



January 27, 2026

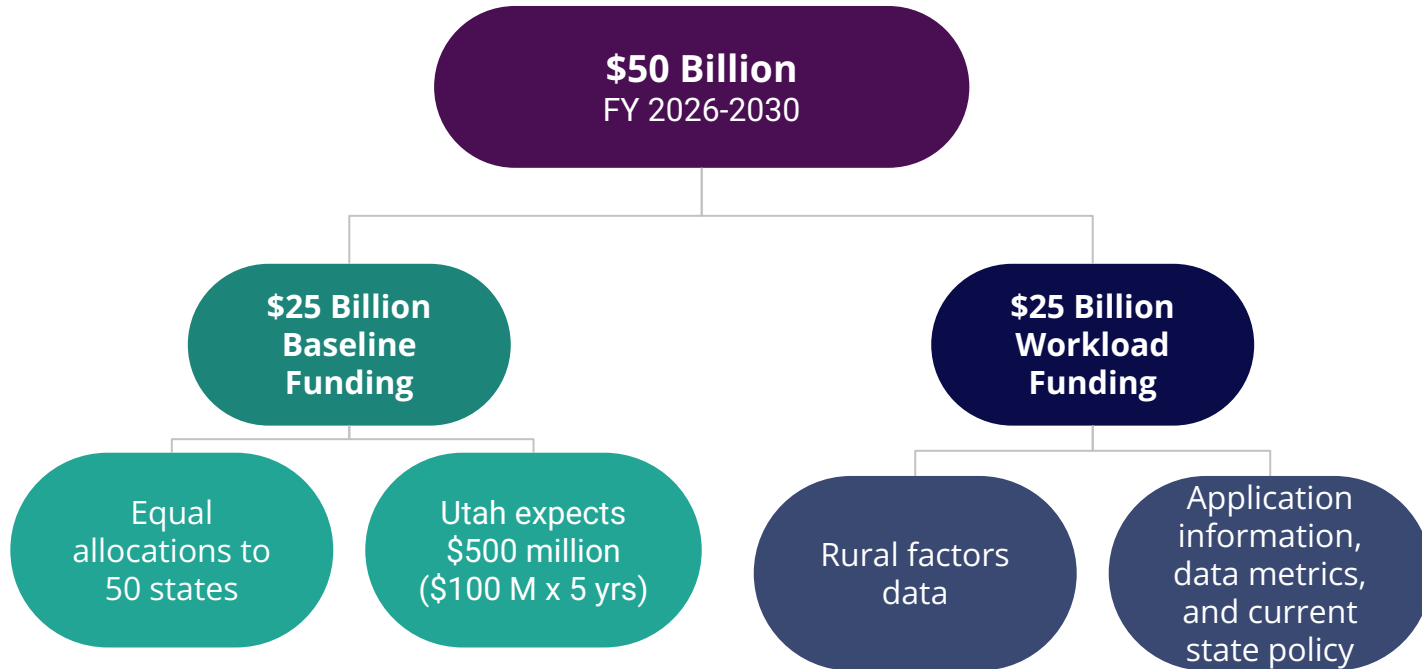
Rural Health Transformation Program Year 1 Budget

Executive Appropriations Committee

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Federal Rural Health Transformation Program Funding Summary



DHHS stakeholder engagement in the application process



August 2025	September 2025	October 2025
Stakeholder survey input	Partner feedback and workgroup development	Proposals, initiative development
<p>>100 survey responses from community stakeholders to help guide Utah's rural health strategy.</p>	<p>3 listening sessions across rural Utah: Moab, Brigham City, and Cedar City.</p> <p>4 workgroups of industry experts engaged.</p>	<p>>210 submissions open form for proposal ideas.</p> <p>2 public open sessions.</p> <p>Workgroup development of initiatives.</p>

Notice of Award

Received 12/29/2025

Year 1 amount:
\$195.7 million

Cooperative
Agreement

dhs.utah.gov/ruralhealth/

Key dates

January 30, 2026

Budget revision due to CMS

August 30, 2026

Year 2 application and first annual progress report due to CMS

October 30, 2026

End of first budget period

September 30, 2027

Year 1 funding can be spent through following federal fiscal year



Unallowable Use of Funds

Funds CANNOT be used:

- To supplant existing funding
- For new construction or building expansion, purchasing, or significant retrofitting of buildings
- For clinician salaries subject to non-compete clauses

Limits apply on certain spending:

- Capital expenditures and infrastructure: 20% cap
- Provider payments: 15% cap
- Administrative expenses: 10% cap
- Replacement of existing EMR in place as of September 1, 2025: 5% cap



Year 1 Contractual Budget by Initiative

Make Rural Utahns Healthy

1. Preventive Action and Transformation for Health (PATH): **\$29 million**

Workforce Development

2. Rural Incentive and Skill Expansion (RISE): **\$28.8 million**

Innovation and Access

3. Sustaining Health Infrastructure for Transformation (SHIFT): **\$55.5 million**
4. Financial Approaches for Sustainable Transformation (FAST): **\$18 million**
5. Leveraging Innovation for Facilitated Telehealth (LIFT): **\$26.5 million**

Technology Innovation

6. Shared Utilities for Partnered Provider Operational Resources and Technology (SUPPORT): **\$16.9 million**
7. Leveraging Interoperability Networks to Connect Services (LINCS): **\$16 million**



Year 1 Funding Plan

Funds to Other State Agencies

- Utah Department of Agriculture and Food: **\$11 million**
- Utah State Board Of Education: **\$3 million**
- Utah Department of Transportation: **\$11 million**
- Utah Department of Public Safety: **\$12.5 million**
- *Possibly* Department of Environmental Quality: Water Quality Infrastructure: **TBD**

Remaining DHHS Funds

- Released in accordance with state procurement law to solicit competitive applications for sub-awards, contracts, and grants
- * DHHS will partner with non-profit organizations to potentially support the administration and oversight of funds (i.e., Revenue Cycle, Shared Services, Capital Improvements, Workforce)



Year 1 Budget

Contractual budget summary by initiative and key actions

Strategic goal: Make rural Utahns healthy

1. Preventive Action and Transformation for Health (PATH): \$29 million

- **\$3 million** Gold Medal Schools
- **\$11 million** Food infrastructure
- **\$11 million** Physical activity infrastructure
- **\$2 million** Community Care Hub*
- **\$2 million** Behavioral health/primary care integration



Year 1 Budget

Contractual budget summary by initiative and key actions

Strategic goal: Workforce development

2. Rural Incentive and Skill Expansion (RISE): \$28.8 million

- **\$1.6 million** Graduate Medical Education (GME)*
- **\$200,000** Preceptor program
- **\$4 million** Grow Our Own program*
- **\$3 million** Non-GME program*
- **\$20 million** Recruit and retain activities



Year 1 Budget

Contractual budget summary by initiative and key actions

Strategic goal: Innovation and access

3. Sustaining Health Infrastructure for Transformation (SHIFT): \$55.5 million

- **\$30.5 million** Capital Infrastructure*
- **\$12.5 million** Emergency Medical Services (EMS)
- **\$2.5 million** Rural health networks
- **\$10 million** New models of care

4. Financial Approaches for Sustainable Transformation (FAST): \$18 million

- **\$6 million** Value-based care*
- **\$9 million** Revenue cycle optimization*
- **\$3 million** Alternative payment models (APM)*



Year 1 Budget

Contractual budget summary by initiative and key actions

Strategic goal: Innovation and access

5. Leveraging Innovation for Facilitated Telehealth (LIFT): \$26.5 million

- **\$1.5 million** Telehealth consortium*
- **\$25 million** Telehealth projects*



Year 1 Budget

Contractual budget summary by initiative and key actions

Strategic goal: Technology innovation

6. Shared Utilities for Partnered Provider Operational Resources and Technology (SUPPORT): \$16.9 million

- **\$9.4 million** Electronic Health Records (EHR)*
- **\$4.5 million** Cybersecurity*
- **\$3 million** Clinical and consumer-facing tech and AI solutions*

7. Leveraging Interoperability Networks to Connect Services (LINCS): \$16 million

- **\$5 million** Interoperability*
- **\$11 million** Semantic data model*

