Charlene K. MacDonald
President and CEO

May 11, 2026

The Honorable Mehmet Oz, M.D.
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-10949
P.O. Box 8016
Baltimore, MD 21244-8016

RE: Rural Health Transformation (RHT) Program Reporting; CMS-10949; OMB 0938-TBD

Dear Administrator Oz:

The Federation of American Hospitals (FAH) appreciates the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed Rural Health Transformation (RHT) Program reporting requirements.

FAH represents more than 1,000 leading tax-paying hospitals and health systems throughout the United States, including many facilities serving rural communities. We strongly support the Administration's efforts to improve healthcare access and outcomes in rural America and appreciate CMS's recognition that states require flexibility to design initiatives that meet the unique needs of their rural populations.

At the same time, given the scale of this investment and the importance of ensuring transparency, accountability, and effective stewardship of taxpayer dollars, FAH encourages CMS to structure the reporting requirements so that data can be consistently collected, analyzed, and compared across states—and made meaningfully available to the public. As CMS finalizes the reporting instrument and develops the web-based reporting tool, these early design decisions will help ensure that stakeholders, Congress, rural communities, and the public have a clear understanding of how this historic $50 billion investment is supporting rural health transformation over the next five years. FAH offers the following comments for consideration as the agency moves forward in this important endeavor.

Transparency and Standardization in Reporting

To improve transparency and reduce administrative burden for both states and CMS, FAH recommends that CMS establish a set of standardized reporting definitions and structured response options for the core fields on the Use of Funds tab and across the reporting instrument. Specifically, CMS should require dropdown selections from a defined, CMS-published taxonomy for: (1) Use of Funds category; (2) Recipient Category (with sufficient granularity to distinguish, for example, rural hospitals from academic medical centers, large multi-state health systems, state agencies, contractors, and community-based organizations); (3) Initiative type; (4) Payment purpose; and (5) CMS Certification Number (CCN) for any recipient that holds one, enabling compatibility with existing provider datasets and supporting cross-program analysis. Free-text description fields should remain available alongside these structured fields so that states can provide additional context, but the structured fields should be the basis for cross-state analysis and public reporting. Because CMS is currently building the dedicated web-based reporting tool through the CMCS-MDCT Team, FAH urges CMS to design these standardized fields into the tool from the outset rather than retrofit them later.

This type of structured reporting approach would improve the usability and reliability of collected data without undermining CMS's broader goal of allowing states flexibility in program implementation. Standardized fields for key

data elements would allow CMS to more efficiently compare information across states while still preserving states' ability to explain unique circumstances, innovative models, or region-specific challenges through narrative responses.

FAH believes this approach would significantly improve CMS's ability to conduct meaningful cross-state analysis, evaluate progress toward program goals, identify trends and best practices, detect potential fraud, waste, or abuse, and reduce the administrative burden associated with reviewing inconsistent or incomplete submissions. More structured reporting would also improve the long-term usability of the collected data and better position CMS to evaluate the effectiveness of the program over time.

Given the scale and complexity of the RHT Program, and the significant discretion afforded to states in designing initiatives and distributing funding, standardized reporting expectations will be important to promote consistency and comparability across states. Without such expectations, states may interpret reporting categories differently, apply inconsistent terminology, or report varying levels of specificity. As a result, CMS may face unnecessary challenges in evaluating how funds are being utilized and whether program goals are being achieved effectively across states.

Public Reporting and a CMS-Hosted Public-Facing Portal

As the Administration continues to prioritize transparency and accountability in federal programs, standardized reporting will be essential to ensuring that information from the RHT Program is meaningful, comparable, and accessible to rural communities, providers, policymakers, and researchers. The Supporting Statement accompanying this collection makes clear that "[a]ssurances of confidentiality will not be provided to respondents" and that the information being collected "is intended to be publicly available upon request." **FAH supports that posture and urges CMS to operationalize it through routine, structured public reporting rather than relying solely on document-by-document requests.**

Specifically, FAH recommends that CMS develop, in parallel with the dedicated web-based reporting tool currently under development by the CMCS-MDCT Team, a public-facing companion portal on CMS.gov that allows users to view and download non-sensitive RHT reporting data across all 50 states. At a minimum, the public-facing portal should include: (1) state-level summaries of approved initiatives, narratives; and (2) Use of Funds data showing dollars expended by initiative, Use of Funds category, recipient category, and (where the recipient is itself a public-facing entity) recipient name. Building this functionality into the MDCT tool from the outset will be substantially less expensive and less burdensome than constructing a separate public-reporting system later.

A public-facing portal would also reinforce the Administration's stewardship of taxpayer dollars, give Congress and the public a clear line of sight into how a $50 billion federal investment is supporting the program's objectives, allow rural hospitals and providers to learn from initiatives in peer states, and create a natural mechanism for identifying best practices and detecting potential fraud, waste, or abuse.

Visibility Into Distribution of Funds

FAH believes CMS would benefit from greater visibility into how funds are ultimately distributed within states, particularly in states utilizing 'hub-and-spoke' models in which large health systems, academic medical centers, or other centralized entities receive and distribute substantial portions of RHT funding.

These partnership structures serve important operational or administrative functions and help facilitate statewide coordination in certain markets. However, absent more transparent reporting around downstream fund distribution, it may be difficult for CMS to assess whether funding is reaching the rural hospitals, providers, and communities primarily intended to benefit from the program.

In particular, FAH believes CMS should ensure that rural hospitals and providers with longstanding community partnerships are able to participate fully in these arrangements without disrupting existing relationships. We believe CMS intent is to strengthen existing partnerships while creating new partnerships where they did not exist, allowing for longer term sustainability and transformation of rural communities. Greater visibility into the flow of funds throughout these arrangements would help CMS better understand whether there are meaningful gaps in access to funding opportunities across provider types or geographic regions.

To ensure transparency and equitable access to funding opportunities, FAH encourages CMS to expand the Use of Funds tab to require states to report not only the primary recipient of each payment but also any

downstream subrecipients receiving a material share of those funds, along with each subrecipient's category and the amount passed through. Where a state, prime recipient, or convening entity acts as a pass-through to providers in a hub-and-spoke arrangement, the report should reflect both the initial payment and the downstream distribution. This level of reporting is consistent with standard federal grant subrecipient monitoring expectations, would close a meaningful visibility gap in the current draft, and would enable CMS to assess whether funds are reaching rural hospitals, providers, and communities directly, or whether geographic or provider-type gaps exist in funding distribution.

FAH believes visibility into these dynamics will be important not only from an oversight perspective, but also to help CMS identify whether there are structural barriers limiting participation among certain providers or communities. Understanding where funding is concentrated, and where it may not be reaching intended stakeholders, will help ensure the RHT Program supports broad-based rural transformation rather than reinforcing existing disparities in access to resources and infrastructure.

Conclusion

Finally, FAH encourages CMS to ensure that any final reporting requirements appropriately balance transparency and accountability with operational feasibility. Standardized reporting structures and definitions would not only improve data quality and oversight, but would also help reduce reporting burden on states and facilitate more timely and efficient CMS review and analysis. The PRA approval process and the parallel development of the CMCS-MDCT web-based reporting tool together represent a narrow window in which CMS can build standardization, downstream-recipient visibility, and public-facing transparency into the RHT Program by design rather than by retrofit. We urge CMS to take advantage of that window.

We appreciate CMS's consideration of these comments and look forward to continued engagement on implementation of the RHT Program. If you have any questions, please reach out to Alyssa Keefe, Senior Vice President and Head of Policy, at akeefe@fah.org.

Sincerely,

/S/
Charlene MacDonald
President and CEO