Supporting Statement A
Rural Health Transformation (RHT) Program Reporting
CMS-10949, OMB 0938-TBD (New)

The contents of this Supporting Statement and the associated attachments have been reviewed to ensure that they are consistent with the Trump administration's policies, goals, and objectives.

Background

On July 4, 2025, President Trump signed Public Law 119-21, which the Centers for Medicare & Medicaid Services (CMS) refers to as the "Working Families Tax Cut" (WFTC) legislation, into law. The legislation authorized the Rural Health Transformation (RHT) Program, marking a significant federal investment of $50 billion over five years and is designed to empower as many as 50 State awardees to catalyze transformative improvements within their rural healthcare ecosystems. The principal objective is to enhance healthcare access, quality, and outcomes through innovative, system-wide change, thereby investing in the health of rural communities for future generations.

Funding for approved State awardees is determined through a formal scoring and allocation process. The financial architecture of the program is composed of two primary streams: baseline funding, distributed equally among all awardees, and performance-based workload funding, which is allocated based on the scoring of specific rural and technical score factors within each State's application and their subsequent annual performance.

To ensure continued eligibility and funding, State awardees must adhere to key program requirements, including the submission of annual and quarterly reports. This data serves multiple critical functions: it details State progress against their goals, informs the annual rescoring process used to determine funding for subsequent years, and provides valuable data for broader program analysis. CMS will award funding in five budget periods:

- Budget period 1: December 29, 2025 through October 30, 2026 (10 months)
- Budget period 2: October 31, 2026 through October 30, 2027
- Budget period 3: October 31, 2027 through October 30, 2028
- Budget period 4: October 31, 2028 through October 30, 2029
- Budget period 5: October 31, 2029 through October 30, 2030

CMS will re-calculate each approved State's technical score and corresponding workload funding amount for each subsequent budget period based on the information and data the approved State provides in the required annual reporting each year.

In these reports, States will provide updates on programmatic milestones, report on performance and evaluation metrics, and detail the expenditure of funds. To support States in fulfilling their reporting requirements, CMS provides ongoing technical assistance and guidance.

Overall, we estimate an annual burden of 20,000 hours across all 50 states at a cost of $1,709,200 (see section 12 for details).

A. Justification

1. Need and Legal Basis

This information collection is grounded in the RHT Program's authorizing legislation under Section 71401 of Public Law 119-21, the WFTC legislation signed into law on July 4, 2025, and added to 42 U.S.C. 1397ee, Section 2105 of the Social Security Act.[1] This framework is designed to promote robust oversight, fiscal accountability, and data-driven performance management across all awardees. Adherence to these reporting mandates is a condition of continued eligibility and is fundamental to the integrity and success of the program.

2. Information Users

The primary purpose of this information collection is to support the effective administration, oversight, and assessment of the RHT Program. The data will be used to monitor State awardees' progress against their approved workplan milestones and to monitor compliance with the terms and conditions of the award. The information is essential for the annual reassessment of each State's technical score, which directly determines their performance-based workload funding for subsequent budget periods. This reporting provides visibility into how programmatic funds are spent by States, including allocation by subrecipients (e.g., State agencies, Tribal entities, etc.), distribution across initiatives, and compliance with program-specific limitations. Additionally, in the initial Annual Report, States will provide the definition of a "rural area" they used for the purposes of determining the most appropriate entity type in their reporting. States will use this same definition to determine rural entities throughout the duration of the RHT Program; therefore, it does not need to be provided in subsequent reporting. Lastly, State-reported data provides a valuable basis for broader program analysis, enabling CMS to identify trends, share lessons learned, and inform future technical assistance.

The information will be used primarily by CMS program staff and leadership who are responsible for the administration and oversight of the RHT Program. The data collection and review methodology consists of two main cycles: a quarterly process to monitor short-term progress and a formal annual reassessment. The annual reassessment involves the calculation of performance scores, which serve as the basis for funding allocation decisions as detailed above.

3. Use of Information Technology

Awardees must submit all required information for the first annual reporting period, which covers December 29, 2025, to July 31, 2026. Submissions must be made in the provided standardized Microsoft Excel format and uploaded to GrantSolutions no later than August 31, 2026*.

For all subsequent reporting periods, the program will transition to a dedicated web-based

[1] SEC. 71401 of Public Law 119-21, the Big Beautiful Bill, signed into law on July 4, 2025, and added to 42 U.S.C. 1397ee, Sec. 2105 of the Social Security Act.

reporting tool, which is currently in early development by the CMCS-MDCT Team. Please note submission to GrantSolutions will still be required by the Program and State awardees for each subsequent year of the program, as the platform serves as the official system of record.

Please note that instructional verbiage within the web-based tool (MDCT RHTP) may undergo minor refinements based on ongoing user testing and feedback. Any such adjustments will be strictly limited to improving clarity and user experience, and will not alter the nature, scope, or substance of the actual data elements or information collection from respondents. This collection does not require a signature from respondents.

4. Duplication of Efforts

This information collection will not duplicate any other reporting effort, as the information cannot be obtained from another source.

5. Small Businesses

This collection does not impact small businesses or other small entities.

6. Less Frequent Collection

Per the RHT Program's Notice of Funding of Opportunity (NOFO), CMS will re-calculate each approved State's technical score and corresponding workload funding amount for each subsequent budget period based on the information and data the approved State provides in the required annual reporting each year.[2] The data gathered from this annual reporting is critical as it is used directly to determine funding for State awardees in subsequent years.

Quarterly reporting is also required to track progress on State initiatives and monitor performance and compliance. To reduce burden on States, only three quarterly reports are due each year, as the annual report is submitted in place of the fourth quarterly report. Data provided in the quarterly reports rolls up into and informs the annual report.

7. Special Circumstances

- Prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Please note the projected 190- to 210-day timeframe for the PRA clearance process may jeopardize the ability of State awardees to submit the first Annual Progress Report by its August 31, 2026* deadline. Under this timeline, the response period for awardees would be reduced to less than 30 days. Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
    - The RHT Program spans 5 years, therefore, progress reports and other program data will be retained for more than three years.

Otherwise, there are no special circumstances that would require an information collection to be

[2] NOFO, pg. 14

conducted in a manner that requires respondents to:

- Report information to the agency more often than quarterly;
- Submit more than an original and two copies of any document;
- Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- Use statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- Submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. <u>Federal Register/Outside Consultation</u>

The 60-day notice was published in the Federal Register on March 11, 2026 (91 FR 11978). A total of 11 unique and in scope public comments were received and are attached to this collection of information requests along with our response to such comments.

In summary, we CMS increased our burden estimates to be commensurate with the required RHT Program reporting activities. The increased burden estimates also account for the addition of reporting fields intended to ensure State tracking and oversight of subrecipient information and monitoring of program-specific limitations.

Other comments indicated a general desire for more reporting guidance, an interest in capturing subrecipient information, and a consideration for more resources to help conduct reporting. To address this, CMS will provide reporting resources such as, guidance documents, instructions, and webinars to help States complete reporting.

The 30-day notice was published in the Federal Register on July 6, 2026 (91 FR 41039). Comments were due August 5, 2026. A total of 8 unique and in-scope public comments were received and are attached to this collection of information requests along with our response to such comments.

In summary, comments primarily focused on the burden of the proposed reporting requirements, noting that the financial reporting elements could place a disproportionate administrative burden on smaller entities and subawardees. Additionally, commenters expressed a desire for the RHT Program data to be made publicly available to increase transparency.

In response to feedback regarding the administrative burden on smaller entities, CMS acknowledges the time and resources needed to fulfill programmatic reporting. To reduce burden for the first Annual Report, CMS has reduced the information States will be required to complete for the August 2026 submission, including reducing the number of applicable reporting tabs and required inputs. Accordingly, the reduced scope of the first Annual Report is intended to lessen the immediate reporting burden, which CMS estimates at 80 hours. CMS is retaining the existing estimated burden of 160 hours for subsequent annual reports because public feedback indicated that the original estimate may have understated the time needed to complete the reporting requirements. To further reduce burden, reporting templates will be tailored to each State with select data pre-populated. To support States in fulfilling their reporting requirements, CMS provides ongoing technical assistance and guidance.

Additionally, CMS will consolidate downstream entity data collection and phase in certain required reporting elements. States will be required to submit first-tier subrecipient information with the initial annual report. Reporting for downstream entities will begin with the first quarterly report. Finally, CMS is committed to the timely public release of summary data and other relevant information as appropriate. The corresponding reporting instrument and guidance documents, which reflect these updates, are attached to this information collection request.

<u>Non-Substantive Changes</u>

To ensure clarity and alignment for the upcoming reporting period, the following non-substantive changes were made to the State reporting guidance and materials. These updates primarily clarify submission procedures, support respondents in crafting and organizing evidentiary responses, and align updated dates and definitions across all respective documentation. These changes provide additional clarifying information and are not expected to alter the burden estimate for respondents.

The changes are detailed below:

1. Updates to Reporting Guidance & Submission Process

These changes apply to the document previously titled “RHTP State Reporting Expectations Guide V7,” which has been retitled “PRA Resubmission State Reporting Expectations Guide 08.11.26.”

- Due Date Extension: The due date for the RHT Program Annual Report has been moved from August 30, 2026, to Monday, August 31, 2026, by 11:59 p.m. EDT. Because August 30, 2026, falls on a Sunday, the RHT Program Annual Report will be due on Monday, August 31, 2026.

- Report Submission Instructions: To establish a uniform protocol, the guidance is being updated to specify that all Annual Reports must be submitted exclusively via the "Application Message" function within the Non-Competing Continuation (NCC) application kit application on GrantSolutions.

- Evidentiary Documentation: The guidance has been updated to help respondents gather their evidentiary information and streamline the review and upload process. Respondents are encouraged to consolidate evidence either by checkpoint across all initiatives, or into a single Master PDF organized by initiative and checkpoint (uploading Excel files in their native format and referencing them in the PDF). To manage the system's 5-file limit per message, please use standardized subject lines for multiple submissions (e.g., "RHT Program Annual Report_1 of 3").

- Figure 2 Description Update: In the "Initiative Form," the description for checkpoint 2.2 has been updated to "Achieve at least one <u>*post-launch*</u> milestone."

- MDCT Reporting Tool Section: The "Use of Funds" form and corresponding guidance screenshots will be updated to reflect the reporting template form title of “Obligated and Spent Funds.”

2. Updates to the PRA Resubmission Reporting Template

The following changes apply to the Excel reporting template previously titled “PRA Resubmission Reporting Template_06.12.26.xlsx,” which has been updated and retitled “PRA Resubmission Final Reporting Template.xlsx”:

- Checkpoint 0.2 “Submit project plan to CMS”: The guidance for checkpoint 0.2 has been revised to remove the sentence: "CMS will provide a list of milestones identified from the approved State application." Further clarification added for defining “industry-standard project plan.”

- Checkpoint 1.2 "Launch Initiative" & Evidence Progression: Updated guidance clarifies that an Executed Contract is acceptable evidence for Checkpoint 1.2.

- Checkpoint 2.1 “Continued Initiative Activities”: Updated evidence and guidance to specify an in-progress project plan or similar implementation tracking document is sufficient for this checkpoint.

- Checkpoint 2.2 “Achieve at least one post-launch milestone”: Updated evidence and guidance to specify an in-progress project plan or similar implementation tracking document is sufficient for this checkpoint.

- Checkpoint 3.2 “Achieve at least one post-launch milestone”: Updated evidence and guidance to specify an in-progress project plan or similar implementation tracking document is sufficient for this checkpoint.

- Checkpoint 5.2 “Achieve at least one post-launch milestone”: Updated evidence and guidance to specify a project plan or similar implementation tracking document is sufficient for this checkpoint.

- Alignment for Checkpoint 2.2: In the initiative-specific tabs, the language for checkpoint 2.2 has been updated to “Achieve at least one <u>post-launch</u> milestone.”

- Entity Type Definition Update: To provide additional clarity, the entity type list has been updated to leverage the refined definition for Non-Rural Provider: "All licensed healthcare professionals and facilities that are not located in a designated rural area <u>and are not a health system.</u>"

3. Obligated and Spent Funds Reporting Guide

These changes apply to the document previously titled “PRA Resubmission Obligated and Spent

Funds Reporting Guide 06.12.2026 v2," which has been updated and retitled "PRA Resubmission Obligated and Spent Funds Reporting Guide 08.11.26.docx":

- The core instructions remain unchanged, with modifications limited to minor updates to illustrative examples and supplementary clarifications.

4. RHTP MDCT Reporting Tool:

Development of the RHTP MDCT Reporting Tool is ongoing, with a tentative deployment targeted for November 2026 to facilitate State quarterly reporting. During the upcoming User Acceptance Testing (UAT) and training phases, minor, non-substantive adjustments may be made to the system. Crucially, these updates will be strictly limited to user experience enhancements and interface clarifications; there will be no changes to the actual data elements collected. CMS will report any such updates for subsequent approval closer to the official deployment date.

9. Payments/Gifts to Respondents

Payments or gifts will not be provided to respondents.

10. Confidentiality

The information collected through this collection is not subject to confidentiality.

11. Sensitive Questions

There are no sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimates

Wage Estimates

To derive average costs, we are using data from the U.S. Bureau of Labor Statistics' May 2025 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). In this regard, the following table presents BLS' mean hourly wage, our estimated cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and our adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr)	Fringe Benefits and Other Indirect Costs ($/hr)	Adjusted Hourly Wage ($/hr)
Social and Community Service Managers	11-9151	42.73	42.73	85.46

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and other indirect costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, we believe that doubling the hourly wage to estimate total cost is a reasonable estimation method.

Collection of Information Requirements and Associated Burden Estimates

State awardees are required to complete the data collection quarterly and annually. The fourth Quarterly report for each will be waived in place of the Annual report.

Annual Reports The reporting template will be disseminated to all 50 State awardees. The Annual reporting periods and due dates are listed in Table 1, below.

We estimate it will take 160 hours at $85.46/hr for a Social and Community Service Manager to complete each Annual report. Note that based on feedback received during the 30-day comment period, we are lowering our burden estimate to 80 hours for the first annual report, but maintaining an estimate of 160 hours in subsequent years. In aggregate, we estimate an annual burden of 6,650 hours (50 States x 133 hr/State) at a cost of $568,309 (6,650 hr x $85.46/hr).

Table 1. Annual Progress and Final Report Due Dates

Report	Reporting Period Start	Reporting Period End	Due Date
Annual Report # 1	December 29, 2025	July 31, 2026	August 31, 2026*
Annual Report # 2	August 1, 2026	July 31, 2027	August 30, 2027
Annual Report # 3	August 1, 2027	July 31, 2028	August 30, 2028
Annual Report # 4	August 1, 2028	July 31, 2029	August 30, 2029
Annual Report # 5	August 1, 2029	July 31, 2030	August 30, 2030
Final Report	December 29, 2025	October 30, 2030	February 27, 2031

* *Please note: the established program Terms and Conditions and previous communications stated that programmatic reporting is due on August 30. Because August 30, 2026, falls on a Sunday, the RHT Program Annual Report will be due on Monday, August 31, 2026.*

Quarterly Reports The reporting template will be disseminated to all 50 State awardees. The Quarterly reporting periods and due dates are listed in Table 2, below.

We estimate it will take 80 hours at $85.46/hr for a Social and Community Service Manager to complete each Quarterly report. In aggregate, we estimate an annual burden of 12,000 hours (50 States x 80 hr/State x 3 reports/year) at a cost of $1,025,520 (12,000 hr x $85.46/hr).

The fourth Quarterly report for each will be waived in place of the Annual report.

Table 2. Quarterly Progress Report Due Dates

Report	Reporting Period Start	Reporting Period End	Due Date
Quarterly Report # 1	August 1, 2026	October 30, 2026	November 29, 2026
Quarterly Report # 2	October 31, 2026	January 30, 2027	March 1, 2027
Quarterly Report # 3	January 31, 2027	April 30, 2027	May 30, 2027
Quarterly Report # 4	August 1, 2027	October 30, 2027	November 29, 2027
Quarterly Report # 5	October 31, 2027	January 30, 2028	February 29, 2028
Quarterly Report # 6	January 31, 2028	April 30, 2028	May 30, 2028
Quarterly Report # 7	August 1, 2028	October 30, 2028	November 29, 2028
Quarterly Report # 8	October 31, 2028	January 30, 2029	March 1, 2029
Quarterly Report # 9	January 31, 2029	April 30, 2029	May 30, 2029
Quarterly Report # 10	August 1, 2029	October 30, 2029	November 29, 2029
Quarterly Report # 11	October 31, 2029	January 30, 2030	March 1, 2030
Quarterly Report # 12	January 31, 2030	April 30, 2030	May 30, 2030
Quarterly Report # 13	August 1, 2030	October 30, 2030	November 29, 2030

Please note: Any deadline falling on a weekend will revert to the next business day.

Burden Summary

The total annual respondent burden is 20,000 hours across all 50 states at a cost of $1,709,200.

Requirement	Number of Respondents	Total Responses	Time per Response (hr)	Total Time (hr)	Labor Cost ($/hr)	Total Annual Cost ($)
Annual Progress Report	50	50 (50 x 1 report/year)	133*	6,650	85.46	568,309
Quarterly Progress Reports	50	150 (50 x 3 reports/year)	80	12,000	85.46	1,025,520
TOTAL	50	200	varies	18,650	85.46	1,593,829

** Per above, we estimate that the burden in year 1 will be 80 hours, but will be 160 hours in subsequent years for an annual average of 133 hours.*

Collection of Information Instruments and Instruction/Guidance Documents

These activities are to be completed via standardized Excel forms in budget period 1 and submitted through GrantSolutions, the official grants management platform for the RHT Program. To allow CMS time to recalculate technical scores and associated funding, the annual progress report is due approximately 60 days before the end of each budget period. For all subsequent reporting periods, the RHT Program will transition from Excel forms to a dedicated web-based reporting tool. This tool is currently in early development by the CMCS-Medicaid Data Collection Tool (MDCT) Team and will enable reports to be exported for their subsequent upload to GrantSolutions.

To enable the submission of the first quarterly report, the new web-based tool is tentatively planned to go live by the report's due date of November 29, 2026. Please note, there is no change in information collected in this reporting period and subsequent reporting periods. The quarterly reporting periods are as follows: August 1-October 30, October 31-January 30, and January 31-April 30. To reduce reporting burden with the annual progress reports, there is no quarterly progress report submission for May 1-July 31. Please note that this timeframe is incorporated into the annual reporting period.

- RHT Program State Reporting Template (New)

The reporting template is utilized for both the quarterly and annual reports. The quarterly report content is a subset of the annual report.

- RHT Program Project Plan Template (New)
- RHT Program State Reporting Expectations Guide (New)
- RHT Obligated and Spent Funds Reporting Guide (New)

- Screenshots (New)

13. Capital Costs

CMS does not anticipate that any capital costs will be required for this collection.

14. Cost to Federal Government

The table below shows estimates of the average annual cost of the project to the Federal government.

CMS staff costs are based on OPM's 2025 GS wage tables[3] and account for data collection, quarterly review of data, assessing need for FMAP reductions, and comparison to Advanced Planning Documents (APDs). The average annual cost accounts for a 3.3% annual inflation rate and assumes the data collection will be active through federal fiscal year 2031, 5 years total, however this is subject to change based on budgetary decisions and the rate at which States come into compliance with RHT Program requirements.

Category	Title	Rate ($/hr)	Avg Annual Hours	Annual Cost ($)
CMS Staff	Division Director (GS-15, step 10)	184.32 ($92.16/hr x 2)	5	921.60
CMS Staff	Deputy Division Director (GS-14, step 10)	156.70 ($78.35/hr x 2)	10	1,567
CMS Staff	Data Analyst (GS-13, step 10)	132.60 ($66.30/hr x 2)	160	21,216
CMS Staff	Data Analyst (GS-13, step 10)	132.60 ($66.30/hr x 2)	160	21,216
CMS Staff Subtotal				*44,921*
Contractors	Reporting and Data Support (6 staff)	120	1200	144,000
TOTAL Federal Cost				188,921

Accounts for a 3.3% annual inflation rate and assumes collection will be active through FFY 2030 (5 years total)
^ All CMS staff costs assume a step level of 5.

15. Changes to Burden

Not applicable. Since this is a new information collect request, there are no program changes or adjustments.

16. Publication/Tabulation Dates

CMS is committed to making programmatic summary data publicly available.

17. Expiration Date

The OMB control number and expiration date will be displayed on the first page (top-right corner) of each instrument.

18. Certification Statement

There is no exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.

B. Collection of Information Employing Statistical Methods

This collection of information does not employ statistical methods.