



Alaska Rural Health Transformation Program (RHTP): Year 2 Funding Strategy

Pay for Value Readiness Focus Area: Description for Implementation Pathway

A. Background and Transformation Vision

Value-based payment (VBP) approaches are designed to reward providers for delivering high-quality, coordinated, and effective care rather than solely for the volume of services provided. These approaches recognize that activities such as care coordination, prevention, chronic disease management, and quality improvement are critical to helping patients achieve better outcomes and often require investments beyond traditional clinical encounters. By creating incentives that support these activities, value-based payment models can help providers strengthen care delivery while supporting a more sustainable and person-centered health care system.

The Alaska Department of Health (DOH) envisions a health care system in which payment better supports and rewards the care providers are already delivering in communities across the state. As value-based payment opportunities continue to evolve, providers may need new data, care coordination, operational, and financial capabilities to participate successfully in these arrangements.

B. Transformation Strategy

Alaska providers have made important investments in improving care delivery and advancing innovation while operating in diverse organizational and geographic environments. As interest in value-based care continues to grow, organizations may benefit from additional support to strengthen capabilities needed to measure performance, coordinate care, manage populations, and prepare for alternative payment arrangements.

Through this Rural Health Transformation Program (RHTP) funding opportunity, DOH seeks to support provider-led investments that strengthen foundational data, care coordination, operational, and financial capabilities needed for future participation in value-based payment arrangements. Over time, these investments can help organizations improve care coordination, strengthen quality and performance management, and build the organizational readiness necessary to succeed in evolving payment environments while maintaining focus on delivering high-quality care to Alaskans.

C. Funding Opportunity

Funding Objectives

Funding is intended to support providers at varying levels of readiness to assess, plan for, and build the capabilities needed for future participation in value-based payment arrangements. Participation in a value-based payment arrangement is not required during the funding period.

Funding may support investments in data and analytics, care coordination capacity, and organizational readiness, as further described in "Funding Uses."

Total Funding Available



DOH estimates an allocated target of \$10 million to subrecipient projects aligned with this focus area. This estimated allocation is separate/in addition to any Pay for Value-related open call applications.

Expected Applicants

Applicants expected to submit applications to this opportunity may include hospitals, critical access hospitals, Tribal health organizations, federally qualified health centers, rural health clinics, physician practices, behavioral health providers, provider networks, and other community-based organizations that provide or coordinate health care services or support Alaskans navigating the health care system.

Collaborations among providers, Tribal entities, community-based organizations, and other stakeholders are encouraged where they strengthen readiness for value-based care participation. Collaborative applications are welcome; however, one organization must serve as the lead applicant and responsible entity for all programmatic, financial, reporting, and compliance requirements associated with the award.

Funding Uses

Applicants will select one or more of the following funding tracks and describe how proposed activities will advance organizational readiness.

Track	Purpose	Example Permissible Investments
1. Data Infrastructure and Analytics	Build or strengthen an organization's ability to collect, analyze, report, and use data to understand and manage their attributed population, identify opportunities for intervention, and track performance. These capabilities enable providers to improve quality of care and participate in future value-based payment arrangements that maximize cost efficiencies and reward high-quality care and improved health outcomes.	• Health information technology (HIT) and interoperability: Electronic health record (EHR)/ HIT integration investments and enhancements necessary to capture, aggregate, exchange, store and use clinical and administrative data. • HIE connectivity: Onboarding, interface development, system configuration, testing, and technical support needed to connect local systems to healthEconnect and relevant statewide capabilities. • Population health analytics: Population health management or analytics tools, including cost/utilization analytic tools to identify high-utilization patients; patient registries and risk stratification tools to identify high-risk/high-need patients. • Quality and performance measurement: Quality measurement and clinical performance tools and dashboards to understand patient outcomes. • Data integration, interoperability, and reporting: Data-sharing infrastructure and agreements, interoperability activities, and reporting capabilities.



		• Workforce training: Staff training related to use of data analytics and quality improvement tools.
2. Care Coordination Capacity and Transformation	Strengthen care models, workforce capabilities, and cross-provider coordination needed to demonstrate improved outcomes, support whole-person care, and succeed in value-based payment environments.	• Team-based care coordination: Designing, planning, hiring, and implementing team-based care coordination, including integration of community health workers (CHWs), nurses, social workers, and care navigators. • Care management workflows: Care management workflow design, training and implementation, including patient engagement and follow-up tools and processes. • Provider partnerships and contracting: Provider coordination and collaboration to establish contractual relationships for value-based payment arrangements and for related care management partnerships. • Referral and navigation: Referral management and navigation infrastructure and processes. • Transitional care planning: Development and implementation of processes, tools, and workforce models that support care transitions across providers and settings.
3. Organizational and Operational Readiness	Support the organizational, operational, and financial transformation activities necessary to implement and sustain investments in data, analytics, and care coordination and to support successful participation in value-based care initiatives.	• Value-based care readiness assessments: Assessments to identify strengths, gaps, priorities, and opportunities related to future participation in value-based payment arrangements. • Strategic and operational planning: Planning activities needed to prepare for, implement, and sustain value-based care initiatives. • Financial modeling and payment readiness: Financial modeling, budgeting, forecasting, and scenario planning related to alternative payment methodologies. • Contract review and negotiation: Development, review, and negotiation of agreements related to value-based payment arrangements and care management partnerships. • Workflow redesign and process improvement: Administrative and operational redesign activities that improve efficiency and support value-based care implementation.



		• Program and change management: Project management, governance, and change management activities needed to implement and sustain organizational transformation.
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Funding Limitations

Funding is intended to support infrastructure, readiness, and system transformation. Funding limitations specific to this focus area include:

- Activities unrelated to readiness for participation in value-based care or alternative payment models.
- Payment for currently reimbursable services.
- Direct clinical services reimbursable through Medicaid or other payers.
- Activities that duplicate or supplant services already funded by Medicaid, Medicare, HRSA, SAMHSA, CDC, IHS, or other federal or state programs.

Additional funding limitations applicable to all RHTP funding opportunities are described in the resources available on the DOH webpage [for RHTP Applicants](#).

Ongoing Technical Assistance and Collaboration

DOH may provide technical assistance, learning opportunities, and collaborative activities to support implementation. Awardees may be expected to participate in program-wide learning and information-sharing activities.

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