

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

Rural Health Transformation Program – State of Oklahoma

Year 2 Budget Narrative

REQUIREMENT	APPLICANT RESPONSE
FUNDING OPPORTUNITY TITLE	<i>Rural Health Transformation Program – State of Oklahoma</i>
FUNDING OPPORTUNITY NUMBER	<i>CMS-RHT-26-001</i>
ASSISTANCE LISTING	<i>93.798</i>
FUNDING AGENCY	<i>Centers for Medicare & Medicaid Services (CMS) – Center for Medicaid and CHIP Services</i>
APPLICATION DUE DATE	<i>August 31, 2026</i>
SUBMITTING AGENCY	<i>Oklahoma State Department of Health 123 Robert S. Kerr Ave Oklahoma City, OK 73102</i>
AUTHORIZED ORGANIZATIONAL REPRESENTATIVE (AOR)	<i>Karl Wasserleben, Assistant Chief Administrative Officer Karl.Wasserleben@health.ok.gov</i>
DATE OF SUBMISSION	<i>August 27, 2026</i>

Budget Period 2 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 for year 2. It aligns with the SF-424A to demonstrate how requested funds support program objectives. The total request for FY 2026–FY 2030 is \$1,046,953,897.24. Estimates are based on the CMS recommendation to build toward a \$200M annual budget, the \$223,476,948.62 award that Oklahoma received for Budget Period 1, and the recommendation to estimate the same award for Budget Period 2 as 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.

2. Key Personnel and Program Oversight

OSDH has hired 18 RHTP staff to fulfill the needs of the grant, is funding 10 OSDH Regional Champions to assist in the 10 OSDH districts, is funding partial Communications staff, and is funding 3 CHW staff to assist with CHW expansion for Moving Upstream Initiative (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: *Per CMS feedback, Year 2 budget is no longer rounded and shows the exact award amount: \$223,476,948.62.*

**Table 1. Summary of Total Budget for Year 2 and Cost Category**

Cost Category	Year 2
A. Personnel	\$1,998,137.67
B. Fringe Benefits	\$1,083,892.06
C. Travel	\$159,682.00
D. Equipment	\$-
E. Supplies	\$22,534.00
F. Subrecipients/ Consultants/ Contracts	\$178,498,585.28
G. Other	\$41,097,876.66
Total Direct Costs	\$222,860,707.67
J. Indirect Costs	\$616,240.95
Total Project Costs	\$223,476,948.62

4. Detailed Budget Justification by Category**A. Personnel****Table 2.1.1 Personnel costs for Year 2 and associated Initiative**

Position Title	Year 2	Initiative
Program Director – Operations & Population Health	\$160,000.00	Cross-Initiative
Program Director – Health Systems	\$160,000	Cross-Initiative
Data Analyst	\$85,000	Cross-Initiative
Business Automations Specialist	\$110,000.00	Cross-Initiative
Senior Compliance Specialist	\$90,000	Cross-Initiative
Grants Management Specialist III	\$85,000	Cross-Initiative
Grants Management Specialist III	\$85,000.00	Cross-Initiative
Grants Management Specialist III	\$85,000.00	Cross-Initiative
Grants Management Specialist III	\$85,000.00	Cross-Initiative
Grants Management Specialist III	\$85,000	Cross-Initiative
Contracting & Acquisitions Agent II	\$72,000	Cross-Initiative
Communications Coordinator	\$35,000	Cross-Initiative
Administrative Assistant	\$60,000	Cross-Initiative
Attorney	\$-	Cross-Initiative
RHT Champions	\$39,776.57	Cross-Initiative
Program Manager – Grant Management	\$127,000	Cross-Initiative
Program Manager - Population Health	\$127,000	Upstream
Program Manager - Health Systems	\$127,000	Regional collab
Program Analyst - Health Systems	\$92,861.10	Regional collab
Program Manager - Tech	\$127,000	Cross-Initiative



Program Manager – Primary Care Workforce	\$63,500.00	Next gen talent
CHW Technical Assistance Manager	\$52,500.00	Upstream
CHW Training Coordinator	\$36,000.00	Upstream
CHW MISC Adm. Program Manager	\$8,500.00	Upstream
Personnel Totals	\$1,998,137.67	

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. Salaries for PY1 were prorated to reflect hiring dates and the shortened program year. The Data Analyst, if hired, is expected to be hired in PY2 (October 31st, 2026 or later), so was excluded from this budget. The Attorney role was also excluded from this budget, as OSDH will be supported by existing legal resources.

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 10/31/26 or later	TBD	Manages data collection, integration, and reporting from all funded entities
Business Automations Specialist	1	\$110,000	Filled	Jason Kriegel	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	5	\$85,000	Filled	Jennifer Chessmore, Isabella Valderrama, Jennifer Grover, Bailey Harris, Adam Rogers	Support subaward administration and regulatory compliance across all initiatives
Contracting and Acquisitions Agent II	1	\$72,000	Filled	Brandee Littlefield	Manages vendor procurement and contracting for initiatives and technical support
Communications Coordinator	0.5	\$70,000	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
RHT Champions	N/A	~\$40,000 incremental across Champions, or ~5% of salary	Filled	Beronica Lujan, Blair Coughlan, Tonya Reid, Kaitlan Weston, Rosalinda Sisk, Bret Wood, Jennifer Avery, Shiela Lawson, Aubre	Rural health representatives who will provide local implementation support and feedback (10 special duty assignments)



				McMichael, Melody Bays	
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	Filled	Nicole Hall	Leads system-level improvement projects focused on collaboration across the ecosystem of healthcare entities in Oklahoma
Project Analyst – Health Systems	1	\$92,861	Filled	Bradley Ward	Supports Project Manager – Health Systems in research, data analysis, and program oversight related to cross-system efforts
Project Manager – Tech	1	\$127,000	Filled	Kunal Tejwani	Provides support for technology-related projects, specifically focusing on coordination of the technology cooperative effort
Project Manager – Primary Care Workforce	0.5	\$63,500	Filled	Jana Castleberry	Oversees talent-related efforts across workforce and upskilling activities, focusing on program oversight and partner support
CHW Technical Assistance Manager	0.7	\$52,500.00	Filled	Jessica Milberger	Leads training, upskilling, and implementation support for the CHW expansion programming in hospitals and FQHCs
CHW Training Coordinator	0.6	\$36,000.00	Filled	Marie Butemeyer	Supports training programming for the CHW expansion programming in hospitals and FQHCs
CHW MISC Adm. Program Manager	0.1	\$8,500.00	Filled	Kelli McNeal	Supports training, upskilling, and implementation support for the CHW expansion programming in hospitals and FQHCs

B. Fringe Benefits

Table 2.2. Summary of Fringe Benefits for Year 2

Benefit type	Benefit percent	Year 2
FICA	7.65%	N/A – see below
Retirement	16.50%	N/A – see below
Estimated (allowances, excess, Sooner Save)	30.85%	N/A – see below
Total	55.00%	\$1,045,859.06
Rounded total		N/A

Fringe benefits were estimated for the initial application according to the table above, which assumes a combined rate of 55% of salary total. The fringe benefits for PY2 are reflected in the table below, based on actual employee elections, years of service, etc.

Position Title	Year 2	Initiative
Program Director – Operations & Population Health	\$52,206.39	Cross-Initiative
Program Director – Health Systems	\$60,578.40	Cross-Initiative
Data Analyst	\$-	Cross-Initiative
Business Automations Specialist	\$46,272.84	Cross-Initiative
Senior Compliance Specialist	\$38,242.20	Cross-Initiative



Grants Management Specialist III	\$32,057.78	Cross-Initiative
Grants Management Specialist III	\$29,574.78	Cross-Initiative
Grants Management Specialist III	\$29,885.16	Cross-Initiative
Grants Management Specialist III	\$29,574.78	Cross-Initiative
Grants Management Specialist III	\$29,885.16	Cross-Initiative
Contracting & Acquisitions Agent II	\$26,435.28	Cross-Initiative
Communications Coordinator	\$35,719.30	Cross-Initiative
Administrative Assistant	\$26,737.92	Cross-Initiative
Attorney	\$-	Cross-Initiative
RHT Champions	\$359,223.29	Cross-Initiative
Program Manager – Grant Management	\$50,907.22	Cross-Initiative
Program Manager - Population Health	\$39,717.78	Upstream
Program Manager - Health Systems	\$45,148.98	Regional collab
Program Analyst - Health Systems	\$31,473.24	Regional collab
Program Manager - Tech	\$39,717.78	Cross-Initiative
Program Manager – Primary Care Workforce	\$42,500.78	Next gen talent
CHW Technical Assistance Manager	\$23,572.00	Upstream
CHW Training Coordinator	\$12,054.00	Upstream
CHW MISC Adm. Program Manager	\$2,407.00	Upstream
Personnel Totals	\$1,083,892.06	

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. See below for detailed breakdown of actual numbers.

Travel	Expense item	Rate	Staff role(s)	Year 2
Conference Attendance, incl. Federal Rural Health Conference (costed for Baltimore, MD)	Airfare	\$269 x 6 staff	Program Director,	\$1,614
	Hotel	\$150 x 2 nights x 6 staff	TBD other staff	\$1,800
	Per diem	\$86 x 3 days x 6 staff		\$1,548
	Cab / Car Travel	\$100 x 6 staff		\$600
Initiative:	Cross-Initiative		Total:	\$5,562
Convening regional RHT Champion stakeholders ~4-5x annually	Airfare	N/A	RHT Champions	\$-
	Hotel	\$110 x 4 nights x 10 staff		\$17,600
	Per diem	\$68 x 6 days x 10 staff		\$16,320
	Mileage	\$0.7 x 300mi. x 10 staff		\$8,400
Initiative:	Cross-Initiative		Total:	\$42,320
Local travel for program execution; ~50 annual site visits	Hotel (assume 40% require)	\$110 x 20 nights x 6 staff	Program Director and Project	\$13,200
	Per diem	\$51 x 100 days x 6 staff	Managers	\$30,600



	(assume some add'l days / higher rates)			
	Mileage	\$0.7 x 15,000 total mi x 6 staff		\$63,000
Initiative:	Cross-Initiative		Total:	\$106,800
CHW Travel			Total:	\$5,000
Initiative:	Upstream			
			Total:	\$159,682

D. Equipment

OSDH does not anticipate making any direct purchases of equipment.

E. Supplies

Item	Rate	Quantity	People	Year 2	Initiative
Keyboard mouse	\$33	1	18	\$594	Cross-Initiative
Computer docking station	\$214	1	18	\$3,852	Cross-Initiative
Monitors	\$143	2	18	\$5,148	Cross-Initiative
Laptop lease	\$580	1	18	\$10,440	Cross-Initiative
CHW Office Supplies		1	3	\$2,500	Upstream
Supplies Total:				\$22,534	

Justification: All supplies will be leveraged by the personnel described in section A. for Y2 (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 for Year 2 and Initiative

<u>Subrecipients</u>	<u>Year 2</u>	<u>Initiative</u>
Oklahoma Health Care Authority (OHCA) - RPM: Maternal	\$762,000	Care Model
South West Oklahoma Development Agency (SWODA) - Transportation expansion	\$2,651,000.00	Care Model
Oklahoma State Department of Education (OSDE)- School-based health services	\$3,118,000.00	Care Model
OU - Telestroke expansion	\$499,555.00	Care Model
OU - MFM/OBGYN expansion	\$1,080,000.00	Care Model



OSU - MFM/OBGYN expansion	\$1,480,000.00	Care Model
OSU - Community Paramedicine	\$1,343,358.00	Care Model
OSU-CHSI- Technology Co-op	\$1,901,278.05	Care Model
OHCA – Closed-loop Community care platform	\$661,920.00	Upstream
Oklahoma Hospital Association (OHA) - CHWs	\$5,510,256.22	Upstream
OHA – Lung cancer screening	\$2,371,360.66	Upstream
OSDE - Presidential Fitness prep	\$850,000.00	Upstream
OSU-CHSI- Consumer-facing Tech	\$449,130.12	Upstream
Rural Health Collaborative Nonprofit	\$36,073,099.00	Regional collab
Carahsoft - EMS Centralization	\$3,790,000	Regional collab
OHCA - Practice enablement	\$5,110,000	Value
OHCA - PACE expansion	\$9,810,000	Value
OHCA - PCP clinical extension models	\$7,610,000	Value
OHCA – Maternal Health VBP	\$1,250,000.00	Value
Healthcare Workforce Training Commission (HWTC) - Rural re-location incentives	\$1,520,000	Next gen talent
Oklahoma Department of Career and Technology Education (CareerTech) -High School LPN Program	\$1,058,878.00	Next gen talent
OSU – Rural residencies	\$13,086,285.00	Next gen talent
OU – Rural residencies	\$8,982,982.00	Next gen talent
OHCA - EHR expansion	\$12,360,000	Data Utility
OHCA - HIE expansion	\$5,850,000	Data Utility
OHCA - Data and analytics expansion	\$2,140,000	Data Utility
Subrecipient Totals	\$131,319,102.05	

Table 2.6.2 OHCA – RPM: Maternal

Budget Category	Year 2
Personnel	\$20,000
Fringe Benefit	\$11,000
Travel	\$1,000
Equipment, Supplies, Other	\$-



Contractual	\$730,000
Indirect	\$-
Totals	\$762,000

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 SWODA – Transportation expansion

Budget Category	Year 2
Personnel	\$221,198.85
Fringe Benefit	\$90,938.45
Travel	\$21,598.40
Equipment	\$-
Supplies	\$39,932.40
Contractual	\$2,202,418.95
Other	\$-
Indirect	\$74,912.95
Totals	\$2,651,000.00

Justification: 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 (incl. vans and buses). 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 2
Personnel	\$67,000
Fringe Benefit	\$40,000
Travel	\$1,000
Equipment	\$-
Supplies	\$10,000



Equipment, Other	\$3,000,000
Contractual	\$-
Indirect	\$-
Totals	\$3,118,000

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 [$\$10,000 \times 100$ 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 OU – Telestroke expansion

Budget Category	Year 2
Personnel	\$16,000
Fringe Benefit	\$5,312
Travel	\$-
Equipment	\$-
Supplies	\$-
Contractual	\$-
Other	\$375,160
Indirect	\$103,083
Totals	\$499,555

Justification: OU will connect rural sites to tele Neurology consults for stroke incidents and begin helping hospitals become accredited as telestroke ready. Personnel funding is providing partial support of two Principal Investigators (PI's) at 0.1 FTE each for running the project as well as partial support from a data scientist (at 0.2 FTE) for evaluation. Other funding includes OU HSC (OU Healthcare system) contract for clinical personnel (~\$185k), a TeleNeuroscience Contract Fee (~6k per hospital or ~138k total) EHR integration (~\$40k), and ASRC certification fees for two hospitals to be certified as stroke ready (~\$6k per entity or \$12k total). The same amount will be needed for future years until the program shifts towards sustainability.

Table 2.6.6 OU – MFM expansion

Budget Category	Year 2
Personnel	\$205,518
Fringe Benefit	\$66,589
Travel	\$-
Equipment	\$-
Supplies	\$-



Contractual	\$737,145
Other	\$-
Indirect	\$70,748
Totals	\$1,080,000

Justification: OU will connect rural sites to maternal-fetal medicine (MFM) services through a hub-and-spoke model. Personnel costs will support partial FTEs for a principal investigator to establish clinical interoperability between hub and spoke sites, a data manager to support evaluation activities, and a project coordinator to oversee implementation. Travel funds are needed for site visits and limited patient travel support, given the rural location of participating sites and their varying levels of experience with MFM services. Supplies will include program implementation items such as reading screens, staff training materials, and rural site medical supplies. Contractual costs will support hub clinical MFM services through OU Health. Other costs include the purchase of 5–6 advanced ultrasound machines for spoke sites, estimated at \$1 million.

Table 2.6.7 OSU – MFM/OBGYN expansion

Budget Category	Year 2
Personnel	\$-
Fringe Benefit	\$-
Travel	\$-
Equipment	\$-
Supplies	\$-
Contractual	\$1,480,000
Other	\$-
Indirect	\$-
Totals	\$1,480,000

Justification: OSU will provide team based virtual OB/GYN services and support to rural sites. Personnel spend includes various partial FTEs including OSU clinical and administrative roles and two full time FTEs who will need to be hired (one project manager and one perinatal navigator). Travel category includes travel to participating spoke sites. Supplies include: OB supplies (items such as stethoscopes, fetal dopplers, NST monitors (\$67k)), tech supplies (PACS storage, Howard Carts, iPads, Tyto Devices (\$24k), software (Tyto/ Epic interface, PACS interface, Epic build (\$147k)). Contractual includes Sonographer training and service at \$133k for the spokes and MFM Contract and Partner Site Personnel (\$380k) which will help coordinate complex pregnancies requiring MFM referral along with OSU clinical staff. Lastly the “other category” includes Malpractice insurance (\$13k), equipment costs such as OB Exam Tables, NST machines, and ultrasound purchasing (\$454k), and some costs covering communication and marketing costs (~\$27k).

Table 2.6.8 OSU – Community Paramedicine

Budget Category	Year 2
Personnel	\$222,887.00
Fringe Benefit	\$61,515.00
Travel	\$59,675.00
Equipment	\$447,068.00
Supplies	\$100,066.00



Contractual	\$230,000.00
Other	\$49,280.00
Indirect	\$172,867.00
Totals	\$1,343,358.00

Justification: This fund use will expand OSU's emerging Community Paramedicine program to provide additional Community Paramedic trainings around the state and facilitate the incorporation of Community Paramedics into more rural healthcare ecosystems. Funding includes OSU FTEs for program buildout and oversight, travel around the state to educate communities on community paramedicine / mobile integrated healthcare, and costs required to run trainings, including instruction, supplies, curriculum, equipment, etc.

Table 2.6.9 OSU-CHSI Technology Co-op

Budget Category	Year 2
Personnel	\$697,099.20
Fringe Benefit	\$230,181.40
Travel	\$32,000.45
Equipment	\$75,000.00
Supplies	\$-
Contractual	\$153,600.00
Other	\$88,000.00
Indirect	\$625,397.00
Totals	\$1,901,278.05

Justification: This fund use will support access to health and medical technologies by identifying technologies to address key health needs and healthcare provider tech gaps in rural Oklahoma, then negotiating a bulk purchasing contract with supplier(s). OSU Center for Health Systems Innovation was chosen as a subrecipient for this program due to their expertise in vendor vetting/identification and tech selection. In Year 2, the vendor contracting will shift back to OSDH.

Table 2.6.10 OHCA – Closed-loop community care platform

Budget Category	Year 2
Personnel; Fringe Benefit, Travel, Equipment, Supplies, Other, and Indirect	\$-
Contractual	\$661,920
Totals	\$661,920

Justification: This fund use expands the reach of Oklahoma's current closed-loop care system to cover 39 critical access hospitals (CAHs), 5 rural emergency hospitals, and 68 local health departments. This initiative will be overseen by OHCA. Implementation will be conducted through a continuing contract with a closed-loop care platform provider. Contractual costs include approximately \$110K for platform implementation support, \$110K for community engagement resources, ~\$200K in deployment fees (based on per-facility licensing), and ~\$410K in software licensing costs for participating facilities.

**Table 2.6.11 OHA – CHWs**

Budget Category	Year 2
Personnel	\$166,597.95
Fringe Benefit	\$68,305.16
Travel, Equipment, Supplies, Other	\$6,000.00
Contractual	\$4,805,717.64
Indirect	\$463,635.47
Totals	\$5,510,256.22

Justification: This fund use pays for community health workers (CHWs) at FQHCs and hospitals, who currently cannot bill services. This initiative includes personnel, fringe, and indirect funding for oversight by Oklahoma Hospital Association and the Oklahoma Primary Care Association, with implementation conducted through contracted hospital and FQHC partners for CHW hiring, training, and monitoring. Contractual costs include funds for CHWs at Hospitals and FQHCs, as well as ~\$350K for program management and ~\$180K for external evaluation support.

Table 2.6.8 OHA – Lung Cancer Screening

Budget Category	Year 2
Personnel	\$104,752.80
Fringe Benefit	\$42,948.53
Travel, Equipment, Supplies, Other	\$-
Contractual	\$2,036,325
Indirect	\$187,334.40
Totals	\$2,371,360.66

Justification: This fund use pays for the establishment of lung cancer screening and tobacco cessation programs in rural hospitals. This fund use includes personnel, fringe, and indirect funding for oversight by Oklahoma Hospital Association, as well as contractual funding to hire program directors to establish and implement the programs.

Table 2.6.9 OSDE – Presidential Fitness preparation

Budget Category	Year 2
Personnel	\$70,000
Fringe Benefit	\$30,000
Travel, Equipment, Other	\$-
Supplies	\$600,000
Contractual	\$150,000
Indirect	\$-
Totals	\$850,000

Justification: This fund use 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 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 2.6.10 OSU-CHSI- Consumer-facing tech

Budget Category	Year 2
Personnel	\$174,274.98
Fringe Benefit	\$57,545.41
Travel	\$8,000.28
Equipment	\$-
Supplies	\$-
Contractual	\$38,400.00
Other	\$22,000.00
Indirect	\$148,909.45
Totals	\$449,130.12

Justification: *This fund use will support access to consumer-facing tech by identifying technologies to address key health needs in rural Oklahoma, then negotiating a bulk purchasing contract with supplier(s). OSU Center for Health Systems Innovation was chosen as a subrecipient for this program due to their expertise in vendor vetting/identification and tech selection. In Year 2, vendor contracting will shift to OSDH.*

Table 2.6.11 Lifecare Alliance - Rural Health Collaborative

Budget Category	Year 2
Personnel	\$3,136,456
Fringe Benefit	\$832,045
Travel	\$95,515
Equipment	\$-
Supplies	\$166,075
Contractual	\$31,224,874
Other	\$507,124
Indirect	\$111,010
Totals	\$36,073,099

Justification: *The Rural Health Collaborative Nonprofit, an entity that will be composed of and owned by rural hospitals and providers who join 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. ~\$390k in Y2 is admin.

Table 2.6.12 Carahsoft- EMS Centralization

Budget Category	Year 2
Personnel	\$-
Fringe Benefit	\$-
Travel	\$-
Equipment and Other	\$-
Supplies	\$-
Contractual	\$3,790,000
Indirect	\$-
Totals	\$3,790,000

Justification: This fund use will support expansion of an EMS centralization network across rural Oklahoma, bringing EMS agencies and hospitals together on a shared network to improve communications, speed of response, and patient care. The funding will pay for access and platform set-up for an additional set of entities each year.

Table 2.6.13 OHCA – Practice enablement

Budget Category	Year 2
Personnel	\$70,000
Fringe Benefit	\$40,000
Travel, Equipment, Supplies, Other	\$-
Contractual	\$5,000,000
Indirect	\$-
Totals	\$5,110,000

Justification: Oklahoma plans to support approximately 150 PCP practices with VBC enablement support. The contractual spend includes a technical assistance vendor to support program design and selection process for practices, contracts with 150 eligible providers with \$100K of funding per year for two years (per CMMI framework on ACO incentive models).

Table 2.6.14 OHCA – PACE expansion

Budget Category	Year 2
Personnel	\$189,964.32
Fringe Benefit	\$84,840.38
Travel	\$50,000.00
Equipment	\$-
Supplies	\$-
Contractual	\$7,485,195.30
Other	\$2,000,000.00
Indirect	\$-



Totals	\$9,810,000
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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 3 FTE to manage the RHTP-related PACE expansion. OHCA will competitively procure a technical assistance vendor to support NOFO launch and tech assistance for selected PACE sites to achieve CMS compliance quickly (\$1.8M in Year 1 and diminishing in later years). Once onboarded, the PACE providers will receive funding for site infrastructure and mobile infrastructure. 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 \$5.1M in Year 1) and potential provider incentive payments to stand up PACE programs in rural areas.

Table 2.6.15 OHCA – PCP clinical extension

Budget Category	Year 2
Personnel	\$70,000
Fringe Benefit	\$40,000
Travel, Equipment, Supplies, Other	\$-
Contractual	\$7,500,000
Indirect	\$-
Totals	\$7,610,000

Justification: Oklahoma will pilot clinical extension models to support management of high-risk Medicaid and dual-eligible members. Contractual costs include approximately \$1.5M for a technical assistance vendor to support planning and selection of clinical extension models in Year 1, and ~\$110K for project management support. 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 2.6.16 OHCA – Maternal Health VBP

Budget Category	Year 2
Personnel, Fringe, Travel, Equipment, Supplies, Other, Indirect	\$-
Contractual	\$1,250,000
Totals	\$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 2.6.17 HWTC – Rural re-location incentives

Budget Category	Year 2
Personnel	\$13,000



Fringe Benefit	\$7,000
Travel, Equipment, Supplies	\$-
Contractual	\$1,500,000
Other	\$-
Indirect	\$-
Totals	\$1,520,000

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 2.6.18 CareerTech – High School LPN Program

Budget Category	Year 2
Personnel	\$15,360
Fringe Benefit	\$1,175
Travel	\$6,000
Equipment	\$-
Supplies	\$-
Contractual	\$1,003,000
Other	\$5,000
Indirect	\$28,343
Totals	\$1,058,878

Justification: This fund use will support the expansion of the CareerTech high school LPN program to approximately 10 additional schools and students in rural Oklahoma, which will require ~\$150K per year per school to cover instructors, contracted clinical staff, supplies (including textbooks, small medical supplies for training, etc.), and \$20K per year for exam registration (\$200 per student). Budget in Y1 will go primarily to school selection, program setup, and recruitment, as the first cohort of students will be recruited in January. CareerTech was designated as a subrecipient for this fund use as it will be an expansion of their existing programming.

Table 2.6.19 OSU – Rural Residencies

Budget Category	Year 2
Personnel	\$2,033,822.00
Fringe Benefit	\$452,269.00
Travel	\$118,000.00
Equipment	\$868,500.00
Supplies	\$3,681,206.00



Contractual	\$1,929,322.00
Other	\$1,482,036.00
Indirect	\$2,521,130.00
Totals	\$13,086,285.00

Justification: This fund use expands residency positions located in rural areas of Oklahoma. Funding includes OSU personnel for program development, outreach, instruction, etc., equipment to support residency expansion (e.g., teaching consols, ultrasound machines), instructional and simulation supplies, resources for accreditation / administration (e.g., ACGME fees, QI evaluation), recruitment costs (e.g., K-12 student engagement, medical student outreach). OSU was selected as a subrecipient for this fund use given their presence as one of two medical schools in Oklahoma, and experience leading existing rural residency program partnerships.

Table 2.6.20 OU – Rural Residencies

Budget Category	Year 2
Personnel	\$185,647.18
Fringe Benefit	\$69,617.78
Travel	\$43,615.84
Equipment	\$2,500,000.00
Supplies	\$565,216.24
Contractual	\$3,995,043.51
Other	\$1,005,050.00
Indirect	\$618,791.45
Totals	\$8,982,982.00

Justification: This fund use expands rural residency experience opportunities for Oklahoma medical residents. Funding includes OU personnel for program development, outreach, etc., equipment to support residency expansion (e.g., ultrasound guided pericardiocentesis simulator), start-up funding for sites beginning to host residents (e.g., equipment, supplies, training needed), travel expenses to facilitate and participate in rural residency experiences, costs related to accreditation (e.g., consulting, trainings, assessments), and materials (e.g., reference materials, technology, small simulation materials). OU was selected as a subrecipient for this fund use given their presence as one of two medical schools in Oklahoma, and interest in expanding rural opportunities for residents.

Table 2.6.21 OHCA – EHR expansion

Budget Category	Year 2
Personnel	\$90,000
Fringe Benefit	\$50,000
Travel	\$-
Equipment	\$800,000
Supplies	\$1,000,000
Contractual	\$10,420,000
Other	\$-
Indirect	\$-



Totals	\$12,360,000
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Justification: This fund use expands electronic health record (EHR) system coverage to Oklahoma's unconnected rural facilities, including hospitals, FQHCs, CCBHCs, substance use service providers, and Rural Health Centers. This fund use includes personnel and fringe support for state oversight and will be overseen by OKSHINE within OHCA. Contractual costs include approximately \$4.0M in Year 1 for environmental scan execution, vendor procurement, and implementation support, ~\$500K for EHR subscription support for pilot sites, and ~\$1.1M for contractor support including project management and RFP development.

Table 2.6.22 OHCA – HIE expansion

Budget Category	Year 2
Personnel	\$90,000
Fringe Benefit	\$50,000
Travel	\$-
Equipment	\$-
Supplies	\$10,000
Contractual	\$5,700,000
Other	\$-
Indirect	
Totals	\$5,850,000

Justification: This initiative extends HIE coverage to Oklahoma's unconnected rural facilities, including hospitals, substance use service providers, and Rural Health Centers. This initiative includes personnel, fringe, and indirect support for state oversight and will be overseen by OKSHINE within OHCA. Contractual costs include approximately \$6.0M in Year 1 for platform access, integration, and implementation support through the statewide HIE network, as well as ~\$70K for contractor support including project management and RFP development.

Table 2.6.23 OHCA – Data and analytics

Budget Category	Year 2
Personnel	\$90,000
Fringe Benefit	\$50,000
Travel	\$-
Equipment	\$-
Supplies	\$-
Contractual	\$2,000,000
Other	\$-
Indirect	\$-
Totals	\$2,140,000

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 will be provided by OKSHINE within OHCA. Platform and service vendors will be competitively procured through cooperative agreements. Contracts include \$4M in Year 1 to build the analytic roadmap, including a statewide data needs assessment and inventory of existing data sources, and identify vendors, plus additional funds across Years 2–5 to acquire, test, and scale analytics tools, dashboards, and supporting data infrastructure (e.g., data quality tools, screening tools, and consent management capabilities).

2.6.24 Summary of Total Consulting Budget by Fiscal Year and Initiative

Consultants	Year 2
Clinical and executive advisory	\$200,000.00
Association representatives	\$-
Consultant Totals	\$200,000.00

Justification: Expert clinical consulting services will ensure that the regional collaboration initiative has a third-party clinical and executive perspective in the development of the Rural Regional Reorientation program.

Table 2.6.24 Summary of Total Contracts Budget for Year 2

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

Contracts	Year 2
Technical support vendor for Community Paramedic vehicle standup	\$250,000.00
Community paramedicine program vehicles	\$875,000.00
EMS/CP Deployment TA	\$700,000.00
Technical assistance vendor for Telestroke procurement planning	\$-
Doula program TA	\$-
Doula program vendor	\$1,170,000.00
Technical assistance vendor for BH integration in primary care standup	\$250,000.00
BH integration in primary care	\$1,300,000.00
Technical assistance vendor for technology cooperative standup	\$-
Technology cooperative vendor(s)	\$11,098,721.95
Technical assistance vendor for Chronic disease management program standup	\$-
Chronic disease management program	\$10,000,000.00
Technical assistance support for billability and duplication	\$80,000.00



management	
Technical assistance vendor for consumer-facing technology program standup	\$500,000.00
Consumer-facing technology vendor(s)	\$2,550,869.88
Technical assistance vendor for community-led wellness hub: Microgrants standup	\$-
Community-led wellness hub: Microgrants	\$3,954,891.40
Technical assistance vendor for Rural Health Collaborative Nonprofit stand-up	\$2,000,000.00
Technical assistance vendor for Rural Regional Reorientation Plan development and implementation	\$2,000,000.00
Technical assistance vendor for sustainable financing	\$-
Implementation support vendors	\$6,000,000.00
Evaluation vendor	\$4,000,000.00
Communications support vendor	\$250,000.00
OSDH Contractors	\$-
Contract Totals	\$46,979,483.23

Contract	Justification
Technical support vendor for Community Paramedic vehicle	Technical assistance to support program development for Community Paramedic vehicles, RFP/NOFO 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 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 21 vehicles in PY1 and 5 each year in following years. All procurement will be conducted in a process that ensures regulatory compliance, competitive pricing, and lasting durability
Technical assistance EMS/CP deployment and funding	Funding for technical assistance to develop a deployment and funding strategy for community paramedicine, to support successful implementation of CP programming for the entities that are trained and receiving vehicles. A coordinated strategy is necessary to ensure that proof of concept and ROI are shown to support future cases for billability.
Technical assistance for telestroke program	Funding for technical assistance to support telestroke program development and expansion
Technical assistance vendor for Doulas	Technical assistance to support program development, RFP/NOFO design, and program standup, as needed
Doula program vendor	Funding for doula program expansion as described in Project Narrative, including training for doulas, education for parents and



	<i>providers, and other supports to improve doula access in rural Oklahoma</i>
<i>Technical assistance vendor for BH integration in primary care</i>	<i>Technical assistance to support hosting BH provider listening sessions, designing initial program constraints for provider NOFO, NOFO drafting, & response evaluation</i>
<i>BH integration in primary care</i>	<i>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</i>
<i>Technical assistance vendor for technology cooperative</i>	<i>Technical assistance to support program development, RFP design, and initial marketing efforts</i>
<i>Technology cooperative</i>	<i>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</i>
<i>Technical assistance vendor for Chronic disease management program</i>	<i>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</i>
<i>Chronic disease management program</i>	<i>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.</i>
<i>Technical assistance for billability and duplication management</i>	<i>Technical assistance to support across multiple programs (including Chronic Disease, RRR) to support with billing guidelines, ensure compliance with RHTP duplication rules, and identify opportunities for billing services.</i>
<i>Technical assistance vendor for consumer-facing technology</i>	<i>Technical assistance to support program design, RFP development, identification of populations and conditions, and cost survey to build reasonably competitive environment</i>
<i>Consumer-facing technology</i>	<i>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</i>
<i>Technical assistance vendor for Microgrants</i>	<i>Technical assistance to support RFP development, guidelines around RFP, communication to rural communities and RFP deployment / site selection.</i>
<i>Microgrants</i>	<i>Funding to establish a fund for competitive NOFO among local entities in rural communities. Local entities will be able to apply for a one-time grant for discrete health & wellness investments. Grants must address proven community unmet demand for wellness needs in rural Oklahoma.</i>
<i>Technical assistance vendor for Rural Health Collaborative Nonprofit</i>	<i>Technical assistance to support stand-up of regional health collaborative non-profit including program design and planning, stakeholder engagement, legal, regulatory and communications support</i>
<i>Technical assistance vendor for Rural Regional Reorientation Plan development and implementation</i>	<i>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</i>
<i>EMS centralization</i>	<i>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</i>
<i>Technical assistance vendor for sustainable financing</i>	<i>Support for sustainable funding development including SPA/waiver development, all-payer model development to transition uncompensated care to billable service</i>



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 and re-allocation to other programs

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 calculations	Year 2	Initiative
Provider payments for Rural Regional Reorientation planning	80% uptake of rural hospitals * \$150k / engaged hospital	\$-	Regional collab
Provider payments for Rural Regional Reorientation implementation	75% uptake of engaged hospitals * \$400k / hospital; 25% uptake from non-hospital providers, \$200k / provider	\$10,000,000	Regional collab
Infrastructure investments for Rural Regional Reorientation implementation	75% uptake of engaged hospitals * \$800k / hospital; 25% uptake from non-hospital providers, \$400k / provider	\$20,000,000	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	\$6,000,000	Regional collab
Provider payments for EMS uncomp. care	Up to \$200 per visit x 25,000 EMS treat-in-place / Community Paramedicine visits annually	\$5,000,000	Care Model
Provider payments for Doula uncomp. care	~\$65 per visit x ~15,000 uncomp. visits annually (est. 20,000 rural births per year, 15-20% using doulas, 4	\$-	Care Model



	additional visits apiece)		
Zoom license	Annual fee of \$272	\$272	Cross-Initiative
SmartSheet license	Annual fee of \$702.33 x 2	\$1,404.66	Cross-Initiative
RHTP website upgrades	Cost of \$1,210 for upgrades	\$-	Cross-Initiative
CHW IT costs	\$6,200/FTE, prorated	\$8,680	Upstream
CHW Awareness		\$10,000	Upstream
CHW Printing		\$1,000	Upstream
CHW meeting fees / rentals		\$6,000	Upstream
iECHO fees		\$50,000	Upstream
Parking for hired personnel	120 / month x 60 months x 18 employees	\$20,520	Cross-Initiative
Total		\$41,097,876.66	

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
RHTP Zoom license	Zoom license required to host external communications about the RHTP (e.g., webinars)
RHTP website upgrades	Funding for tech upgrades to the RHTP website to increase ease of navigation, supporting more Oklahoma health stakeholders and members of the public in accessing information about Oklahoma's RHTP programming and funding opportunities
CHW IT costs	IT allocation to support the OSDH personnel providing training and upskilling assistance to the CHW program.
CHW Awareness	
CHW Printing	Printing fees to support the OSDH personnel providing training and upskilling assistance to the CHW program.



CHW meeting fees / rentals	Meeting fees and space rentals as needed to support the OSDH personnel providing training and upskilling assistance to the CHW program.
iECHO fees	Subscription to the iECHO platform to support development of educational and upskilling materials for CHWs, supporting CHW expansion beyond the duration of the RHTP
Parking for hired personnel	Parking garage access is provided to all OSDH employees

J. Indirect Costs

Indirect Cost	Year 2
Onsite personnel pre-7/1/26	
Onsite ICR until 7/1	
Onsite personnel post-7/1	\$1,901,138
Onsite ICR after 7/1	31.2%
Onsite Indirect (subtotal for BP1)	
Offsite Personnel pre-7/1	
Offsite ICR until 7/1	
Offsite Personnel post-7/1	\$97,000.00
Offsite ICR after 7/1	23.8%
Offsite Indirect (subtotal for BP1)	
Total	\$616,240.95

Up until 7/1/26, OSDH used an approved ICR of 35.6%, which the Department applies to all personnel salary costs, but not to travel, fringe benefits, or supplies. After 7/1/26, OSDH will use a new approved ICR of 31.2%, applied to the same costs. Offsite ICR is 23.8% after 7/1/26, and applies to CHW personnel work. 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 2)

Cost Category	Year 2
Innovating the care model	\$33,478,913.00
Moving upstream	\$27,155,608.28
Facilitating regional collaboration	\$80,282,960.10
Shifting to value	\$23,780,000.00
Growing next gen rural talent	\$24,711,645.00
Building health data utility	\$20,350,000.00
Cross-Initiative	\$13,717,822.24
Total Costs	\$223,476,948.62

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 existing 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 ~\$17M or ~8% of total program budget for year 2, covering activities related to grant administration. .

Budget Category	Year 2
Personnel	\$1,998,138
Fringe Benefit	\$1,083,892
Travel	\$159,682
Equipment	\$
Supplies	\$22,534
Contractual	\$13,374,455
Other	\$
Indirect	\$616,241
Total admin:	\$17,254,942
% Total budget	7.7%

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
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Care model - Microgrants	Funding may be used for minor repairs needed for retrofitting spaces for local health entities	Up to 75 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, health departments) in minor renovations to right-size services lines in alignment with approved reorientation plans	Dependent on applicants; assuming 75% uptake for engaged hospitals (70, or 80% of rural hospitals), ~53 hospitals total across 5 years. Assuming 25% 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 2
Care model - Microgrants	\$789,168
Regional collab - Rural regional reorientation	\$20,000,000
Value - PACE	\$13,700,000
Total infrastructure	\$34,489,168
% Total budget	15%

Provider payments expense

Total provider payments are estimated at \$15M or ~7% of total program budget for year 2. 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 2
Care model - community paramedicine	\$5,000,000
Care model - doulas	\$-
Upstream prevention - Microgrants	\$394,584
Regional collab - rural reorientation	\$10,000,000
Maternal Health VBC	\$-
Total	\$15,394,584
% Total Budget	6.9%

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.

Summary of changes to BP2 from original application

Overall changes by cost category

Cost Category	BP2 (Application)	BP2 (Scaled as of 8/21)
A. Personnel	\$1,417,000	\$1,998,137.67
B. Fringe Benefits	\$752,000	\$1,083,892.06
C. Travel	\$155,000	\$159,682.00
D. Equipment	\$-	\$-
E. Supplies	\$16,000	\$22,534.00
F. Subrecipients / Consultants / Contracts	\$156,086,000	\$178,498,585.28
G. Other	\$41,070,000	\$41,097,876.66
Total Direct Costs	\$199,496,000	\$222,860,707.67



J. Indirect Costs	\$504,000	\$616,240.95
Total Project Costs	\$200,000,000	\$223,476,948.62

A. *Personnel*

• **For Budget Period 2:**

- **All role additions for BP1 remained**, including the addition of a second Director, a Business Automations Specialist, three Grants Management Specialists, and a Grants Management Program Manager
 - **The Data Analyst role** was kept this year's budget
 - **An additional training coordinator's time** was added to support the CHW program
 - **The Attorney role** continues to be removed from the budget, as the RHTP funding is no longer needed for legal support
- **All salary adjustments** that were done for BP1 also remain adjusted in the BP2 budget

B. *Fringe Benefits*

a. **For Budget Period 2:**

- i. **All fringe benefits were updated** to reflect employee benefit selections

C. *Travel*

a. **For Budget Period 2:**

- i. A small amount of funding was added for the **CHW resources** to support their travel around the state for upskilling activities

D. *Equipment*

a. **For Budget Period 2:**

- i. No change

E. *Supplies*

a. **For Budget Period 2:**

- i. **Supplies were scaled** to reflect the higher number of OSDH personnel
- ii. **Office supplies for the CHW resources** were added to support their upskilling and program support activities, with more funding added than in BP1 to reflect the additional resource and longer time period of support

F. *Subrecipients / Consultants / Contracts*

a. **For Budget Period 2:**

- i. *New subrecipients*
 - 1. No new subrecipients have yet been identified for BP2
- ii. *Changes within subrecipient budgets*
 - 1. **The Transportation budget was increased** to match funding for BP1 to support SWODA with continued expansion, including additional personnel and contractual budget to support program participants.



2. *The **OSDE School-based services budget was increased** slightly to allow for additional staff time and supplies to execute program activities.*
 3. *The **Telestroke budget was broken out across categories**, having initially being lumped into contractual as the subrecipient (OU) was being identified. The budget matches their BP1 budget.*
 4. *The **OU MFM budget was increased**, as the initial budgeted amount was for fewer sites, and was split out across personnel, fringe, contractual, and indirect costs.*
 5. *The **OSU MFM budget was increased**, as the initial budgeted amount was for fewer sites.*
 6. *The **OSU Community Paramedicine budget was increased** to continue their curriculum development and deployment across the state. Funding remained the same as BP1 across most categories, except for equipment, where BP1 included a one-time training vehicle purchase.*
 7. ***Additional funding was added to the Closed-loop community referral platform** to reflect the vendor fee schedule across additional connected entities.*
 8. *The **CHW expansion budget was increased** to facilitate additional sites in partnership with Tribal nations in Oklahoma, including additional staff for oversight and increased contractual funding for the CHWs.*
 9. *The **Lung Cancer Screening budget was increased** to match funding for BP1 and allow for continued screening stand-up.*
 10. *Funding for the **Lifecare Rural Health Collaborative was decreased** to reflect the already-existing program infrastructure, as the original budget included funds for more planning than is needed. Funds are the same as BP1, with personnel, fringe, and travel funding for the full program year.*
 11. ***OCHA shifted PACE funds** to reflect additional personnel, travel, and contractual spend, decreasing the “other” category.*
 12. *Funding was added to the **Maternal Health VBP program** contractual category to continue program development and execution.*
 13. *Funds for the **CareerTech High School LPN program were shifted** from personnel and fringe to contractual to accurately reflect the flow of funds to partner schools, and decreased slightly based on the number of schools committed.*
 14. *Funding was increased for **OSU Rural Residencies** to match the BP1 budget and allow for continued activities.*
 15. *Funding was increased for **OU Rural Residencies** to match the BP1 budget and allow for continued activities.*
- iii. *Changes in consulting budget*
1. ***Funding for clinical and executive advisory** was added to support the Rural Regional Reorientation program*
- iv. *Changes in contracts budget*
1. *Funds were added for a **to-be-identified technical assistance vendor for Community Paramedicine** to develop a deployment and funding strategy*
 2. ***Doula program funds were increased/reallocated** from the uncompensated care fund to support other doula expansion programming*
 3. ***Funds decreased for tech co-op**, as some of the total funding will be reallocated to the identified subrecipient for vetting and facilitation*



4. **Technical support for Chronic Disease Management** was eliminated as OSDH does not currently expect to need technical assistance for the program in BP2
5. **Funds increased for Chronic Disease Management** to support additional programs and to reflect the increase from BP1
6. **Technical assistance was added** for a single vendor to support multiple programs in tracking Medicaid billability for services to ensure that funds are not duplicated
7. **Funds decreased for consumer-facing tech**, as some of the total funding will be reallocated to the identified subrecipient for vetting and facilitation
8. **Technical support for Telestroke procurement planning was removed**, as exploration of expansion was deprioritized
9. **Chronic disease management was increased** to support expanded program activities / increased number of programs
10. **Microgrants was increased** to expand funding award opportunities in BP2
11. **Evaluation vendor funding was increased** to allow a greater BP2 scope, given the shifted start date
12. **OSDH contractor funding was eliminated** to reallocate to other program needs

G. Other

a. For Budget Period 2:

- i. **Equipment / start-up staffing investments for Rural Regional Reorientation implementation** received additional funding to expand program impact across the state
- ii. **Provider payments for Doula uncompensated care** were removed for BP2 as other program components are stood up and the need for the fund is evaluated. It is expected that funds will be used for other doula expansion programming for each year of the RHTP, given greater need and some Medicaid billability for doulas.
- iii. **Licenses were added for Zoom and Smartsheet (2)** to support RHTP communications
- iv. **IT, Printing, meeting, and subscription costs were added for the CHW resources** to support their upskilling and outreach programming
- v. **Parking was adjusted** to more accurately reflect the cost

J. Indirect Costs

a. For Budget Period 2:

- i. **Indirect costs increased** due to higher personnel costs than estimated