



NC Rural Health Transformation Program Overview

November 2025

RHTP At a Glance (Recap)

RHTP is part of H.R. 1 federal legislation.

- Under the program, states apply for financial allotments to improve the access/quality of care of services in rural areas, such as through enhanced technology, strategic partnerships, and workforce training.
- Application submitted by November 5, 2025. The CMS must approve or deny applications by December 31, 2025; states that receive approval do not need to reapply each year.
- RHTP funding is \$50 billion for States over five fiscal years (2026-2030)
 - 50% to be distributed equally amongst all approved States
 - 50% will be allocated by CMS based on a variety of factors including rural population, the proportion of rural health facilities in the State, the situation of certain hospitals in the State, and other factors to be specified by CMS in the NOFO

What this means for N.C.?

- NC's rural population is the second largest in the country.
- NC's strong safety net system provides a strong foundation for transformation.

RHTP is an opportunity

- NC can build on the innovative models that work, spur sustainable innovation, support North Carolina's rural workforce, and improve access to care for the over 3.4 million individuals living in rural areas.

Guiding Principles in Development of the RHT Application

Initiatives were developed by mapping state innovations and divisional needs against partner feedback and NOFO requirements. Guiding principles used to detail out each initiative and its component activities.

Guiding Principles

- ✓ **Align with Strategic Goals and Use of Funds:** Initiatives should support RHTP's five strategic goals and draw from the eleven approved use-of-funds categories. They must be evidence-based, outcomes-driven, and transformative.
- ✓ **Prioritize Measurable, Community-Level Impact:** Initiatives should include clear metrics, baseline data, and targets—ensuring accountability, scalability, and local relevance.
- ✓ **Demonstrate Stakeholder Engagement and Governance:** Initiatives should be co-designed with rural stakeholders and supported by a formal engagement framework and clear governance structure.
- ✓ **Maximize resources for rural health:** Align initiatives with initiative-based and policy-based technical score factors to strengthen the application and maximize potential funding.
- ✓ **Plan for Long-Term Sustainability:** Initiatives should include a sustainability plan beyond FY31, leverage existing infrastructure, and avoid duplication of existing programs.

INPUTS

Landscape Assessment
of Rural Health Needs

Brainstorming with
Division Teams

Identifying Current
NC Innovations

Stakeholdering via
Online Forum

Benchmarking Against
NOFO Examples

How we developed our application (informed by stakeholder feedback)

NC Rural Health Transformation Program Feedback Dashboard

October 10, 2025

421 Comments Submitted (+141 this week)

Top Emerging Themes

Access to Care and Infrastructure:

Mobile clinics, telehealth kiosks, and EMS-based triage are widely proposed to address hospital closures and transportation barriers in rural areas.

Behavioral Health & Substance Use Disorder (SUD) Services:

Telepsychiatry, school-based mental health, and mobile crisis units are key strategies to address North Carolina's low behavioral health access ranking.

Workforce Recruitment and Retention:

Stakeholders emphasize rural residencies, CNA-to-LPN pipelines, loan repayment, and housing stipends to address critical shortages in clinical staff.

Technology-Enabled Chronic Disease Management:

Remote patient monitoring (RPM), pharmacist-led care, and AI-based screening tools are central to managing diabetes, hypertension, and heart disease.

Maternal & Pediatric Health:

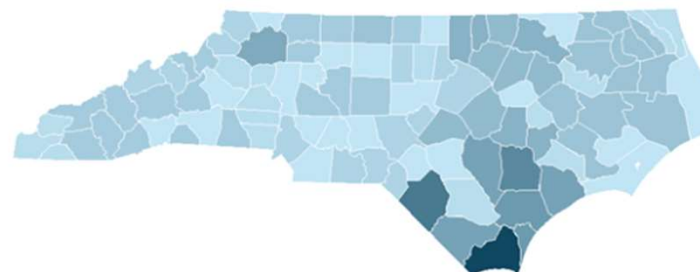
OB teleconsultation, pharmacy-based contraceptive access, and RPM for preeclampsia are proposed to address maternity care deserts and improve outcomes.

Social Determinants of Health (SDOH) Integration:

Programs like NCCARE360, Healthy Opportunities Pilots, and CHW-led outreach are being scaled to address housing, food insecurity, and transportation.

Where We're Hearing From

Feedback makes specific references to **79 North Carolina counties**, with highest engagement in Brunswick, Robeson, Duplin, New Hanover, and Pender counties.



Our Challenges and Needs Assessment for RHTP

Large & Diverse Rural Population

28.4% of North Carolinians—nearly 3 million people—live in rural areas, spanning 78 counties from the coast to the mountains.

Widening Gaps in Access & Outcomes

Rural communities face persistent disparities in health outcomes, provider shortages, and economic challenges, with gaps in access to care and quality.

High Burden of Chronic & Behavioral Health Needs

Diabetes rates are up to 17% higher than urban areas; 90 counties are mental health shortage areas; American Indian youth face elevated risks.

Critical Provider & Workforce Shortages

24 counties lack adequate primary care; shortages in behavioral health, oral health, and EMS are acute, impacting care delivery.

Financial Instability of Rural Facilities

12 rural hospitals have closed or converted since 2006; 5 more are at immediate risk, threatening local access to emergency & inpatient care.

Barriers to Digital Health & Resource Navigation

Broadband gaps and low digital literacy limit telehealth and care coordination, especially in high-poverty counties.

Gaps in Prevention & Early Intervention

Rural families and children have less access to preventive screenings and coordinated chronic disease management.

Targeted RHTP Approach: Investments will prioritize regionally anchored hub-and-spoke networks, high-burden zip codes, persistent poverty areas, and underserved populations—including tribal communities.

Rural Health in NC at-a-Glance



- **2.96M rural residents**—2nd highest in the U.S, spread across 78 counties (in green above)
- **High proportion of rural health facilities**, including 12+ CCBHCs
- **5.5% uncompensated** care rate
- **28.4%** population in rural areas
- Some counties in western NC and parts of the Sandhills region meet FAR Level 2 criteria
- **28th in land area** among U.S. states (~53,819 square miles). Geographic diversity and rural dispersion create logistical and infrastructure challenges that mimic those of larger states.

Vision	To advance innovative solutions that foster independence, improve health, and promote well-being for all North Carolinians					
Required Federal Elements	Improving Access Improving Outcomes Partnerships			Workforce	Cause ID Financial Solvency Strategies	Technology Use Data-Driven Solutions
NC Rural Health Priorities	1. Transform Rural Health Through Community-Led, Tailored Networks	2. Build Rural Capacity in Primary Care, Chronic Care, and Social-Related Services into Rural Community Networks	3. Build and Integrate Behavioral Health and SUD Services Into Rural Community Networks	4. Build a Robust & Resilient Workforce & Innovative Care Team Models for Rural Communities	5. Ensure Fiscal Sustainability of Rural Health Providers Through Innovative Financial Models	6. Modernize Rural Care Delivery Through Digital Forward Solutions
Summary of Planned Strategies & Initiatives	<ul style="list-style-type: none"> Create collaborative community hubs in connecting providers, FQHCs, CCBHCs, schools, LHDs, and community-based organizations Design and deploy community-tailored services that address physical health, behavioral health, substance use, and upstream wellbeing needs Build platforms to improve information sharing, joint training, program coordination, and group purchasing 					
	<p>Initial Statewide Focus:</p> <ul style="list-style-type: none"> Chronic Care: Diabetes, hypertension, cancer, sickle cell, physical fitness Prevention & Screening Perinatal and maternal care Nutrition/Food as Medicine <p>Program Priorities</p> <ul style="list-style-type: none"> Expand access to primary and specialists through digital-forward models Build care coordination and navigation supports across local networks of care Deploy upstream supports and interventions emphasizing prevention and wellness 					
	<ul style="list-style-type: none"> Expand and standardize the state's CCBHC model Deliver enhanced assessment and treatment programs to address critical care gaps in: <ul style="list-style-type: none"> First episode psychosis Rural crisis Mobile outreach and response Mobile opioid treatment and medication units School-based health Leverage collaborative and non-traditional models to connect North Carolinians to care 					
	<ul style="list-style-type: none"> Expand rural residencies and training/certification for CHWs, peers, direct care workers and other health professionals Expand simulation and interprofessional training Build capacity for qualified training sites and faculty/teachers Build outreach programs and high-school-to-job pipelines Provide TA on innovative care team models Expand scholarships, paid internships, and placement services for committed rural health workers 					
	<ul style="list-style-type: none"> Launch rural Medicaid VBP models via two linked programs: <ul style="list-style-type: none"> Primary care capitation pilot Small-and-medium sized rural hospital pilot Reduce operating costs and inefficiencies in care delivery 					
	<ul style="list-style-type: none"> Increase the number and quality of rural provider connections to the state Health Information Exchange (HIE) Expand rural provider adoption of AI tools and other digital solutions. Expand virtual care models. Improve digital health literacy in rural communities 					

Timeline Snapshot

Dates to remember:

- **October 10, 2025:** Stakeholder inputs period closed to inform application development
- **November 3, 2025:** NCDHHS submitted application on behalf of Governor's Office
- **November 5, 2025:** Application deadline to CMS
- **December 31, 2025:** Target for CMS approval of application
- **Early 2026:** More guidance to be issued on how partners can apply for fund

For more information:

- **Press Release:** [North Carolina to Apply for the Rural Health Transformation Program](#)
- **Website:** [Rural Health Transformation Program](#)