FEB. 10, 2026

Whether it's your **lunch**, your **questions** or your **opinion**, be sure to

KANSAS HEALTH INSTITUTE

Informing Policy. Improving Health.

Bring It!

Federal Rural Health Funding in Kansas

Who We Are

- Nonprofit, nonpartisan educational institution based in Topeka.
- Established in 1995 with a multi-year grant from the Kansas Health Foundation.
- Committed to convening meaningful conversations around tough topics related to health.

Hello!

Shelby C. Rowell, M.P.A.
Analyst
Kansas Health Institute
srowell@khi.org

Agenda

- **Welcome**
- ***Introduction to the Kansas Rural Health Transformation Program***
  Presentation
- **Kansas Conversations: Understanding the Kansas Rural Health Transformation Program**
  Conversation
- **Overview of Federal Office of Rural Health Policy (FORHP) Awards in Kansas**
  Presentation
- **Kansas Conversations: Building Rural Community Readiness for Federal Funding**
  Conversation
- **Closing**

We Want To Hear From You!

You can be anywhere today. *What brings you to today's session?*

Resource Guide

FEB. 10, 2026

Bring It!

Federal Rural Health Funding in Kansas

On Feb. 10, the Kansas Health Institute provided an overview of key federal rural health funding efforts, including the new Rural Health Transformation Program (RHTP) and Federal Office of Rural Health Policy (FORHP) programs. Participants learned how these initiatives support rural health access, care delivery and system sustainability, and what they may mean for Kansas communities, state policy discussions and those navigating rural health funding opportunities.

Watch the recording here!

Resources

Explore how federal health investments flow to rural communities and the opportunities they create for strengthening rural health.

ACCESS THE PUBLICATIONS >

Learn more about the Rural Health Transformation Program and implications for Kansas communities.

EXPLORE THE KANSAS SITE >

Explore highlights from the second annual *Health on the Plains Summit* and how collaboration and innovation can help fund and sustain rural health efforts.

REVIEW THE RECAP >

Questions or Follow Up?

KHI is a nonpartisan source of data, analysis and policy-relevant insights. Our team is available to support you with:

- Demystifying federal rural health funding programs.
- Understanding implications for Kansas communities and state policy.
- Identifying data, research or resources to inform your work.

Shelby Rowell, *Analyst*, srowell@khi.org

Wyatt Beckman, *Senior Analyst & Portfolio Strategist*, wbeckman@khi.org

Access your Resource Guide in the chat!

Acknowledgments

We recognize the following individuals for their contributions as co-authors of *Funding Rural Health*:

Wyatt Beckman, M.P.H.

Senior Analyst &
Portfolio Strategist

Viktoria Sterkhova, M.P.H.

Analyst

Acknowledgments

We recognize the following individuals for their contributions as subject matter experts:

Sheena Schmidt, M.P.P.
Senior Analyst & Strategy Team Leader

Kari Bruffett
President and CEO

Wen-Chieh Lin, Ph.D.
Director of Research

Introduction to Federal Health Funding

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Key Players in the Federal Rural Health Landscape

Rural health initiatives are interwoven across agencies. Each plays a unique role in addressing the needs of rural communities.

HRSA

Federal Office of Rural Health Policy

- Serves as the central hub for rural-focused research and grant programs to build rural health care capacity.

CDC

Office of Rural Health

- Strengthens rural public health through data, prevention initiatives and support for health departments.

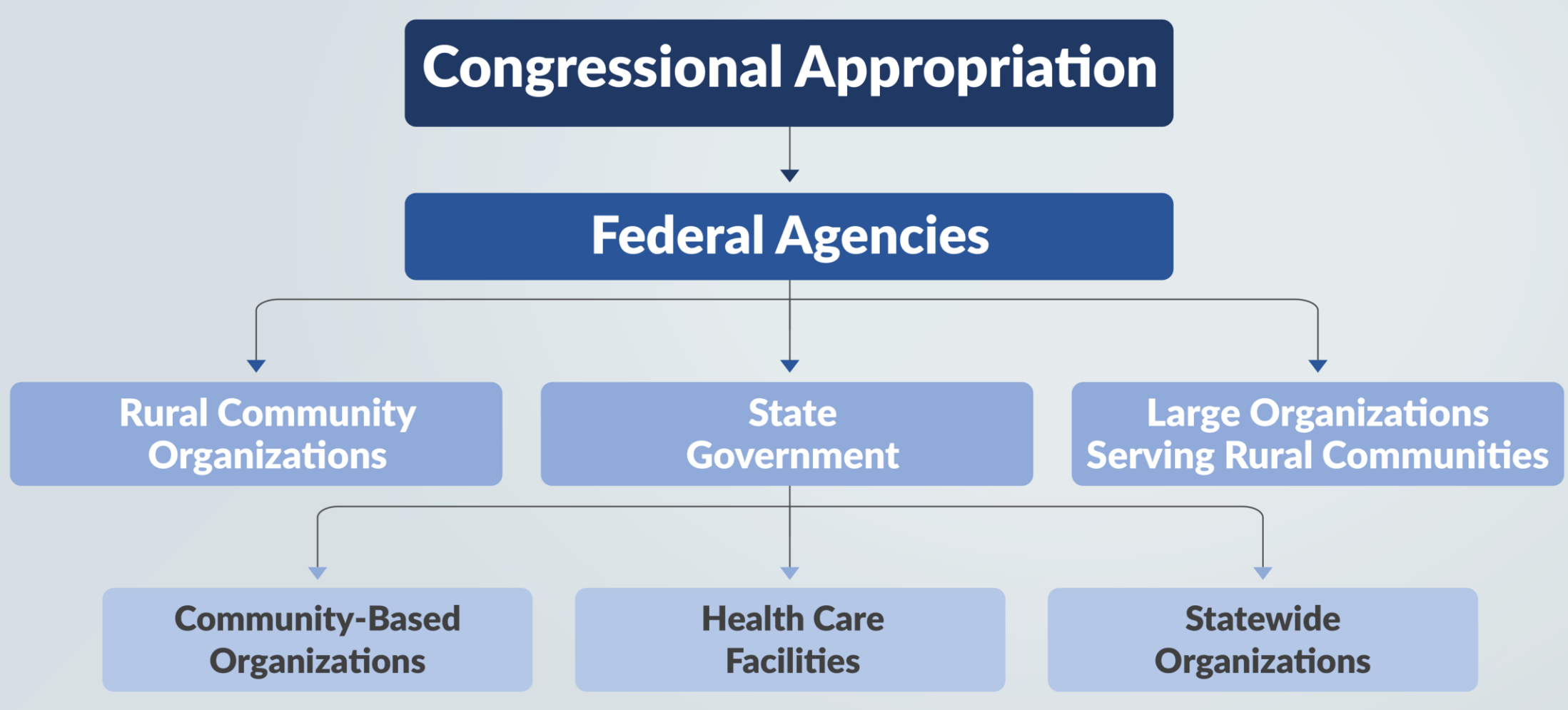
CMS

- **Office of Rural Health Transformation:** Manages the $50 billion Rural Health Transformation Program
- **Office of Minority Health**: Improves rural health equity by addressing disparities and expanding access.

Others

- U.S. Department of Agriculture
- U.S. Department of Transportation
- U.S. Department of Housing and Urban Development

How Do Federal Grant Dollars get to Rural Communities?



Funding Rural Health Transformation: An Introduction to the Kansas Rural Health Transformation Program

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Overview of the Kansas Rural Health Transformation Program

Matt Lara, M.S.

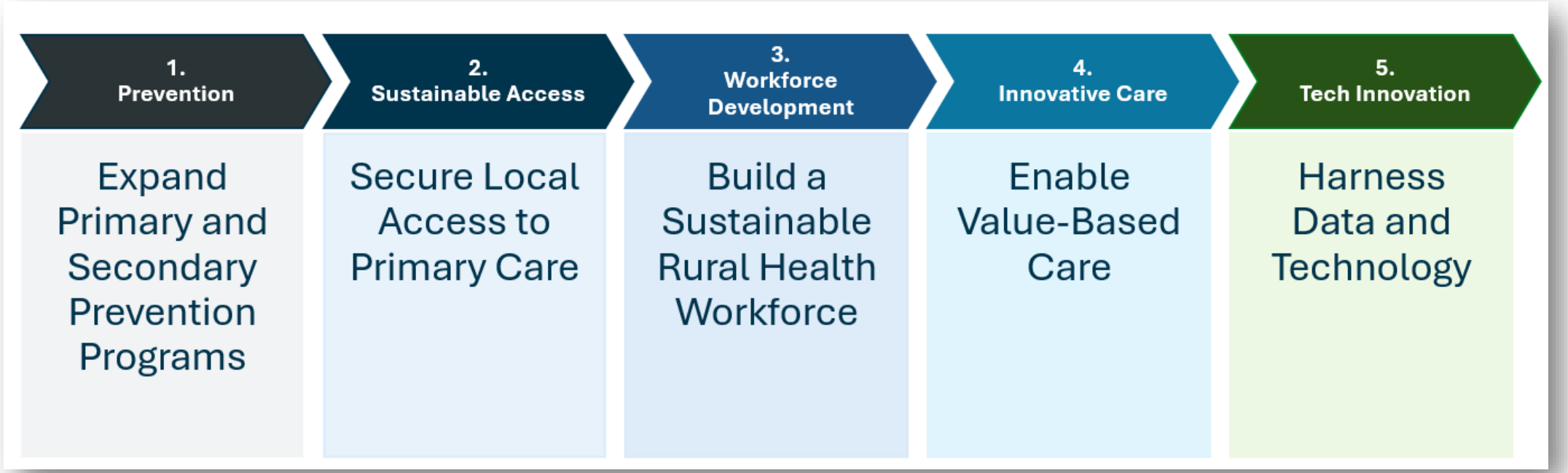
Chief of Staff and Rural Health Transformation Program Director

Kansas Department of Health & Environment

Rural Health Transformation Program

- $50 billion included in One Big Beautiful Bill Act to transform rural healthcare delivery
  - $10 billion to be distributed to states each year for 5 years, not individual providers
  - To receive funds, states required to submit proposed Rural Health Transformation Plan and related budget consistent with Program requirements
- Kansas awarded $221.89 million in Year 1 to implement its approved Plan
  - Awards ranged from $147.3 million to $281.3 million; Kansas' award was the 6th highest of any state
  - Award amounts based on specific objective criteria + quality of State's Plan
- Instead of receiving lump sum payment, State draws down federal funds for approved expenditures included in budget submitted with State plan
- State's progress in Plan implementation will determine award amount for future years

Kansas Plan Initiatives



- Multiple programs under each initiative to achieve specified objectives
  - Programs based on submissions from multiple stakeholders
- Intense focus on transformative impact, post-award sustainability

Detailed explanation of the Plan and its programs available at https://www.kdhe.ks.gov/2361/Rural-Health-Transformation-Program

Funding Restrictions

1. Administrative expenses capped at 10% of total funding in given budget period
2. Cannot use funds for new construction
3. Capital expenditures capped at 20% of total funding in given budget period
4. Cannot pay for clinical services presently reimbursable by insurance
5. Payments for non-reimbursable clinical services capped at 15% of total funding in given budget period
6. Cannot change payment amounts on existing fee schedules
7. Cannot purchase food
8. EHR replacement capped at 5% of total funding in given budget period
9. Cannot back-fill programs that have lost funding
10. All funded positions subject to federal salary rate limitation
11. Cannot use funds to pay clinician salaries or wage supports for facilities that subject clinicians to non-competes
12. "Start-up" initiative funding capped 10% of total funding in given budget period
13. Cannot use funds as expenditure that is attributable to intergovernmental transfer, certified public expenditure, or otherwise finance non-Federal share of expenditures required by law
14. Other standard restrictions on grant expenditures apply

Kansas Plan Implementation

- Governor designated KDHE as lead agency for Plan development and implementation
  - Governor formed Kansas Rural Health Innovation Alliance to facilitate stakeholder engagement in Plan development and implementation
    - Includes leaders from several statewide organizations involved in rural healthcare delivery
    - Committed to maximum transparency to facilitate meaningful engagement
  - State contracted with The University of Kansas Health System Care Collaborative to provide project management and implementation support
    - Decade of experience working with rural providers to implement evidence-based practices, to engage in quality improvement, and to pursue value-based contracting
    - 91 provider organizations across 79 counties participate, including hospitals in 72 of the 75 rural Kansas counties with hospitals, along with affiliated clinics
  - Multiple organizations engaged in implementing specific programs and projects
- Must adhere to detailed implementation plan and timeline and comply with CMS program requirements

Kansas Rural Health Innovation Alliance (KRHIA) Members

Kansas Hospital Association

Community Care Network of Kansas

Association of Community Mental Health Centers of Kansas

Kansas Association of Local Health Departments

Kansas Rural Health Association

Kansas Medical Society

Kansas Academy of Family Physicians

Patterson Family Foundation

Kansas Chapter, American Academy of Pediatrics

Kansas Health Institute

Kansas Department of Health and Environment

Kansas Department of Aging and Disability Services

LeadingAge Kansas

Kansas Health Care Association

Kansas Grantmakers in Health

Six Priority Programs

Statewide Impact + Speed to Implementation

1. **Value-Based Incentive Payment Program (included under Initiative 4)**
   - Quarterly payments to hospitals ($50K) and clinics ($25K) for employing evidence-based practices
   - Includes ongoing education and assistance to ensure success
2. **Regional Partnership and Transformative Capital Investment Grant Programs (included under Initiative 2)**
   - Competitive grants to fund collaborative arrangements and capital investments
   - Anticipate Year 1 awards totaling $60 million for rural providers to transform local care delivery
3. **Accountable Food is Medicine + Community Health Worker (CHW) Deployment (included under Initiative 1)**
   - Promote healthy eating and exercise to prevent and manage chronic disease
   - 200 local CHWs to provide ongoing support and coordination of resources

Six Priority Programs

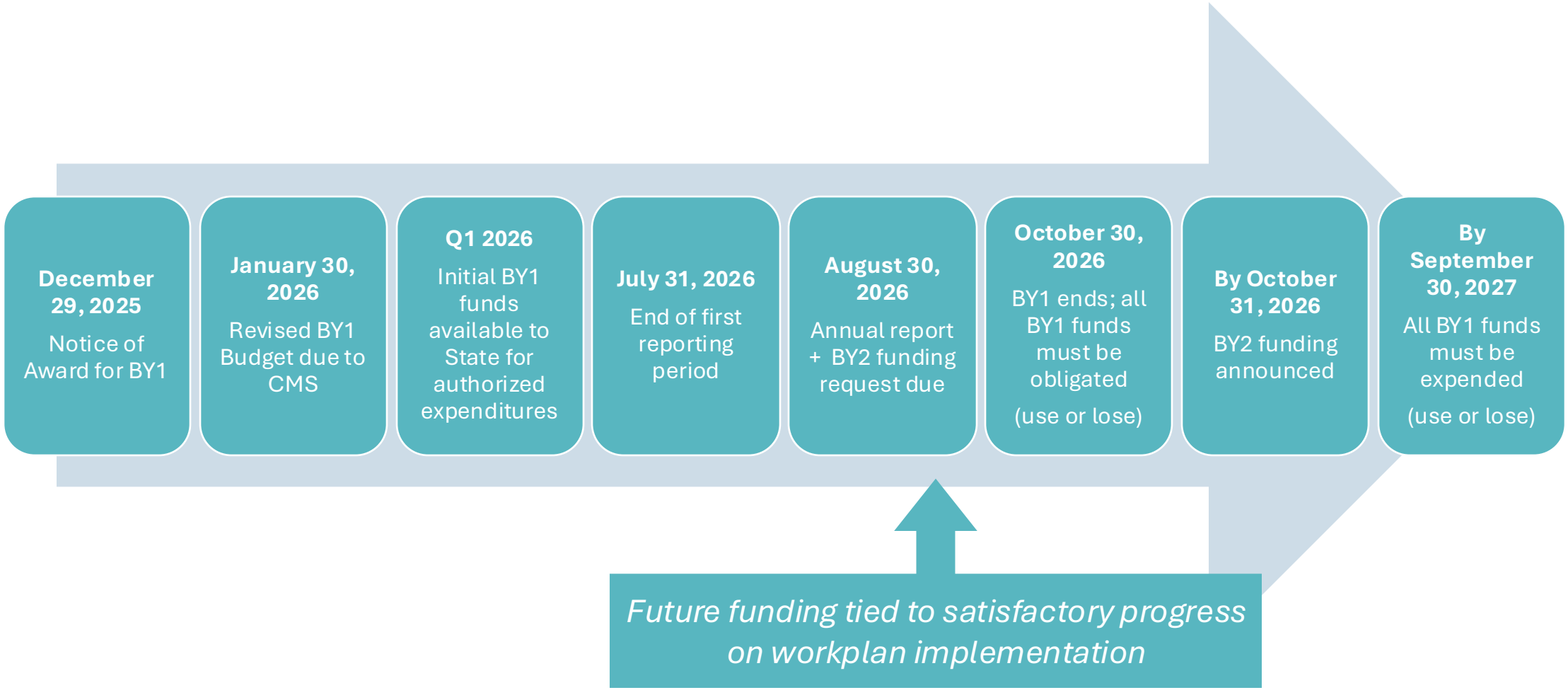
Statewide Impact + Speed to Implementation

4. **Workforce Development** (included under Initiative 3)
   - Multiple projects ranging from rural residency programs to K-12 career exploration
   - Focus on critical shortage areas, including nursing and allied health
5. **Interfacility Transports** (included under Initiative 3)
   - Dedicated regional teams with equipment to transport rural patients to/from larger facilities
6. **Anchor Hospital Advancement Program** (included under Initiative 4)
   - Direct assistance to larger rural hospitals to ensure local access to specialty services
   - Includes administrative services, technology acquisition, practitioner recruitment

Immediate Next Steps

- ✓Submit updated budget to CMS by Jan. 30, 2026 (complete)
- ✓Establish internal processes to request, receive, and account for federal funds (in process)
- ✓Finalize detailed program implementation plans, work assignments, and timelines (in process)
- ✓Enter into subrecipient and subcontractor agreements for specific programs (pending funding)
- ✓Outreach to rural providers and communities regarding opportunities for participation (in process)
- ✓Release request for applications for Regional Partnership and Transformative Capital Investment Grant Programs in mid-February; announce awards in late May (pending funding)
- ✓Secure providers' commitment to participate in value-based incentive payment program
- ✓Establish and empower work groups to launch Food Is Medicine/CHW Deployment (in process)
- ✓Finalize anchor hospital criteria and secure commitment to participate (in process)
- ✓Continue engagement with Kansas Rural Health Innovation Alliance (ongoing)

Budget Year 1 (BY1)



Kansas Conversations: Understanding the Kansas Rural Health Transformation Program

Featured Speaker

Matt Lara, *Chief of Staff and Rural Health Transformation Program Director*, Kansas Department of Health and Environment

Moderator

Sheena Schmidt, *Senior Analyst & Strategy Team Leader,* Kansas Health Institute

Overview of Federal Office of Rural Health Policy (FORHP) Awards in Kansas

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FORHP in Focus

FORHP was created by Section 711 of the Social Security Act in 1987

Provides national leadership on rural health policy

Administers grants, cooperative agreements and contracts to provide technical assistance to support rural health care

Coordinates rural health activities within HHS

Promotes and supports innovations in rural health delivery

Conducts rural-focused policy analysis, research and maintains a rural health information clearinghouse

Supports State Offices of Rural Health (SORHs)

KHI's *Funding Rural Health* Publication Series

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Award

- One grant awarded to a single grantee.
- Multi-year grants counted once per year.

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Rurality

- Uses the FORHP definition of rural
- Counties classified as Fully FORHP Rural or Not Fully FORHP Rural based on census tract data.

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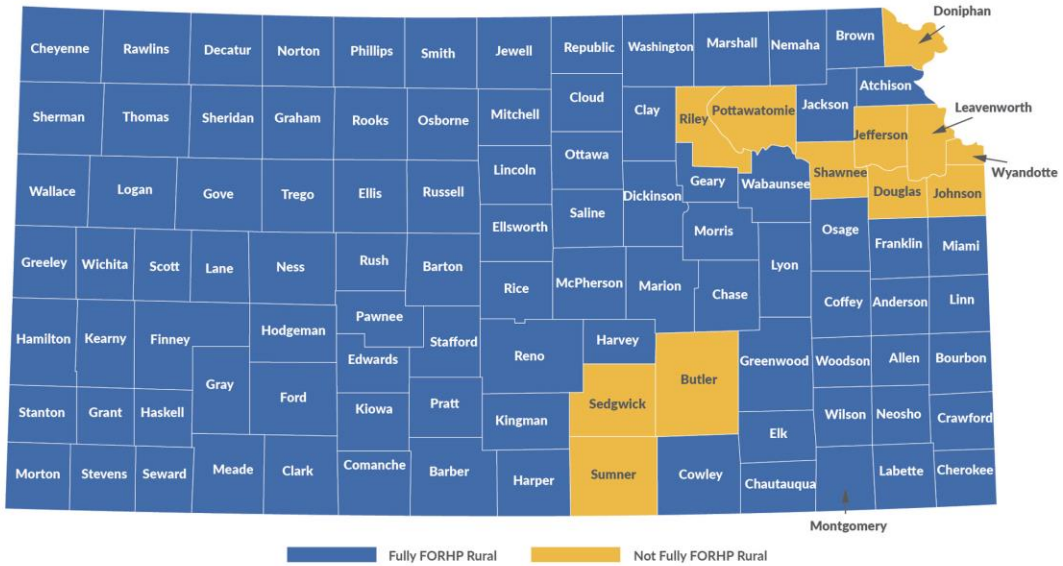
Kansas Counties by FORHP Rurality Designation



FORHP Funding Focus Areas: Kansas Compared to the United States, 2019 – 2023

Health Care Access & Service Delivery

	Kansas	U.S.
Awards (%)	41%	38%
Funding (%)	21%	29%
Avg. Award ($)	$0.5M	$0.4M

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

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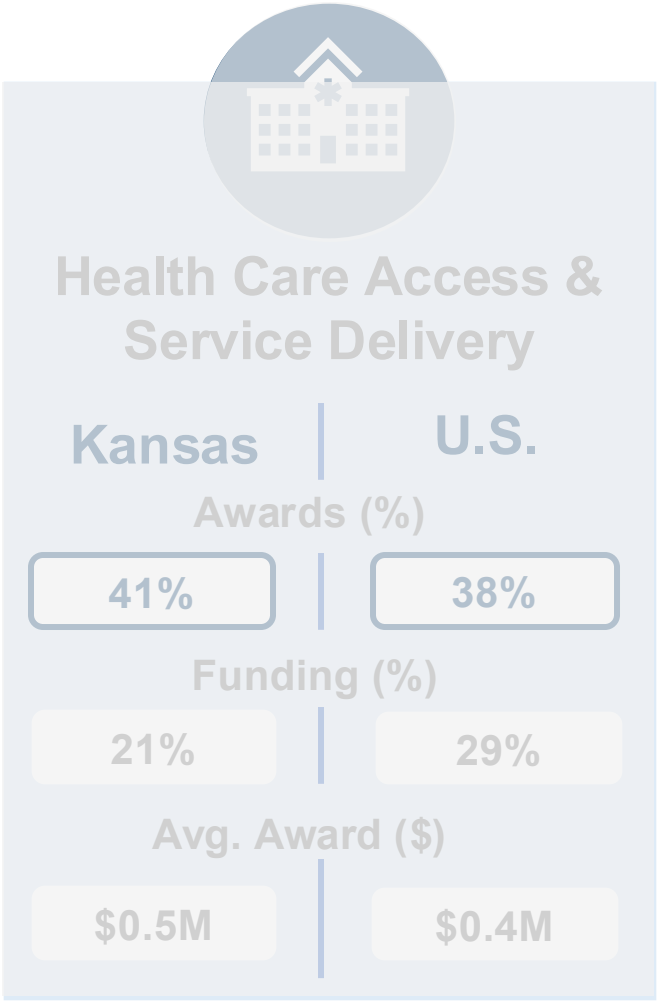
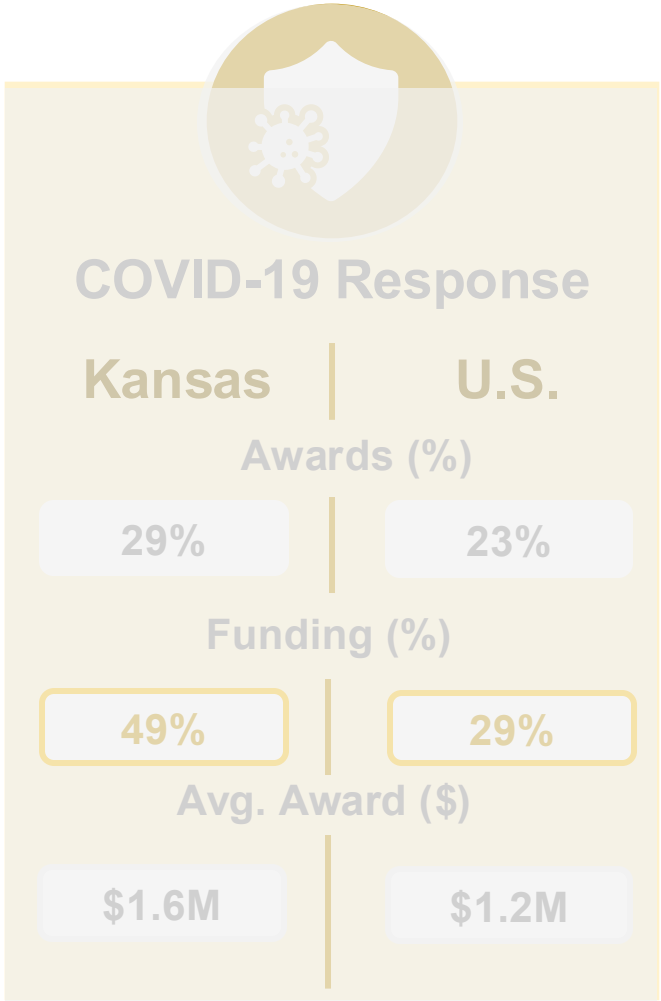
COVID-19 Response

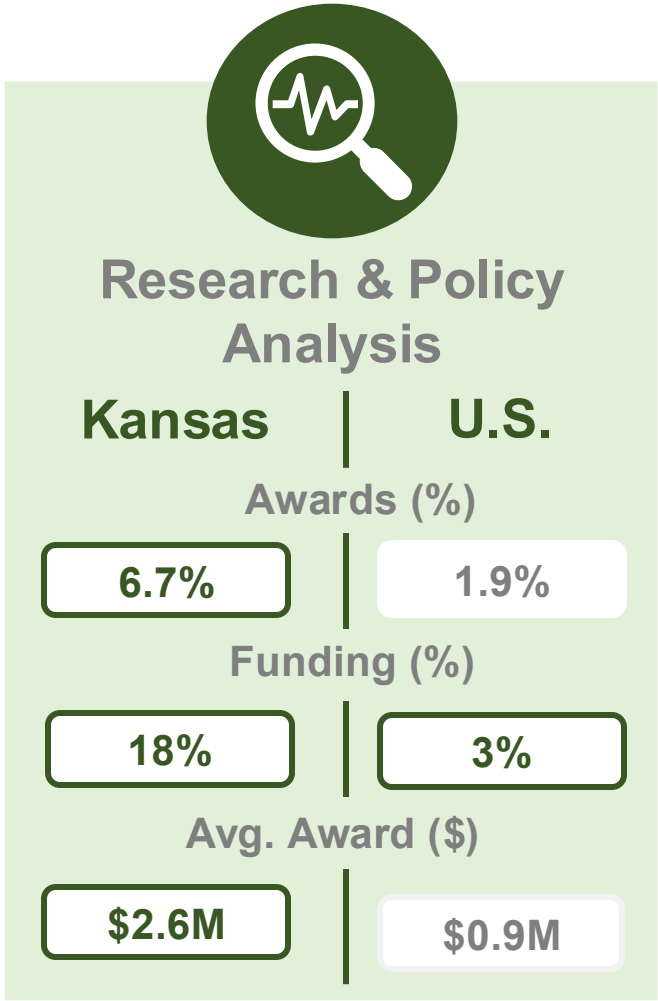
	Kansas	U.S.
Awards (%)	29%	23%
Funding (%)	49%	29%
Avg. Award ($)	$1.6M	$1.2M

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

FORHP Funding Focus Areas: Kansas Compared to the United States, 2019 – 2023



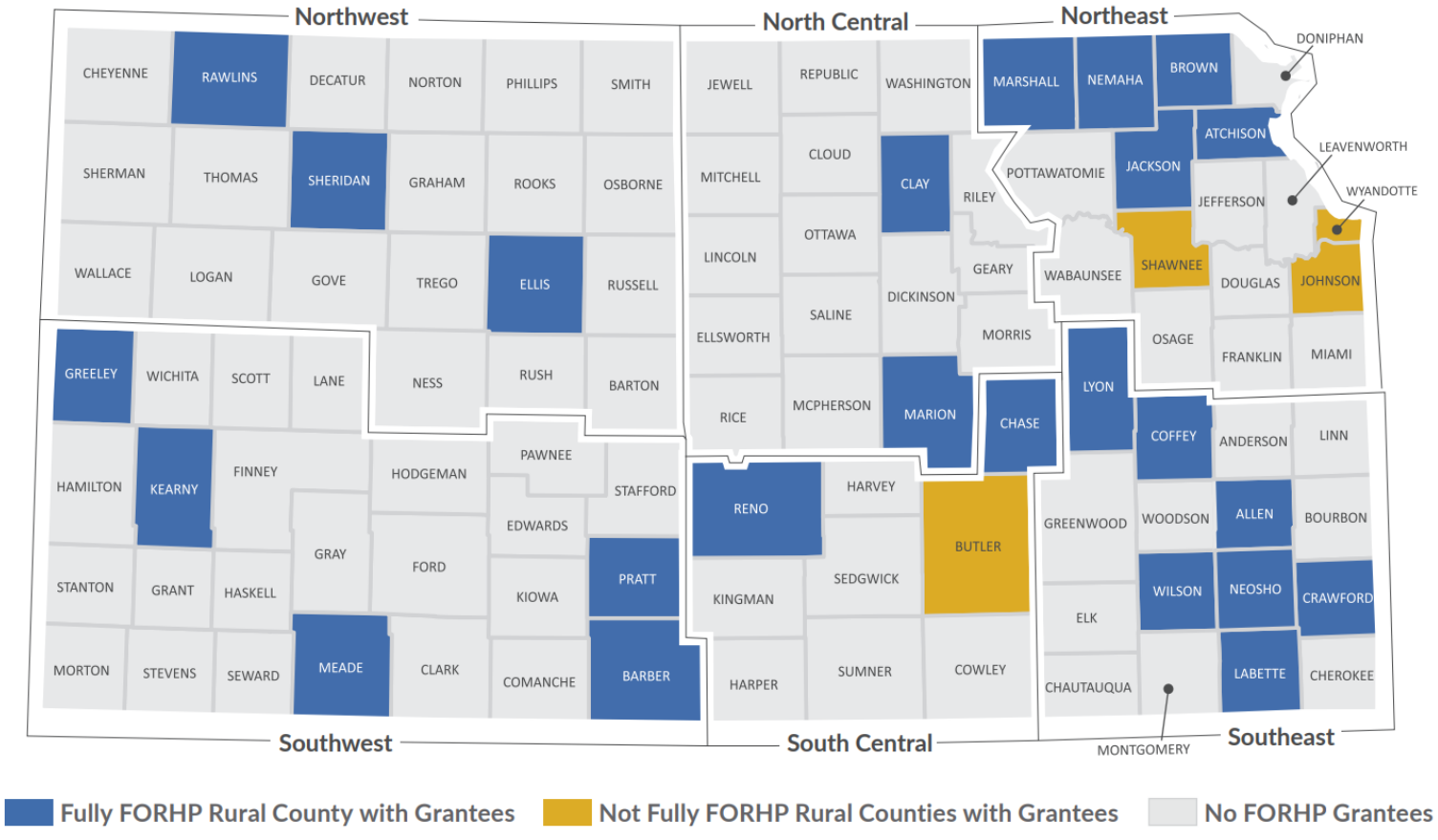




Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

KHI Analysis: FORHP Grants in Kansas, 2019 – 2023

FORHP Grantees in Kansas By County



- Received **$71.9M** in FORHP funding (2019 – 2023)
- Kansas ranked **seventh** among states in total amount of funding received
- **57.3 percent** of awards went to recipients **in fully rural counties**
- Grantees in fully rural Kansas counties received **14.4 percent** of total FORHP funding

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

Grant Spotlight: Rural Communities Opioid Response Program (RCORP), 2019-2023

Substance Use and Behavioral Health Funding Share

Kansas: 2.2%

U.S. Average: 29.1%

Upcoming Opportunities: HRSA RCORP–Planning and RCORP–Impact (estimated posting: Feb 2026).

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

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What is RCORP?

- **Multiple, separate** grant programs with varying focus areas
- Supports **prevention, treatment and recovery** for opioid and substance use disorder in rural communities across the U.S.
- Delivered through **multi-sector rural consortia**

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

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RCORP in Kansas

- Grantees in Kansas received **two types of RCORP funding**
  - ✓ **Planning**
  - ✓ **Implementation**
- **Thrive Allen County** received both RCORP Planning and Implementation Grants

Source: Kansas Health Institute analysis of Federal Office of Health Policy (FORHP) data.

Kansas Conversations: Building Rural Community Readiness for Federal Funding

Featured Speaker

Lisse Regehr, *President & CEO*, Thrive Allen County and Thrive Kansas

Moderator

Shelby Rowell, *Analyst*, Kansas Health Institute

Help Shape Upcoming Sessions!

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Resource Guide

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Up Next

FEB. 17, 2026
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Health Insurance Marketplace Changes in 2026

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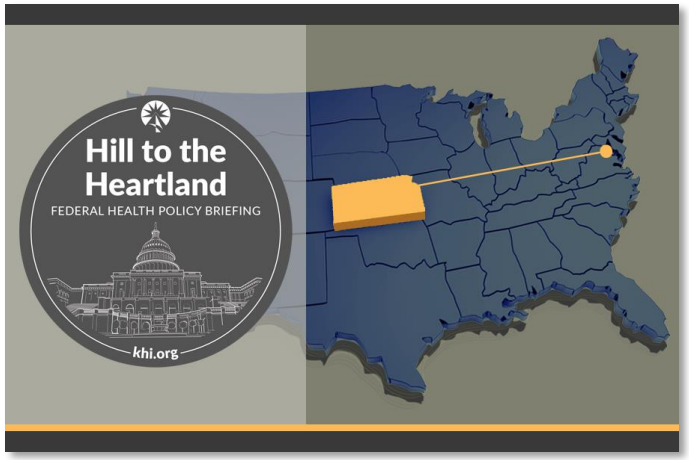
Upcoming Events



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