

FREQUENTLY ASKED QUESTIONS

I. General

1. How does a state access the full Notice of Funding Opportunity (NOFO)?

After release, the RHT Program NOFO is posted on Grants.gov. The link to the NOFO is also posted on [CMS's website](#).

2. Where does the state submit an application?

The state can submit its application on Grants.gov.

3. What if I am having trouble accessing the NOFO or applying on Grants.gov? Who do I contact to get help?

Grants.gov provides 24/7 support:
Phone: 1-800-518-4726
Email: support@grants.gov

4. What are the deadlines to apply for the RHT Program?

The RHT Program application deadline is early November 2025.

5. Can states submit their application earlier than the application deadline?

Yes, states may submit their application any time after the NOFO application window opens and prior to the application deadline. However, all applications will be scored at the same time.

6. Will a letter of intent (LOI) be required? If so, what is the process for the LOI?

No. While not required, CMS recommends states submit a non-binding letter of intent (LOI) which expresses an interest in applying for the RHT Program. Additional details on information to include within the LOI and how to submit the LOI are included in the NOFO.

7. Will there be subsequent opportunities to apply for the RHT Program?

No. There will be only one application period ending in early November 2025, for the RHT Program.

8. Will there be webinars on the NOFO?

Yes, CMS plans to host several webinars. Additional information on the webinars is available on the program webpage at <https://www.cms.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program>.

9. How can a state receive additional information about the RHT Program?

These FAQs will be updated on a regular basis to include incoming questions. CMS will also host webinars. Information on the webinars is available on the program webpage at <https://www.cms.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program>. States may also email MAHARural@cms.hhs.gov with technical questions.

10. Will there be technical assistance available during the pre-application, post-application, or post-funding phases of the program?

For questions on the program and eligibility, please reach out to MAHARural@cms.hhs.gov. During the open application period, CMS will host webinars for eligible applicants. CMS encourages states to ask questions frequently and expects to update this FAQ regularly. During the implementation of the RHT Program, there will be significant technical assistance offered, and CMS will maintain regular communication with and support to states. More information will be provided in the "Cooperative agreement terms" section of the NOFO.

II. Eligibility

1. Who is eligible to apply for RHT Program Funds?

In accordance with Public Law 119-21, Section 71401, only the 50 States of the United States are eligible to receive an RHT Program award. U.S. Territories and the District of Columbia are not eligible to receive an RHT Program award. Local governments, hospitals, universities, nonprofits, federally recognized Tribes, or individuals also may not apply.

2. Can multiple states apply together?

Each state should submit its own application, and a state may submit only one official application. Within their own applications, states may decide to coordinate with other states on planning and execution of proposed activities and initiatives.

3. Which state office or official is eligible to submit an application?

Each state's Governor may designate a lead state agency or office to develop and submit the application. The lead state agency or office must submit with the application a letter of endorsement from the Governor that expresses support for the proposed rural health transformation plan and certifies that the application has been developed with certain key stakeholders. Additional details and information are outlined in the NOFO.

4. Can the Governors' offices designate a non-state entity to submit an application?

No, the application must come from a state government agency or office.

III. Application and Rural Health Transformation Plan

1. Is it possible to make changes to, resubmit, or update an application after it has been submitted but before the application due date/time?

A state may submit only one official application. CMS will not review multiple applications from the same state. If more than one application is received from a state, the last submitted application prior to the submission deadline will be determined to be official and will be reviewed, and any earlier submissions will be disregarded.

2. If a state is unable to submit the application by the deadline, does it have any recourse?

Applications that are received late, fail to meet the eligibility requirements, or do not include all required content as detailed in the NOFO will not be approved. All submitted applications are time-stamped in Grants.gov and those received after the application due date and time will not be accepted. CMS encourages states to not wait until the deadline to submit their application.

3. Can a state reapply if its application for the RHT Program is denied?

No. There is only one application period for the RHT Program.

4. Are there page limits for the application?

Yes, the page limits are described in the NOFO and are consistent with other CMS grant opportunities.

5. Is there an example project and format to follow?

The NOFO includes details on how to describe a state's planned initiatives. The NOFO also includes example initiatives states may use as a starting point to develop their own initiatives. States should consider how each proposed initiative relates to the program's strategic goals, the statutory language on approved use of funds categories, what measurable outcomes will be used to assess the impact of the initiative, the sustainability of the initiative beyond the program period, the impact on rural communities, and key stakeholders needed for the success of each initiative.

6. What are the policy commitments that states should focus on and do these commitments need to be enacted by the time of application?

State policy commitments should aim to improve access to, quality of, and cost of health care in rural America. States will receive credit for state policy actions in effect at the time of the application and may also receive credit for committing within their application to future policy changes by a certain deadline. Additional information is included in the NOFO.

7. How does CMS define rural?

The definition of rural is in the NOFO and includes language required by Public Law 119-21, Section 71401, and additional rural metrics as described in the NOFO.

8. Do provider organizations eligible for funding from the state under the RHT Program need to be located in rural areas?

There are no specific restrictions in the NOFO on which provider organizations can effectuate impact on rural communities and residents.

9. Will applicants need to submit third-party commitments of action or letters of support?

A letter of endorsement from the Governor is required as part of the required application materials. Letters of support to show evidence of support from key stakeholders are optional. This is outlined in the NOFO in the "Application Contents and Format" section.

10. What is the anticipated process for updating work plans and programming during implementation?

This funding opportunity is structured as a cooperative agreement so there will be close collaboration between states and a CMS program officer. CMS understands that details in the work plan and timelines may shift as states move into the implementation phase of their initiatives, but the underlying strategy, themes, and general timing for use of funding should not change significantly throughout the program period.

11. In states that elect to use RHT Program funds to recruit and retain clinical workforce talent in rural areas, will there be flexibility, especially for non-physician professionals, on the five-year service obligation?

Under the uses of funds described in statute, there is a minimum five-year commitment for clinical workforce talent to serve rural communities who benefit from recruiting and retention initiatives funded by the RHT Program.

12. What will annual reporting requirements look like?

There is regular annual reporting required by CMS, similar to other CMS grant opportunities, that ensures states have been using funding consistent with the terms of the cooperative agreement. Additionally, states will report annually on progress on their work plans, timelines, milestones, and achievement of measurable outcomes. Additional information will be provided in the NOFO and Program Terms and Conditions of the grant award.

13. What data should states examine to prepare their applications? Where can states look for good data references?

States can engage with the Governor's office and other major health care stakeholder organizations, including all relevant state health agencies. Various federal government agencies, such as CMS and the Health Resources and Services Administration (HRSA), also have useful health care data sets.

14. Do potential subrecipients need to be specified in the application?

States should specify any known sub-recipients in the Budget Narrative section of the application. If a state chooses to award some of its RHT Program funds to another entity, the state must make its process and criteria for selecting such sub-recipients, contractors, or subcontractors clear to CMS. More information is provided in the NOFO.

IV. Funding Awards

1. Do states need to formally apply to receive the funding described in Public Law 119-21, Section 71401?

Yes. States must apply and be awarded a cooperative agreement to participate in the RHT Program and receive funding.

2. How much funding will be available to a state each year of the program?

The total funding for the program is \$50 billion. In accordance with Public Law 119-21, Section 71401, funding will be awarded annually, with \$10 billion available each fiscal year. Half of each year's total funding will be distributed equally between all approved states. The second half of funding will be distributed to no less than 25 percent of approved states based on the number of points allocated to each state's approved application using the method outlined in the "Funds distribution" section of the NOFO.

3. Can states roll over unused funds from year-to-year?

In accordance with Public Law 119-21, Section 71401, funding that is allotted in any given fiscal year is available until the end of the subsequent fiscal year. Funding unexpended or unobligated as of October 1, 2032, will be returned to the United States Treasury.

4. Are there circumstances where a state must return any funding that it has already received?

Yes. In accordance with Public Law 119-21, Section 71401, using funds in a manner inconsistent with activities described in a state's application and/or on activities CMS has not approved may result in withholding, reducing, or recovering funding. Additionally, any funds the state has not spent by the end of the fiscal year following the fiscal year in which the funds were allotted will be redistributed according to the mechanism described in the "Funds distribution" section of the NOFO.

5. How does CMS intend to interact with states after funds are awarded?

The awards are cooperative agreements, and CMS will have substantial project involvement after an award is made to ensure a successful program. Details on our involvement is specified in the NOFO under the "Cooperative agreement terms" section.

6. When will funding be awarded?

Awards will be announced by December 31, 2025.

7. Will all funding be distributed by December 31, 2025?

Awards will be announced by December 31, 2025. Funding will be awarded annually, with \$10 billion available each fiscal year.

8. Will states receive all funding immediately, or will the funding be distributed progressively over the five-year period?

Consistent with the statute, \$10 billion is available each fiscal year from FY 2026 – FY 2030 for awarding among states with approved applications.

9. Is there only one application to apply for all funding? Are there subsequent applications for each of the five years?

There is only one application period with one submission deadline for this funding opportunity. Similar to other multi-period CMS grant opportunities, states will be required to submit annual non-competing continuation (NCC) applications to receive funding for each subsequent budget period. These are not new applications and provide information updates to the state's budget, progress on meeting project goals and objectives, and other information.

10. How should states craft their budget when they are not certain how much funding they will receive? How specific should the spending plan be?

The NOFO provides additional guidance on how to complete the Budget Narrative. Similar to other CMS grant opportunities, the amount that states use to budget in their initial application compared to a potential final award amount may be different following CMS's assessment of all applications.

11. Can states award some of their grant funds to other entities?

Yes. If a state chooses to award some of its RHT Program funds to another entity, the state must make its process and criteria for selecting such subrecipients, contractors, or subcontractors clear to CMS. Note that the terms and conditions of federal awards generally flow down to subrecipients, contractors, and subcontractors, as specified in 2 CFR § 200.101(b)(1).

12. Can all 50 states be approved for the funding?

Yes. There is no statutory barrier to awarding all 50 states funding.

13. Is the second half of funding limited to only 25 percent of approved applications from states?

No. Public Law 119-21, Section 71401, specifies that all states with an approved application will receive a portion of the first 50% of funding and that not less than ¼ of the states with an approved application must also receive part of the second 50% of funding. The ¼ requirement is not a cap on number of eligible participants.

V. Use of Funds

1. Can funding be used for Medicare or Medicaid reimbursement?

Funding cannot be used to replace payment for clinical services that could be reimbursed by insurance or another form of health coverage. CMS will not approve proposed initiatives that would pay for clinical services where payment for the services is available from another source of coverage, including where the initiative would increase the payment amount available from the other source of coverage.

2. What are allowable expenditures (e.g., investments) that provide sustainable benefits beyond the funding period? Can any of the funding be used for building health care facilities?

Information on the specific uses of funds and restrictions is provided in the NOFO.

3. Can funding be used to expand existing programs to include more communities and systems of care?

Many of the uses of funds outlined in Public Law 119-21, Section 71401, center on the transformation of care delivery. The intent of this funding is not to be used for perpetual operating expenses, but rather for investments that can be made within the duration of the program that will have sustainable impact beyond the end of the program.

Like other federal grant programs, the application must include a program duplication assessment to ensure that funding from this program is not being used to pay for the same activities or for the same services to the same beneficiaries as other federal funding programs. Additional details on the use of funds are outlined in the NOFO in the "Use of Funds" section.

4. Is there a limit for the administrative portion of funds?

Yes. As required by Public Law 119-21, Section 71401, there is a 10% cap on funding that can be used for administrative purposes. This cap applies to both indirect and direct costs.

5. Will a list of allowable expenditures be released?

Public Law 119-21, Section 71401, includes details on statutorily approved use of funds and unallowable expenses. Additional information on the approved use of funds and funding limitations is included in the NOFO.

Disclaimer: This FAQs reflect the expected contents of the NOFO. The NOFO, once released, and the statute will serve as the authoritative sources regarding their contents and requirements.

You have the right to get your information in an accessible format, like large print, braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against.

Visit [CMS.gov/About-CMS/Web-Policies-Important-Links/Accessibility-Nondiscrimination-Disabilities-Notice](https://www.cms.gov/About-CMS/Web-Policies-Important-Links/Accessibility-Nondiscrimination-Disabilities-Notice), or call 1-800-318-2596. TTY users can call 1-855-889-4325.

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