



STATE OF IOWA
KIM REYNOLDS
GOVERNOR

November 3, 2025

Department of Health and Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Administrator Oz,

As Governor of the State of Iowa, I'm proud to submit this application for the Trump Administration's landmark Rural Health Transformation Program. This is a pivotal opportunity for rural states such as our own to build a high quality, sustainable system of care that vastly improves the health, well-being, and quality of life in rural communities across Iowa.

Since taking office, my administration has consistently emphasized the importance of supporting and revitalizing rural Iowa through targeted investments and policy initiatives. Rural communities are the backbone of our state, forming the foundation of our economy, culture, and identity. Home to generations of farmers, small business owners, and hardworking families, these communities drive Iowa's agricultural industry, which feeds the nation and fuels global markets.

And yet, ensuring equitable access to health care services in rural Iowa presents a host of unique challenges. Over the last decade, the loss of access to rural health care has been the confluence of financial, workforce, and service-delivery challenges that risk the availability of essential health services for many residents. Primary care and other specialty services are sparse in many rural counties, and the state is designated overwhelmingly as a health professional shortage area (HPSA) for primary care, dental health, and mental health services.

While only 17% of the total U.S. population lives in rural areas, rural Iowa is home to 47.5% of the state's population; and it's even higher among older Iowans, with 50.1% of those age 65 or older living in rural census tracts. This reality only underscores the need to understand the unique dynamics of rural populations and design a health care delivery system to better meet its needs.

- Rural communities face disproportionately higher rates of chronic disease and preventable deaths from leading causes.
- The median household income for rural Iowans is nearly 20% lower than those in metropolitan areas.
- Thirteen of the 14 counties with the highest rate of residents without high school diplomas are rural, while all 30 counties with the highest rate of residents without bachelor's degrees are rural.
- Every Iowa county with health insurance coverage rates below the national average is rural.
- Forty-two percent of Iowa's Medicaid recipients live in rural areas and 15% of those members have three or more chronic conditions.
- On average, rural Iowans drive 30 minutes to the nearest hospital and 24 minutes to see a primary care provider.

For these reasons and more, my administration has been intentionally focused over the last several years on enhancing rural infrastructure to empower health care connectivity and coordination statewide. During my administration, we have:

- Invested \$1 billion in broadband expansion, improving patient access to telehealth services and allowing rural physicians to consult with specialists at the state's academic medical center and large health systems;
- Established Iowa's Children's Mental Health System and moved to make schools approved sites of service for behavioral health care so that any child, regardless of where they live, can more easily access the care they need;
- Incentivized physicians, nurses, and other in-demand health care providers to commit to practicing in rural communities in exchange for loan repayment benefits;
- Launched a Centers for Excellence grant program to increase access to specialty care across rural regions;
- Realigned 32 disconnected mental health and substance use service areas into seven unified behavioral health districts that offer standard core services to improve outcomes across all communities; and
- Passed rural health care legislation earlier this year to begin the process of designing, building, and implementing a hub and spoke care delivery model for rural communities to ensure all Iowans have access to the full continuum of care close to home.

Most recently, Iowa is facing a sobering fact: we have the second highest and fastest rising cancer rate in the United States. And it's a reality that's very personal for me. Two years ago, my husband was diagnosed with lung cancer. In fact, cancers of the lung, breast, prostate, and skin are driving Iowa's rates. This year, I committed \$1 million of state funding for initial research to study the behavioral, genetic, and environmental factors that may be contributing. The report, due by year's end, will serve as our roadmap to inform prevention, treatment, and better health for Iowans.

These initiatives and others are a foundation on which we can now successfully innovate with the support of the Rural Health Transformation Program. It is an incredible opportunity to leverage our experience, data, and stakeholder input we've gathered over time to prioritize purposeful solutions to issues that consistently rise to the top. With the partnerships and resources available through this forward-thinking federal program, we will have the ability to innovate further faster and advance rural health care in Iowa to levels that wouldn't otherwise be possible.

Our state developed this application in close collaboration with partners from across the health care system, including rural hospitals, hospital systems that support tertiary care, and significant partners across primary and behavioral health care. These partners will be crucial in shared decision making and successful implementation of our outlined priorities.

This package outlines Iowa's application for the Rural Health Transformation Program, **Healthy Hometowns**. Within five years of implementation of this plan, Iowans can expect a reduction in emergency department visits for ambulatory care sensitive conditions, an increase in rural residents receiving care locally through new or expanded service lines, an increase in the provider to population ratios in rural Iowa, and an increase in the number of telehealth consultations delivered to rural residents. Healthy Hometowns is made up of the initiatives below.

Hometown Connections: Building formal partnerships that will restructure health care delivery options for rural communities. We will expand our established Centers of Excellence Program and develop enhanced Health Hubs, with investments in telehealth, specialized medical equipment, and limited funds to support care for uninsured Iowans.

Best and Brightest: A focus on recruiting and retaining exceptional rural healthcare workforce.

Combat Cancer-Prevent and Treat: We will take a comprehensive strategy to tackle cancer throughout the state by increasing access to cancer screening, forming cancer-specific Health Hubs, upgrading equipment for cancer screening and treatment, delivering supportive care for families impacted by cancer, and supporting studies and analyses by academic partners.

Communities of Care: We will co-locate rural provider types for a multi-disciplinary approach to patient care that creates convenient access and improved coordination, supported by community health workers as system navigators, and invests in chronic disease prevention and management.

Health Information Exchange: An initiative that allows records to be accessible across the state as patients travel throughout new Health Hubs and seek care in new ways.

EMS Community Care Mobile: A program that invests in new telehealth technology for high-risk transport of moms and their new babies to higher levels of care throughout the state and a mobile integrated healthcare program that brings prenatal, postpartum, post-surgery discharge, chronic disease management, and other types of care to rural residents in their homes or to easily accessible sites in their communities.

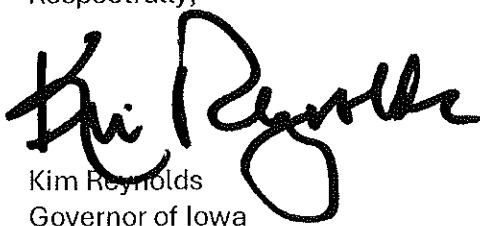
Through our state agency alignment efforts, I brought the state health department, State Medicaid program and office of rural health together under the Iowa HHS umbrella, making it natural for us to ensure their collaboration on this application. I delegate Iowa HHS and the Medicaid program as the lead agency responsible for application, implementation and oversight of our State's Rural Health Transformation funding. Additionally, I certify that Iowa will not spend any award funds on activities prohibited under 42 U.S.C. 1397ee(h)(2)(A)(ii). Iowa will engage with tribal health entities on implementation and decision making.

Iowa wishes to address four policy scoring factors described within the technical scoring of this opportunity, outlined below.

- Iowa commits to reestablishing the Presidential Fitness Test in a way aligned with Executive Order 14327 prior to December 31, 2028 (B.2).
- Iowa also commits to including nutrition within continuing medical education requirements for physicians by December 31, 2028.
- Iowa is participating in all compacts described within this funding opportunity except the PSYPACT compact for psychologists. Iowa commits to joining this network to increase access to and supply of rural health mental health providers.
- Iowa commits to legislative change for Certificate of Need (CON) (C.3) to remove outpatient behavioral health care from review requirements by December 31, 2026.

The enclosed application outlines a strategy, thoughtfully crafted and years in the making, that will enable us to implement sustainable, community-supported solutions to improve health outcomes for our residents. I share the administration's priority of Making America Healthy Again. Iowans, with their deep-rooted values of hard work, innovation, and contributing to the greater good shape the character of our great state. As such, they deserve a system of care designed to meet their needs.

Respectfully,



Kim Reynolds
Governor of Iowa