MINUTES
Approved by the Committee
Rural Health Transformation Committee
Friday, September 25, 2026
9:30 A.M.
Room WW55
Boise, Idaho

Cochair Redman called the Rural Health Transformation Committee (RHTC) to order at 9:30 a.m. Members in attendance: Cochair Representative Redman, Cochair Senator VanOrden, Senator Harris, Representative Tanner, Representative Healey, Senator Blaylock; Juliet Charron, Director, Department of Health and Welfare (non-Legislative member). Members in attendance via Zoom: Representative Manwaring; Senator Shippy. Legislative Services (LSO) staff present: Alex Penny and Tamara Figueiredo

Others in attendance (SIGN IN): Toni Lawson, Idaho Hospital Association; Katy Rodgers, United health care.

Presentations and handouts provided by the presenters/speakers are posted to the Idaho Legislature's website https://legislature.idaho.gov/sessioninfo/2026/interim/rhtc/ and copies of those items are on file at the Legislative Services Office in the State Capitol. Recordings of the meeting may be available under the committee's listing on the website.

Opening Remarks

Cochair Redman welcomed everyone. **Cochair VanOrden** thanked members for taking their time to be present or online.

Approval of Minutes

Senator Harris moved, and **Representative Healey** seconded, to approve the minutes from the July 15, 2026 meeting. **Motion passed by voice vote.**

Rural Health Transformation Program Update - Year One

Juliet Charron, Director, Department of Health and Welfare (DHW), provided a Rural Health Transformation Program Update presentation. She informed the committee that all solicitations slated for Year One have been posted; most have either closed or are currently being evaluated. She added that the committee should expect a lot of information relating to awards in the coming weeks. **Director Charron** then briefly reviewed the solicitations that have been worked on with the committee since late April (Slide 3). She noted many would continue on in multiple years, citing the recently closed health improvement subgrants as an example, due to the infrastructure nature of these projects. She discussed the final funding obligations in a week-by-week breakdown (Slide 4) and reminded the committee of the October 30 obligation deadline. The bulk of money to providers would be in the health improvement subgrant, and any extra funding from opportunities that came under would be funneled to those provider opportunities.

Senator Harris asked whether the entire $186 million for the year was spoken for. **Director Charron** replied that she currently anticipated hitting that exact amount, and that after giving providers an extra week for the health improvement subgrant, DHW received over 250 applications totaling over $200 million so there will be some decisions to narrow that down. Following up, **Senator Harris** asked if more money could be put towards that in subsequent years. **Director Charron** stated that this was something the committee should consider going into Year Two, given the need from providers, what can potentially be funded, and the ability to change the budget with CMS (Centers for Medicare & Medicaid Services).

Director Charron discussed the schedule and timing of the required federal reporting (Slide 5). The first round was due on August 31, 2026. Quarterly outcome and implementation reports will be submitted going forward, followed by a big annual report. She outlined CMS's criteria to determine Idaho's progress according to its approved plan compared to the other 49 states: project planning milestones, preparation milestones, obligation of funds, and reporting on state policy actions.

Senator Blaylock asked how CMS qualifies the obligation of funds. **Director Charron** responded that CMS's determination is when an award is made, which does not mean that an entity has received the funds yet. In response to **Senator Blaylock**'s follow up question, **Director Charron** said that the majority of most funds awarded so far, with a few early exceptions, are just obligated, and she would discuss expenditure tracking at the next meeting.

Director Charron informed the committee that CMS has accepted Idaho's reporting package (Slide 6) and the funding amount for Year Two would not be known until November or early December; she advised members to consider waiting to make any funding changes until then because it was not determined yet whether Idaho stands to gain or lose funds based on its performance.

Interim Concerns and Discussion

Cochair Redman invited members to discuss any questions or concerns, acknowledging the learning process involved during this first year.

Senator Blaylock, referring to the Behavioral Health Hubs solicitation for school districts, discussed the failed 2024 legislation that would have created a similar program for Behavioral Health Hubs. She voiced concerns about the legality of the solicitation and the creation of policy and overstepping the Legislature. She asked what options the committee has and whether it has the authority to postpone the solicitation so that the Legislature could take it up again.

At **Cochair Redman**'s request, **Director Charron** described the background and the purpose of the Behavioral Health Hubs solicitation, which she emphasized was developed in compliance with parental consent laws and there was no intent to create a new program, and that it was being prepared to present to the committee shortly, but funds had not yet been awarded. **Representative Healey** compared her 2024 legislation with the current solicitation, remarking that the former was parent-initiated with the school taken out of the scheduling process while the latter appeared to be school-initiated. **Director Charron** clarified that the school was not initiating the appointment process; the funding opportunity would create a space in a school-based environment to mitigate logistical challenges if a community lacks in-person providers.

Representative Healey spoke about the necessity of supporting ways to keep children in school in rural areas, pointing out that the frequency of these types of appointments often results in children missing full days of classes due to logistics.

Senator Blaylock said she believed that the current discussion was making her point that this was a policy issue to be determined by those voted in by the people and not by the timing of a funding opportunity. She restated her concerns about overstepping after the Legislature turned down the opportunity to create these spaces two years ago.

Cochair VanOrden asked whether the 2024 bill created a program where parents could go in the school. **Representative Healey** explained that the parents had the option to be present online or at the school, which was part of the legislation. **Cochair VanOrden** asked whether the legislation was not actually creating the space but rather giving the child permission to use one of the rooms. **Representative Healey** confirmed that was the case on school grounds and in a private setting. **Cochair VanOrden** remarked that she viewed the rural health proposal as giving school districts the ability to remodel their facilities so a parent in a rural community could request a space to get online, and that it fit within that part of the rural transformation funding, similar to having rural EMTs remodel their spaces. **Representative Healey** commented that she had not included a request

for funding and a large part of the discussion at the time centered on schools eventually needing to request funds for these spaces, such as remodeling or computers.

Representative Tanner asked for clarification on some of the numbers in Slide 4, specifically the obligation amount for the week of September 21, and pointed out that the totals did not equal the award amount. **Director Charron** explained that amounts as shown were rounded for space considerations and did not match the award amount because administrative costs were not included. **Representative Tanner** requested a breakdown of the difference between administrative costs and unobligated and unplanned costs.

Representative Tanner voiced concerns about the need to avoid ongoing dependency in the funding requests, which he stated was his main apprehension when the rural health funding was accepted. He asked if it were possible to identify entities whose sustainability plans, as proposed in their funding applications, could potentially present challenges. **Director Charron** spoke about the sustainability section in every solicitation sent to the committee, including the requirement for respondents to provide a sustainability plan and to acknowledge that the funds were not ongoing. **Representative Tanner** replied that he wanted assurance that respondents were not submitting sustainability plans that they would not be able to realistically implement independent of other sources of funding. He restated his request that the department identify, based on its best judgement, applicants who could potentially encounter difficulties. **Director Charron** acknowledged **Representative Tanner**'s concerns and noted that, during the review process, applicants are asked up front to change or clarify plans that do not appear to be sustainable, and some could ultimately be disqualified.

Senator Harris commented that providers he has spoken with in his district are very cognizant of the onetime nature of the funds. **Director Charron** agreed and added that clarifying the sustainability requirements resulted in a greater response to the health care infrastructure subgrant. **Cochair Redman** reminded the committee they could discuss their concerns about the grants to determine if a refocus was necessary in the coming year.

Senator Blaylock recommended that the Behavioral Health Hub solicitation be put on hold, and the funds be moved to the health care infrastructure subgrant, and that **Representative Healey** could bring her bill back with the understanding that this opportunity would potentially be funded in Year Two. **Representative Tanner** agreed with the recommendations.

Cochair VanOrden asked if the hub solicitation were to move, whether the funding would move with it. **Director Charron** indicated that this was possible, but the plan and budget would need be updated with CMS as well as ensuring the solicitation could be canceled with the awards notifications imminent.

Cochair VanOrden asked **Cochair Redman** to clarify whether a motion was necessary or just a request to the department within the committee. **Cochair Redman** reiterated that discussion would be appropriate regarding the direction of the funds and restated **Senator Blaylock**'s recommendation to pull money back this year pending legislation, and **Director Charron**'s statement that this solicitation was creating new spaces and not necessarily pending legislation. **Cochair VanOrden** asked **Senator Blaylock** to clarify her proposal.

Senator Blaylock motioned that whatever funds were allocated to the Behavioral Health Hub solicitation be moved into the health care infrastructure solicitation this first year, and that if the Legislature were to pass policy, this could be part of the second year round of solicitations. **Cochair VanOrden** seconded the motion.

Representative Healey spoke in support of the motion but stressed the importance of not overlooking schools, reminding the committee that health care is already provided in schools. **Director Charron** informed members that, should the motion pass, the solicitation could be pulled back, but requested, for future consideration in regard to timing, that they mention concerns prior

to posting solicitations. She confirmed for **Representative Healey** that ten districts had applied but the awards had not yet been made formal.

Motion passed by voice vote.

Preparing for Year Two

Director Charron underscored the priority of timing in raising concerns before the Year Two funding notification, as well as potentially reevaluating the review process so the department could make changes in a timely manner. Replying to **Representative Tanner**, **Director Charron** clarified that the first federal report submitted is what will determine Year Two funding; the review period is through July 31.

Representative Tanner asked whether there had been discussion about reevaluating expanding the scope of practice for dental hygienists and nurses. **Director Charron** answered that they have provided required updates to CMS regarding state policy actions as listed in the state's rural health plan, specifically that there was legislation that did not pass. The department would continue to coordinate with the Legislature per the intent language in last year's budget bill. **Representative Tanner** inquired whether there were items that the state could have pursued or ones that would need to be prioritized in the coming year. **Director Charron** reported that the department has been having conversations with the State Department of Education about encouraging districts to reinstate the Presidential Fitness Test, but noted uncertainty about resources in smaller rural schools. She said she planned to follow-up and reminded members that Idaho scored very well on state policy actions due to prior implementation of most of them.

Senator Harris inquired when applications for Year Two could start to go out. **Director Charron** explained that this was partly contingent upon Idaho's award date and requesting appropriation authority from the Legislature. She expressed anticipation that solicitation feedback and budget changes would begin earlier than for Year One, in addition to prioritizing provider funding.

Representative Manwaring asked when the first detailed budget for Year Two would be submitted. **Director Charron** explained that the Year Two budget submitted with Idaho's reporting package in August was unchanged from its initial application, per CMS requirements. If there were updates she said that she would expect changes for funding allocations to be made based on committee feedback. **Representative Manwaring** spoke about the importance of being made aware of upcoming deadlines to allow for adequate time to adjust leading up to the legislative session. **Director Charron** agreed and pointed out that the department had not solicited committee feedback at the time of reporting because it was still the middle of that reporting period with the budget unchanged. She informed members they would receive the Year Two award information to review once the department was notified.

Committee Discussion and Adjournment

The committee agreed to hold its next regular meeting on the morning of November 19, 2026. With no further business, the meeting was adjourned at 10:38 a.m.