CMS Announces Rural Health Transformation Program Awards in All 50 States, Including Tribal Set-Asides and Initiatives in Several States

Category: Policy Blog
written by Alex Sampson | January 22, 2026

On December 29, 2025, the Centers for Medicare and Medicaid Services (CMS) announced all 50 states will receive awards under the Rural Health Transformation Program (RHTP), which was created in the One Big Beautiful Bill Act (OBBBA). In 2026, states will receive first-year awards from CMS averaging $200 million with awards ranging from $147 million to $281 million. Importantly, many states included Tribal-specific components within their RHTP application abstracts.

Annual Allocations and Tribal Mentions for States with UIOs

State	Total Annual Allocation	Tribal Set Aside or Tribal Initiative[1]
Arizona	$166,988,956	
California	$233,639,308	
Colorado	$200,105,604	
Illinois	$193,418,216	
Kansas	$221,898,008	
Maryland	$168,180,838	
Massachusetts	$162,005,238	
Michigan	$173,128,201	List Tribes or Tribal organizations as subrecipients of the state's funding allocation.
Minnesota	$193,090,618	Minnesota states that rural Tribal Nations are a potential subgrantee of its funding allocation.
Missouri	$216,276,818	
Montana	$233,509,359	List Tribes or Tribal organizations as subrecipients of the state's funding allocation.
Nebraska	$218,529,075	List Tribes or Tribal organizations as subrecipients of the state's funding allocation.
Nevada	$179,931,608	

New Mexico	$211,484,741	Includes an initiative to “build and sustain a rural and Tribal health workforce by expanding local career pathways, strengthening clinical training pipelines and educational opportunities, and supporting long-term retention through housing, mentorship, and community-based incentives.” Also includes an initiative to “launch a competitive grant program that empowers rural, frontier, and Tribal communities in New Mexico to design and lead locally tailored health initiatives addressing unique challenges such as preventive care, behavioral health, non-medical drivers of health, and provider facility needs.”
New York	$212,058,208	Includes information about partnering with Tribal Nations to implement their plans in the most effective way possible.
Oklahoma	$223,476,949	Includes information about partnering with Tribal Nations to implement their plans in the most effective way possible.
Oregon	$197,271,578	Oregon has a dedicated set-aside for the nine federally recognized Tribes in the state.
South Dakota	$189,477,607	
Texas	$281,319,361	
Utah	$195,743,566	Includes information about partnering with Tribal Nations to implement their plans in the most effective way possible.
Washington	$181,257,515	Washington states its initiatives will support, among other things, “increasing training capacity for Tribal providers, nurses and long-term care workers.”
Wisconsin	$203,670,005	Includes information about partnering with Tribal Nations to implement their plans in the most effective way possible.

Background on the RHTP

The RHTP’s $50 billion in funds will be allocated to approved states over five years, with $10 billion available each year from 2026 through 2030. As directed by the OBBBA:

- 50% of the funding is distributed equally among all approved states; and
- 50% is allocated based on factors as described in the Notice of Funding Opportunity.

NCUIH will continue to monitor how the allocations under the RHTP will be distributed.

[1] Hobbs, Straus, Dean & Walker, LLP., General Memorandum 26-001, (2026, January 6), https://hobbsstraus.com/general_memo/general-memorandum-26-001/.