

Press Releases

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CMS Announces \$50 Billion in Awards to Strengthen Rural Health in All 50 States

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The Centers for Medicare & Medicaid Services (CMS) today announced that all 50 states will receive awards under the Rural Health Transformation Program, a \$50 billion initiative established under President Trump's Working Families Tax Cuts legislation (Public Law 119-21) to strengthen and modernize health care in rural communities across the country. In 2026, states will receive first-year awards from CMS averaging \$200 million within a range of \$147 million to \$281 million. This unprecedented federal investment will help states expand access to care in rural communities, strengthen the rural health workforce, modernize rural facilities and technology, and support innovative models that bring high-quality, dependable care closer to home.

“More than 60 million Americans living in rural areas have the right to equal access to quality care,” **said Health and Human Services Secretary Robert F. Kennedy, Jr.** “This historic investment puts local hospitals, clinics, and health workers in control of their communities’ healthcare. Thanks to President Trump’s leadership, rural Americans will now have affordable healthcare close to home, free from bureaucratic obstacles.”

“Today marks an extraordinary milestone for rural health in America,” **said CMS Administrator Dr. Mehmet Oz.** “Thanks to Congress establishing this investment and President Trump for his leadership, states are stepping forward with bold, creative plans to expand rural access, strengthen their workforces, modernize care, and support the communities that keep our nation running. CMS is proud to partner with every state to turn their ideas into lasting improvements for rural families.”

A Nationwide Commitment to Strengthen Rural Health Care

The Rural Health Transformation Program is a national commitment to improving the health and well-being of rural communities across the country. With this funding, states will implement comprehensive strategies to improve care delivery, support providers, and advance new approaches to coordinating health care services across rural communities. Across the country, many states are planning efforts that will:

- **Bring More Care Within Reach**

States will advance Make Rural America Healthy Again goals by expanding preventive, primary, maternal, and behavioral health services and creating new access points that bring care closer to home and help preserve strong local health systems. Many states are implementing evidence-based, outcomes-driven strategies — such as physical fitness and nutrition programs, food-as-medicine initiatives, and chronic disease prevention models — to address root causes of diseases and manage chronic conditions. States will also strengthen rural emergency care through improved emergency medical services (EMS) communication, treat-in-place options, and coordinated transfers.

- **Strengthen and Sustain the Rural Clinical Workforce**

States will support clinical workforce training, residencies, recruitment and retention incentives, and new pathways that help students begin health care careers in their own communities. States are also investing in programs to train and support the existing clinical workforce and build futures close to home.

- **Modernize Rural Health Infrastructure and Technology**

Investments will modernize rural facilities and equipment; strengthen cybersecurity and interoperability; and expand telehealth, remote patient monitoring, and digital tools that enable timely access to care. States are also exploring the use of technology such as AI scribes and clinical workflow improvement tools to reduce burdens on clinicians.

- **Driving Structural Efficiency & Empowering the Community Providers**

States will prioritize streamlining operations, empowering providers to enhance coordination of care and resources, and building partnerships across the state with the goal of keeping care local. This includes establishing specialized hub-and-spoke models, rural regional centers of excellence, comprehensive data-sharing platforms, and rural clinically integrated networks.

- **Advance Innovative Care Models and Payment Reform**

States will test new primary care and value-based care models, strengthen partnerships among rural and other providers, and promote regional collaboration that improves health sustainability and patient outcomes.

Awardees and Funding Amounts

The Rural Health Transformation Program’s \$50 billion in funds will be allocated to approved states over five years, with \$10 billion available each year from 2026 through 2030. As directed by Public Law 119-21:

- **50% of the funding is distributed equally among all approved states.** This provides states with a strong foundation to begin implementing their Rural Health Transformation Plans; and
- **50% is allocated based on a variety of factors.** As described in the [Notice of Funding Opportunity](#), those factors include individual state metrics around rurality and a state’s rural health system, current or proposed state policy actions that enhance access and quality of care in rural communities, and application initiatives or activities that reflect the greatest potential for, and scale of, impact on the health of rural communities. All scoring factors are outlined further in the Notice of Funding Opportunity.

CMS made funding awards to all 50 states.

State Award List (Alphabetical)

State	FY26 Award Amount
Alabama	\$203,404,327
Alaska	\$272,174,856
Arizona	\$166,988,956
Arkansas	\$208,779,396
California	\$233,639,308
Colorado	\$200,105,604
Connecticut	\$154,249,106
Delaware	\$157,394,964
Florida	\$209,938,195
Georgia	\$218,862,170
Hawaii	\$188,892,440
Idaho	\$185,974,368
Illinois	\$193,418,216
Indiana	\$206,927,897
Iowa	\$209,040,064
Kansas	\$221,898,008
Kentucky	\$212,905,591
Louisiana	\$208,374,448
Maine	\$190,008,051
Maryland	\$168,180,838
Massachusetts	\$162,005,238
Michigan	\$173,128,201
Minnesota	\$193,090,618
Mississippi	\$205,907,220
Missouri	\$216,276,818
Montana	\$233,509,359
Nebraska	\$218,529,075
Nevada	\$179,931,608
New Hampshire	\$204,016,550
New Jersey	\$147,250,806
New Mexico	\$211,484,741
New York	\$212,058,208
North Carolina	\$213,008,356
North Dakota	\$198,936,970
Ohio	\$202,030,262
Oklahoma	\$223,476,949
Oregon	\$197,271,578
Pennsylvania	\$193,294,054
Rhode Island	\$156,169,931
South Carolina	\$200,030,252
South Dakota	\$189,477,607
Tennessee	\$206,888,882
Texas	\$281,319,361
Utah	\$195,743,566
Vermont	\$195,053,740
Virginia	\$189,544,888
Washington	\$181,257,515
West Virginia	\$199,476,099
Wisconsin	\$203,670,005
Wyoming	\$205,004,743

A Strong Partnership with States to Deliver Lasting Change

With today’s announcement, CMS launches a new phase of collaboration with every state to accomplish their transformative visions. CMS project officers dedicated to each state will convene program kickoff meetings and provide ongoing guidance and technical assistance during implementation. States will submit regular updates so CMS can track progress, identify proven approaches, support successful execution of their plans, and ensure strong oversight throughout the program.

States will also convene annually at the CMS Rural Health Summit — to be held during the CMS Quality Conference in 2026 — to share lessons learned, highlight effective models, and accelerate innovation across regions.

Additional Background

CMS evaluated applications through a rigorous merit review process, consistent with standard HHS grantmaking procedures, that incorporated assessments from federal and non-federal subject matter experts with unique perspectives relevant to rural health. These individuals represented expertise across clinical, operational, workforce, technology, and payment mechanism disciplines. Reviewers were screened for conflicts of interest and did not assess applications from states with which they had personal or professional ties. Applications were evaluated using a structured scoring framework outlined in the Notice of Funding Opportunity and aligned with statutory goals, ensuring a fair and consistent process across all 50 states.

The program follows standard HHS grants policy, including protections that ensure the integrity of the merit review process, consistent with longstanding HHS practices for competitive grant and cooperative agreement programs. Additional information on the Rural Health Transformation Program, including the Notice of Funding Opportunity, is available at: <http://www.cms.gov/RHTProgram>.

To view the Rural Health Transformation Program State Project Abstracts visit <https://www.cms.gov/files/document/rht-program-state-provided-abstracts.pdf>

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