MCO-Rural Hospital Leadership Forum

Co-Hosted by TORCH and Episcopal Health Foundation

Tuesday, August 25, 2026

About the Forum

This conversation comes at a critical moment for rural health transformation. Funds tied to this effort are being released at a rapid pace, and ensuring their long-term sustainability and impact will require strong, strategic partnerships between MCOs and rural providers. The work of rural transformation and innovation will undoubtedly be difficult, and will require strategic, meaningful payer-provider partnerships. This forum offers a rare opportunity to convene MCO executives and hospital CEOs in the same room to focus on common ground and areas of future alignment.

Meeting Notes

Session 1: RHTP Overview & Challenges

TORCH (John Henderson, Heather Willmann, and Kevin Lambing) provided an overview of the Rural Health Transformation Program (RHTP). Of note:

- Texas received the largest year-one RHTP award of any state — $281M in year one, with roughly $1.4B anticipated over the full five years, distributed as subawards to providers rather than retained by the state.
- 202 of Texas' 254 counties (encompassing ~10% of Texans) are rural and RHTP-eligible; in 2024, one in five rural Texas counties had no licensed primary care physician.
- RHTP Initiatives 1, 4, and 6 award contracts directly to rural providers.
    - Rural hospitals reported they have been actively working to submit RHTP proposals.
    - Initiative 1 ("Make Rural Texans Healthy Again") is reimbursement-based and covers six pathways: wellness centers, transportation, food access, remote patient monitoring, after-hours clinics, and dual-eligible enrollment support.
    - TORCH flagged several implementation challenges:
        - "RHTP is a pay-to-play program" — The cost-reimbursement structure is at odds with many rural facilities' thin cash reserves
        - All three were released close together, and applications were all due within 4-6 weeks; applicants had to come up with plans very quickly — the rushed application window "produced concepts, not plans"
        - Need for technical assistance, incl. project management, reporting, data infrastructure, vendor diligence
        - Annual CMS re-scoring means Year 2 and 3 funding is not guaranteed

Session 2: Opportunities & Financing

Laurie Vanhoose provided an overview of Medicaid financing and MCOs' role in system and provider sustainability.

- Remote patient monitoring emerged as an area of strong interest — several rural hospitals/clinics are exploring RPM through RHTP funding, which could also benefit MCOs by increasing access to care.
- MCOs noted ongoing challenges with member engagement and acknowledged that rural hospitals/clinics are often the more trusted entity for members, suggesting an opportunity for the two sides to collaborate more closely on engagement.

Session 3: Priorities and Alignment

1. **Mutual awareness gap:** Rural hospitals and MCOs are largely unaware of each other's existing programs. For example, an MCO may have a disease management program relevant to a chronic condition a rural clinic is also treating, but the clinic has no visibility to refer members into it — and conversely, MCOs are unaware of rural clinic/hospital programs that could inform referrals or investment if coordinated. ***Knowing what assistance MCOs already provide was identified as the biggest gap.***
2. **Data sharing / reporting burden:** Reporting to multiple MCOs with different requirements is administratively burdensome for rural hospitals. ***Hospitals want to engage with health plans but are wary of taking on additional or new data-sharing requirements.*** It was suggested that MCOs streamline and standardize reporting requirements. EHR access for MCOs was raised as one way to reduce administrative burden, but providers currently lack the trust to grant that access.
3. **Engaging health plans:** The biggest overall issue raised was that rural hospitals don't know who or how to engage with health plans. Participants noted that ***MCO representative outreach to providers is less active than before COVID***, and rural hospitals/clinics said they often don't get responses from reps and face significant burden trying to get a hold of representatives over the phone.
4. **Investment in CHWs:** In a brief remark, rural providers mentioned that they are looking to invest in community health workers to increase member engagement and ensure that patients show up to their medical appointments.

Next Steps

- Identify a list of value-added services (from MCOs) to share with rural hospitals/clinics.
- Provide rural hospitals/clinics with a list of provider representative contacts.
- EHF will host regional meetings this fall bringing rural providers and MCOs together to continue exploring the key themes from this forum.