

Tina Kotek, Governor

**Dear Community Members and Partners,**

On November 4, 2025, the Oregon Health Authority (OHA) submitted the state's application for the federal Rural Health Transformation (RHT) Program. As the 9th largest state, with 33% of our population living in rural and frontier communities, Oregon faces ongoing challenges related to health care workforce shortages, limited preventative services, and the financial stability of rural hospitals and clinics. This program represents an opportunity for Oregon to invest in the health and well-being of our rural communities over the next five years if awarded funds.

At the same time, it is important to recognize that there are explicit limitations to how these funds can be used, if awarded. Most notably, the state cannot use awarded funds to supplant its state-share of Medicaid program financing, and funding cannot be used to pay for services that can already be reimbursed by Medicaid. In the context of overall reduced federal funding for Medicaid due to H.R. 1, the RHT Program provides a significant, time-limited opportunity to fast-track strategies in rural communities to prepare for the future.

The application itself is a technical document, written to meet the specific requirements established by House Resolution 1 and the Notice of Funding Opportunity from the Centers for Medicare & Medicaid Services (CMS). It is designed to address detailed criteria, scoring rubrics, and statutory limitations. While essential for federal review, we recognize that the language and structure of the application may not be easily accessible to all audiences. That's why OHA has prepared this summary: to offer a clear, public-facing overview of Oregon's proposed approach to rural health transformation should we receive the RHT Program award.

**Vision and Goals for Rural Transformation**

Oregon's vision for rural health transformation is aligned closely with the federal program's statutory goals. At its core, Oregon envisions healthy rural communities where people, partners, and technology come together to build thriving communities of care – rooted in prevention, strengthened by regional collaboration, sustained by a resilient workforce, and guided by smart data for better health and well-being.

To ensure all people and communities in rural Oregon can achieve optimum physical, mental, and social well-being at every life stage, we will anchor our efforts in these goals:

- Improving health access and outcomes,
- Fostering workforce innovation,
- Supporting technological and data-driven solutions,
- Building strategic partnerships, and
- Ushering in a future of financial sustainability.

### **Rural Transformation Initiatives**

To accomplish the vision and goals, Oregon is proposing five major initiatives.

First, we propose to invest in **regional partnerships and system transformation**. This initiative is designed to address urgent needs while building shared infrastructure that supports long-term change. Oregon will solicit local proposals and competitively fund efforts to create, deepen, and sustain regional partnerships among health care and social service providers. These partnerships will be encouraged to focus on high-need areas such as modernizing emergency medical services and bolstering access to maternity care, including labor and delivery. The goal is to both spur and sustain proven models that can streamline operations, reduce costs, and ensure sustainability through shared governance and participation in value-based care.

Second, we propose to expand **healthy communities and prevention** efforts. This initiative will support programs that improve access to preventive care, behavioral health services, and chronic disease management. It will also fund services that help people age in place and support maternal and child health. Oregon will scale evidence-based programs like nurse home visiting, school nursing, and mobile health units. These efforts will help ensure that rural residents can access care where and when they need it, using both in-person and digital tools.

Third, we propose to support **rural health workforce capacity and resilience** to ensure that communities have access to the care they need from providers who are trained, re-trained, supported, and rooted in the regions they serve. This initiative will invest in rural residency and fellowship programs in high-need specialties like behavioral health, maternity care, and family medicine, while also building “Grow Your Own” career pathways that begin in high schools and

extend through higher education. To make rural practice more sustainable, Oregon will offer supports such as housing stipends, childcare access, and professional development opportunities. These efforts are designed to reduce burnout, improve retention, and create a pipeline of skilled professionals committed to serving rural Oregon.

Fourth, we propose to also advance **technology and data modernization** to bridge geographic barriers and improve care coordination across rural, frontier, and remote communities. This initiative will fund the expansion of telehealth, remote patient monitoring, and digital tools that allow patients to receive care closer to home while helping providers manage chronic conditions more effectively. Oregon will also invest in health IT infrastructure, cybersecurity, and data-sharing systems that reduce administrative burden and support better decision-making. By modernizing these tools and systems, we aim to empower providers and communities with the technology they need to deliver high-quality, efficient, and connected care.

In honoring the government-to-government relationship, we propose a dedicated **Tribal initiative** for the Nine Federally Recognized Tribes of Oregon. This initiative will be structured as a set-aside to provide direct funding for Tribal-led strategies that align with community priorities, including workforce development, chronic disease prevention, telehealth expansion, and facility upgrades. Oregon is committed to honoring Tribal sovereignty and ensuring that these investments are guided by ongoing consultation and collaboration. The goal is to strengthen Tribal health care systems and support culturally responsive, sustainable care that improves health outcomes for Tribal communities across the state.

### **Oregon’s Approach to the Rural Health Transformation Program Application**

To make the most of this opportunity, Oregon is proposing a two-phase approach:

- **Phase 1**, which would begin in 2026, focuses on launching “Catalyst Awards” for projects that are ready to implement immediately. It also includes planning grants to support the development of regional partnerships and infrastructure.
- **Phase 2**, beginning in 2028, would fund larger, collaborative projects that demonstrate long-term sustainability. These efforts will build on the groundwork laid in Phase 1 and will emphasize regional models, shared infrastructure, and cross-sector collaboration.

This strategy allows us to accelerate work already underway in communities while also creating space for new, sustainable planning efforts that will maximize the long-term impact of these investments. This approach also recognizes a central feature of the federal RHT Program, a “clawback” provision, which requires states to meet specific milestones or risk returning unspent funds, underscoring the importance of thoughtful planning and timely action.

### **Looking Ahead**

Oregon’s Rural Health Transformation Program is a once-in-a-generation opportunity to reimagine how care is delivered in rural communities, while addressing urgent needs and shoring up proven models. By combining immediate action with long-term planning, and by centering community voices and regional collaboration, we believe this program can support Oregon in weathering the many emerging challenges of this era while fostering meaningful gains in the health and well-being of its rural residents.

We are grateful to the many partners who helped shape this application and look forward to working together to bring this vision to life.

### **For More Information**

[View CMS criteria here](#)

[View Oregon’s RHT Program application and more information here](#)

Questions? Email us at [RHTP@oha.oregon.gov](mailto:RHTP@oha.oregon.gov)