



Rural Health Transformation Program (RHTP)

S-1833 OS-26 Request for Information

Frequently Asked Questions, August 19, 2025

What are the next steps for the Rural Health Transformation Program?

Responses to the [Request for Information \(RFI\)](#) are due by 2:00 p.m. on September 3. Subject matter experts from the Wisconsin Department of Health Services (DHS) will review the RFI responses. DHS will only follow-up with respondents if the Department has clarifying questions or needs additional information about a response.

The federal Centers for Medicare and Medicaid Services (CMS) is expected to release application information for the RHTP in early September and DHS plans to apply on behalf of Wisconsin. DHS will apply to CMS by the due date, which is expected to be later in September. DHS's application will include information gathered through the RFI process.

CMS is required to review and approve applications by December 31, 2025. Wisconsin can only implement the RHTP if CMS approves the state's application. If selected, DHS would coordinate with partners on implementation starting in calendar year 2026.

How long can our response to the Request for Information (RFI) be? Do title pages and appendices count towards the limit? Can my organization submit more than one response?

Please limit your response to 2,500 words (approximately five pages). That word count includes title pages and appendices. Reviewers will only review the first 2,500 words of each response. DHS can follow-up with individual respondents if we need more information about a given response. DHS has a very short timeline to submit the state's application to CMS. Providing a short and succinct response will help the DHS team quickly review responses and submit the state's application for the RHTP. One organization can submit multiple proposals; however, given the short timeline for review, it is recommended that your organization submit one proposal that includes multiple ideas.

What is the timeline for implementing this program and spending the money?

It is expected that RHTP implementation will begin in early 2026 and conclude by October 1, 2032. Under the One Big Beautiful Bill Act (HR 1), CMS is authorized to allocate \$10 billion per year to states with approved applications for five years (from federal fiscal years 2026 to 2030). Total program funding for all 50 states is \$50 billion, although CMS will determine how much each state receives. While the funding will end in 2032, responses should consider how Wisconsin can sustain efforts beyond that date.

Should we include a proposed budget in our RFI? If so, what is the limit?

RFI responses should include an estimated budget when feasible. Wisconsin can apply for up to \$1 billion in funding for the five-year program (equal to \$200 million each year).

DHS will administer the program in Wisconsin. States are allowed to use 10% of their allocation for administrative expenses (up to \$100 million) and required to spend the remainder on program activities (up to \$900 million).

Including an estimated budget in your response will help DHS determine how to spend up to \$900 million in available program funds. Given the amount of money available, it is likely that DHS will propose funding multiple initiatives to improve rural health care.

The RFI lists 10 eligible activities, and I have questions about what is included under those activities. For example, what is a value-based care or alternative payment? Is oral health included as a potential area of focus? Can we use this funding for capital expenses? Can this funding be used to fund workforce recruitment, training, or retention? Can this funding be used to help schedule providers? Can we propose new Medicaid benefits?

The 10 eligible activities are listed directly under [Section 71401](#) of HR 1. Responses can include any of the 10 eligible activities. Funds cannot be used to directly offset [expected losses](#) in Medicaid.

At this point, DHS does not have additional details on eligible activities beyond what was included in HR 1. It is expected that CMS will provide additional details in September.

While DHS awaits additional federal guidance, existing CMS initiatives preview what might be included. For example, CMS defines [alternative payment models](#) as those that reward health care providers for delivering high-quality and coordinated care. CMS defines [value-based care](#) as health care designed to focus on quality of care, provider performance, and the patient experience.

Of note, DHS's goal for the RHTP is to leverage federal funds to drive transformational improvements in the full continuum of health care across Wisconsin. This includes:

- Supporting regional coordination and community-based partnerships
- Elevating solutions that focus on strengthening the rural clinician workforce
- Ensuring a foundation of access to primary care and prevention services. This could include oral health care

- Strengthening delivery systems for behavioral health, OB/GYN care, emergency care, EMS services, and complex care (multiple physical and behavioral co-morbidities)
- Investment in sustainability beyond the lifetime of RHTP funding

What geographic areas of the state can participate in the RHTP? How are regions going to be defined?

Under HR 1, funding must focus on transforming health care in rural areas and supporting rural health facilities. However, the law does not define “rural” when describing the scope of the program. The law does not provide guidance on how to define regions within the state. CMS may provide additional guidance on allowable regions, and CMS is expected to consider the following factors when distributing funds across states:

- The percent of the state population located in a rural census tract
- The proportion of rural health facilities in the state relative to nationwide
- The situation of hospitals in the state that serve a disproportionate number of low-income patients with special needs
- Any other factors the CMS Administrator determines appropriate

Will DHS’s application cover all five years of the RHTP, or will DHS need to submit a new application to CMS every year?

States only need to apply once to participate in the RHTP. However, states are required to submit an annual report to the federal government on the use of funds. DHS intends to apply for the program in September 2025 and to submit annual reports to the federal government if approved to participate.

I am hoping that my organization can receive funding through the RHTP. Will we have to submit a request for funding once CMS approves the state’s application, or is submitting a response to the RFI sufficient?

This RFI is for planning and information-gathering purposes only. Submission does not constitute a commitment by DHS to fund any proposed activity. This RFI does not constitute a solicitation of proposals, a commitment to conduct procurement, an offer to contract, or a prospective contract. No contract will be awarded by DHS as a result of this RFI. DHS will not be liable for any costs incurred by respondents in the preparation and submission of information in response to this RFI. All RFI responses become the property of the State of Wisconsin and will not be returned. Responses will be kept confidential if a

solicitation for the same or similar services is expected in the future. A formal Request for Proposals (RFP) or grant application process may follow at a later stage.

Is the state interested in reviewing responses from vendors that would assist putting together the state's application to CMS, or in administering the program?

No. DHS will write the application and administer the program if selected.