

STATEMENT OF PURPOSE

RS33862 / S1453

This is a FY 2027 appropriation bill for the Department of Health and Welfare. It establishes the Idaho Rural Health Transformation Fund, and creates Rural Health Transformation Committee, a legislative oversight body responsible for governance, review, and recommendations related to the use of rural health transformation funds. This appropriation is related to the Rural Health Transformation Program (RHTP) established in H.R. 1 (One Big Beautiful Bill Act), which provides \$929 million to Idaho over five years. The purpose of the program is to strengthen rural healthcare by giving states funding to innovate care delivery, boost provider sustainability, develop the workforce, and leverage technology for better access and outcomes in underserved areas.

Idaho will receive an annual federal award of \$185,974,400 over the five year grant period. The funding will be available for two years before it expires. The Department of Health and Welfare will submit an annual budget request for appropriation in an amount that aligns with the federal funding cycle. This appropriation includes a supplemental to allow the department to draw down available federal funds for the remainder of FY 2026. This bill also provides the ongoing appropriation for the 12.00 limited-service positions, as well as onetime appropriation for FY 2027.

The Rural Health Transformation committee will ensure funds are used solely for federally approved purposes, are distributed through a transparent and accountable process, and align with Idaho's approved rural health transformation plan. The committee will provide legislative oversight, require sustainability planning for funded initiatives, receive regular reports on expenditures and outcomes, and make recommendations to the Legislature regarding the use of funds. The act includes public reporting requirements and sunsets the committee once all funds have been expended.

FISCAL NOTE

This appropriation provides 12.00 limited-service FTP and \$3,737,600 onetime from federal funds for FY 2026, as recommended in the Governor's Initiative "Making Rural Idaho Healthy Again". This bill also appropriates an ongoing \$1,328,700 for personnel costs for those same 12.00 FTP and appropriates \$294,076,500 onetime for FY 2027, also as recommended in the Governor's Initiative.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).