Centers for Medicare & Medicaid Services (CMS)
Center for Medicaid and CHIP Services

Rural Health Transformation Program – State of Oklahoma

Budget Narrative

REQUIREMENT	APPLICANT RESPONSE
FUNDING OPPORTUNITY TITLE	Rural Health Transformation Program – State of Oklahoma
FUNDING OPPORTUNITY NUMBER	CMS-RHT-26-001
ASSISTANCE LISTING	93.798
FUNDING AGENCY	Centers for Medicare & Medicaid Services (CMS) – Center for Medicaid and CHIP Services
APPLICATION DUE DATE	November 5, 2025
SUBMITTING AGENCY	Oklahoma State Department of Health 123 Robert S. Kerr Ave Oklahoma City, OK 73102
AUTHORIZED ORGANIZATIONAL REPRESENTATIVE (AOR)	Tracey Douglas, Director of Grants Management Financial Services 405.590.2108 tracey.douglas@health.ok.gov
DATE OF SUBMISSION	**NOVEMBER 4, 2025** **UPDATED SUBMISSION JANUARY 27, 2026**

Budget Narrative – Oklahoma Rural Health Transformation Program

Reference: This narrative supports Form SF-424A.

1. Introduction and Overview

This Budget Narrative provides justification for all costs requested under the Rural Health Transformation (RHT) Program. It aligns with the SF-424A to demonstrate how requested funds support program objectives. The total request for FY 2026–FY 2030 is $1,023,476,948.62. Estimates are based on the CMS recommendation to build toward a $200M annual budget and the $223,476,948.62 award that Oklahoma received for Budget Period 1. The Oklahoma State Department of Health (OSDH) is prepared to scale the funding allocation in alignment with the total award amount.

Note: The cost for any net-new line items without funding in the initial application (e.g., additional personnel, Maternal Health VBP program, indirect funding that wasn't initially allocated to subrecipients) in Budget Periods 2-5 is currently reflected as $-. This is pending the award amount in future years, and updated budget allocations for those fund uses will be included in the appropriate annual budget revisions.

2. Key Personnel and Program Oversight

OSDH is in the process of identifying a Principal Investigator / Program Director for the RHT Program to provide oversight of the grant program and serve as a key point of contact for CMS. This FTE will spend 100% of their time on the effort, supported by a team that has legal, data analytics, and compliance expertise (described in detail in Section A. Personnel below). The estimated salaries for each position are in line with comparable roles existing at the State, and a rate of 55% for fringe benefits was applied for all positions, as is standard for OSDH and many Oklahoma State Agencies. Jackie Kanak, Program Director – Operations and Population Health, will serve as PI/PD and provide program oversight. Jackie is employed by the Oklahoma State Department of Health (Authorized Office for RHT).

All funds explicitly described by cost category (excluding Category F) will be administered directly by OSDH as the lead agency. All line items included in Category F will be sub-awarded / subcontracted to another state agency, vendor, or other funded entity. All subrecipients, vendors, and funded entities will provide services, procure materials, or otherwise support the initiative in a manner clearly outlined in an agreement with the State and in alignment with the terms of the cooperative agreement signed with CMS.

3. Budget Summary by Fiscal Year

Note: Funding is reflected across five fiscal years (FY26 through FY30), with the expectation that funding will be disbursed through the following fiscal year, as allowed in the RHT Program NOFO.

Note: For Years 2-5, fringe benefit, travel, and indirect cost numbers have been rounded to the nearest $1000 for each budget period. Actual numbers based on current rates are reflected in Sections 4.B., 4.C., and 4.J. and may have slight discrepancies from the summary due to rounding in each budget period.

Note: Per CMS feedback, updated Year 1 budget is no longer rounded and shows the exact award amount: $223,476,948.62. Years 2-5 have some rounded totals, and the Total budget is a reflection of Actual year 1 and rounded Years 2-5: $1,023,476,948.62. In subsequent budget revisions, each Year will be unrounded.

Table 1. Summary of Total Budget by Fiscal Year and Cost Category

Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
A. Personnel	$1,872,000.00	$1,417,000	$1,417,000	$1,417,000	$1,417,000	$7,540,000.00
B. Fringe Benefits	$1,002,100.00	$752,000	$752,000	$752,000	$752,000	$4,010,100.00
C. Travel	$154,682.00	$155,000	$155,000	$155,000	$155,000	$774,682.00
D. Equipment	$-	$-	$-	$-	$-	$-
E. Supplies	$20,034.00	$16,000	$16,000	$16,000	$16,000	$84,034.00
F. Subrecipients/ Consultants/ Contracts	$194,881,700.62	$156,086,000	$156,086,000	$156,086,000	$156,086,000	$819,225,700.62
G. Other	$24,880,000.00	$41,070,000	$41,070,000	$41,070,000	$41,070,000	$189,160,000.00
Total Direct Costs	$222,810,516.62	$199,496,000	$199,496,000	$199,496,000	$199,496,000	$1,020,794,516.62
J. Indirect Costs	$666,432.00	$504,000	$504,000	$504,000	$504,000	$2,682,432.00
Total Project Costs	$223,476,948.62	$200,000,000	$200,000,000	$200,000,000	$200,000,000	$1,023,476,948.62

4. Detailed Budget Justification by Category

A. Personnel

Table 2.1.1 Personnel costs of Total Fringe by Fiscal Year and associated Initiative

Position Title	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Program Director – Operations & Population Health	$160,000	$160,000	$160,000	$160,000	$160,000	$800,000	Cross-Initiative
Program Director – Health Systems	$160,000	$-	$-	$-	$-	$160,000	Cross-Initiative
Data Analyst	$85,000	$85,000	$85,000	$85,000	$85,000	$425,000	Cross-Initiative
Business Automations Specialist	$110,000	$-	$-	$-	$-	$110,000	Cross-Initiative
Senior Compliance Specialist	$90,000	$90,000	$90,000	$90,000	$90,000	$450,000	Cross-Initiative
Grants Management Specialist III	$85,000	$85,000	$85,000	$85,000	$85,000	$425,000	Cross-Initiative
Grants Management Specialist III	$85,000	$-	$-	$-	$-	$85,000	Cross-Initiative
Grants Management Specialist III	$85,000	$-	$-	$-	$-	$85,000	Cross-Initiative
Grants Management Specialist III	$85,000	$85,000	$85,000	$85,000	$85,000	$425,000	Cross-Initiative
Contracting & Acquisitions Agent II	$72,000	$72,000	$72,000	$72,000	$72,000	$360,000	Cross-Initiative
Communications Coordinator	$45,000	$35,000	$35,000	$35,000	$35,000	$185,000	Cross-Initiative
Administrative Assistant	$60,000	$60,000	$60,000	$60,000	$60,000	$300,000	Cross-Initiative
Attorney	$65,000	$45,000	$45,000	$45,000	$45,000	$245,000	Cross-Initiative
RHT Champions	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000	Cross-Initiative
Program Manager – Grant Management	$127,000	$-	$-	$-	$-	$127,000	Cross-Initiative
Program Manager - Population Health	$127,000	$140,000	$140,000	$140,000	$140,000	$687,000	Upstream
Program Manager - Health Systems	$127,000	$140,000	$140,000	$140,000	$140,000	$687,000	Regional collab
Program Analyst - Health Systems	$-	$90,000	$90,000	$90,000	$90,000	$360,000	Regional collab
Program Manager - Tech	$127,000	$140,000	$140,000	$140,000	$140,000	$687,000	Cross-Initiative
Program Manager – Primary Care Workforce	$127,000	$140,000	$140,000	$140,000	$140,000	$687,000	Next gen talent

Personnel Totals	$1,872,000	$1,417,000	$1,417,000	$1,417,000	$1,417,000	$7,540,000	

The rows of the Personnel section reflect each position that OSDH will be funding directly with RHT Program funding to oversee and support the program. The rows labeled as "Cross-Initiative" are the personnel described above that will provide governance across the Oklahoma RHT effort. All roles added to the revised budget and all salaries amended for Budget Period 1 are expected to carry through all five Budget Periods, but will not be reflected until future annual revisions. The Health Systems Analyst is expected to be hired in PY2 (October 31st, 2026 or later), so was excluded from this budget.

Table 2.1.2 Annual Salary and Description by Role

Role	FTEs	Annual Salary	Status	Name	Description
Program Director – Operations & Pop Health	1	$160,000	Filled	Jackie Kanak	Provides overall oversight and direction of the RHT Program on Population Health-related programs, and serves as the primary liaison with CMS
Program Director – Health Systems	1	$160,000	Filled	Lisa Rother	Provides overall oversight and direction of the RHT Program on Health Systems-related programs
Data Analyst	1	$85,000	Vacant; expected 2/16/26	TBD	Manages data collection, integration, and reporting from all funded entities
Business Automations Specialist	1	$110,000	Vacant; expected 3/2/26	TBD	Designs, implements and maintains automated systems that streamline end-to-end grant cycle.
Sr. Compliance Specialist	1	$90,000	Filled	Marcos Gomez	Ensures adherence to CMS requirements, cooperative agreement, and all State/federal regulations
Grants Mgmt. Specialists III	4	$85,000	2 filled, 2 vacant; expected 3/2/26	Jennifer Chessmore, Isabella Valderrama	Support subaward administration and regulatory compliance across all initiatives
Contracting and Acquisitions Agent II	1	$72,000	Filled	Jon Pickel	Manages vendor procurement and contracting for initiatives and technical support
Communications Coordinator	0.5	$90,000	Filled	Rachel Baugh	Leads stakeholder engagement, external communications, and public awareness campaigns
Administrative Assistant	1	$60,000	Filled	Braiden Conley	Provides administrative and scheduling support for program operations
Attorney	0.5	$130,000	Filled	Chance Gibbs	Provides legal oversight for contracting, compliance, and program governance
RHT Champions	N/A	$5,000	Vacant; expected 3/2/26	TBD	Rural health representatives who will provide local implementation support and feedback (10 special duty assignments)
Program Manager – Grant Management	1	$127,000	Filled	Morgan Hamilton	Provides oversight of contracts, compliance, and procurement processes
Project Manager – Population Health	1	$127,000	Filled	Courtney Peters	Oversees data-driven initiatives addressing preventive health, health disparities, and social determinants of health (SDOH)
Project Manager – Health Systems	1	$127,000	Vacant; expected 2/16/26	TBD	Leads system-level improvement projects focused on collaboration across the ecosystem of healthcare entities in Oklahoma
Project Analyst – Health Systems	1	$90,000	Vacant; expected 10/31/26 or later	TBD	Supports Project Manager – Health Systems in research, data analysis, and program oversight related to cross-system efforts
Project Manager – Tech	1	$127,000	Vacant; 3/2/26	TBD	Provides support for technology-related projects, specifically focusing on coordination of the technology cooperative effort

Project Manager – Primary Care Workforce	1	$127,000	Filled	Jana Castleberry	Oversees talent-related efforts across workforce and upskilling activities, focusing on program oversight and partner support

B. Fringe Benefits

Table 2.2. Summary of Fringe Benefits by Fiscal Year

Benefit type	Benefit percent	Year 1	Year 2	Year 3	Year 4	Year 5	Total
FICA	7.65%	$139,383	$104,576	$104,576	$104,576	$104,576	$557,685
Retirement	16.50%	$300,630	$225,555	$225,555	$225,555	$225,555	$1,202,850
Estimated (allowances, excess, Sooner Save)	30.85%	$562,087	$421,720	$421,720	$421,720	$421,720	$2,248,965
Total	**55.00%**	$1,002,100	$751,850	$751,850	$751,850	$751,850	$4,009,500
Rounded total		N/A	$752,000	$752,000	$752,000	$752,000	$4,010,100

OSDH uses a combined rate of 55% of salary for fringe benefits, applied to all FTE salaries. RHT Champions are not paid fringe benefits on their $5000 / year, which will function as a stipend.

C. Travel

Travel costs include attendance at the annual Federal Rural Health Conference, quarterly regional stakeholder convenings in Oklahoma City, and approximately 50 local site visits each year for project managers to support program implementation and provider engagement. These activities cover airfare, lodging, per diem, and mileage for program staff and RHT Champions, totaling approximately $155,000 annually and $775,000 over five years. See below for detailed breakdown of actual numbers.

Travel	Expense item	Rate	Staff role(s)	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Conference Attendance, incl. Federal Rural Health Conference (costed for Baltimore, MD)	Airfare	$269 x 6 staff	Program Director, TBD other staff	$1,614	$1,614	$1,614	$1,614	$1,614	$8,070
	Hotel	$150 x 2 nights x 6 staff		$1,800	$1,800	$1,800	$1,800	$1,800	$9,000
	Per diem	$86 x 3 days x 6 staff		$1,548	$1,548	$1,548	$1,548	$1,548	$7,740
	Cab / Car Travel	$100 x 6 staff		$600	$600	$600	$600	$600	$3,000
Initiative:	Cross-Initiative		Total:	$5,562	$5,562	$5,562	$5,562	$5,562	$27,810
Convening regional RHT Champion stakeholders 4x annually	Airfare	N/A	RHT Champions	$-	$-	$-	$-	$-	$-
	Hotel	$110 x 4 nights x 10 staff		$17,600	$17,600	$17,600	$17,600	$17,600	$88,000
	Per diem	$68 x 5 days x 10 staff		$16,320	$16,320	$16,320	$16,320	$16,320	$81,600
	Mileage	$0.7 x 300mi. x 10 staff		$8,400	$8,400	$8,400	$8,400	$8,400	$42,000
Initiative:	Cross-Initiative		Total:	$42,320	$42,320	$42,320	$42,320	$42,320	$211,600
Local travel for program execution; 50 annual site visits	Hotel (assume 40% require)	$110 x 20 nights x 6 staff	Program Director and Project Managers	$13,200	$13,200	$13,200	$13,200	$13,200	$66,000
	Per diem (assume some add'l days / higher rates)	$51 x 100 days x 6 staff		$30,600	$30,600	$30,600	$30,600	$30,600	$153,000
	Mileage	$0.7 x 15,000 total mi x 6 staff		$63,000	$63,000	$63,000	$63,000	$63,000	$315,000
Initiative:	Cross-Initiative		Total:	$106,800	$106,800	$106,800	$106,800	$106,800	$534,000

			Total:	$154,682	$154,682	$154,682	$154,682	$154,682	$773,410
			Rounded total:	N/A	$155,000	$155,000	$155,000	$155,000	$774,682.00

D. Equipment

OSDH does not anticipate making any direct purchases of equipment.

E. Supplies

Item	Rate	Quantity	People	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Keyboard mouse	$33	1	18	$594	$462	$462	$462	$462	$2,442	Cross-Initiative
Computer docking station	$214	1	18	$3,852	$2,996	$2,996	$2,996	$2,996	$15,836	Cross-Initiative
Monitors	$143	2	18	$5,148	$4,004	$4,004	$4,004	$4,004	$21,164	Cross-Initiative
Laptop lease	$580	1	18	$10,440	$8,120	$8,120	$8,120	$8,120	$42,920	Cross-Initiative
Supplies Total:				$20,034	$15,582	$15,582	$15,582	$15,582	$82,362	
Rounded Total:				N/A	$16,000	$16,000	$16,000	$16,000	$84,034	

Justification: All supplies will be leveraged by the personnel described in section A. for Y1 (except for RHT Champions, who do not require additional supplies) to execute on their responsibilities in support of the RHTP. The prices of all supplies are consistent with those purchased for other employees of OSDH.

F. Contractual / Subrecipient Costs

Table 2.6.1 Summary of Total Subrecipient Budget by Fiscal Year and Initiative

Subrecipients	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Oklahoma Health Care Authority (OHCA) - RPM: Maternal	$769,000	$762,000	$697,000	$659,000	$649,000	$3,536,000	Care Model
Oklahoma Association Regional Councils (OARC) - Transportation expansion	$2,651,000	$1,643,000	$2,045,000	$2,280,000	$2,280,000	$10,899,000	Care Model
Oklahoma State Department of Education (OSDE)- School-based health services	$3,039,000	$3,032,000	$3,032,000	$3,032,000	$3,032,000	$15,167,000	Care Model
OHCA - Community care platform	$410,000	$410,000	$410,000	$410,000	$410,000	$2,050,000	Upstream
OHCA - CHWs	$4,299,000	$2,060,000	$2,060,000	$2,060,000	$2,060,000	$12,539,000	Upstream
OSDE - Presidential Fitness prep	$1,090,000	$850,000	$800,000	$750,000	$725,000	$4,215,000	Upstream
Rural Health Collaborative Nonprofit	$37,066,000	$42,690,000	$43,400,000	$44,400,000	$45,170,000	$212,726,000	Regional collab
OHCA - Practice enablement	$1,635,000	$5,110,000	$10,110,000	$10,110,000	$5,110,000	$32,075,000	Value
OHCA - PACE expansion	$15,165,000	$9,810,000	$5,980,000	$2,380,000	$1,880,000	$35,215,000	Value
OHCA - PCP clinical extension models	$1,635,000	$7,610,000	$7,610,000	$10,110,000	$10,110,000	$37,075,000	Value
OHCA – Maternal Health VBP	$1,250,000	$-	$-	$-	$-	$1,250,000	Value
Healthcare Workforce Training Commission (HWTC) - Rural re-location incentives	$775,000	$1,520,000	$1,520,000	$1,520,000	$2,520,000	$7,855,000	Next gen talent
Oklahoma Department of Career and Technology Education (CareerTech) -High School LPN Program	$1,114,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$5,514,000	Next gen talent

OHCA - EHR expansion	$5,500,000	$12,360,000	$6,720,000	$6,720,000	$6,720,000	$38,020,000	Data Utility
OHCA - HIE expansion	$6,172,000	$5,850,000	$5,840,000	$5,840,000	$5,840,000	$29,542,000	Data Utility
OHCA - Data and analytics expansion	$8,172,000	$2,140,000	$2,140,000	$7,140,000	$7,140,000	$26,732,000	Data Utility
Subrecipient Totals	$90,742,000	$96,947,000	$93,464,000	$98,511,000	$94,746,000	$474,410,000	

Table 2.6.2 OHCA – RPM: Maternal

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$20,000	$20,000	$10,000	$5,000	$5,000	$60,000
Fringe Benefit	$11,000	$11,000	$6,000	$3,000	$3,000	$34,000
Travel	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000
Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$730,000	$730,000	$680,000	$650,000	$640,000	$3,430,000
Indirect	$7,000	$-	$-	$-	$-	$7,000
Totals	$769,000	$762,000	$697,000	$659,000	$649,000	$3,536,000

Justification: The subrecipient of this fund use will be OHCA due to the agency's experience with innovative maternal health models, such as TMAH and the High-Risk Obstetrical Care Management program. OHCA will design the implementation of the blood pressure (BP) cuff demonstration for the maternal health use case (20% of an existing FTE initially, ramping down to 10 and then 5%), with a vendor supplying BP cuffs ($630k / year for ~900 patients). The OHCA administrator is expected to have occasional travel to sites piloting BP cuff utilization and for any initial set up. OHCA will also either leverage the existing BP cuff med tech contract (for waiver recipients) or will undertake standard vendor evaluation processes such as those currently done for Durable Medical Equipment (DME) contracts. In the initial years, technical assistance (allocated by participating providers) will be required ($100k a year for 2 years and then descending to $50k in year 3, $20k in year 4, and $10k in year 5), as well as support configuring EHR to connect BP cuffs. OHCA will monitor BP monitor utilization & provider & patient experience on a quarterly basis.

Table 2.6.3 OARC – Transportation expansion

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$70,000	$70,000	$70,000	$70,000	$70,000	$350,000
Fringe Benefit	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
Travel	$10,000	$10,000	$10,000	$10,000	$10,000	$50,000
Equipment	$2,050,000	$300,000	$300,000	$300,000	$300,000	$3,250,000
Supplies	$10,000	$10,000	$10,000	$10,000	$10,000	$50,000
Contractual	$311,000	$1,053,000	$1,105,000	$1,210,000	$1,210,000	$4,889,000
Other	$150,000	$150,000	$500,000	$630,000	$630,000	$2,060,000
Indirect	$30,000	$30,000	$30,000	$30,000	$30,000	$150,000
Totals	$2,651,000	$1,643,000	$2,045,000	$2,280,000	$2,280,000	$10,899,000

Justification: OARC, a collective of local governments and the only organization connecting them statewide, will serve as the subrecipient and administer this fund use. The initiative expands the Southwest Oklahoma Development Agency (SWODA) transportation pilot to include volunteer driver recruitment, centralized coordination, dispatch, and tracking, with statewide expansion planned. Funding supports a full-time initiative coordinator, 10% FTE of a regional executive director, quarterly travel, and equipment purchases (15 vans at ~90k each and 5 cutaways at ~$140k

each via ODOT in Year 1, then networking and platform infrastructure in later years). Costs were informed by prior purchases of vans and cutaways that were done in compliance with Oklahoma procurement mechanisms. Contractual costs include mobility navigator recruitment ($125K each; 2 in Year 1 expanding to 8 by Year 5), local Regional Transportation Planning Organization coordination, and volunteer recruitment and training ($350 per volunteer; 150 in Year 2 expanding to 300 by Year 5). Other costs include resident and volunteer mileage reimbursement, legal, accounting, outreach, and insurance. Infrastructure costs total $300K per year in Years 2–5.

Table 2.6.4 OSDE – School-based health services

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
Fringe Benefit	$11,000	$11,000	$11,000	$11,000	$11,000	$55,000
Travel	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000
Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$15,000,000
Indirect	$7,000	$-	$-	$-	$-	$7,000
Totals	$3,039,000	$3,032,000	$3,032,000	$3,032,000	$3,032,000	$15,167,000

Justification: OSDE will administer funding for technical assistance and initial recruitment of school-based providers to enable rural schools in Oklahoma to bill for Medicaid services. A NOFO will be issued for schools and education departments to apply to receive funding ($3M per year, consisting of $1M for start-up costs for schools to develop systems and expertise needed to bill for Medicaid services [$10,000 × 100 schools] and $2M for recruitment of providers such as school nurses, counselors, and physical/occupational therapists [~24 providers at $85K each, or about 0.24 FTE per schools]). Recruitment of providers may also be partially subsidized, increasing the number of providers. OSDE will dedicate about 0.2 FTE to monitor the progress of the program and aid in the design of the NOFO and provide some technical assistance. This individual may also take on travel to schools and school districts for $1,000 per year. OSDE will monitor the implementation and progress of schools on a quarterly basis, collaborating closely with local education departments.

Table 2.6.5 OHCA – Closed loop community care platform

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel; Fringe Benefit, Travel, Equipment, Supplies, Other, and Indirect	$-	$-	$-	$-	$-	$-
Contractual	$410,000	$410,000	$410,000	$410,000	$410,000	$2,050,000
Totals	$410,000	$410,000	$410,000	$410,000	$410,000	$2,050,000

Justification: This fund use expands the reach of Oklahoma's current closed-loop referral system to cover 39 critical access hospitals (CAH), 4 rural emergency hospitals, and 68 local health departments. This initiative will continue to be overseen by OHCA. Implementation will be conducted as a continuing contract by a closed-loop referral platform provider. Contracting costs include $258K per year in personnel, including community support specialists and $152K in start-up supplies including hardware and EHR platform integration.

Table 2.6.6 OHCA – CHWs

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total

Personnel	$40,000	$40,000	$40,000	$40,000	$40,000	$200,000
Fringe Benefit	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
Travel, Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$4,225,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$12,225,000
Indirect	$14,000	$-	$-	$-	$-	$14,000
Totals	$4,299,000	$2,060,000	$2,060,000	$2,060,000	$2,060,000	$12,539,000

Justification: This fund use pays for for community health workers (CHWs) at FQHCs and hospitals, who currently cannot bill services. This initiative includes 0.5 FTE for state oversight, done by OHCA. Implementation will be conducted by hospitals reimbursed for CHW hiring, training, and monitoring. Contractual costs include ~$3.8M in year 1 in reimbursement for 30 CHWs (Hospitals) and 25 CHWs (FQHCs) at $69K each. Contracting costs will include $430K for program development in year 1 only.

Table 2.6.7 OSDE – Presidential Fitness preparation

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$70,000	$70,000	$70,000	$70,000	$70,000	$350,000
Fringe Benefit	$30,000	$30,000	$30,000	$30,000	$30,000	$150,000
Travel, Equipment, Other	$-	$-	$-	$-	$-	$-
Supplies	$600,000	$600,000	$600,000	$600,000	$600,000	$3,000,000
Contractual	$365,000	$150,000	$100,000	$50,000	$25,000	$690,000
Indirect	$25,000	$-	$-	$-	$-	$25,000
Totals	$1,090,000	$850,000	$800,000	$750,000	$725,000	$4,215,000

Justification: This initiative will provide teachers and students with the equipment and tools that they need to prepare for the reinstated Presidential Fitness Test. The funding will provide 100% FTE overseeing the program execution, as well as contracted support (additional support in Year 1, decreasing to Year 5, with Year 1 including program development and primary app development, and Year 5 scaling down to only app maintenance) for program development and to develop a cardio- and walking-focused fitness application for students. The funding will also provide $10K per school for 60 schools each year to purchase gym equipment including equipment for the fitness exam (e.g., sit-and-reach test machines, timers) and equipment to prepare students by improving their endurance, flexibility, and overall fitness (e.g., balls, nets, pinnies for sports, educational curriculum on healthy eating). OSDE will administer this, working closely with Oklahoma schools.

Table 2.6.8 Rural Health Collaborative Nonprofit

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$130,000	$200,000	$200,000	$200,000	$200,000	$930,000
Fringe Benefit	$30,000	$40,000	$40,000	$40,000	$40,000	$190,000
Travel	$100,000	$100,000	$100,000	$100,000	$100,000	$500,000
Equipment and Other	$-	$-	$-	$-	$-	$-
Supplies	$40,000	$50,000	$50,000	$50,000	$50,000	$240,000
Contractual	$36,720,000	$42,290,000	$43,000,000	$44,000,000	$44,770,000	$210,780,000
Indirect	$46,000	$10,000	$10,000	$10,000	$10,000	$86,000
Totals	$37,066,000	$42,690,000	$43,400,000	$44,400,000	$45,170,000	$212,726,000

Justification: The Rural Health Collaborative Nonprofit, an entity that will be composed of and owned by rural hospitals and providers who join the Rural Clinically Integrated Network as members, will be stood up under the administration of OSDH in Year 1 of the grant. OSDH will competitively procure a management support vendor to provide technical and operational assistance for the nonprofit's start-up and early operations (~$6M annually). The nonprofit will maintain one full-time staff member in Year 1, scaling to two by Year 5 and will report quarterly on progress and expenditures. Additional technology platform and service vendors (e.g., population health, care coordination, telemedicine, AI documentation, remote patient monitoring, referral management) will be competitively selected or procured through approved cooperative agreements as priorities are finalized. OSDH will monitor vendor performance through deliverables-based invoicing and quarterly reviews. Funding levels align with the resources required to stand up a statewide integrated network that advances RHT goals and builds long-term sustainability.

Table 2.6.9 OHCA – Practice enablement

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$70,000	$70,000	$70,000	$70,000	$70,000	$350,000
Fringe Benefit	$40,000	$40,000	$40,000	$40,000	$40,000	$200,000
Travel, Equipment, Supplies, Other	$-	$-	$-	$-		$-
Contractual	$1,500,000	$5,000,000	$10,000,000	$10,000,000	$5,000,000	$31,500,000
Indirect	$25,000	$-	$-	$-	$-	$25,000
Totals	$1,635,000	$5,110,000	$10,110,000	$10,110,000	$5,110,000	$32,075,000

Justification: Oklahoma plans to support approximately 150 PCP practices with VBC enablement support. The funding will provide 50% FTE to oversee program design, development, and implementation. The contractual spend includes a technical assistance vendor to support program design and selection process for practices ($1M in Year 1) and the contracts with 150 eligible providers with $100K of funding per year for two years (per CMMI framework on ACO incentive models).

Table 2.6.10 OHCA – PACE expansion

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$70,000	$70,000	$50,000	$50,000	$50,000	$290,000
Fringe Benefit	$40,000	$40,000	$30,000	$30,000	$30,000	$170,000
Travel, Equipment, Supplies	$-	$-	$-	$-	$-	$-
Contractual	$8,330,000	$7,200,000	$3,900,000	$1,300,000	$800,000	$21,530,000
Other	$6,700,000	$2,500,000	$2,000,000	$1,000,000	$1,000,000	$13,200,000
Indirect	$25,000	$-	$-	$-	$-	$25,000
Totals	$15,165,000	$9,810,000	$5,980,000	$2,380,000	$1,880,000	$35,215,000

Justification: Oklahoma will expand PACE into rural areas with a plan to stand up six new centers during the duration of the grant. The funding will provide 50% FTE scaling back to 30% FTE after the clinics are launched. OHCA will competitively procure a technical assistance vendor to support planning, soliciting, and securing PACE vendors, and consultation with local stakeholders, including tribal engagement, to drive participation ($1.5M in Year 1, $0.5M in Years 2–3, and $0.3M in Year 4–5). Once onboarded, the PACE providers will receive funding for site infrastructure (~$11M total across Years 1–3) and mobile infrastructure (~$2.7M across Year 1–4). The "Other" bucket includes development and configuration of a data and

analytics tool at OHCA to support measurement of PACE utilization, quality, and outcomes (~$9M of total funding with $5.2M in Year 1) and provider incentive payments to stand up PACE programs in rural areas (one-time funding of up to $666K per clinic or $4M total).

Table 2.6.11 OHCA – PCP clinical extension

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$70,000	$70,000	$70,000	$70,000	$70,000	$350,000
Fringe Benefit	$40,000	$40,000	$40,000	$40,000	$40,000	$200,000
Travel, Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$1,500,000	$7,500,000	$7,500,000	$10,000,000	$10,000,000	$36,500,000
Indirect	$25,000	$-	$-	$-	$-	$25,000
Totals	$1,635,000	$7,610,000	$7,610,000	$10,110,000	$10,110,000	$37,075,000

Justification: Oklahoma will pilot clinical extension models to support management of high-risk Medicaid and dual-eligible members. The funding will provide 50% FTE to oversee the pilot. Oklahoma will procure a technical assistance vendor to support planning and selection of clinical extension models in Year 1 and then procure the vendor by Year 2. Oklahoma will pilot two cohorts with the model, 10 practices starting in Year 2, and assuming successful pilot, 10 more practices starting in Year 4. Estimated cost is $750K per practice for Years 1–2, scaling down to $250K for Years 3–4 as managed care takes on associated PMPM payments.

Table 2.6.12 OHCA – Maternal Health VBP

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel, Fringe, Travel, Equipment, Supplies, Other, Indirect	$-	$-	$-	$-	$-	$-
Contractual	$1,250,000	$-	$-	$-	$-	$1,250,000
Totals	$1,250,000	$-	$-	$-	$-	$1,250,000

Justification: Contractual payments in Y1 will be used to convene stakeholders, develop RFPs for CINs to support participating clinics and hospitals, build out program, technology, payment, and data collection plans. In future years, contractual payments will fund positive delivery outcome incentives across 4 birthing hospitals (2 health system and 2 tribal hospitals) and 1 birth center to implement a VBP model, funding for FFS clinics to support a VBP model with positive outcomes incentives, and assistance in implementation and facilitation of positive outcomes at the clinics.

Table 2.6.13 HWTC – Rural re-location incentives

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$13,000	$13,000	$13,000	$13,000	$13,000	$65,000
Fringe Benefit	$7,000	$7,000	$7,000	$7,000	$7,000	$35,000
Travel, Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$750,000	$1,500,000	$1,500,000	$1,500,000	$2,500,000	$7,750,000
Indirect	$5,000	$-	$-	$-	$-	$5,000
Totals	$775,000	$1,520,000	$1,520,000	$1,520,000	$2,520,000	$7,855,000

Justification: As mentioned in the Project Narrative, this fund use will provide $50K per year in incentives at the conclusion of each year for a 5-year

rural service commitment to 30 providers (10 beginning in Year 1, 20 more beginning in Year 2, so funding for the fifth year of that cohort, to be disbursed in Q4 FY31, is included in Year 5 estimate) as well as an upfront $20k relocation stipend. Program development, needs assessments (as needed), and disbursements will be led by an FTE at 20% throughout the duration of the program and contracted technical assistance in the first year, while the program is being stood up. HWTC was designated to administer this program directly as they are the state agency currently responsible for administering similar incentive programs for other provider types (e.g., primary care physicians).

Table 2.6.14 CareerTech – High School LPN Program

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$40,000	$700,000	$700,000	$700,000	$700,000	$2,840,000
Fringe Benefit	$20,000	$210,000	$210,000	$210,000	$210,000	$860,000
Travel, Equipment	$-	$-	$-	$-	$-	$-
Supplies	$120,000	$120,000	$120,000	$120,000	$120,000	$600,000
Contractual	$900,000	$50,000	$50,000	$50,000	$50,000	$1,100,000
Other	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
Indirect	$14,000	$-	$-	$-	$-	$14,000
Totals	$1,114,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$5,514,000

Justification: This fund use will support the expansion of the CareerTech high school LPN program to 10 additional schools and students in rural Oklahoma, which will require 10 instructors at $85K per year (shifted to contractual to accurately reflect distinction from CareerTech staff), $50K per year of contracted clinical staff, and 0.5 of an FTE at $80K per year for support, $120K in supplies, including textbooks, small medical supplies for training, etc., to provide for 100 students across the schools, and $20K per year for exam registration ($200 per student). CareerTech was designated as a subrecipient for this fund use as it will be an expansion of their existing programming.

Table 2.6.15 OHCA – EHR expansion

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$90,000	$90,000	$90,000	$90,000	$90,000	$450,000
Fringe Benefit	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000
Travel	$-	$-	$-	$-	$-	$-
Equipment	$800,000	$800,000	$-	$-	$-	$1,600,000
Supplies	$1,000,000	$1,000,000	$-	$-	$-	$2,000,000
Contractual	$3,528,000	$10,420,000	$6,300,000	$6,300,000	$6,300,000	$32,848,000
Other	$-	$-	$280,000	$280,000	$280,000	$840,000
Indirect	$32,000	$-	$-	$-	$-	$32,000
Totals	$5,500,000	$12,360,000	$6,720,000	$6,720,000	$6,720,000	$38,020,000

Justification: This initiative extends electronic health record system (EHR) coverage to Oklahoma's unconnected rural facilities, estimated to be 3 hospitals, 20 FQHCs, 8 Certified Community Behavioral Health Clinics (CCBHC), 2 substance abuse service centers (SAS), and 7 Rural Health Centers (RHC). This initiative includes 0.3 of 2 FTEs for state oversight. This initiative will be overseen by OKSHINE, an office within OHCA. Implementation will be conducted by a state designated entity. Equipment includes required server updates and network infrastructure for rural

facilities to connect to the EHR estimated at $20K per facility. Supplies include $1M per year in years 1–2 for upgrades to hardware and offices for facility connectivity. Supplies will be procured through Office of Management and Enterprise Services (OMES) centralized procurement. Other includes maintenance of a peer-to-peer lessons-learned portal in years 3–5. Contractual costs total ~$3.5M in Y1, including IT support; migration, testing, and software; site-specific supply and training; and licensing. Contracting costs for implementors are $36K per contractor, with ~22 required across facilities. Costs also include contractor travel to sites requiring connection (est.4 times per year each at an annual cost of $21K for a total cost of $460K). Maintenance across all sites will cost $500K a year.

Table 2.6.16 OHCA – HIE expansion

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$90,000	$90,000	$90,000	$90,000	$90,000	$450,000
Fringe Benefit	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000
Travel, Equipment, Other	$-	$-	$-	$-	$-	$-
Supplies	$-	$10,000	$-	$-	$-	$10,000
Contractual	$6,000,000	$5,700,000	$5,700,000	$5,700,000	$5,700,000	$28,800,000
Indirect	$32,000					$32,000
Totals	$6,172,000	$5,850,000	$5,840,000	$5,840,000	$5,840,000	$29,542,000

Justification: This initiative extends HIE coverage to Oklahoma's unconnected rural facilities, estimated to be up to 40% of SAS, 46% of rural hospitals, and 97% of RHCs. These percents are equivalent to 40 hospitals, 4 SAS, and 139 RHCs. This initiative also expands HIE capability to incorporate key data from particular care settings. This initiative includes 0.3 of 2 FTEs for state oversight. This initiative will be overseen by OKSHINE, an office within OHCA. Supplies include a one-time purchase in year two of an updated DICOM server, necessary to handle increased HIE volume, at a cost of $10K. This server will be purchased through centralized OMES procurement. Contractual costs include portal access and interface, IT support, training/education across all provider / facility types, connection to Oklahoma's death registry, imaging ingestion capabilities, incorporation of AI imaging overread capabilities, connection to public health data feeds, and connection to 304 long-term care facilities.

Table 2.6.17 OHCA – Data and analytics

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$90,000	$90,000	$90,000	$90,000	$90,000	$450,000
Fringe Benefit	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000
Travel, Equipment, Supplies, Other	$-	$-	$-	$-	$-	$-
Contractual	$8,000,000	$2,000,000	$2,000,000	$7,000,000	$7,000,000	$26,000,000
Indirect	$32,000	$-	$-	$-	$-	$32,000
Totals	$8,172,000	$2,140,000	$2,140,000	$7,140,000	$7,140,000	$26,732,000

Justification: This initiative funds development of high-need analytics and dashboards focused on rural Oklahoma and creates a data roadmap for expanded functionality and HIE integration. Oversight (0.3 of 2 FTEs) will be provided by OKSHINE within OHCA. Platform and service vendors will be competitively procured through cooperative agreements. Contracts include $8M in Year 1 to build the analytic roadmap and identify vendors, plus $3M per use case across Years 2–5 to acquire, test, and scale tools and dashboards (e.g., market insights, maternal health, and readmissions).

2.6.18 Summary of Total Consulting Budget by Fiscal Year and Initiative

Consultants	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Clinical advisory	$100,000	$100,000	$100,000	$100,000	$100,000	$500,000	Regional collab
Association representatives	$500,000	$500,000	$250,000	$250,000	$250,000	$1,750,000	Regional collab
Consultant Totals	$600,000	$600,000	$350,000	$350,000	$350,000	$2,250,000	

Justification: Expert clinical consulting services will ensure that the regional collaboration initiative has a third-party clinical perspective in the development of the CIN and other fund uses within the regional collaboration. Additionally, association representatives from the primary care, hospital, long-term care, Tribal, and behavioral health associations will provide advisory services on behalf of their members with more dedicated support in Y1-2 with stand-up of the program.

Table 2.6.19 Summary of Total Contracts Budget by Fiscal Year and Initiative

All contracts below will go through a competitive procurement process aligned with State of Oklahoma law and OSDH procurement guidelines.

Contracts	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Telestroke program	$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000	Care Model
Technical Assistance vendor - MFM telehealth expansion	$200,000	$-	$-	$-	$-	$200,000	Care Model
MFM telehealth expansion	$6,400,000	$1,080,000	$1,080,000	$1,080,000	$1,080,000	$10,720,000	Care Model
Technical support vendor for Community Paramedic vehicle	$500,000	$250,000	$50,000	$50,000	$-	$850,000	Care Model
Community paramedicine program vendor	$780,000	$150,000	$150,000	$150,000	$150,000	$1,380,000	Care Model
Community paramedicine program vehicles	$1,925,000	$875,000	$875,000	$875,000	$875,000	$5,425,000	Care Model
Doula program vendor	$200,000	$200,000	$200,000	$200,000	$200,000	$1,000,000	Care Model
Technical assistance vendor for BH integration in primary care	$375,000	$250,000	$-	$-	$-	$625,000	Care Model
BH integration in primary care	$2,800,000	$1,300,000	$1,300,000	$1,300,000	$1,300,000	$8,000,000	Care Model
Technical assistance vendor for technology cooperative	$750,000	$-	$-	$-	$-	$750,000	Care Model
Technology cooperative	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$65,000,000	Care Model
Technical assistance vendor for Chronic disease management program	$750,000	$500,000	$-	$-	$200,000	$1,450,000	Upstream
Chronic disease management program	$12,000,000	$5,400,000	$13,400,000	$3,600,000	$3,600,000	$38,000,000	Upstream
Technical assistance vendor for consumer-facing tech	$750,000	$500,000	$-	$-	$200,000	$1,450,000	Upstream
Consumer-facing technology	$2,500,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$14,500,000	Upstream
Technical assistance vendor for Micrograants	$750,000	$-	$-	$-	$-	$750,000	Upstream
Community-led wellness hub: Micrograants	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$10,000,000	Upstream
Lung Cancer Screening Program	$2,300,000	$2,050,000	$2,050,000	$2,050,000	$2,050,000	$10,500,000	Upstream
Technical assistance vendor for Rural Health Collaborative Nonprofit	$6,000,000	$2,000,000	$-	$-	$-	$8,000,000	Regional collab
Technical assistance vendor for Rural Regional Reorientation Plan development and implementation	$7,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$15,000,000	Regional collab
EMS centralization	$4,500,000	$4,500,000	$3,700,000	$3,700,000	$3,700,000	$20,100,000	Regional collab
Technical assistance vendor for Rural residency programs	$1,500,000	$500,000	$-	$-	$200,000	$2,200,000	Next gen talent
Rural residency programs	$20,915,000	$10,080,000	$10,630,000	$11,150,000	$11,330,000	$64,105,000	Next gen talent

Technical assistance vendor for sustainable financing	$-	$-	$-	$3,000,000	$3,000,000	$6,000,000	Cross-Initiative
Implementation support vendor	$10,912,700.62	$6,000,000	$6,000,000	$6,000,000	$8,000,000	$36,912,700.62	Cross-Initiative
Evaluation vendor	$3,000,000	$2,000,000	$2,000,000	$2,000,000	$4,000,000	$13,000,000	Cross-Initiative
Communications support vendor	$500,000	$250,000	$250,000	$250,000	$500,000	$1,750,000	Cross-Initiative
OSDH Contractors	$732,000	$154,000	$87,000	$1,320,000	$105,000	$2,398,000	Cross-Initiative
Contracts total	$103,539,700.62	$58,539,000	$62,272,000	$57,225,000	$60,990,000	$342,565,700.62	

Contract	Justification
Telestroke program	Funding for expanded telestroke program as described in Project Narrative, including support services costs, certification, program coordinator, and consulting
Technical Assistance vendor - MFM telehealth expansion	1 FTE of staff augmentation for NOFO writing, design of program requirements, and evaluation of provider responses
MFM telehealth expansion	Funding for MFM telehealth expansion as described in Project Narrative, including funds for both 2 hubs and 12 spokes; funds include technology, telehealth equipment, and implementation costs
Technical support vendor for Community Paramedic vehicle	Technical assistance to support program development for Community Paramedic vehicles, RFP design, and initial marketing efforts. Most support will be in years 1 and 2, with light-touch staff augmentation through year 4
Community paramedicine program vendor	Funding for expanded community paramedicine program operations as described in the Project Narrative, including a training vehicle (purchased in year 1), instructors, supplies and medical oversight. The training vehicle will cost ~$500k in total, based on prior purchases and market research, and will include an ambulance (~$400k) and simulation equipment (~$100k).
Community paramedicine program vehicles	Community Paramedicine vehicles are specialty equipment that enables community paramedics to serve distinctly from ongoing EMS operations, without requiring the use of existing system vehicles that can be deployed to other calls. Costs include vehicles outfitted with the medical equipment required for visits, which will have a useful life of at least 5 years. Per-unit vehicle costs were estimated based on market research and prior purchasing in line with Oklahoma guidelines and include ~$55k/F-150 or similar model truck, ~$90k/medical equipment, ~$25k/vehicle technology, and ~$5k maintenance. This is $175k/vehicle for 11 vehicles in PY1 and 5 each year in following years. All procurement will be conducted in a competitive process to ensure regulatory compliance, competitive pricing, and lasting durability
Doula program vendor	Funding for doula program expansion as described in Project Narrative, including training for 15 doulas in 5 counties per year
Technical assistance vendor for BH integration in primary care	Technical assistance to support hosting BH provider listening sessions, designing initial program constraints for provider NOFO, NOFO drafting, & response evaluation
BH integration in primary care	Funding for BH integration in primary care as described in Project Narrative, including one hub & spoke model or recruitment of MAT (buprenorphine) prescribers for practices. Hub & spoke model cost includes: initial startup cost of model, initial coverage of an integrated care team, some support for telehealth capabilities at the hub, and funding of salaries at four spokes for nursing and counseling services, as well as telehealth connectivity. Alternatively, practices with some supports already in place for an SUD prescribing physician would leverage the funding for initial physician, NP, or APP salaries, recruitment & training
Technical assistance vendor for technology cooperative	Technical assistance to support program development, RFP design, and initial marketing efforts
Technology cooperative	Funding for technology cooperative as described in Project Narrative, including approved RPM devices, telehealth platforms, and AI clinical documentation tools, implementation costs for participating providers, and a statewide training and helpdesk for installation and configuration
Technical assistance vendor for Chronic disease management program	Technical assistance to support program design, data collection and analysis, population and condition identification, engagement with communities and facilities, design and development for program implementation

Chronic disease management program	Funding for programs seeking to treat chronic conditions in rural Oklahoma. Funding includes site staffing, participant recruitment, equipment, program design, education, and digital tool build and maintenance. Funding in years 1 and 3 is higher, as initiation years for 2 cohorts, with a lower maintenance total in years 2-5.
Technical assistance vendor for consumer-facing technology	Technical assistance to support program design, RFP development, identification of populations and conditions, and cost survey to build reasonably competitive environment
Consumer-facing technology	Funding to pilot consumer facing technology including behavioral health apps in rural Oklahoma. Funding will include stakeholder convening, participant recruitment, and vendor selection and contracting. Funding in years 1 and 2 will include acquisition with funding in subsequent years focused on scaling and reporting
Technical assistance vendor for Micrograants	Technical assistance to support RFP development, guidelines around RFP, communication to rural communities and RFP deployment / site selection.
Community-led wellness hub: Micrograants	Funding to establish a fund for competitive RFP among local health departments/entities in rural communities. Local health departments/entities will be able to apply for a one-time grant conditioned on their accepting ongoing maintenance. Grants must address proven community unmet demand for wellness needs in rural Oklahoma. Funding will be consistent each year.
Lung Cancer Screening Program	Funding for establishment of lung cancer screening programs in rural health systems, as described in the Project Narrative, including funding in Y1 for program development, and technical assistance and personnel to lead the effort in health systems throughout
Technical assistance vendor for Rural Health Collaborative Nonprofit	Technical assistance to support stand-up of regional health collaborative non-profit including program design and planning, stakeholder engagement, legal, regulatory and communications support
Technical assistance vendor for Rural Regional Reorientation Plan development and implementation	Technical assistance to support program design, data collection and analysis, engagement with participating hospitals, synthesis of regional plans, grant design and development for program implementation
EMS centralization	Funding to select and implement a single platform centralizing EMS communication and logistics, as described in Project Narrative. Funding will be used for project management, data migration, equipment, and licensing. Funding will decrease from years 1-2 to years 3-5 as the platform transitions from buildout and training to maintenance and implementation
Technical assistance vendor for Rural residency programs	Technical assistance to support RFP development, application review, and ongoing program development for prospective rural residency sites, alongside educational partners. T.A. will ramp down, then return in Year 5 for program transition
Rural residency programs	Funding to establish new rural residency seats in Oklahoma, increasing in number from the original application. Funding includes accreditation, curriculum, faculty, educational materials, and resident support.
Technical assistance vendor for sustainable financing	Support for sustainable funding development including SPA/waiver development, all-payer model development to transition uncompensated care to billable service
Implementation support vendor	Support for overall program implementation including program design and stand-up, program management, stakeholder management, and tech management with increased cost in Y1 and Y5 to support stand-up and close-out of program
Evaluation vendor	Support for overall program evaluation and monitoring; increased cost in Y1 and Y5 to support program stand-up and close-out
Communications support vendor	Support for program communications and community engagement with increased cost in Y1 and Y5 to support stand-up and close-out of program.
OSDH Contractors	Support for central program standup, management, and evaluation; figures differ in each year based on estimated support required by year (e.g., more in year 1 for standup and year 4 for transition to sustainability)

G. Other Direct Costs

Planned provider and infrastructure investments total $189.16 million over five years. Funding supports rural hospital and provider participation in

regional reorientation planning and implementation through direct payments, infrastructure, and start-up staffing investments, totaling $158.81 million. Additional payments address uncompensated care for EMS treat-in-place and community paramedicine ($25 million) and doula services ($4.85 million). A small allocation ($500,000) covers parking for program personnel.

Item	Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Initiative
Provider payments for Rural Regional Reorientation planning	80% uptake of rural hospitals * $150k / engaged hospital	$10,560,000	$-	$-	$-	$-	$10,560,000	Regional collab
Provider payments for Rural Regional Reorientation implementation	75% uptake of engaged hospitals * $400k / hospital; 25% uptake from non-hospital providers, $200k / provider	$2,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$42,000,000	Regional collab
Infrastructure investments for Rural Regional Reorientation implementation	75% uptake of engaged hospitals * $800k / hospital; 25% uptake from non-hospital providers, $400k / provider	$5,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$85,000,000	Regional collab
Equipment / start-up staffing investments for Rural Regional Reorientation implementation	75% uptake of engaged hospitals * $400k / hospital; 25% uptake from non-hospital providers, $200k / provider	$1,250,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$21,250,000	Regional collab
Provider payments for EMS uncompensated. care	Up to $200 per visit x 25,000 EMS treat-in-place / Community Paramedicine visits annually	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$25,000,000	Care Model
Provider payments for Doula uncompensated. care	~$65 per visit x ~15,000 uncomp. visits annually (est. 20,000 rural births per year, 15-20% using doulas, 4 additional visits apiece)	$970,000	$970,000	$970,000	$970,000	$970,000	$4,850,000	Care Model
Parking for hired personnel	120 / month x 60 months x 18 employees	$100,000	$100,000	$100,000	$100,000	$100,000	$500,000	Cross-Initiative
Other Total:		$24,880,000	$41,070,000	$41,070,000	$41,070,000	$41,070,000	$189,160,000	

Item	Justification
Provider payments for Rural Regional Reorientation planning	Provide payment to rural hospitals to support plan development and implementation planning for rural regional reorientation. Expect 80% uptake of the 88 rural hospitals; $150k/provider based on similar planning efforts in other states.
Provider payments for Rural Regional Reorientation implementation	Provide payment to broader set of providers (inclusive of hospitals, outpatient specialty, primary care, behavioral health, long term care, health departments) to incentivize their role in implementing changes based on recommendations. The state acknowledges these estimates will need to be refined based on the resulting plans completed by FY Q4 2026.
Infrastructure investments for Rural Regional Reorientation implementation	Provide infrastructure dollars to broader set of providers (inclusive of hospitals, outpatient specialty, primary care, behavioral health, long term care providers, health departments) to support minor renovations to right-size service lines and update for new use in alignment with reorientation plans. The state acknowledges these estimates will need to be refined based on the resulting plans completed by FY Q4 2026.

Equipment / start-up staffing investments for Rural Regional Reorientation implementation	Provide equipment, technology, and start-up staffing investments to a broader set of providers (inclusive of hospitals, outpatient specialty, primary care, behavioral health, long term care providers, health departments) to support purchase of equipment, recruitment of staff for new use in alignment with reorientation plans. The state acknowledges these estimates will need to be refined based on the resulting plans completed by FY Q4 2026.
Provider payments for EMS uncompensated. care	Provide payment to EMS / Community Paramedics for critical community care that is not currently covered under Medicaid, while working toward incorporating them as billable services
Provider payments for Doula uncompensated. care	Provide payment for currently uncompensated Doula care (visits beyond the 8 allotted), while working toward expanding the number of visits included in billable services
Parking for hired personnel	Parking garage access is provided to all OSDH employees

J. Indirect Costs

Indirect Cost	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel total	$1,872,000	$1,417,000	$1,417,000	$1,417,000	$1,417,000	$7,540,000
ICR	35.6%	35.6%	35.6%	35.6%	35.6%	35.6%
Total	$666,432.00	$504,452	$504,452	$504,452	$504,452	$2,684,240.00
Rounded Total:	N/A	$504,000	$504,000	$504,000	$504,000	$2,682,432.00

OSDH uses an approved ICR of 35.6%, which the Department applies to all personnel salary costs, but not to travel, fringe benefits, or supplies. These indirect costs are minimal and those which are for administrative activities will not exceed 10% of the total funding, along with other administrative costs.

5. Funding by Initiative or Program Component

Table 3. Allocation of RHT Program Funds by Initiative (Year 1 through Year 5)

Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Innovating the care model	$39,859,000.00	$29,152,000	$29,039,000	$29,236,000	$29,176,000	$156,462,000
Moving upstream	$26,976,000.00	$16,910,000	$23,860,000	$14,010,000	$14,385,000	$96,141,000
Facilitating regional collaboration	$74,103,000.00	$87,020,000	$84,680,000	$85,680,000	$86,450,000	$417,933,000
Shifting to value	$19,685,000.00	$22,530,000	$23,700,000	$22,600,000	$17,100,000	$105,615,000
Growing next gen rural talent	$24,431,000.00	$13,340,000	$13,390,000	$13,910,000	$15,290,000	$80,361,000
Building health data utility	$19,844,000.00	$20,350,000	$14,700,000	$19,700,000	$19,700,000	$94,294,000
Cross-Initiative	$18,578,948.62	$10,698,000	$10,631,000	$14,864,000	$17,899,000	$72,670,948.62
Total Costs	$223,476,948.62	$200,000,000	$200,000,000	$200,000,000	$200,000,000	$1,023,476,948.62

Note: Select items funded (e.g., Program Director) are considered “cross-initiative” and provide benefit across more than one initiative.

6. Complementary Resources

Oklahoma’s exiting resources complement RHTP funding, including CMS demonstrations (e.g., TMaH), Medicaid programs, state-run initiatives like TSET, and local programs. OSDH will align RHTP funding to complement, not supplant, existing programs. Additional detail by fund use is included in the Program Duplication Assessment.

7. Cost Limits and Cost Reasonableness

The costs reflected in the budget narrative above and in Form SF-424A comply with the limits in the NOFO and cost reasonableness standards per 2 CFR Part 200. The State of Oklahoma will follow procurement procedures that adhere to State law and OSDH procurement guidelines, maintaining competitive and reasonable pricing for all goods and services. All proposed expenditures adhere to RHT program spending caps, including administrative costs under 10%, infrastructure costs under 20%, and provider payments under 15% of total funds.

Administrative expense

Total administrative costs are $75M or ~7% of total program budget, covering activities related to grant administration. Sub-recipients were given a 5% cap, reflected in the contractual total here, but it is expected that the total will be less than the ~10% indicated for Year 1 below.

Budget Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	$1,367,000	$1,783,600	$1,764,100	$1,764,100	$1,764,100	$8,442,900
Fringe Benefit	$731,801	$954,365	$943,865	$943,865	$943,865	$4,517,759
Travel	$155,000	$155,000	$155,000	$155,000	$155,000	$775,000
Equipment	$-	$-	$-	$-	$-	$-
Supplies	$14,606	$8,434	$8,434	$8,434	$8,434	$48,343
Contractual	$19,416,949	$8,404,000	$8,337,000	$9,570,000	$12,605,000	$58,332,949
Other	$-	$-	$-	$-	$-	$-
Indirect	$487,017	$504,000	$504,000	$504,000	$504,000	$2,503,017
Total admin:	$22,172,372	$11,809,399	$11,712,399	$12,945,399	$15,980,399	$74,619,968
% Total budget	10%	6%	6%	6%	8%	7%

Infrastructure expense

The program allocates $130M, or ~13% of the total budget, to infrastructure investments that advance RHT program goals. These funds support minor renovations to repurpose space for wellness and prevention programs, right-size clinical services, and expand care to new communities. Retrofitted space renovations, repairs to support right-sized service lines, and renovations for physical and mobile PACE sites include only allowable fund uses per CMS FAQs (10/31/2025), which include: interior modifications (e.g., installing or relocating interior walls and partitions to create new offices or meeting rooms), lighting and electrical (e.g., upgrading light fixtures to more energy-efficient systems), HVAC & plumbing (e.g., replacing vents and thermostats for better climate control), accessibility improvements (e.g., automatic doors), security/safety upgrades (e.g., cameras, access panels), workspace reconfiguration (e.g., creating open office layouts), and conversion of underutilized space to clinic/treatment/telehealth spaces. Retrofitted space renovations, repairs to support right-sized services lines, and renovations for physical and mobile PACE sites cannot and will not include major renovations, work that materially increases property value, or new wings, expansions, structural changes, or major overhauls. All infrastructure funds will be disbursed only with approved applications that detail allowable fund use:

	Fund use(s) and facility types	Number of facilities
Care model - Microgrants	Funding will be used for minor repairs needed for retrofitting spaces for local health departments and other local health entities	Up to 13 sites per year
Regional collab - Rural regional reorientation	Expenses are to support providers (inclusive of hospitals, outpatient specialty, primary care, behavioral health, long term care providers,	Dependent on applicants; assuming 75% uptake for engaged hospitals (70, or 80% of rural hospitals), ~53 hospitals total across 5 years. Assuming 25%

	health departments) in minor renovations to right-size services lines in alignment with approved reorientation plans	uptake for other provider types, we estimate ~107 other rural facilities total across 5 years
Value - PACE	Funding will be used for minor PACE site renovations, in line with allowable fund uses, and mobile site deployment	3-6 physical sites and additional mobile sites total across 5 years

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Care model - Microgrants	$400,000	$400,000	$400,000	$400,000	$400,000	$2,000,000
Regional collab - Rural regional reorientation	$5,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$85,000,000
Value - PACE	$13,700,000	$13,700,000	$13,700,000	$2,700,000	$-	$43,800,000
Total infrastructure	$19,100,000	$34,100,000	$34,100,000	$23,100,000	$20,400,000	$130,800,000
% Total budget	9%	17%	17%	12%	10%	13%

Provider payments expense

Total provider payments are estimated at $95M or ~9% of total program budget. Costs align with initiatives advancing RHT program goals, including payments to incentivize realignment of clinical services (e.g., shutting down service lines, expanding community-based care options) and piloting new care models (e.g., CHWs, doulas, community paramedicine) with clear path to sustainability through payer coverage expansion once proven.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Care model - community paramedicine	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$25,000,000
Care model - doulas	$970,000	$970,000	$970,000	$970,000	$970,000	$4,850,000
Upstream prevention - CHW	$3,795,000	$2,070,000	$2,070,000	$2,070,000	$2,070,000	$12,075,000
Upstream prevention - Microgrants	$200,000	$200,000	$200,000	$200,000	$200,000	$1,000,000
Regional collab - rural reorientation	$12,560,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$52,560,000
Total provider payment	$22,525,000	$18,240,000	$18,240,000	$18,240,000	$18,240,000	$95,485,000
% Total budget	10%	9%	9%	9%	9%	9%

8. Attachments Referenced

- SF-424A Form (required)
- Indirect Cost Rate Agreement (required)
- Program Duplication Assessment (required)

9. Certification and Contact

All costs included in this budget are necessary, reasonable, and allocable under 2 CFR Part 200 and directly support the Rural Health Transformation Program. OSDH attests that all uses of funds are in line with the RHTP NOFO guidelines and restrictions.