



# THE ROLE OF THE FEDERAL OFFICE OF RURAL HEALTH POLICY IN SUPPORTING COMMUNITIES

This issue brief is part of a <u>series</u> examining the role the Federal Office of Rural Health Policy (FORHP) plays in supporting rural communities in Kansas and across the U.S. This brief uses publicly available data from the Health Resources and Services Administration (HRSA) Data Warehouse. The analyses, interpretations and conclusions are those of the authors.

#### Introduction

The Federal Office of Rural Health Policy (FORHP), housed in the Department of Health and Human Services (HHS) Health Resources and Services Administration (HRSA) was established in statute under Section 711 of the Social Security Act and has coordinated rural activities within HHS for over 30 years. FORHP provides funding to address the specific challenges faced by rural communities including those in Kansas, where 93 of the state's 105 counties are designated as "fully rural" by FORHP (Figure 1, page 2). These efforts are vital, as rural areas often face challenges such as geographic isolation, limited health care workforce, higher poverty and unemployment rates, and increased mortality from conditions such as heart disease, cancer and chronic lower respiratory disease.

Through targeted grant opportunities, FORHP works to strengthen health care capacity at both the state and local levels to improve and stabilize rural health systems. As of October 2024, there are 341 rural health care facilities in Kansas, yet many face financial strain. Among rural hospitals, 84 percent are operating at a loss and 32 percent are considered at immediate risk of closure — the highest percent of any state in the nation. These financial challenges pose serious risks to maintaining access to essential health services in already underserved areas. To help rural communities address these and other challenges, FORHP collaborates with

#### **Future Federal Support**

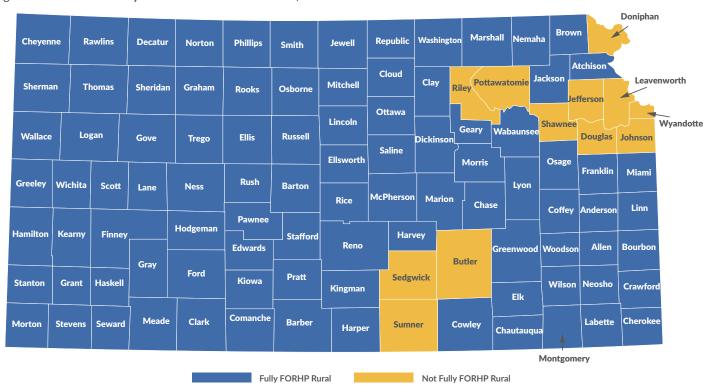
The Fiscal Year (FY) 2026 President's Budget for HHS proposes a major reorganization under a new Administration for a Healthy America (AHA), which would place the Federal Office of Rural Health Policy (FORHP) within AHA's Primary Care branch. While the President's Budget outlines reduced overall funding and the elimination of some long-standing rural programs, Congress has not yet finalized appropriations for FY 2026.

Both chambers' funding committees have proposed continued support for FORHP programs, with the House and Senate recommending approximately \$393 million and \$374 million, respectively. Final funding will depend on whether Congress reconciles the two bills or passes a stopgap measure. Continued monitoring of policy developments will be important to understand their potential impact on rural health.

#### **KEY POINTS**

- The Federal Office of Rural Health Policy (FORHP) is structured into four programmatic divisions that work together to build rural health capacity and address the unique needs of rural communities across the country.
- FORHP provides technical assistance and guidance to applicants, while encouraging them to work with their State Office of Rural Health
- for direct support navigating the grant process and submitting a competitive application.
- FORHP's grant application process is structured and rigorous, which may pose challenges for smaller or under-resourced applicants but also helps ensure high-quality projects, accountability, and effective stewardship of federal resources.

Figure 1. FORHP Rurality Status of Kansas Counties, 2025



Note: The Federal Office of Rural Health Policy (FORHP) definition of rural categorizes all counties into one of two groups: Fully FORHP Rural and Not Fully FORHP Rural. Counties that are not fully rural may have some areas, identified by census tracts, that FORHP considers to be rural. Read more about FORHP's precise definition of rurality at <a href="https://www.hrsa.gov/rural-health/about-us/what-is-rural">https://www.hrsa.gov/rural-health/about-us/what-is-rural</a>.

Source: Kansas Health Institute analysis of FORHP County Rurality Status.

federal, state and local partners to strengthen rural health infrastructure, expand services and improve health outcomes.

As part of its department-wide directive, FORHP analyzes the potential impacts of federal policies on the estimated 63 million people across the country living in counties considered rural by FORHP, aiming to ensure that policy decisions are responsive to the specialized needs of rural communities. These efforts provide strategies that policymakers and health care providers can use to improve local health systems across the country and in Kansas. By uplifting the real-life challenges faced by rural communities, including those in Kansas, federal rural health policies are informed directly by the communities served by FORHP.

#### **FORHP Details**

Tasked with coordinating rural activities within HHS, FORHP is comprised of the following four programmatic divisions, all of which play a unique role in meeting the needs of America's rural communities. The FORHP Office of the Associate Administrator provides overall leadership and strategic direction for FORHP. It also coordinates rural health efforts across other HRSA offices and bureaus and other

federal agencies to promote alignment of rural health initiatives. In accordance with statute, the Associate Administrator advises the Secretary of HHS on the effects of statutory and regulatory policies and proposals on rural providers.

#### **Hospital State Division**

The Hospital State Division of FORHP is focused on supporting rural hospitals, health care systems and state-level rural health initiatives through its grant programming by providing data, evaluation and technical assistance to state grantees and hospitals. With more than half of America's hospitals being in rural areas, the support provided by the Hospital State Division is valuable to rural-based health care facilities across the country. Its grant programs are designed to meet diverse state and facility needs to promote stability and to foster innovation in rural health services. The State Office of Rural Health (SORH) program provides funds to 50 state offices to support on-going improvements in rural health care. Funding through the Medicare Rural Hospital Flexibility (Flex) Program, created under Section 1820 of the Social Security Act, enables states to assist critical access hospitals (CAHs) in enhancing quality of care, improving financial and operational

performance, developing or expanding rural emergency health services (EMS), and implementing innovative care models that adapt to evolving rural health needs.

## **Community-Based Division**

The Community-Based Division of FORHP is focused on supporting rural communities by funding local health care initiatives that strengthen health networks and increase access to care. By fostering collaboration among health care providers, public health organizations and community-based groups, this division works to ensure that rural populations receive access to high-quality services. Its grant programs work to improve rural community health and strengthen community health networks. Within this division, one key program is the Rural Health Care Services Outreach Program, which supports the expansion of health care delivery in rural communities through strong community-based consortiums that implement innovative, evidence-informed or evidencebased approaches to address local health challenges. improve population health, and demonstrate improved health outcomes and sustainability.

### **Policy Research Division**

The Policy Research Division of FORHP is focused on analyzing rural health policies, trends and emerging challenges to inform decision-making at both the federal and state levels. By supporting rural health research and identifying policy solutions that increase access to care, quality of care, and sustainability in rural communities, the division helps ensure that policies are responsive to the unique needs of rural communities across the country. A key program under this division is the Rural Health Research Center (RHRC) Program which supports high-quality and impartial research — including policy analyses, literature reviews and environmental scans — to help policymakers and health care providers better understand rural health challenges and design effective policies, with findings synthesized and disseminated through publicly available and accessible policy briefs.

## **Rural Strategic Initiatives Division**

The mission of the Rural Strategic Initiatives Division of FORHP is to plan and coordinate new rural program initiatives created as a result of HRSA, HHS or executive administration priorities. In recent years,

the division's portfolio of work focuses on addressing substance use disorder (SUD) and opioid-related challenges in rural communities through the Rural Communities Opioid Response Program (RCORP). RCORP provides direct funding and technical assistance to rural communities and supports implementation and sustainability of prevention, treatment and recovery services for SUD, including opioid use disorder. The program fosters collaboration between health care providers, local governments and community-based organizations to address the ongoing opioid crisis in rural America.

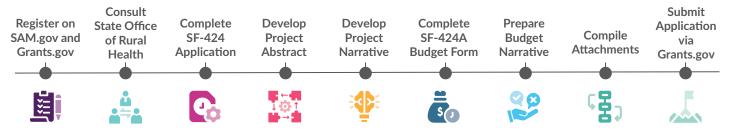
## FORHP Grant Eligibility and Application Process

Like many federal programs, grants administered by FORHP follow a structured, multi-step process that applicants must carefully navigate. While this rigorous process ensures that FORHP funds are awarded to organizations best suited to meet grant requirements, the complexity may present barriers for smaller or under-resourced applicants. These organizations often lack the administrative capacity or experience with federal systems that larger entities may have, making the process more difficult for them to manage.

To help address this, FORHP offers educational resources to build applicant capacity — such as guidance documents and technical assistance webinars — to help applicants navigate requirements and submit competitive applications. Additionally, FORHP encourages applicants to consult with their State Office of Rural Health (SORH) early within the application process, as SORHs can provide individualized technical assistance. While eligibility varies by grant, most FORHP programs are open to a range of organizations, including rural hospitals, clinics, tribal health organizations, nonprofits, academic institutions, and state and local governments. In some cases, only applicants located in FORHP-designated rural counties are eligible to apply. Regardless of recipient location, all services must benefit FORHP-designated rural communities.

When searching for FORHP grants, organizations should assess if their capacity and proposal aligns with the goals identified in the grant's Notice of Funding Opportunity (NOFO). Additionally, as organizations research grants that align with their strengths and needs, they also should assess their administrative readiness — both in their ability to manage federal reporting requirements and their

Figure 2. HRSA FORHP Grant Application Process



Source: Kansas Health Institute analysis of HRSA Application Guide

preparedness to respond to the NOFO in a timely manner. This includes ensuring that they have a Unique Entity Identifier (UEI) and are registered in SAM.gov and Grants.gov. Applicants also should be prepared to demonstrate their ability and capacity to manage federal funds, which can be articulated through a well-justified budget proposal and application narrative. Finally, organizations should consult with their State Office of Rural Health (SORH), as it is often an application requirement for FORHP grants. The state office can provide technical assistance and guidance for organizations going through the application process.

Successfully securing FORHP grant funding requires strategic planning, administrative readiness and project alignment. Organizations should assess their eligibility, internal capacity and potential to collaborate with partner organizations to develop competitive proposals. Understanding complex federal grant application processes and program requirements can help organizations determine if they have the capacity and resources to apply for and implement the grant proposal successfully. Organizations with experience with rural health delivery and program implementation also could consider encouraging staff to become HRSA grant reviewers. These reviewers play a key role in objectively reviewing and scoring FORHP grant applications. Serving as a reviewer can help participants gain a deeper understanding of the federal grant application process — knowledge that can inform their own grant application efforts.

#### Conclusion

The Federal Office of Rural Health Policy plays a critical role in strengthening health care access and quality for rural communities across the United States through its grant programs, policy analysis and targeted initiatives. While FORHP funding comprises just one piece of the funding landscape committed to supporting rural health care infrastructure, enhancing access to care and addressing the many disparities that rural communities face, the office's impact is greater than the funding it provides. This brief has provided an overview of FORHP's mission, organizational structure and grant application process.

The next brief in this series, Funding Rural Health: Insights From FORHP Grant Awards Nationwide and in Kansas, will analyze the allocation of FORHP funding directed to states, including a specialized focused on funding distributed to rural counties, as defined by FORHP rural eligibility criteria.

As rural communities continue to face pressing health care challenges, FORHP's leadership and investment remain critical in driving sustainable, evidence-based solutions that improve health outcomes in rural communities. A deeper understanding of FORHP funding distribution will provide valuable insights for rural communities seeking to enhance health care access, sustainability and long-term impact.

#### **ABOUT THE ISSUE BRIEF**

This issue brief is based on work by Shelby C. Rowell, M.P.A., Wyatt J. Beckman, M.P.H., and Viktoria Sterkhova, M.P.H. It is available online at khi.org/articles/funding-rural-health/.

#### KANSAS HEALTH INSTITUTE

For 30 years, the Kansas Health Institute has believed evidence-based information, objective analysis and civil dialogue enable policy leaders to be champions for a healthier Kansas. Established in 1995 with a multiyear grant from the Kansas Health Foundation, KHI is a nonprofit, nonpartisan educational organization based in Topeka

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