



# Health and Human Services

## Public Hearing on the Rural Health Transformation Program

### October 13, 2025

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*This summary contains supplemental information from reliable sources where that information provides clarity to the issues being discussed. Power Point tables used in the presentations may also be used in this summary. Names of individuals may be misspelled but every attempt has been made to ensure accuracy. Tables and Text have been used from executive and legislative agencies and departments' presentations and publications.*

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**Hearing.** The Texas Health and Human Services Commission (HHSC) conducted a public hearing to receive comments on the Rural Health Transformation Program. The hearing took place on October 13, 2025, at 9 a.m. CDT. Victoria Grady convened the meeting

**Background.** The Rural Health Transformation Program is a \$50 billion funding opportunity created by the One Big Beautiful Bill Act (OBBBA), enacted into law on July 4, 2025. The Rural Health Transformation Program is designed to help states support rural communities across America in improving healthcare access, quality, and outcomes by transforming the healthcare delivery ecosystem. All 50 states are eligible to apply for the funding opportunity. HHSC will submit the state's application and, if awarded, will receive the funds on behalf of the state. The federal government identifies categories for how funds may be used if awarded. Information about the use of funds can be found on the Rural Health Transformation Program website: <https://www.cms.gov/priorities/rural-health-transformation-rht-program/overview>

The Rural Health Transformation (RHT) Program was authorized by the One Big Beautiful Bill Act (Section 71401 of Public Law 119-21) and empowers states to strengthen rural communities across America by improving healthcare access, quality, and outcomes by transforming the healthcare delivery ecosystem. Through innovative system-wide change, the RHT Program invests in the rural healthcare delivery ecosystem for future generations.

Additional information on how to apply for RHT Program funding will be released via a Notice of Funding Opportunity (NOFO), and funding will be distributed in the form of a cooperative agreement.

#### ***Strategic Goals***

The RHT Program seeks to further the following Strategic Goals:

**Make rural America healthy again.** Support rural health innovations and new access points to promote preventative health and address root causes of diseases. Projects will use evidence-based, outcomes-driven interventions to improve disease prevention, chronic disease management, behavioral health, and prenatal care.

**Sustainable access** Help rural providers become long-term access points for care by improving efficiency and sustainability. With RHT Program support, rural facilities work together—or with high-quality regional systems—to share or coordinate operations, technology, primary and specialty care, and emergency services.

**Workforce development** Attract and retain a high-skilled health care workforce by strengthening recruitment and retention of healthcare providers in rural communities. Help rural providers practice at the top of their license and develop a broader set of providers to serve a rural community's needs, such as community health workers, pharmacists, and individuals trained to help patients navigate the healthcare system.

**Innovative care** Spark the growth of innovative care models to improve health outcomes, coordinate care, and promote flexible care arrangements. Develop and implement payment mechanisms incentivizing providers or Accountable Care Organizations (ACOs) to reduce health care costs, improve quality of care, and shift care to lower cost settings.

**Tech innovation** Foster use of innovative technologies that promote efficient care delivery, data security, and access to digital health tools by rural facilities, providers, and patients. Projects support access to remote care, improve data sharing, strengthen cybersecurity, and invest in emerging technologies.

**Program Structure.** RHT Program funding is \$50 billion 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.

- 50% to be distributed equally amongst all approved States
- 50% will be allocated by CMS 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 in the NOFO

**Uses of Funds** States must use RHT Program funds for three or more of the approved uses of funds:

- Promoting evidence-based, measurable interventions to improve prevention and chronic disease management.
- Providing payments to health care providers for the provision of health care items or services, as specified by the Administrator.
- Promoting consumer-facing, technology-driven solutions for the prevention and management of chronic diseases.
- Providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, artificial intelligence, and other advanced technologies.
- Recruiting and retaining clinical workforce talent to rural areas, with commitments to serve rural communities for a minimum of 5 years.

- Providing technical assistance, software, and hardware for significant information technology advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes.
- Assisting rural communities to right size their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care, outpatient care, and post-acute care service lines.
- Supporting access to opioid use disorder treatment services (as defined in section 1861(jjj)(1)), other substance use disorder treatment services, and mental health services.
- Developing projects that support innovative models of care that include value-based care arrangements and alternative payment models, as appropriate.
- Additional uses designed to promote sustainable access to high quality rural health care services, as determined by the Administrator.

**Eligibility** In accordance with the authorizing statute, only the 50 U.S. states are eligible to receive an RHT Program award; the District of Columbia and U.S. Territories are not eligible.

There were occasional (minor) interruptions in the on-line hearing which may have impacted the completeness of the reporting on the hearing

## Summary of Comments

### Rural Hospital Financial Stability and Infrastructure Needs

- Widespread calls for immediate financial stabilization for at-risk rural hospitals before implementing long-term transformation efforts.
- Concerns about aging infrastructure, deferred maintenance, outdated equipment (especially diagnostic and IT), and inadequate physical and cyber security.
- Rural hospitals stressed the need for flexibility in how funds can be used to address community-specific gaps, including local control over allocations, and streamlined application and reporting processes.
- Emphasis placed on shoring up operational finances, supporting solvency, and ensuring continued access to essential services.
- Allocate early stabilization grants to vulnerable rural hospitals for debt reduction, deferred maintenance, and operational solvency.
- Fund and expand rural healthcare workforce pipelines across professions (training, residencies, rotations, incentives).



- Invest in technology infrastructure: interoperable EHR/EMR, telehealth, cybersecurity, and broadband access prioritizing rural facilities.

#### **Workforce Development and Provider Shortages**

- Acute shortages of healthcare workforce including primary care, behavioral health, specialty care, pharmacists, physician assistants (PAs), nurses, EMS, and allied health professionals.
- Requests for funding rural-focused training tracks, clinical rotations, residencies, loan forgiveness, recruitment and retention incentives, and innovative community-based care models.
- Calls to recognize and reimburse pharmacists, community health workers, PAs, optometrists, and dental professionals as essential rural providers.
- Several speakers highlighted unique challenges in recruiting and retaining staff due to lower pay scales, professional isolation, and lack of local training opportunities.

#### **Technology, Telehealth, and Data Modernization**

- Strong support for expanding telehealth-enabled care, digital health solutions, wearable devices, and technology-driven chronic disease management.
- Rural hospitals and clinics cited the high costs and operational challenges of maintaining interoperable EMRs, data sharing networks, cybersecurity, and modern diagnostic equipment.
- Recommendations to invest in a statewide EHR system tailored to rural needs, ensure open standards and interoperability, and prioritize consumer-facing, accessible technologies (including support for seniors and those with limited connectivity).
- Calls for technology upgrades in long-term care, behavioral health, and community-based settings; requests for mobile diagnostics and tele-rehabilitation services.

#### **Community Partnerships, Prevention, and Social Determinants**

- Emphasis on leveraging community partnerships (between hospitals, FQHCs, EMS, pharmacies, food banks, and local organizations) to address non-medical drivers of health and chronic disease.
- Support for "food as medicine" programs, medically tailored meals, nutrition education, and behavioral health integration.



- Calls for scalable, evidence-based interventions including home health, mobile clinics, school-based programs (e.g., for asthma), and robust community health worker networks.
- Repeated recommendations to improve maternal, postpartum, pediatric, and mental health outcomes, often via telehealth, virtual check-ins, and community outreach.

#### **Policy, Equity, and System Design Recommendations**

- Speakers urged prioritizing rural-first funding approaches and ensuring that rural hospitals and providers have primary access to transformation dollars.
- Requests for regulatory flexibility so urban counties with rural health profiles or regional hub models could participate.
- Advocacy for simplification of applications, minimal paperwork, and alignment with existing oversight programs to prevent undue administrative burden.
- Recommendations to promote oral health, vision care, and environmental factors (e.g., fragrance-free, low-VOC policies) as vital to overall rural health.
- Several proposals for regional collaboratives, rural hubs, and integrated care networks as a way to pool resources and share best practices.
- Develop a process for connecting rural school districts to health education

#### **Testimony was received from:**

**Thomas Sledge North Texas Medical Center** [Your Hospital | North Texas Medical Center](#)

**Jayce Jones, Ascension Seton** (rural hospitals in network) [Healthcare | Ascension](#)

**Amy Lessin Walgreens, Texas Federation of Drugs Stores** [Walgreens: Pharmacy, Health & Wellness, Photo & More for You](#); [TFDS – Texas Retailers Association](#)

**Charles Hinkle, Texas EMS Association** [Home - Texas EMS Association](#)

**Erin Cleminger Memorial Medical Center** [Memorial Medical Center](#)

**Jonathon Gill, Pampa Regional Medical Center** [Pampa Regional Medical Center | Prime Healthcare Services](#)



Steven Bowels, Hunt Regional Health Care, [Hunt Regional Healthcare | Close to Home, Caring for You](#)

**Paula Gruumond, Independent Pharmacist** in Lavaca County.

**Olly Gaherhi , Armada MD** (possibly [ArmadaCare | Supplemental Health Insurance Solutions](#))

**Laurie DeMoss, Health Advocate**

**Saneli Resinha, Texas Academy of Physician Assistants** [Texas Academy of PAs](#)

**Jana Eubank, Texas Association of Community Health Centers** [TACHC – Texas Association of Community Health Centers](#)

**Samantha McGee Uniper Care** [Home - Uniper - Connect to Life](#)

**Margaret Scott, Texas Academy of Physician Assistants**

**Butch Oberhoff, Texas EMS Alliance** [Texas EMS Alliance | The Unified voice of Texas EMS agencies.](#)

**Adam Arnway, Moms Meals** [Self-Pay: Order Nutritious Meals Delivered to You or Your Loved Ones | Mom's Meals](#)

**Rachel Quay, Feeding Texas** [Feeding Texas](#)

**Robina Kahn, Health Advocate (La Leche League)** [La Leche League International - Breastfeeding Support](#)

**Tim Ohls, Baylor Scott and White Health** [Welcome to Baylor Scott & White Health](#)

**Access Telecare** [Acute Care Telemedicine | Access TeleCare](#)

**Amy Fagen, (Inaudible)**



**Mira Rheiner, Independent Coalition of Nursing home providers in Texas**

[Independent Coalition of Nursing Home Providers - Texas Lobbyist Client - Transparency USA](#)

**Rebecca McCain, Electra Hospital District** [Home - Electra Hospital](#)

**Susan Parker, Kimball County Hospital** [Home - Kimble Hospital](#)

**Johnny Yepp, Nueces County Hospital District** [Welcome to Nueces County Hospital District, TX](#)

**Brandy Chain, Nurse and Pharmacy Owner (Rural Texas)**

**Jane Wigginton, University of Texas at Dallas** [Bioengineering Home - Bioengineering | The University of Texas at Dallas](#)

**Terry Scoggin, TORCH** [TEXAS ORGANIZATION OF RURAL & COMMUNITY HOSPITALS - Texas Organization of Rural & Community Hospitals](#)

**Travis Richmond, Christus Health** [CHRISTUS Health System | Hospitals, Medical Centers, & Clinics](#)

**Katherine Remmick, Health Researcher**

**Jame Dougla Thornton, University of Houston Medical Programs** [University of Houston](#)

**Tina Wells, Texas EMS Alliance** [Texas EMS Alliance | The Unified voice of Texas EMS agencies.](#)

**Sarah Pletcher, Houston Methodist System** [Houston Methodist: Leading Hospitals in Houston, Texas](#)

**Anna Stelter, Texas Hospital Association** [Home - Texas Hospital Association](#)

**Mindy Walker, OnMed** [OnMed](#)





**Bruce Turner, Unite Us** [Unite Us Offers Proven Path for States to Accelerate Innovation Through H.R. 1 \\$50B Rural Health Fund](#)

**Lorenzo Serrano, Winkler County Hospital District** [Winkler County Memorial Hospital](#)

**Shakarati \_\_\_\_\_**, Advocate for persons with Sickle Cell Disease

**Douglas Dunsavage, Texas Diabetes Association** [Texas | American Diabetes Association](#)

**Noah Jones, Texas Counseling Association** [Home - Texas Counseling Association](#)

**Kristal McIntire**, Pharmacy owner in rural west Texas

**Jessica Miller**, Psychiatric PA in rural Texas

**John Austin Stokes, Texas Association of Regional Councils** [Texas Association of Regional Councils](#)

\_\_\_\_\_ [Iraan General Hospital](#), Iraan Texas

**Lynn Falcone, Cuero Hospital** [Home | Cuero Regional Hospital](#)

**Curt Sunderman, Rice Medical Center** [Rice Medical Center](#)

**Brian Bessent Hendrick Health** [Health System in Abilene, TX Serving Midwest TX | Hendrick Health](#)

**Maureen Milligan, Teaching Hospitals of Texas** [Teaching Hospitals of Texas – Savings Lives Today, Preparing for Tomorrow](#)

**Matthew Roberets, Texas Dental Association** [Texas Dental Association | American Dental Association](#)

**Sondra Williams**, did not state who she represented but spoke about Tyler Texas rural hospital



**Chris Suggs, Accent Care** [AccentCare - Reimagining care to transform health care - and our patients lives - for the better. : AccentCare %](#)

**Carra Crawford, UT Health Science Center Houston** [UTHealth Houston](#)

**Merrick Morgan, Universal Health Services** [Universal Health Services, Inc. | Healthcare Delivered With Passion](#)

**Adam Ratner, Osteopathic Medicine**

**Christopher Parker, PKT Health** Technology Driven Solutions

**David Weden, Texas Council** [Texas Council of Community Centers](#)

**Principle Health Systems,** [Principle Health Systems - Lab Testing](#)

**Jessica Gomez, Hidalgo County Health Department** [Hidalgo Health & Human Services, TX | Official Website](#)

**Roxanne Dominguez, Texas Pharmacy Association** [Texas Pharmacy Association](#)

**Benjamin McNabb, Rural Pharmacist and Texas Pharmacy Association** [Texas Pharmacy Association](#)

**Phil Beckett, Texas Health Services Authority** [Texas Health Services Authority - Texas Health Services Authority](#)

**Catherine Morrison, Accent Health Care** [Home Health : AccentCare](#)

**Jane Riggington, Callier Centr for Communication Disorders** [Home - Callier Center for Communication Disorders](#)

**Paula Grummen, Pharmacist**

**Nora Cox, Texas e-Health Alliance** [Texas e-Health Alliance](#)

**Christopher Hall, PHI Air Medical** [Medevac & Air Ambulance Services - PHI Air Medical](#)



**Mark Strode, Methodist Healthcare San Antonio** [Hospitals & ERs in San Antonio](#)

**Venice Guinns, unclear who she represented; spoke on behalf of promotores**

**Michelle Gafford, Mitchell County Hospital District** [Mitchell County Hospital](#)

**Titilope Fasipe, Sickie Cell Advocate**

**Jessica Boston, Texas Association for Home Care and Hospice** [About - TAHCH.org](#)

**Tara Michah, AAIR :: Allergy, Asthma & Immunology Research**

**Jorge Cruz-Sines, Representing himself**

**Brett Kirkem, Mid-Coast Health System** - [Mid Coast Health System](#)

**Andres Durand, Dimmitt Regional Hospital** Caruso Springs [Dimmit Regional Hospital](#)

**Lakitria Vincent, LCSW AEIC Case Management** [Therapy | AEIC Case Management LLC](#)

**Representative from BioIntellisense** [BioIntelliSense](#)

**Cara Hartell, Troy Medical** [Troy Medical | rural specialty healthcare technology distribution](#)

**Melissa Wilson, Freestone Medical** [Home Freestone Medical Center - Neighbors Caring For Neighbors](#)

**Duncan Van Dusen, Catch Global Foundation** [Children's Health and Education Programs - CATCH Global Foundation](#)

**Amy Best, City of Longview Paramedic Program** [Emergency Medical Services \(EMS\) | Longview, TX](#)



**Billy Bell, Medina Healthcare System** [Medina Healthcare System - Comprehensive Care for Your Family's Health](#)

**Justin Lees, ArmadaMD** (A link was not found)

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