National Council for Mental Wellbeing

37 million rural Americans live in mental health professional shortage areas

Exploring Opportunities in the Rural Health Transformation Program

Behavioral health organizations face unprecedented need and opportunity in rural America.
Your leadership can shape the future of rural health.

National Council for Mental Wellbeing Members
October 1, 2025

$50 Billion
Five-Year Investment

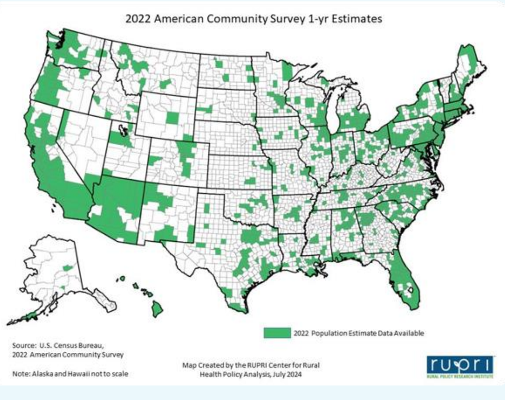
Why Behavioral Health Matters: The Rural Crisis

The Rural Mental Health Emergency:

- **Suicide rates 50%+ higher** in rural areas (18.3-20.5 vs. 10.9-12.5 per 100,000)
- **65% of rural communities** lack specialty mental health care
- **37 million rural Americans** live in mental health professional shortage areas
- **Rural EDs overwhelmed** by behavioral health crises with limited resources

Your organizations are essential to rural well-being.

Rural Mental Health Professional Shortage Areas



Source: Rural Health Information Hub, 2024

Rural vs. Urban Suicide Rates

Source: Mental Health America, 2024

Program Overview

RHTP Outlines Goals:

- **$50B over 5 years** (FY2026-2030)
- **$10B per year**, two funding tranches
- **Single, state-led application** due Nov 5, 2025, awardees announced by Dec. 31.
- **Eligible providers:** CCBHCs, CMHCs, OTPs, FQHCs
- **12 authorized funding areas**

Total Funding

$50 Billion

$25B	$25B
Baseline Funding	Workload Funding
Equal state allocation	Discretionary allocation

Now is the time for behavioral health organizations to engage.

Critical Timeline

Application Window: Closes Nov. 5

Funding Period: FY2026-2030 **Awards**

Announced: December 31, 2025

Who is Eligible to Apply? (P. 7 of NOFO)

Every State is eligible to apply, however the RHTP is not open to territories.

- Joint/consortium applications involving multiple States will not be accepted.
- The Governor may designate a lead agency or office to develop and submit the application, but it must come from a State government agency or office.
- States can designate authorized representatives to act on behalf of the State.
- All applications must include a letter of endorsement signed by the Governor of the State.

What Facilities Can Receive Funding?

States have broad discretion in awarding funds, but facility types specifically referenced in statute include, among others:

- Certified Community Behavioral Health Clinics (CCBHCs)
- Community Mental Health Centers (CMHCs)
- Opioid Treatment Programs (OTPs)
- Federally Qualified Health Centers (FQHCs)

Strategic Goals and Authorized Funding Uses (P. 10 and 11 of NOFO)

The RHTP NOFO lays out five strategic goals for the program:

- Make rural America healthy again
- Sustainable access
- Workforce development
- Innovative Care
- Tech Innovation

The RHTP NOFO and also provides twelve authorized uses of funding, of which states must commit to at least three:

- Prevention and chronic disease
- Provider payments
- **Consumer tech solutions**
- Training and technical assistance
- **Workforce**
- IT advances
- Appropriate care availability
- **Behavioral health**
- Innovative care
- Capital Expenditures and Infrastructure
- Fostering Collaboration

Prohibited Uses of Program Funds (P. 18 of NOFO)

- Pre-award costs
- Anything that results in duplication of benefits, including payment for clinical services reimbursed by insurance
- Supplanting existing funding of infrastructure or services
- Construction/building/purchasing/retrofitting buildings, cosmetic upgrades.
- Independent research and development (including proportionate share of direct costs)
- Lobbying

- Telecommunications and video surveillance equipment
- Financial assistance to households for installation and monthly broadband internet costs
- Funds cannot be used as clinician salaries or wage supports if facilities subject clinicians to non-competes
- Funds cannot be used to support the state share of Medicaid financing.
- Funds cannot be used for sex-trait modification, abortions, or without meeting citizenship documentation requirements.

Limitations on Use of Funds (P. 19 of NOFO)

- Building renovations or alterations are allowed if clearly linked to program goals and **cannot exceed 20% of total funding in a budget period**
- Payments for providers that fill a gap in care coverage (e.g., uncompensated care, care not covered by insurance) **cannot exceed 15% of total funding in a budget period**.
- Replacing an EMR system is permitted, but no **more than 5% of total funding** can be used for this purpose.
- **Not more than 10%** of the funds for a budget period can be used for administrative expenses

Stakeholder Engagement for States (P. 34 of NOFO)

- The RHTP requires states to list any stakeholders including listing any stakeholders consulted and evidence of support from those stakeholders.
- Examples listed in the NOFO include rural hospital CEOs, primary care providers, community leaders, patients, tribal representatives.
- Include any evidence of support from stakeholders, such as resolutions or letters of support, in your attachments.
- States will be relying on you for evidence of support; letters to your designated state agency/office showing alignment with program objectives can help ensure your voices are heard.

Project Narrative (P. 27 of NOFO)

The RHTP application states the Project Narrative is "the most important part of the application."
The Project Narrative requires states to "address the proposed goals, measurable objectives, and milestones" of the program.

- **Rural Health Needs and Target Population:** Applications must address each of the eight elements required by statute. These eight elements are **improving access, improving outcomes, technology use, partnerships, workforce, data-driven solutions, financial solvency strategies**, and **cause identification**. The NOFO provides examples of how to address these elements, including the following:
  - Examples of **Improving Access:** Establishing telehealth specialty consult programs, keeping emergency departments open, expanding maternal health services.
  - Examples of **Improving Outcomes:** Reduction of risk factors associated with increased mortality risk for certain conditions, better chronic disease control. Examples of methods: Care coordination, community health worker programs.
  - Examples of **Partnerships:** Information sharing, joint training, group purchasing.
  - Examples of **Workforce**: New incentive programs, expanded scopes of practice, additional or expanded training programs, telehealth support to extend the reach of specialists.

Project Narrative: Examples of Behavioral Health Alignment

Given the previous examples provided by CMS, here are hypothetical examples of behavioral health-specific activities which also align with statutory criteria (these are not listed in the NOFO)

- Examples of **Improving Access:** Deploy mobile units with crisis counselors, peer specialists, and case managers who can respond to rural communities; expanded use mobile crisis response teams can help divert patients from emergency rooms. Expansion of telebehavioral health, including remote counseling/SUD treatment, digital platforms, and remote monitoring also contribute to improving access.
- Examples of **Improving Outcomes:** Routine screening for mental health, substance use, and physical conditions in all settings, employing peer support specialists for engagement and retention, and other practices that create long-term recovery supports all lead to improved outcomes.
- Examples of **Partnerships:** A rural hospital partners with a community behavioral health organization to screen all pregnant and postpartum patients for depression and substance use at OB/GYN visits.
- Examples of **Workforce**: Using the STAR-LRP Program (recently reauthorized through the SUPPORT Act) which requires a 6-year commitment, to attract talent or initiatives that support clinical licensure achievement.

CCBHC-Specific Considerations (P. 32 of NOFO)

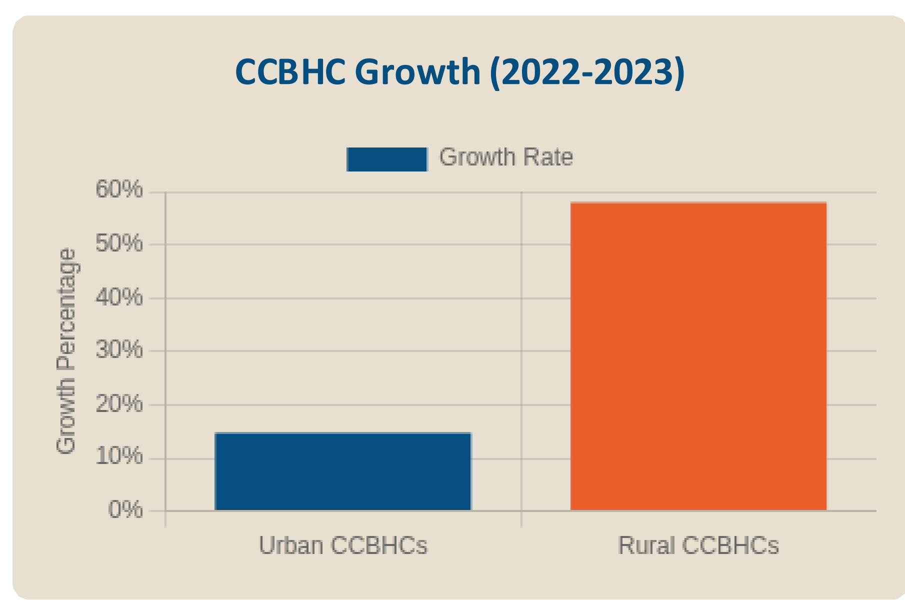
- The NOFO directs states to report the most current list of CCBHCs within each state as of 9/1/25, along with every active site of care associated with each CCBHC and the address of every active site of care.
- If an application does not contain this info, CMS will estimate the number of CCBHCs using SAMHSA data, E-grant data, and state government websites for states that use other Medicaid authority, such as the rehab option.
- Rurality will be determined based on HRSA definitions of rurality.

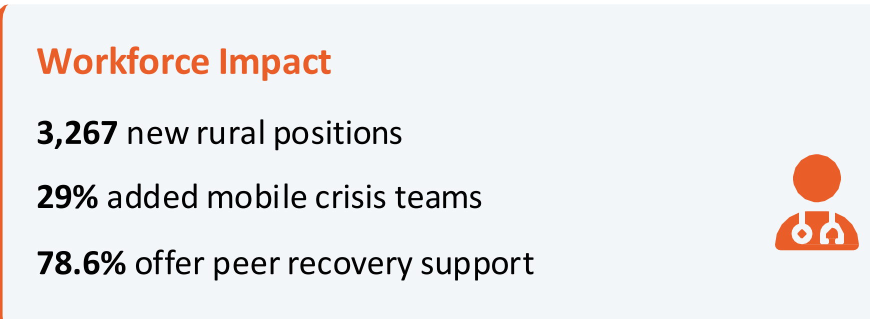
Advantages of Behavioral Health Treatment Organizations

Proven Advantages:

- **CCBHCs, CMHCs, FQHCs, and OTPs** are explicitly eligible for RHTP funding
- **57.9% growth** in rural CCBHCs (2022-2023)
- **98% of CCBHCs added staff**—11,292 new positions nationwide
- **Evidence-based, integrated care** models with proven outcomes
- **Strategic partnerships** with rural hospitals and community providers

CCBHCs, CMHCs, FQHCs, and OTPs are uniquely positioned to help states implement innovative, sustainable rural health solutions.





Meeting RHTP Objectives with CCBHCs, CMHCs, FQHCs, & OTPs

CCBHCs, CMHCs, & OTPs Support State RHTP Applications

Improving Rural Access

- CCBHCs and many CMHCs provide **full continuum of mental health and SUD services**, crisis care, and care coordination
- OTPs deliver **medication-assisted treatment with counseling**, extended hours, same-day intake, and mobile units

Recruiting & Retaining Clinicians

- **98% of CCBHCs increased staff** since certification, creating 11,292 new positions
- **3,267 rural staff positions added** across 346 respondents
- OTPs train local clinicians on **MAT best practices**, building rural addiction workforce

Partnerships

- CCBHCs and CMHCs often partner with hospitals for **crisis stabilization services**, freeing ED beds
- OTPs collaborate with EDs to **initiate MAT** and transition to follow-up care. **Reduces unnecessary psychiatric hospitalizations** and improves patient throughput

CCBHCs, CMHCs, & OTPs Address Health Activities:

Supporting Access to SUD & Mental Health Services

- **29% of CCBHCs added mobile crisis teams** (37% rural vs. 26% non-rural)
- **78.6% of CCBHCs offer peer recovery support**
- OTPs expand **local MAT capacity and integrate co-occurring treatment**

Providing IT & Technical Assistance

- Most CCBHC/CMHC **share information with primary care** through EHR or HIE
- **Real-time communication tools track prevention metrics** and care transitions
- OTPs help partners **adopt secure systems and telehealth platforms**

Promoting Evidence-Based Interventions

- CCBHCs **screen for and monitor key health indicators** for whole-person care
- OTPs implement **gold-standard MAT** for opioid use disorder
- **Close outcome monitoring:** retention, relapse rates, and overdose reductions

Key Takeaway: CCBHCs, CMHCs, FQHC's and OTPs are uniquely positioned to help states meet RHTP requirements and transform rural healthcare delivery.

Meeting RHTP Objectives with Clinical Practice Transformation Opportunities

The National Council offers scalable, evidence-based programs to support behavioral health transformation in rural communities.

Behavioral Health:

Mental Health First Aid (MHFA)

- Builds community capacity to recognize and respond to behavioral health issues early, supporting **prevention** and **early intervention**.
- Rural clinics can use MHFA to train non-clinical staff, community health workers, and local leaders, expanding the behavioral health safety net.

Workforce:

Models for Licensure Support

- Addresses rural workforce shortages by supporting licensure pathways for behavioral health professionals.
- Wraparound supports (mentorship, incentives, peer groups, test prep, licensing fee reimbursement) help reduce burnout and improve retention.

Meeting RHTP Objectives with Clinical Practice Transformation Opportunities

Training and Technical Assistance (TTA)

Middle Management Academy (MMA)

- Strengthens leadership and operational capacity in rural behavioral health organizations.
- Supports **succession planning**, **workforce stabilization**, and **change management**.

Behavioral Health Training Institute (BHTI)

- Supports public health officials in integrating behavioral health into broader health systems.
- Promotes **cross-sector collaboration** and **crisis response**.

Integrated Health Center of Excellence (CoE-IHS)

- Advances **bidirectional integration** of behavioral and primary care.
- Provides resources for **collaborative care models**, **care coordination**, and **service line expansion**.
- Supports **innovative care delivery** and **efficiency improvements**.

Next Steps for Behavioral Health Organizations

Take Action Now:

- **Connect with your state's Medicaid/health agency** to ensure CCBHCs, CMHCs, and OTPs are included in planning
- **Highlight your rural service impact** with data on patients served, outcomes, and workforce
- **Form strategic partnerships** with rural hospitals, primary care, and community organizations
- **Gather rural service examples** and success stories
- **Provide technical expertise** on rural behavioral health needs and evidence-based approaches
- **Leverage National Council expertise** to strengthen your RHTP positioning and application input

Be proactive—states are forming their plans now!

National Council Support

- **CCBHC Consulting** - implementation expertise & best practices
- **Workforce Development** - recruitment & retention strategies
- **Template Letters** - state agency advocacy tools
- **Data Analytics** - outcome reporting & rural impact
- **Peer Learning** - RHTP implementation community

Contact for Support

Email: **policy@thenationalcouncil.org**