



CMS Rural Health Transformation Program:

How Rural Medical Practices, State Health Agencies & Provider Networks Can Secure CMS Funding and Meet RHT Program Requirements—Fast

Executive Summary

The CMS Rural Health Transformation (RHT) Program represents \$50 billion in federal investment from 2026 to 2030, targeting healthcare modernization for 60 million Americans in rural communities.

For state health agencies, Critical Access Hospitals, Rural Health Clinics, FQHCs, and public health departments, the real question is deployment: how to build compliant infrastructure, measure outcomes, and maintain funding eligibility without getting stuck in multi-year implementations, enterprise IT overhead or operational disruptions.

This Definitive Guide Provides:

- A complete analysis of RHT Program requirements across all five strategic goals
- A compliance framework based on CMS performance metrics
- State funding allocations and critical implementation deadlines
- Proven deployment approaches that meet CMS requirements

Funding Quick Facts:

What Decision-Makers Need to Know Program

Program Element	Details
Total Investment	\$50 billion over five years (FY 2026–2030)
Annual Distribution	\$10 billion per fiscal year
Baseline Funding	\$25 billion distributed equally among all 50 states
Merit-Based Funding	\$25 billion allocated by rural metrics, policy actions, and initiative quality
First-Year Awards (2026)	Average \$200 million per state (range: \$147M–\$281M)
Eligible Recipients	State governments (with sub-awards to qualifying providers)
Continued Funding Contingency	Demonstrated progress on CMS goals and performance metrics

1: Understanding the CMS Rural Health Transformation Program

What Is the RHT Program?

Authorized by Section 71401 of Public Law 119-21, the Rural Health Transformation Program is administered by CMS through the Office of Rural Health Transformation (ORHT). At the program launch, CMS Administrator Dr. Mehmet Oz stated:

"This program is a historic investment that will catalyze needed change in rural health systems and improve lives for generations to come. For too long, when it comes to health care access and infrastructure, we've left behind the backbone of America. That stops now."

How Funding Flows to Rural Providers

States apply directly to CMS for RHT Program awards, individual providers cannot apply on their own. CMS evaluates these applications against strategic goals and merit criteria, then issues annual awards through cooperative agreements. States implement their approved Rural Health Transformation Plans and distribute funding to qualifying rural providers through sub-awards or contracts. Continued funding is contingent on demonstrated outcomes.

Strategic Insight:

Technology-ready organizations that align with CMS strategic goals become preferred partners when states award funding.

Who Qualifies for RHT Program Participation?

Direct awards go to state governments. The following organizations are eligible as implementation partners for state sub-awards and contracts:

Organization Type	Role in RHT Program
Critical Access Hospitals (CAHs)	25-bed rural hospitals that meet Medicare flexibility requirements
Rural Health Clinics (RHCs)	Outpatient clinics located in rural shortage areas
Federally Qualified Health Centers (FQHCs)	Community health centers serving underserved populations
Public Health Departments	State and local agencies supporting population health
Community Health Centers (CHCs)	Safety-net providers regardless of patient ability to pay
Rural Health Networks	Multi-site organizations coordinating regional care delivery

2: The Rural Healthcare Crisis Driving Federal Investment

Rural providers are dealing with structural challenges most urban-centric health systems weren't designed to address. Encounter-rate and cost-based reimbursement models demand specialized billing expertise. Thin operating margins leave no room for technology that doesn't deliver immediate ROI, with expensive failed projects not being an option. Workforce vacancy rates run 30–40% higher than urban facilities, with heavy administrative burden accelerating staff and clinical burnout. Excessive after-hours charting is also driving providers to leave rural practice.

Geographic isolation from specialists and tertiary care makes referrals and care access difficult. Broadband connectivity is often limited and unreliable creating further barriers to care. Most rural organizations don't have on-site IT staff to maintain on-premises systems. Value-based care requires data infrastructure these organizations haven't been able to afford. Complex and on-going reporting requirements to CMS, state agencies, and public health registries burden already stretched staff.

The RHT Program addresses these barriers by embedding health IT readiness across all five strategic goals.



3: The Rural Healthcare Crisis Driving Federal Investment

The Five CMS Strategic Goals—Complete Requirements Analysis

States must demonstrate quantifiable outcomes across all five strategic goals to maintain funding eligibility. Technology infrastructure underpins performance in every category.

Strategic Goal 1: Make Rural America Healthy Again

CMS wants data-backed, outcome-driven interventions for disease prevention, chronic care management, behavioral health, and prenatal care.

Technology Requirements for Compliance

Capability	CMS Alignment	Implementation Priority
Population Health Management	Risk stratification and care gap identification	Critical
Chronic Care Management (CCM)	CMS-compliant documentation and billing workflows	Critical
Remote Patient Monitoring (RPM)	Monitoring in between visits with automated alerts	High
Behavioral Health Integration	PHQ-9, GAD-7, AUDIT, DAST screening tools	High
Predictive Analytics	Identifying high-risk patients through AI	High
Care Management Dashboards	Population-level outcome tracking	Medium

What States Are Funding Under Goal 1

Texas is running "Rural Texas Patients in the Driver's Seat" to expand RPM and patient-facing health portals. Massachusetts has "SHINE HT" providing technology adoption support for rural CHCs. California is focusing on chronic disease prevention with quantifiable outcome tracking. Several states are pursuing nutrition-focused goals and food-as-medicine initiatives.

Strategic Goal 2: Sustainable Access

CMS wants CAHs, RHCs, and FQHCs to function as long-term access points through improved efficiency, sustainability, and care coordination.

Technology Requirements for Compliance

Capability	CMS Alignment	Implementation Priority
Revenue Cycle Management	Specialized expertise in CAH/RHC billing	Critical
Claims Management	First-pass acceptance optimization	Critical
First-pass acceptance optimization	Real-time A/R, collections and payer performance	High
Care Coordination	Hub-and-spoke referral management	High
Multi-Site Workflows	Shared services model support	Medium
Payer Contract Analytics	Reimbursement optimization	Medium

Performance Benchmarks for Sustainable Access

Metric	Target Benchmark	Industry Average
First-Pass Claims Acceptance	98%+	85-90%
Claim Denial Rate	<5%	10-15%
Days in A/R	<35 days	45-55 days
Clean Claim Rate	95%+	80-85%

Strategic Goal 3: Workforce Development

CMS requires technology solutions that reduce administrative burden, enable top-of-license practice, and address the rural provider shortage.

Technology Requirements for Compliance

Capability	CMS Alignment	Implementation Priority
AI Scribe	Ambient clinical documentation	Critical
AI Patient Contact Center	24/7 scheduling, refills, billing inquiries	High
Leap - Patient Portal	Self-service to reduce staff burden	High
Digital Intake	Paperless check-in, intake and consent management	Medium
Multilingual Support	Serving diverse rural populations	Medium

Impact Metrics for Workforce Development

Metric	Documented Outcome
Reduction in Clinical Documentation Time	70% Decrease with AI clinical Scribe
Provider Time Saved	90+ Minutes per provider per day
After-Hours Charting	Fully eliminated with ambient documentation
Front-Desk Burden	Fully eliminated with ambient documentation

Strategic Goal 4: Innovative Care Models

CMS expects payment mechanisms that incentivize rural providers and ACOs to lower costs, improve quality, and transition to value-based care.

Technology Requirements for Compliance

Capability	CMS Alignment	Implementation Priority
MIPS/QPP Reporting	Automated quality measure calculation and CMS submission	Critical
Value-Based Analytics	Contract performance tracking	High
Quality Dashboards	Provider performance visibility	High
ACO Participation Tools	Shared savings and risk analytics	Medium
Financial Modelling	Value-based reimbursement impact analysis	Medium

What States Are Funding Under Goal 4

Delaware's "FQHC Value-Based Care Readiness" funds technology upgrades and care management infrastructure. Georgia and Connecticut are preparing providers for CMS AHEAD Model participation. Multiple states are providing technical assistance for alternative payment model transitions.

Strategic Goal 5: Technology Innovation

CMS mandates cutting-edge healthcare technologies promoting efficient care delivery, data security, health information exchange, and digital health tools.

Technology Requirements for Compliance

Requirement	Specification	Compliance Status
ONC Certification	2015 Edition Cures Update	Required
Data Standards	USCDI Version 3 (effective January 2026)	Required

Requirement	Specification	Compliance Status
Interoperability	HL7 FHIR R4 APIs	Required
Information Blocking	21st Century Cures Act compliance	Required
HIE Connectivity	State, regional, national exchange	Required
Telehealth Integration	HIPAA-compliant with EHR integration	Required
Cybersecurity	MFA, encryption, threat detection	Required
Cloud Infrastructure	HIPAA-compliant hosting	Recommended

What States Are Funding Under Goal 5

Montana is funding facility repairs and technology modernization. Texas is building health information exchange infrastructure for patient-provider-payer connectivity. Multiple states are expanding telehealth and AI-enabled clinical decision support.

4: Technology Compliance Self-Assessment

Before engaging with state RHT implementation teams, rural health organizations should evaluate current IT infrastructure against CMS requirements.

RHT Program Technology Readiness Checklist

Foundational Requirements (Must Have)

- ONC-Certified EHR with 2015 Edition Cures Update
- HIPAA compliance with documented administrative, physical and technical safeguards
- FHIR R4 APIs active and tested
- USCDI v3 support and data standards compliance verified
- Information blocking compliance

Strategic Goal Alignment (Should Have)

- Population health tools for risk stratification and care gap identification
- Chronic care management with CCM workflows and compliant billing
- Remote patient monitoring with device integration
- AI documentation with ambient clinical note generation
- Quality reporting with automated MIPS/QPP calculation
- Financial analytics for revenue cycle visibility



Competitive Differentiators (Nice to Have)

- Telehealth integration with native EHR-integrated virtual care
- Patient portal and mobile app with 24/7 self-service, appointment booking, care team messaging, medication alerts and lab results access
- HIE connectivity with active bi-directional exchange
- Predictive analytics with AI-powered clinical decision support
- Outcomes-based reporting to track CMS performance

The Complete Technology Ecosystem for RHT Program Compliance



"States are developing transformation plans that require immediate access to proven, scalable health IT infrastructure. Our Rural Health Accelerator Package is a complete technology ecosystem, from AI-powered clinical workflows to population health analytics, that addresses CMS's strategic goals and performance metrics. We're not just providing software; we're providing the infrastructure states need to demonstrate measurable outcomes and secure continued funding."

Bilal Hashmat,
Co-founder and CEO of CureMD

www.curemd.com

5: CureMD Rural Health Accelerator Package

For organizations and state agencies requiring a proven compliance pathway, CureMD's Rural Health Accelerator Package delivers technology capabilities aligned with all five program strategic goals.

Platform Capabilities Mapped to CMS Strategic Goals

CMS Strategic Goal	CureMD Rural Health Accelerator Capabilities
Make Rural America Healthy Again	AI-powered population health, predictive risk models, CCM/RPM workflows, and behavioral health integration
Sustainable Access	98%+ first-pass claims, CAH/RHC billing expertise, hub-and-spoke coordination, financial analytics
Workforce Development	Ambient AI documentation, 24/7 AI patient contact center, digital intake, LEAP patient portal
Innovative Care Models	Automated MIPS/QPP reporting, value-based analytics, quality dashboards, ACO participation tools
Technology Innovation	ONC-certified cloud EHR, FHIR R4 APIs, USCDI v3, integrated telehealth, enterprise cybersecurity

Enterprise Capabilities at Rural Practice Economics

Capability	Specification
Cloud Infrastructure	Dual-hosting (AWS + Microsoft Azure) for maximum uptime and disaster recovery
Deployment Options	Cloud-hosted, hybrid, or on-premises configurations
Pricing Model	Transparent pricing aligned with state budgeting
Contracting Flexibility	Outcomes-based options tied to RHT Program metrics
Implementation Support	Dedicated specialists with CAH, RHC, FQHC expertise
Technical Assistance	CMS cooperative agreement compliance and state reporting

Documented Results from 300+ Rural Implementations

Performance Metric	Documented Outcome
Documentation Time	70% Reduction with AI clinical scribe
First-Pass Claims	98% Acceptance rate
Claim Denials	35% Reduction vs. industry average
Days in A/R	18-day Reduction
Provider Time Savings	90+ Minutes per day
Implementation Timeline	Aligned with CMS milestones

27 Years of Rural Healthcare IT Leadership

Since 1997, CureMD has served as technology partner for rural and underserved healthcare organizations across all 50 states.

- 300+ public health department implementations
- Deep Critical Access Hospital and Rural Health Clinic expertise
- Nationwide FQHC encounter-based billing experience
- Best in KLAS award-winning platform with outstanding support
- 30+ medical specialty modules optimized for rural workflows

6: Implementation Roadmap

Phase 1

For State Health Agencies

- Review approved RHTP initiatives and funding allocations
- Assess technology vendor landscape against CMS requirements
- Evaluate deployment options and procurement pathways
- Schedule vendor demonstrations and requirements workshops

For Rural Provider Organizations

- Complete technology readiness self-assessment
- Contact state rural health office and Medicaid agency
- Identify alignment between organizational needs and state priorities
- Position for state sub-award consideration

Phase 2

Rapid Deployment

- Align system configuration with state requirements
- Automate data migration from legacy systems
- Conduct interface activation with state registries and HIE networks
- Begin remote training and workflow optimization
- Go-live with a dedicated implementation team

Phase 3

Optimization & Reporting

- Track performance against CMS metrics and benchmarks
- Automate outcome tracking for state reporting requirements
- Optimize and improve quality scores for MIPS/QPP and value-based payment programs
- Continue continuous improvement based on analytics and insights
- Technical assistance for CMS cooperative agreement compliance

Take Section: Schedule Your RHT Program Consultation

For State Health Agencies

CureMD partners with state health agencies to implement Rural Health Transformation Plans through flexible deployment options (cloud-hosted, hybrid, on-premises), transparent pricing aligned with state procurement requirements, performance-based contracting tied to RHT Program metrics, and compliance support for CMS reporting and agreement requirements.

For Rural Provider Organizations

Trusted by 300+ public health departments and rural healthcare organizations to meet CMS Rural Health Transformation Program requirements.

Email: RHTP@curemd.com

Request a Custom Proposal for state-specific pricing aligned with RHT Program funding
Schedule a Consultation to discuss compliance requirements and deployment options

7: Frequently Asked Questions

Program Eligibility & Funding

Q: What happens if a state doesn't meet CMS requirements?

CMS reduces funding for states failing to meet commitments in approved plans. States must work with vendors demonstrating proven success and measurable outcomes in rural healthcare.

Q: How can medical practices access RHTP funding?

Only state governments can apply directly. States sub-award or contract with qualifying rural providers; CAHs, RHCs, FQHCs, and public health departments. Contact your state rural health office for sub-award consideration.

Q: Are there specific technology vendors approved for RHT Program use?

CMS does not maintain an approved vendor list. States have vendor selection flexibility. Technology must be ONC-certified and meet interoperability requirements specified in the Notice of Funding Opportunity

Technology Requirements

Q: What EHR certification is required for RHT Program compliance?

Technology must be ONC-Certified Health IT under the 2015 Edition Cures Update, supporting USCDI Version 3 data standards (effective January 2026), FHIR R4 APIs, and information blocking rule compliance.

Q: Are Rural Health Clinics subject to MIPS requirements?

RHCs are excluded from mandatory MIPS participation. MIPS-capable technology becomes a competitive advantage as RHT Program initiatives may require quality reporting as a condition of state sub-awards.

Q: What telehealth capabilities are expected?

CMS highlights remote care expansion as one its strategic goals. HIPAA-compliant video integrated with the EHR, remote patient monitoring capabilities, and automatic billing documentation.

Implementation Timeline

Q: How quickly can compliant technology be deployed?

Most EHR implementations require 12-18 months. Rural health platforms with pre-configured workflows deploy faster, meeting CMS timeline requirements.

Q: When does implementation need to begin?

States began implementing RHT Programs in January 2026. Organizations without compliant technology need to act now to secure state funding and meet program milestones.

About CureMD

CureMD is a leading provider of AI-powered healthcare technology solutions serving over 30 medical specialties. With 27 years of healthcare technology experience, CureMD offers integrated EHR, practice management, revenue cycle management, patient engagement, and population health solutions for clinical excellence and financial sustainability.

CureMD's proprietary AI models power predictive analytics, clinical decision support, and workflow automation for proactive, value-based care delivery. We are committed to health equity by making enterprise-class technology accessible to rural and underserved communities at scale.

CureMD Healthcare | Enterprise Healthcare Technology for Rural America ONC-Certified | HIPAA Compliant | HL7 FHIR R4 Interoperable | USCDI Version 3 Compliant



EHR & AI Scribe | Practice Management Software | Billing Software
Revenue Cycle Management | Patient Engagement
Credentialing | Virtual Front Desk

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