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Spring 2026 RHTP Applicant Resource Guide

This guide is intended to help organizations prepare and submit applications and related materials under Alaska's Rural Health Transformation Program (RHTP). It includes information for organizations applying for implementation pathway funding, as well as organizations advancing to the planning pathway that are preparing required project and budget materials. Applicants are encouraged to read this guide before beginning their submissions and to reference it throughout the process.

This guide consolidates information and resources to support applicants throughout the application process. It reflects the program as currently understood and is not a substitute for federal statutes, regulations, guidance, CMS approvals, or award-specific requirements.

The full implementation application and review process is designed to assess whether a project is ready for implementation, has a clear plan and milestones, aligns with RHTP goals and initiatives, can be sustained over time, and complies with applicable federal and state requirements.

Advancement to the Full Application stage does not guarantee funding. Planning Pathway notifications represent an intent to provide funding for planning activities, subject to final review, approval, and grant agreement execution. All awards remain subject to Alaska DOH review, CMS requirements and approval, cooperative agreement requirements, and applicable federal and state laws and regulations. Applicants should also regularly review the Alaska DOH RHTP and CMS RHTP website for updates.

Program Overview

The Rural Health Transformation Program (RHTP) is a federal program created by Congress in 2025 to improve rural health care across the United States. It provides $50 billion over five years for all fifty states to support better access to care, stronger health systems, and healthier communities through long-term system-level change. RHTP funding will address Alaska's unique health care access challenges related to our state's geography, remote and frontier communities, workforce shortages, and high costs of care delivery. The program offers a time-limited opportunity to strengthen local health systems, expand access to care closer to home, and invest in solutions designed for Alaska's unique rural and remote context.

The Department of Health (DOH) is the lead agency for RHTP in Alaska and is responsible for program design, funding decisions, and oversight. RHTP is administered as a cooperative agreement with the federal Centers for Medicare & Medicaid Services (CMS), meaning DOH works closely with CMS throughout implementation, and CMS retains ongoing oversight and approval. While DOH makes funding recommendations and administers awards, CMS must approve uses of funds and key program elements. As with most federal grants, the terms and conditions that apply to the State's grant award also apply to organizations receiving RHTP subawards. Therefore, applicants should keep in mind that CMS retains final authority to revise or reject specific activities or portions of awarded projects, and additionally, that CMS review may apply to individual activities within a project, not just the project as a whole.

RHTP Initiatives Overview

Alaska established six initiatives in its RHTP plan that guide how funding will be used. All projects must demonstrate how they contribute to rural health system transformation as well as align with and advance Alaska's RHTP Initiatives, summarized below:

1. Healthy Beginnings: Strengthen maternal and child health as a foundation for healthy families;

2. Health Care Access: Expand and sustain essential primary, behavioral, oral, specialty, emergency, home and community-based, and post-acute care health services across Alaska's rural communities;

3. Healthy Communities: Invest in enhancing access to preventive and primary care services that enable early chronic disease management, expanding the use of consumer-facing digital tools and population health clinical infrastructure, and promoting healthy lifestyles with culturally appropriate community education;

4. Pay for Value: Fiscal Sustainability: Incentivize a shift from traditional volume-based reimbursement models to build the long-term financial stability of rural providers through voluntary innovative care and payment models that increase care coordination, lower costs, and improve health outcomes;

5.Strengthen Workforce: Build a resilient rural health care workforce through pipeline, recruitment, training, and retention strategies, alongside wraparound housing and childcare supports to help providers remain in rural communities;

6. Spark Technology and Innovation: Harness data and technology to expand the use of consumer wearables and digital devices, enhance telehealth, foster appropriate use of AI, strengthen cybersecurity, facilitate data sharing and system interoperability, and test new delivery modalities using emerging technologies.

Applicants are strongly encouraged to review the detailed descriptions of each of Alaska's RHTP Initiatives, all of which are available on the DOH RHTP website. This information provides additional context on how RHTP funds may be used under each initiative and can help applicants clearly articulate alignment in their application.

Allowable Use of RHTP Funds

RHTP funds may only be used for purposes permitted by federal statute and approved by CMS. Allowable uses include:

A. Prevention and chronic disease: Promoting evidence-based, measurable interventions to improve prevention and chronic disease management

B. Provider payments: Payments to health care providers for items or services that fill gaps in coverage or support care transformation, subject to limitations described below. RHTP funded provider payments must be justified as addressing unmet needs or piloting non-covered services, consistent with federal requirements

C. Consumer tech solutions: Promoting consumer-facing, technology-driven solutions for the prevention and management of chronic diseases

D. Training and technical assistance: Providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, artificial intelligence, and other advanced technologies

E. Workforce: Recruiting and retaining clinical workforce talent to rural areas. Individuals who receive RHTP-funded financial assistance and complete an RHTP-funded certification must commit to at least five years of service in rural communities, consistent with federal requirements

F. IT advances: Providing technical assistance, software, and hardware for significant information technology advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes

G. Appropriate care availability: Assisting rural communities to right size their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care, outpatient care, and post-acute care service lines

H. Behavioral health: Supporting access to opioid use disorder treatment services (as defined in section 1861(jjj)(1) of the Social Security Act), other substance use disorder treatment services, and mental health services

I. Innovative care: Developing projects that support innovative models of care that include value-based care arrangements and alternative payment models, as appropriate

J. Capital expenditures and infrastructure: Investing in existing rural health care facility buildings and infrastructure, including minor building alterations or renovations and equipment upgrades to ensure long-term overhead and upkeep costs are commensurate with patient volume, subject to limitations described below. Proposed capital investments must be clearly tied to RHTP goals, support care delivery transformation, and comply with applicable federal cost principles

K. Fostering collaboration: Initiating, fostering, and strengthening local and regional strategic partnerships between rural facilities and other health care providers to promote quality improvement, improve financial stability of rural facilities, and expand access to care

Key Applicant Considerations

Cooperative Agreement

The Rural Health Transformation Program is administered as a federal cooperative agreement with CMS. Unlike a traditional grant, cooperative agreements involve ongoing federal oversight and collaboration throughout the program period.

As part of the cooperative agreement structure:

- CMS retains approval authority over allowable activities and expenditures;
- CMS may require revisions to budgets, scopes, or implementation approaches, which may affect award timelines;
- Award terms and guidance may evolve during the five-year program period;

- States and subrecipients should expect ongoing monitoring, reporting, and technical assistance.

Applicants should design projects that are:

- Aligned with CMS and DOH RHTP requirements;
- Flexible and scalable;
- Operationally sustainable;
- Adaptable to evolving federal guidance or implementation needs.

Additionally, please be aware that projects selected for funding may be subject to:

- Additional CMS review;
- Budget negotiations;
- Technical assistance requirements;
- Reporting and monitoring expectations;
- Programmatic or financial corrective actions if necessary.

Understanding Subrecipient Performance Periods and CMS Budget Periods

RHTP involves two different types of timelines: subrecipient performance periods, which determine when subrecipients may carry out project activities and spend funds, and CMS cooperative agreement budget periods, which govern the State's federal award. Most applicants should focus primarily on the subrecipient performance periods described below.

Subrecipient Performance Periods

Subrecipient awards are structured into subrecipient performance periods, which are distinct from CMS budget periods. A subrecipient performance period is the period during which a subrecipient is authorized to carry out project activities and spend awarded funds. Performance periods are based on standard fiscal-year quarters and are designed to end before the State's own federal spending deadline, giving DOH time to address spending delays, consider extensions, or reallocate funds as needed to ensure federal funds are fully utilized before they expire.

With the exception of performance period 1 (which is shorter due to program launch timing), all subrecipient performance periods are standardized to twelve months (four quarters), regardless of when an award is made. This is intended to simplify financial reporting and multi-year planning for both grantees and program administrators.

Applicants should use the performance period dates below when planning project activities, budgets, and spending.

The grace period is the window between the subrecipient spending deadline and the State's federal spending deadline (September 30). It is intended primarily for closeout activities, reporting, and, in limited cases, approved extensions. Subrecipients should plan to complete all project activities and spending by the end of their performance period, not during the grace period.

In limited circumstances, DOH may approve an extension of the performance period. Subrecipients seeking an extension must submit a written request at least 30 days before the end of the performance period and demonstrate why additional time is needed and how the project will be completed within the proposed extension period. Extensions are considered on a case-by-case basis and are not guaranteed.

The performance period schedule for the Spring RHTP funding cycle is as follows:

Performance Period (PP)	Start	End	Annual Report Due*	Grace Period
PP 1: Planning Grants	July 1, 2026	June 30, 2027	July 31, 2027	July 1 – Sept 30, 2027
PP 1: Implementation Grants	August 1, 2026	June 30, 2027	July 31, 2027	July 1 – Sept 30, 2027
PP 2	July 1, 2027	June 30, 2028	July 31, 2028	July 1 – Sept 30, 2028
PP 3	July 1, 2028	June 30, 2029	July 31, 2029	July 1 – Sept 30, 2029
PP 4	July 1, 2029	June 30, 2030	July 31, 2030	July 1 – Sept 30, 2030
PP 5	July 1, 2030	June 30, 2031	July 31, 2031	July 1 – Sept 30, 2031

**Quarterly reporting also required*

Note: The next RHTP funding cycle is planned for fall 2026, with performance periods starting January 1, 2027 for awards made in that round. Future funding rounds and their performance period schedules will be announced separately.

CMS Budget Periods and Expenditure Windows

Alaska’s cooperative agreement with CMS is structured around five budget periods, each approximately one year long, with a trailing expenditure window of eleven months. The State's federal funding is awarded and managed through these budget periods. A budget

period defines when the State must obligate funds, [1] while the expenditure window is the period during which those funds may continue to be spent [2].

CMS budget periods run on a November–October cycle, whereas the expenditure window for each budget period extends through the end of the following federal fiscal year (September 30). These federal deadlines are the reason subrecipient performance periods end before September 30 each year. Structuring awards this way provides time for reporting, closeout activities, and, where appropriate, approved extensions before the State's federal spending deadline.

The five CMS budget periods and expenditure windows are:

- Budget Period 1: December 29, 2025 – October 30, 2026
  - (Expenditure Window: through September 30, 2027)
- Budget Period 2: October 31, 2026 – October 30, 2027
  - (Expenditure Window: through September 30, 2028)
- Budget Period 3: October 31, 2027 – October 30, 2028
  - (Expenditure Window: through September 30, 2029)
- Budget Period 4: October 31, 2028 – October 30, 2029
  - (Expenditure Window: through September 30, 2030)
- Budget Period 5: October 31, 2029 – October 30, 2030
  - (Expenditure Window: through September 30, 2031)

Federal law does not allow extensions to these deadlines. Funds that are not timely obligated or spent may be lost and returned to CMS. For this reason, subrecipient awards are structured so that spending is completed well before the State's federal deadline.

Multi-Year Projects

RHTP is structured as a five-year federal cooperative agreement intended to support long-term rural health transformation across states.

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[1] Funds that have been legally committed to a specific purpose through a binding agreement (such as a contract, subaward, or purchase order) but may have not yet been paid. Once funds are obligated, they are set aside for that purpose and cannot be used for something else without prior approval. (see 2 CFR 200.1 "Financial obligations").

[2] States must expend obligated funds by the end of the federal fiscal year following each budget period. Awardees have until the end of the following federal fiscal year to spend awarded funding that was obligated within the budget period (42 U.S.C. 1397ee(h)(1)(B)). Funding earmarked but not paid out for future spending, expenses, or subawards/subgrants/subcontracts are not considered spent.

Applicants may propose projects that span multiple performance periods. While DOH may identify certain projects for prioritized consideration in future funding cycles, funding beyond the initial performance period is not guaranteed and remains subject to project performance, CMS approval, DOH funding decisions, and funding availability.

Application Components

1. Project Overview

Applicants will need to provide their project title, LOI reference information, a public-facing project summary, funding request amount, and organization overview.

Project summaries should use plain language; clearly explain proposed activities and the problem addressed; avoid jargon and acronyms; and be suitable for public communications.

2. Communities Served and Rural Impact

Applicants should describe the communities and populations directly served by the project, rural health access barriers, geographic and operational challenges, and how the project will improve access or outcomes.

Projects may be located anywhere in Alaska, including hub or urban areas; however, proposals should clearly explain how the project benefits rural, remote, or frontier Alaskans.

3. Initiative Alignment

Applicants must identify the primary RHTP initiative their project supports and explain how the project advances the goals under that initiative, as outlined in Alaska's RHTP project narrative. Applicants may identify one secondary initiative if a significant portion of the project clearly supports that initiative. Because selecting multiple initiatives requires additional narrative, budgeting, and reporting, applicants should select a single initiative whenever reasonably possible.

4. Workplan and Timeline

Applicants will need to provide a clear workplan and timeline for their proposed activities, including:

- Activities planned during Performance Period 1
- Major project milestones and deliverables

- Multi-year implementation plans, if applicable
- Key risks, assumptions, or implementation barriers

Workplans should reflect realistic implementation timelines for the project's location and operating environment. Applicants should consider factors that may affect project timing, such as:

- Shipping and supply chain delays
- Workforce recruitment and onboarding
- Seasonal transportation or weather-related constraints
- Procurement, contracting, or permitting timelines

5. Outcomes

Applicants should identify the outcomes they hope to achieve through the proposed project and explain how progress will be monitored. Outcomes should be appropriate to the project, population served, and stage of development, and may include improvements in access, workforce capacity, care coordination, service delivery, health outcomes, or other measurable changes that advance RHTP goals.

Applicants are encouraged to describe how outcomes will be tracked and how the project team will respond to implementation challenges or changing circumstances. Reviewers understand that projects vary in maturity and certainty, and thoughtful discussion of risks, assumptions, and unknowns will strengthen your response.

6. Workforce and Staffing

If applicable to the proposal, applicants should outline new positions funded by the project, relationship of the position to the success of the project, recruitment and retention strategies, and sustainability of positions after the grant period.

7. Technology, Equipment, and Infrastructure

Applicants proposing telehealth, artificial intelligence (AI), emerging technology, cybersecurity improvements, equipment purchases, facility renovations, and/or infrastructure upgrades should clearly explain the operational need, sustainability plan, rural applicability, and any relevant cybersecurity and interoperability considerations. IT system improvements are expected to be interoperable with Alaska’s Health Information Exchange (HIE) when applicable.

Projects involving equipment purchases or upgrades over $10,000 or facility renovation activities will require additional detail as requested by DOH, ACF, or CMS.

8. Budget and Budget Narrative

Applicants must submit the DOH-provided budget roll up template and a budget narrative as a part of their application.

Budgets should reflect performance period 1 costs and should clearly connect costs to project activities. Applicants will need to distinguish between programmatic and administrative costs and demonstrate reasonable and sustainable use of funds. Projects which anticipate requesting future years of funding are encouraged to outline anticipated budget requests on the Years 2-5 tab of the budget template.

Additional guidance on administrative costs, programmatic costs, and indirect cost limitations is provided below. Applicants are encouraged to review these requirements before developing their budgets.

9. Procurement, Subawards, and Compliance

Applicants may be asked by DOH, ACF, or CMS to provide additional information, as needed, including information on:

- Procurement policies
- Subaward plans
- Evidence of organizational readiness
- Leadership or operational changes
- Federal compliance systems

Program Details: Funding Caps, Requirements, and Considerations

CMS has imposed federal limitations on how much of a state's total RHTP award may be used for certain types of costs. **These caps apply across the entirety of Alaska's RHTP award**, including both State-administered projects and subrecipient awards. DOH is responsible for tracking these expenditures and ensuring compliance with their limits. Applicants are **not** expected to manage or track these caps themselves but should be aware of them when developing project concepts and budgets.

Federal Funding Caps

Across each CMS Budget Period, the following limits apply to Alaska's total RHTP award:

- **Administrative expenses** (including direct and indirect administrative costs): Capped at no more than 10% of the total award to the State of Alaska;
- **Provider payments** (such as payments to test or pilot new or expanded services in alignment with program requirements): Capped at no more than 15% of the total award to the State of Alaska;
- **Electronic Medical Record (EMR) system replacement**: Capped at no more than 5% of the total award to the State of Alaska. This cap applies only when an EMR system is being replaced and the existing system was already HITECH-certified as of September 1, 2025.
  Note: Upgrades or enhancements to an existing HITECH-certified system are generally allowable and are not subject to this cap;
- **Capital expenditures and infrastructure**: Capped at no more than 20% of the total award to the State of Alaska. These costs are limited to minor renovations, alterations, and equipment upgrades that are clearly tied to program goals; new construction and major expansions are not allowed. Guidance related to what is considered minor vs major renovations can be found in CMS' RHTP FAQ.

Provider Payments

RHTP funds may be used for certain provider payments tied to approved rural health transformation activities. Provider payment funding is capped at 15% of a state's total RHTP award during a given budget period. Per CMS guidance, provider payments are payments intended to support health care services that are not otherwise paid for by insurers or existing funding sources.

Examples may include:

- Incentive payments tied to quality improvement
- Alternative payment model participation
- Payments supporting value-based care activities
- Services aligned with approved RHTP initiatives

Provider payment proposals should:

- Directly support Alaska's RHTP goals and initiatives
- Be sustainable beyond the grant period
- Avoid duplication of existing funding
- Focus on measurable improvement in care delivery or outcomes

CMS guidance also clarifies that provider payment funding is intended to support the delivery of services — not infrastructure or equipment needed to provide those services. For example, provider payments may support a telehealth encounter, but not the computer equipment or internet infrastructure needed to conduct the encounter.

Applicants can find additional information on provider payments here: CMS Guidance on Provider Payments.

Five-Year Workforce Service Commitments

CMS RHTP guidance allows states to use funding for workforce recruitment and retention activities designed to strengthen long-term rural workforce capacity.

Certain workforce investments supported through RHTP may be subject to CMS's five-year rural service commitment requirement. Applicants proposing workforce recruitment, retention, training, education, or other workforce development activities should review the applicable CMS guidance and design projects accordingly.

Projects involving the following should be designed and articulated with long-term sustainability in mind:

- Tuition assistance
- Certification support
- Training stipends
- Workforce incentive programs
- Other direct workforce investments

Applicants proposing workforce investments should describe:

- The workforce shortage or need being addressed;
- Recruitment and retention strategies;
- Whether the proposed workforce activities are subject to CMS's five-year service commitment requirement;
- How any required service commitments will be documented, tracked, and monitored; and
- Long-term sustainability of workforce positions or workforce gains beyond the grant period.

Additional information regarding the five-year service commitment requirement, including examples of qualifying and non-qualifying workforce investments, can be found in the CMS Five-Year Service Commitment Fact Sheet.

Administrative vs. Programmatic Costs

Under RHTP, whether a cost is considered administrative or programmatic depends on what the cost supports, not how an organization is structured or how staff are titled.

- **Administrative costs** typically include activities associated with managing and overseeing a grant award, such as grant administration, accounting, compliance, and reporting.
- **Programmatic costs** are directly related to carrying out the proposed project, including implementing activities, delivering services, operating programs, supporting participants, or executing work described in the proposal.

For example:

- Staff time spent managing and overseeing the grant award may be administrative.
- Staff time spent delivering services, running programs, supporting participants, implementing technology, or carrying out project activities may be programmatic when directly tied to the approved work.

Costs are generally considered programmatic when they are directly tied to activities described in the proposal and the budget narrative clearly explains that connection. For example, project management activities that directly support implementation of the proposed project may be budgeted as programmatic costs when adequately described and tied to project activities.

Because administrative costs are capped across the total RHTP award to the State of Alaska, Alaska is using a project-based budgeting approach for subrecipient awards. Applicants should budget the direct costs needed to operate, manage, and deliver their proposed project rather than applying an indirect cost rate or overhead percentage. Indirect cost rates and overhead percentages are not allowable for RHTP subawards.

However, operational support, project coordination, and similar activities may be allowable when they are clearly connected to the proposed project and adequately described in the budget and budget narrative.

When developing budgets, applicants should:

- Include only costs that can be reasonably allocated to the project
- Base costs on actual activities, staff time, or resources
- Clearly describe how costs support the proposed work and anticipated outcomes

This approach helps DOH and CMS understand how proposed costs support project activities and ensures compliance with federal requirements and applicable administrative cost limitations.

Direct Administrative Cost Cap: Subrecipient applicants may propose direct administrative costs, such as grant management, accounting, financial reporting, compliance, and similar award oversight functions, up to **3% of the total project budget**.

Administrative costs must be directly allocable to managing and overseeing the grant award and may not include costs associated with delivering program services. DOH will review proposed administrative costs for reasonableness and allocability.

Capital Expenditures and Infrastructure

Capital expenditures and infrastructure activities are limited under federal law. Federal rules limit capital expenditures and infrastructure costs to no more than 20% of the total RHTP award to the State of Alaska. Capital and infrastructure expenses proposed under RHTP may be subject to CMS review and approval, including minor renovations, equipment, telehealth systems, and small facility upgrades.

Not all equipment purchases or capital expenditures are considered infrastructure for purposes of the federal infrastructure cap. In some cases, equipment may be categorized based on its primary purpose rather than as infrastructure. For example, new equipment used to expand behavioral health services, support chronic disease management, improve access to care, or advance telehealth may be categorized under the applicable RHTP initiative rather than the infrastructure category. Applicants should clearly describe the purpose and use of proposed equipment purchases to help DOH and CMS determine the appropriate RHTP category and applicable requirements. Applicants should not assume that all equipment purchases count toward the infrastructure cap. Classification will depend on the nature of the equipment and how it supports the proposed project.

Because construction costs are not allowed, infrastructure activities will generally consist of minor facility improvements, equipment replacement or upgrades, telehealth infrastructure, and similar investments. The appropriate RHTP category for a proposed expenditure will depend on the nature and purpose of the investment.

Allowable Infrastructure Activities may include:

- Minor renovations within the existing footprint (e.g., reconfiguring spaces by moving interior walls or converting areas for clinic or telehealth use);

- Equipment upgrades, such as imaging devices, telehealth carts, and security systems;
- Telehealth infrastructure, including network improvements, hardware, and secure IT systems;
- Facility modifications, for example enhanced HVAC for infection control.

Unallowable Infrastructure Activities:

- Major structural changes, such as altering foundations, exterior walls, roofs, or expanding the building footprint;
- New construction, including new wings or standalone facilities;
- Any infrastructure spending exceeding program caps or not aligned with approved program goals.

Electronic Medical Record (EMR) Projects

If a provider is already using a HITECH-certified EMR/EHR system as of September 1, 2025, no more than 5 percent of the total award to the State of Alaska may be used to replace the system with a new one.

Updates to an existing system are allowed without limit. This includes system upgrades, added features, new modules, new connections, or swapping in G10-certified modules.

All updates must follow CMS' interoperability and technology standards—meaning they should align with the CMS Interoperability Framework, which encourages use of standardized APIs (like FHIR), secure data exchanges, and patient access through certified applications. [3]

Funding Policies and Limitations

Federal rules do not allow funds to be used for certain expenses. [4] As part of the application process, applicants will be asked to describe how their project aligns with RHTP program goals and how it complements (rather than duplicates or supplants) existing funding sources.

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[3] CMS Interoperability Framework https://www.cms.gov/health-technology-ecosystem/interoperability-framework

[4] Awards will be subject to any applicable provisions of 2 CFR Part 200 and 2 CFR Part 300. As of October 1, 2025, HHS will adopt 2 CFR Part 200, with some modifications included in 2 CFR Part 300. These regulations can be found at 89 FR 80055 and replace those in 45 CFR Part 75.

Applicants should review these policies to ensure their project concept fits within RHTP funding parameters and to avoid developing proposals that rely on unallowable uses of funds.

Unallowable or restricted costs include, but are not limited to:

- Pre-award costs;
- Meeting matching requirements for any other federal funds or local entities;
- Services, equipment, or supports that are the legal responsibility of another party under federal, State, or tribal law, such as vocational rehabilitation or education services;
- Services, equipment, or supports that are the legal responsibility of another party under any civil rights law, such as modifying a workplace or providing accommodations that are obligations under law;
- Goods or services not allocable to the project;
- Supplanting existing State, local, tribal, or private funding of infrastructure or services, such as staff salaries. RHTP funds may support expansion of existing programs or staff roles but may not pay for work or costs that are already funded. Only the portion of time or activity that is new or expanded under the RHTP project may be supported;
- Funding utilized as an endowment, capital fund, revolving loan fund, or other mechanism resembling an investment or income generating account;
- Construction of new facilities or building expansion, purchasing or significant retrofitting of buildings, cosmetic upgrades, or any other cost that materially increases the value of the capital or useful life as a direct cost. Supplanting funding for in-process or planned construction projects or directing funding towards new construction builds is unallowable;
- Purchasing land and/or buildings;
- Purchase of vehicles (car, truck, ambulance, all-terrain vehicle) or equipment that exceeds $10,000 in cost without prior approval by CMS;
- Salary for an individual (including staff, physicians, subawardees or contractors) that exceeds the maximum annual salary cap (FY2025: $225,700 or FY2026 $228,800). [5] Over cap funding must be covered by non-federal sources;

[5] See Grants Policy Bulletin HHS Salary Rate Limit, Bulletin Number 2026-01E, Release Date 3.25.2026, https://www.hrsa.gov/sites/default/files/hrsa/grants/manage/gpb-2026-01e-hhs-salary-rate-limit.pdf.

- The cost of independent research and development, including their proportionate share of indirect costs; [6]
- Funds related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order;
- Purchase of covered telecommunications and video surveillance equipment [7] as well as financial assistance to households for installation and monthly broadband internet costs;
- Issuing direct student loans or funding student loan repayment programs;
- Meals, unless in limited circumstances such as:
    - Subjects and patients under study
    - Where specifically approved as part of the project or program activity, such as in programs providing children's services or produce prescription programs
    - As part of a per diem or subsistence allowance provided in conjunction with allowable travel;
- Activities prohibited under federal grant policies, [8] including but not limited to:
    - Paying the salary or expenses of any grant recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order proposed or pending before the Congress or any State government, State legislature, or local legislature or legislative body
    - Lobbying, but awardees can lobby at their own expense if they can segregate federal funds from other financial resources used for lobbying;
- Funding clinical services already covered by insurance. RHTP funds cannot pay for clinical services if they duplicate billable services and/or attempt to change payment amounts of existing fee schedules. If you plan to fund direct health care services, you must justify why they are not already reimbursable, how the payment will fill a gap in care coverage (such as uncompensated care or services not covered by insurance), and/or how they transform the current care delivery model

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[6] See 2 CFR 300.477.
[7] See 2 CFR 200.216.
[8] 2 CFR 200.450 and the HHS Grants Policy Statement. Also see 2 CFR Part 200 Subpart E - General Provisions for Selected Items of Cost for additional guidance on restricted or unallowed costs.

  - Funding cannot be used for initiatives that fund certain cosmetic and experimental procedures that fall within the definition of a specified sex-trait modification procedures[9] because that is beyond the scope of this program;
- Clinician salaries or wage supports for facilities that subject clinicians to non-compete contractual limitations;
- None of the funding shall be used by the State for an expenditure that is attributable to an intergovernmental transfer, certified public expenditure, or any other expenditure to finance the non-Federal share of expenditure required under any provision of law (for example to pay the state portion of Medicaid expenditure);
- SSA Section 2105(c), paragraphs (1), (7), and (9) apply as funding limitations. These limitations are related to general limitations, limitations on payment for abortions, and citizenship documentation requirements for payments made with respect to an individual.

Final Applicant Reminders

Strong applications generally:

- Clearly address a rural health need;
- Align with an RHTP initiative;
- Demonstrate realistic implementation planning;
- Include sustainable operational models;
- Reflect thoughtful stewardship of federal funding;
- Show measurable rural impact.

Please note that submission of a full proposal does not guarantee funding. All awards remain subject to CMS approval and federal requirements.

Checklist Before Submitting

- ✓ Project clearly ties to at least one initiative
- ✓ Public-facing summary uses plain language
- ✓ Upload all required attachments
- ✓ Administrative costs fall under 3% of total proposed project costs
- ✓ Define all utilized acronyms
- ✓ Project timeline fits within the performance period
- ✓ No unallowable costs

[9] See 45 CFR 156.400.

Resources

The Rural Health Transformation Program is guided by both federal and state-level information, and updates will continue as the program moves forward. Organizations should review the resources below and check back regularly for new guidance.

Alaska Department of Health

- **Alaska RHTP Website:** Program updates, timelines, funding opportunities, FAQs, and application materials.
    - https://health.alaska.gov/en/education/rural-health-transformation-program/
    - DOH will post updates on this site as new materials become available, including webinar announcements, statewide and regional convenings, application guidance.

Centers for Medicare & Medicaid Services

- **CMS RHTP Program Overview:** Background on the federal program, goals, and resources.
    - https://www.cms.gov/priorities/rural-health-transformation-rht program/overview
- **CMS RHTP Notice of Funding Opportunity:** The official federal funding announcement.
    - https://grants.gov/search-results-detail/360442
- **CMS RHTP Frequently Asked Questions:** Clarifications and guidance issued by CMS, including responses to questions raised by states, and specific guidance regarding Provider Payments and 5-year Service Commitments.
    - https://www.cms.gov/files/document/rural-health-transformation-frequently-asked-questions.pdf
    - https://www.cms.gov/files/document/frequently-asked-questions-april-2026.pdf
    - https://www.cms.gov/files/document/provider-payments-fact-sheet.pdf
    - https://www.cms.gov/files/document/5-year-service-commitment-fact-sheet.pdf
- **US Office of Management and Budget's Uniform Grants Guidance 2 CFR 200**: Uniform administrative requirements, cost principles, and audit requirements for all

Federal awards, including RHTP subawards. https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200

Applicants are strongly encouraged to review the CMS FAQs linked above, as they address common questions about allowable uses of funds, limitations, and program requirements.

Questions and Contact Information

- Programmatic questions: RHTP@alaska.gov
- Questions about the Application portal: rhtp@alaskacf.org

This guide and the linked resources are intended to help organizations prepare to engage with Alaska's RHTP. Federal guidance, CMS approvals, and award-specific terms will always govern, and additional details may be provided as the program evolves.

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