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Alaska Department of Health Announces Rural Health Transformation Program Year 2 Award Amount

Alaska Department of Health to receive increased funding for Year 2 of Alaska's Rural Health Transformation Program

ANCHORAGE, Alaska — November 17, 2026 — The Alaska Department of Health (DOH) recently received its Year 2 Notice of Award for the Rural Health Transformation Program (RHTP) from the Centers for Medicare and Medicaid Services (CMS). In total, Alaska's Year 2 award amount is $272,653,149.35, an increase of $478,293.63 from Year 1.

The Rural Health Transformation Program, which was part of a $50 billion, five-year federal funding initiative, is designed to promote rural health innovations that strengthen maternal care, increase access to health care, build a strong healthcare workforce, and improve health outcomes for Alaskans.

Alaska's RHTP program encompasses six primary strategic initiatives: Healthy Beginnings, which invests in maternal and child health so Alaska families can start strong; Health Care Access, which works to expand and sustain essential services in rural, remote, and frontier communities; Healthy Communities, which promotes healthy lifestyles and preventive care; Strengthen Workforce, which grows and supports skilled, resilient health care teams statewide; Spark Technology, which leverages technology to better support clients and patients; and Pay for Value, which aligns payment systems with better patient outcomes and provides stability for providers.

The increased award amount reflects CMS's confidence in the progress DOH and its partners have made to date, and in Alaska's potential to achieve lasting, transformative change.

“The Trump Administration’s $50 billion Rural Health Transformation Program gives states the resources and flexibility to bring care closer to home and build stronger, more sustainable health care systems for their rural communities,” said CMS Administrator Dr. Mehmet Oz. “As the program enters its second year, this next round of funding will help Alaska build on the progress made in year one and continue working toward lasting improvements in access, quality, and health outcomes for rural communities.”

“What we saw in year one applications was a need to stabilize,” said Alaska Department of Health Commissioner Heidi Hedberg. “Health care providers want to be innovative. They want to increase access and provide better care, but first they needed support to better position themselves and prepare to take the next steps towards larger transformational efforts. Alaskans deserve access to care as close to home as possible. We are excited to see the year one awardees building a foundation that will have a positive impact across the state.”

Reflecting on Year 1, Diving into Year 2

The Year 2 award announcement comes shortly after the culmination of Alaska’s Year 1 funding cycle. In the first year, DOH awarded a diverse portfolio of 254 statewide projects, totaling just under $249 million in funding for communities across Alaska. This transformative work is now underway. At the same time, DOH is now reviewing applications for the Year 2 Fall funding cycle, which closed on October 28. Based on gaps identified in Year 1 awards, the Department is elevating and focusing on: Emergency Medical Services, care coordination, and readiness for Pay for Value models. An open call for applications across all initiatives was also included in the Fall cycle. In total, DOH received 384 applications from 217 organizations. The projects selected to advance in this cycle will build on the progress made in Year 1. Funding announcements for the Year 2 Fall cycle are expected as early as December 2026, with grant awards beginning as early as January 2027.

DOH is refining its strategy for the next four years, focusing on stabilizing, transforming and sustaining a stronger, more integrated health care system across Alaska. Strategic planning is informed by 13 RHTP regional planning sessions, which brought together providers, Tribal leaders, social service organizations, and others representing the health care landscape to discuss key priorities and opportunities for each community. Additional regional meetings, as well as a second Year 2 funding cycle, are planned for 2027. Additional details about both will be forthcoming in early 2027.

For more information about the Rural Health Transformation Program, including resources for applicants and a breakdown of funding across initiatives so far, visit the RHTP web page.

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