment models, and DHHS rules

Builds on MaineCare rate reform

Focus on long-term APM and financial resilience

Sustainability

Sustainability Action Key									
1	Right-Sizing Rural Planning	2	Economies of Scale & Efficiencies	3	MaineCare Reimbursement	4	Alternative Payment Models	5	Other State/Federal Funding
6	Public/Private Partnerships	7	State Policies Changes	8	1x funds; no sustain. action needed	9	Transitional support only; no sustainability action needed		

Sustainability Action Plan		
Initiative	*Activity or Sub-Activity*	*Action*
Population Health	Alternative Sites of Care	2; 3; 4
	Spreading Evidence-Based Practices	2; 3; 7
	Nutrition Education Infrastructure	3; 4; 5; 7
	Shared Workforce Models for Community Paramedicine	1; 2; 3; 4; 6
	Community Health Worker / Peers Program to Facilitate Access	1; 2; 3; 4; 6
	SUD/MH access	3; 4; 5
Workforce	Careers with Purpose Marketing Campaign	9
	Rural Provider Recruitment Incentive Programs	9
	Provider Training & Upskilling	9
	Consortium for Healthcare Education & Training (CHET)	2; 6
	Healthcare Training for ME Partnership	2; 6
	Health Career Pathway	6
	Healthcare Workforce Data Dashboard	1; 2; 5; 6
	Technology SIM LABS	8
	Rural Medical Workforce Transportation Pilot	1; 2
Technology	Remote Patient Monitoring	2; 3; 4; 5
	Patient-Facing Digital Health Tools	2; 4; 5
	AI-Supported Documentation and Clinical Decision Tools	2; 5; 6; 8
	EHRs, Telehealth Hubs, and Health Technology Infrastructure	2; 5; 8
Access	Provider Uncompensated Care Supplemental Payment	9
	Provider Payments for Essential Services for Uninsured	9
	Enable Dynamic Medicaid Provider Enrollment Experience	2
	Regional Coordinated Transportation to Health-Related Services	1; 2; 5; 6
	Empowering Consumer-Directed Health Care Decision Making	8
Sustainable Rural Health Ecosystems	Hospital Efficiency & Financial Management Program	1; 2; 3; 4; 5; 6; 7
	Regional Rural Health Planning and Implementation Fund	4; 6; 8
	Multi-Payer Alternative Payment Model Development	4; 7
	Interfacility Transport System	2; 5
	Access to Full Care Continuum for Children w/ Complex BH Needs	3

Overall Takeaways

Maine Hospital Association

- Lots of Initiatives
- Heavy administrative burden ('lots of strings')
- Hospitals are major player but not central or exclusive
- Transformational? Unclear, but should be beneficial

Questions

How Does MHA Engage?

What if total funding = $100M, not $200M?

How can MHA help you?