

NC Rural Health Transformation Program Overview

RHTP At a Glance (Recap)

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

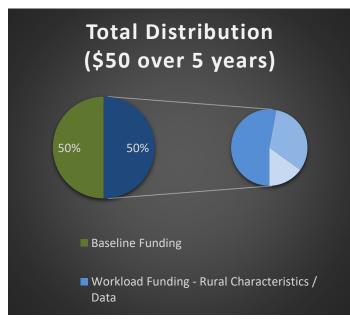
- Under the program, states apply for financial allotments to improve the access/quality of care of services in rural areas, such as through enhanced technology, strategic partnerships, and workforce training.
- Application due November 5, 2025. The CMS must approve or deny applications by December 31, 2025; states that receive approval do not need to reapply each year.
- States are not required to contribute any matching funds with respect to program allotments.

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 will now act as filters 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, acknowledging that this does not.
- ✓ **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.

⊕ ★ Technology-Enabled Chronic **Disease Management:**

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

Behavioral Health & Substance Use Disorder (SUD) Services:

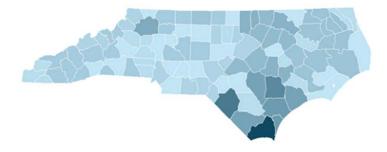
Telepsychiatry, school-based mental health, and mobile crisis units are key strategies to address North Carolina's low behavioral health access ranking.

Maternal & Pediatric Health:

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

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.



4 Social Determinants of Health (SDOH) Integration:

* O Workforce Recruitment and

residencies, CNA-to-LPN pipelines, loan

repayment, and housing stipends to

address critical shortages in clinical

Stakeholders emphasize rural

Retention:

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

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.

<u>Critical Provider & Workforce</u> <u>Shortages</u>

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

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.

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.

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.

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.

To advance innovative solutions that foster independence, improve health, and promote well-being for all North Carolinians Vision Required Cause ID | Financial Technology Use | Data-Federal Improving Access | Improving Outcomes | Partnerships Workforce Solvency Strategies Driven Solutions **Elements** 2. Build Rural Capacity 4. Build a Robust & 5. Ensure Fiscal **NC Rural** 1. Transform Rural in Primary Care, 3. Build and Integrate Resilient Workforce & 6. Modernize Rural Care Sustainability of Rural Health Health Through Chronic Care, and Behavioral Health and **Innovative Care Team Health Providers Delivery Through Digital** Community-Led, **Social-Related Services** SUD Services Into Rural **Priorities Models for Rural** Through Innovative Forward Solutions **Tailored Networks** into Rural Community Communities **Financial Models Networks** Expand rural residencies Increase the number and **Initial Statewide Focus:** Expand and standardize · Launch rural Medicaid · Create collaborative and fellowships and quality of rural provider · Chronic Care: Diabetes. the state's CCBHC model VBP models via two community hubs in training/certification for connections to the state linked programs: hypertension, cancer, connecting providers, Deliver enhanced CHWs, peers, direct care Health Information sickle cell, physical FOHCs, CCBHCs, schools, Summary of Planned Strategies assessment and treatment o Primary care workers and other health Exchange (HIE) LHDs, and communityfitness programs to address capitation pilot professionals Prevention & Screening based organizations Expand rural provider critical care gaps in: Perinatal and maternal o Small-and-medium • Expand simulation and adoption of AI tools and First episode sized rural hospital & Initiatives Design and deploy care interprofessional training other digital solutions. psychosis Nutrition/Food as community-tailored pilot o Rural crisis Build capacity for Expand virtual care Medicine services that address o Mobile outreach and Reduce operating costs qualified training sites models. physical health, behavioral **Program Priorities** response and inefficiencies in care and faculty/teachers health, substance use, and Improve digital health Expand access to primary o Mobile opioid delivery upstream wellbeing needs Build outreach programs literacy in rural and specialists through treatment and and high-school-to-job communities digital-forward models medication units • Build platforms to improve pipelines Build care coordination School-based health information sharing, joint and navigation supports Provide TA on innovative • Leverage collaborative training, program across local networks of care team models and non-traditional coordination, and group care models to connect North purchasing Expand scholarships, paid Deploy upstream supports Carolinians to care internships, and and interventions placement services for emphasizing prevention committed rural health and wellness workers

Timeline Snapshot

Dates to remember:

- October 13-20, 2025: Initiative finalization
- October 21: Please send any feedback by end of day
- November 3, 2025: NCDHHS submits 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