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LANSING

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## **Michigan awarded more than \$173 million in federal funding to strengthen rural health**

*Funding comes from Rural Health Transformation Program*

LANSING, Mich. – This week, the Michigan Department of Health and Human Services (MDHHS) was awarded \$173,128,201 for FY 2026 by the Centers for Medicare & Medicaid Services under the Rural Health Transformation Program.

“Today’s investment will support access to health care for rural communities across Michigan as we deal with funding shortfalls caused by federal Medicaid cuts,” said Gov. Gretchen Whitmer. “This \$173 million grant will help us connect more Michiganders to the care they need and provide essential wraparound supports. In Michigan, we have successfully worked together to protect quality, affordable health care, and we will continue finding ways to secure more federal funds, expand coverage and lower costs.”

The Rural Health Transformation Program is a \$50 billion national commitment to improve the health and well-being of rural communities across the country. With this funding, states will implement comprehensive strategies to improve care delivery, support providers and advance new approaches to coordinating health care services across rural communities. Funding will be allocated over five years, with \$10 billion available each year from 2026 through 2030.

“Michigan continues to support a resilient and innovative rural health system where every resident has access to high-quality care close to home,” said Elizabeth Hertel, Michigan Department of Health and Human Services director. “Our approved proposal for these federal funds focuses on enhancing the long-term sustainability of rural providers while supporting their growth and continued service to their communities.”

Before submitting its application, MDHHS hosted an online survey and two listening sessions to gather input on how the funding could help increase and improve sustainability for rural providers.

Based on this feedback, MDHHS requested funding to:

- Support the development and strengthening of regional partnerships among rural hospitals, clinics and community organizations to improve care coordination, align service delivery, expand access points and promote financially sustainable care models.

- Recruit and retain rural health professionals, behavioral health providers and community health workers. Funds will also promote prevention and chronic disease management training and integrated behavioral health care access.
- Implement technology tools and advance rural interoperability, including establishing a rural technology catalyst fund to support expanding data exchange and increasing adoption of telehealth, remote patient monitoring and technology-driven care coordination tools.
- Establish digital referral networks that connect residents to local care, prevention and wellness resources needed to live healthy lives.

For more information about Michigan's plan for the funding, visit the MDHHS [Rural Health Transformation Program](#) website. Additional information about the federal Rural Health Transformation Program is available at [Rural Health Transformation Program | CMS](#).

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