



# **Rural Health Transformation Program Post-Award Frequently Asked Questions (FAQs)**

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# FREQUENTLY ASKED QUESTIONS

## I. Budget

### 1. What is the process to move money between funding lines during implementation?

States should contact their assigned Grants Management Specialist (GMS) for any requests or questions regarding movement of funds between object class categories or within the same category.

### 2. Can States publicly post any procurement pre-listing or other funding opportunity information prior to receiving an approved budget?

Funding opportunity information should not be posted publicly until State recipients receive an approved budget.

### 3. Does CMS have an estimate of future award amounts that States can expect and use for the purposes of planning projects that require building scopes of work across multiple years?

States may budget based on the amounts previously awarded or, as an alternative, budget for the average award of \$200M per subsequent year. State budgets will go up or down depending on the state's ability to meet the RHTP checkpoints set by CMS as outlined in CMS's February 25, 2026 [webinar](#), consistent with the State's notice of award (NoA) and the notice of funding opportunity (NOFO).

### 4. Once a State's budget is approved, what must the State do to lift budget restrictions on contractual costs?

The State should submit a budget amendment in GrantSolutions outlining all required information in Section F of "[CMS Guidance for Preparing a Budget Request and Narrative](#)."

### 5. What is the process for submitting budget changes to CMS?

Budgetary changes should be submitted through an amendment in GrantSolutions. The approval process involves reviews by the Grants Management Specialist and Project Officer, followed by final review and approval by the Grants Management Officer.

For changes to information provided in a State's application, such as submitting personnel names or final contractual reporting information to CMS, States should use the grant message feature. Changes that do not require prior approval include non-key administrative personnel updates, minor supply cost adjustments, and travel cost changes within the GSA rates. Minor changes in metrics and milestones may not require prior approval, however, they should be discussed with the Project Officer.

### 6. Can States move funding between line items without prior approval from CMS?

Yes, but such changes are restricted to 10% of each individual line item (e.g., personnel, fringe, contractual). CMS requests notification via grant message of significant changes, particularly within the contractual category, and approval is



required when changes exceed 10%. Note that subrecipients may not independently move funds between line items or notify CMS of such a move; the primary recipient must approve those adjustments and notify CMS as appropriate.

**7. Why must a State obligate all funding in the budget period in which it was awarded? How does this impact potential redistribution of funds?**

The State's authority to obligate funds (including to commit them to a contract or subaward) exists only during an active Budget Period for which the funds are available, as defined in 2 CFR 200.1. Once that period ends, States can no longer use any remaining unobligated funds to make new expenditures or commitments, as no additional costs can be incurred (2 CFR 200.1). Because these funds can no longer be committed, they cannot be spent. This means they will ultimately be classified as "unexpended" at the end of the overall spending window (i.e. the end of the fiscal year following the fiscal year in which funds were awarded) per the NOFO. Under the rule specified in 42 U.S.C. 1397ee(h)(1)(B), all unexpended funds are then redistributed by CMS to other States. Therefore, failing to obligate funds within the allowed timeframe will result in those funds being returned and redistributed (Program Terms and Conditions - #15). If funds are obligated within the relevant budget period, they can, with some exceptions such as personnel and fringe benefits, be spent up to the end of the fiscal year following the fiscal year in which they were

awarded, in accordance with 42 U.S.C. 1397ee(h)(1)(B). States should work closely with their Grants Management Specialist to ensure they are properly obligating and spending funds in accordance with all relevant statutes and regulations.

Administrative Costs

**8. Does CMS have guidance on how States are expected to track administrative costs per initiative?**

The NOFO specifies that the Budget Narrative should explicitly address administrative expenses (both direct and indirect). Administrative expense line items should be identified throughout the Budget Narrative to demonstrate that their sum is 10% or less of the total budget. CMS does not provide specific guidance on how States should track administrative expenses within their accounting system(s).

**II. Provider Recruitment or Retention**

Five Year Requirement

**1. My State would like to use RHT Program funds to establish a one-year, non-accredited internship program. Would interns who participate in the program be subjected to the 5-year rural service requirement?**

States may use RHT Program funds as part of an approved workforce initiative to establish one-year, non-accredited internship programs such as, for example, those designed to provide



dental graduates with experience in specialized fields like Oral & Maxillofacial Surgery and bridge the gap between general dental education and residency programs. Participation in these one-year internship programs would not obligate the dental graduate to the 5-year rural service requirement if the programs are not accredited and cannot be counted toward completion of a formal credential, degree, or certificate program.

However, where States use RHT Program funds for stipends, housing assistance, or other incentives provided directly to the graduate participating in the non-accredited internship program, the individual receiving the incentive would be obligated to the 5-year rural service requirement even though the non-accredited, non-categorical internship program does not lead to a new credential or degree.

#### Non-Compete Restrictions

### **2. Can CMS clarify the restrictions on paying for clinician salaries, particularly as it relates to non-compete contractual limitations?**

As stated in the discussion of unallowable costs included in the NOFO, RHT Program funds may not be used for clinician salaries or wage support for facilities that subject clinicians to non-compete contractual limitations. Funds may go towards clinician salaries and wage support if the clinician is not subject to a non-compete agreement and the salary/wage support is being funded as part of an approved initiative.

## **III. State Policy Actions**

### **1. If a State did not commit to a State policy change in their application, but later enacts that policy change, can the State receive credit for that State policy action factor?**

No. To receive score credit, a State must have committed to enacting one of the specific policies from the NOFO's list of State policy action factors in their application.

## **IV. State Reporting and Oversight**

### **1. Does CMS need to review States' Requests for Proposals (RFPs) and contracts?**

CMS does not review RFP/award opportunities. Once subrecipients or contractors have been selected, States must submit contractual reporting information for each agreement. Contractual reporting information requirements are listed in Section F on the CMS Guidance for Preparing a Budget Request and Narrative webpage.

### **2. What State-developed publications, public relations (PR) pieces, and external presentation decks and similar materials will need CMS review and approval?**

States must submit any materials identifying CMS as the funder to the Program Office for review and approval, in accordance with the Stevens amendment award terms and conditions. States should email their Project Officer and backup Project Officer with the materials to review, and the Project Officer will respond within two business days. States can



reach out to their Project Officer for further clarification and questions relating to specific publications.

**3. What CMS approvals and oversight are required for subrecipients issuing RFPs or public communications?**

CMS does not require a review of RFPs. However, any planned external public communications should be submitted to the State's CMS Office of Rural Health Transformation Project Officer for review and approval.

Reporting

**4. When can States expect to receive the finalized annual/quarterly reporting template?**

The State Reporting Template is currently undergoing the Paperwork Reduction Act (PRA) review process and is therefore subject to change. CMS will notify States once the template is finalized.

**5. How should States report on the overall progress of an initiative when its key activities are at different stages of completion?**

Progress of an initiative is assessed using the Checkpoint Model, based on completion of checkpoints with supporting evidence. These checkpoints include elements such as milestone completion, metric reporting, and post-program planning. When activities within an initiative are at different stages of completion, States should report overall progress at the initiative level rather than by individual activity.

Activity completion status is captured through the checkpoints, including those for project planning, milestone completion, metric reporting, and post-program planning.

**6. Are initiative progress and checkpoint completion limited by certain years?**

Checkpoint progression is not limited by year. States may complete multiple checkpoints and stages for an initiative in a single budget period and are encouraged to advance through the checkpoints as their implementation allows. Checkpoints in later stages for an initiative will not be scored until all checkpoints in the current stage are complete. However, checkpoints may be completed in any order. For more information on checkpoints and stages, please see [CMS's webinar](#).

**7. Will there be a chance to edit initiative scoring details (e.g., milestone timelines, metrics, etc.)? What would the timeline be for submitted initiative updates and getting CMS approval?**

There are natural points in the checkpoint model to consolidate updates and provide documentation (e.g., 0.2 Submit Project Plan and 2.4 submit Updated Project Plan), but States are not restricted to modifying metrics or milestones only at checkpoint submissions.

States should notify their Project Officer as soon as a change is anticipated. CMS expects implementation to evolve, but any changes to milestones, metrics, baselines, targets, or other scoring details must be reviewed and approved by CMS before they are final. We can work collaboratively in regular check-ins and



determine when it makes sense to submit the updates for official approval via GrantSolutions (i.e., with the quarterly/annual report, or off cycle).

**8. To reach the full score potential, what is the expectation for checkpoint progression? Should States be progressing through as many checkpoints as possible? How is progression handled for checkpoints associated with certain dates?**

States will receive the full score potential for an initiative-based score factor when all initiatives associated with the score factor have completed every checkpoint. States can progress through the initiative checkpoints as quickly as their implementation allows, but checkpoints in later stages will not be scored until every checkpoint in the current stage is complete. Some checkpoints are based on completing milestones scheduled to be finished by a certain date. States can complete these checkpoints ahead of schedule. For example, checkpoint 3.2 is to complete all milestones in the State application scheduled to be finished by Q2 2028. If these Q2 2028 milestones for the initiative are all completed ahead of schedule, the State should indicate that the checkpoint is complete when the last milestone is achieved.

**9. In addition to the programmatic quarterly and annual reports, is separate financial reporting required in the Payment Management System (PMS) or GrantSolutions?**

Yes. You will be required to submit annual non-competing continuation (NCC) applications to receive funding for each subsequent budget period. Per the NOFO, you may use the NCC to adjust your budget or make other administrative changes. You may revise your project goals based on any reductions in funding.

## **V. Subawardee/Contractor Engagement and Management**

**1. Can States communicate with subrecipients identified in their applications while CMS is reviewing budget amendments and prior to CMS' approval of the amended budget?**

Recipients may communicate with identified subrecipients before budget approval but may not execute any agreements, obligate funds, authorize project activities to begin, or conduct other similar activities until the relevant budget categories are approved and unrestricted.

## **VI. Other**

**1. Are State Authorized Organizational Representatives (AORs) that are considered key personnel required to attend the Rural Health Program Summit in March?**

Whether the AOR is considered key personnel required to attend the Rural Health Transformation Summit will depend on their unique role. Attendees should include anyone instrumental in the daily operations of RHT Program in their State. States may reach out to their Project Officer for further clarification



regarding Summit attendance expectations specific to their State.

**2. Can RHT Program funds be used in a community that the State considers to be rural but is not identified as rural under the HRSA definition?**

RHT Program funds should be used to benefit the populations that the State has identified as rural in its application, which may differ from HRSA definitions.

**3. Are States limited in terms of supporting regional or county collaboration?**

If funds are being used to benefit rural residents of the State, States may support collaboration between rural and non-rural counties. For example, a hospital or specialist that is located in a non-rural area may provide telehealth support to rural areas. States may reach out to their Project Officer for further clarification on allowable collaborative arrangements within the scope of the State's Rural Health Transformation plan.

**4. Does CMS need to review and approve State issued press releases and State responses to press inquiries?**

Press releases drafted by the State (written and scheduled in advance) should be submitted for review and approval by the CMS Program Office. Further information can be found in the program terms and conditions. For press inquiries that come into the States for their reply, the Program Office does not need to review.

**5. What happens with RHT Program operations if there is a federal government shutdown?**

The CMS Office of Rural Health Transformation will continue operations in the case of a federal government shutdown because funding for this Office has been previously appropriated under Public Law 119-21, Section 71401.

**6. Are States required to submit contracts through GrantSolutions for review?**

States are not required to upload signed contracts to GrantSolutions and an AOR letter is not required for each contract, but States should include a detailed budget breakdown for each contract as a grant message to confirm the details for CMS recordkeeping. For multiple contracts executed simultaneously, budget information may be submitted in one document. CMS approval is not needed to execute the contract provided any restriction on contractual funds has been lifted previously.

**7. Are subrecipients required to spend received funds within three days of receipt?**

Department of Treasury regulations stipulate that federal funds should be drawn only to meet immediate needs and must not be held for more than three working days. This rule applies for both recipients and subrecipients.

**8. Can States get an extension on the amount of time they have to spend funds?**

No. In accordance with the authorizing statute, all funds unexpended by the end of fiscal year



following the fiscal year in which they were awarded must be redistributed.

**9. How should States change their AOR in GrantSolutions?**

States can submit a Revision NOA other in GrantSolutions. They should include a cover letter from the current AOR requesting the change to the new AOR. States must also include a resume or CV for the new AOR.

**10. To avoid the duplication of costs between budget periods, which specific categories of expenditures must be fully expended within the budget period they were incurred?**

To avoid duplication of costs across budget periods, personnel-related costs, such as salary and fringe, must be expended within the budget period in which the expense is incurred.

**11. May a State make changes to the initiatives during implementation or to add/delete initiatives?**

Since CMS evaluated all proposals and awarded all funds based on the initiatives described within State applications, except as discussed below, States are not permitted to make changes to their approved initiatives or add/delete initiatives. CMS awarded funding specifically and exclusively for the activities outlined in each State's approved application. CMS will recover funding that is used in a manner inconsistent with the activities described in a State's approved application.

Changes to approved initiatives will not be considered unless an awardee presents robust, quantitative data to CMS that clearly and convincingly demonstrates a lack of efficacy of a specific initiative that was included in the application. Such requests will only be evaluated in later years of the program, after sufficient data have been collected, and will be reviewed strictly on a case-by-case basis at CMS's sole discretion. No changes to initiatives may be implemented prior to receiving explicit written approval from CMS. Awardees must coordinate with their assigned Project Officers immediately if concerns arise regarding initiative performance or the State's ability to continue an initiative. Awardees may not unilaterally modify, suspend, or cancel an initiative, or redirect funding approved for an initiative or activities within a particular initiative without prior CMS approval.

**Disclosures**

The following disclosures apply to any mention of annual or quarterly reporting:

The reporting template and methodology in the Reporting and Rescoring Webinar referenced is in draft status that is subject to change.

- The draft reporting template is not yet approved by OMB.
- Interested parties should refer to 91 FR 11978 (March 11, 2026) for dates/instructions on submitting comments specific to the draft template or any of parts of this collection of information request.
- CMS is in the process of obtaining OMB's approval of the template under the Paperwork Reduction Act process.
- CMS will inform when the final template has been approved by OMB.



- Respondents should not complete/submit the draft template to CMS.
- CMS will not accept the draft template. CMS will only accept state submissions on the final template, once the Paperwork Reduction Act process is complete and CMS is able to provide an approved OMB control number.
- [Rural Health Transformation Program Reporting](#) (CMS-10949; OMB 0938-TBD)