

March 23, 2026

The Honorable Susan Collins
Chair
Appropriations Committee
United States Senate

The Honorable Patty Murray
Ranking Member
Appropriations Committee
United States Senate

The Honorable Tom Cole
Chair
Appropriation Committee
U.S. House of Representatives

The Honorable Rosa DeLauro
Ranking Member
Appropriations Committee
U.S. House of Representatives

RE: FY 2027 Rural Health Appropriations Requests

Dear Chair Collins, Ranking Member Murray, Chair Cole, Ranking Member DeLauro,

On behalf of the National Rural Health Association (NRHA), we ask that you continue to support critical rural health programs as you plan Fiscal Year (FY) 2027 funding.

NRHA is a non-profit membership organization with more than 21,000 members nationwide that provides leadership on rural health issues. Our membership includes nearly every component of rural America's health care, including rural community hospitals, critical access hospitals, doctors, nurses, and patients. We work to improve rural America's health needs through government advocacy, communications, education, and research.

NRHA urges Congress to support the following FY 2027 priority requests to sustain and improve rural health care access and affordability.

Dedicate funding for core rural health outreach services at \$120 million in FY 2027. The Rural Health Care Outreach Services programs support rural, community-driven initiatives that promote improved access to care, enhance coordination, and foster sustainable solutions for chronic disease prevention and management in rural areas. In FY 2022, over 475,000 individuals received direct services in over 400 rural counties through these programs, with over 85% of grant recipients demonstrating improvement in one or more clinical measures.

Sustaining small rural hospitals by investing in the Rural Hospital Provider Assistance Program. The Rural Hospital Provider Assistance Program aims to help rural hospitals in a low-wage area by providing additional funding to support recruitment and retention. Created in FY 2026, this program is a formula allocation that awards the same amount to each eligible hospital. The FY 2026 funding level has limited impact when distributed, therefore a significant increase in funding is necessary for the awards to be impactful. Rural hospitals in low wage index areas continue to face significant disadvantages in recruiting and retaining physicians, nurses, and other health professionals due to lower reimbursement levels that limit their ability to offer competitive compensation. Without this targeted support, many rural hospitals will continue to struggle to maintain adequate staffing levels and sustain essential services. Providing \$125 million in FY 2027 will help ensure rural hospitals can compete for talent and continue delivering critical care to rural communities.

Grow the rural physician workforce by maintaining funding for the Rural Residency Planning and Development (RRPD) Program at \$14 million in FY 2027. Workforce shortages are one of the greatest challenges that rural communities face. Increased funding for the RRPD Program helps expand the number of rural residency training programs and subsequently the number of physicians that practice in rural areas. Only 2% of Medicare-funded GME training occurs in rural areas, despite the fact that rural training is associated with a 5-fold increase in the likelihood of practicing in a rural area. Since 2019, 111 RRPD grants have been awarded to create over 62 new accredited rural residency programs in family medicine, internal medicine, psychiatry, and general surgery and received approval for approximately 752 new residency positions in rural areas.

Increase funding for the Centers for Disease Control and Prevention (CDC) Office of Rural Health to \$10 million. Given worsening life expectancy rates in rural communities, it is critical for CDC to serve as a direct resource for rural public health, providers, and patients. The Office leads the agency's work to improve health in America's rural communities by advancing a CDC rural public health strategy and integrating rural health approaches and science in CDC's major programs. NRHA worked with Congress to create the CDC Office of Rural Health in the FY 2023 appropriations cycle and requests an increase to \$10 million in FY 2027.

Provide sufficient funding for the Rural Hospital Stabilization Program. The Rural Hospital Stabilization Program is a pilot technical assistance program that provides in-depth assistance directly to financially distressed rural hospitals to address long-term solvency and operating models. The program provides direct funding to enhance and expand service lines. In response to recent congressional attention to rural hospital vulnerability, NRHA requests this program receives increased funding at \$20 million for FY 2027 to allow the program to serve more rural hospitals.

Invest in the USDA Rural Hospital Technical Assistance Program with an allocation of \$5 million in FY 2027. Focused on facilities receiving USDA Community Facilities Loan funding, this pilot technical assistance program improves rural hospitals' financial and operational performance, prevents closures, and strengthens the delivery of health care in rural communities. The program provides direct on-the-ground assistance and is flexible enough to meet the varied needs of rural hospitals under operational and financial stress in order to sustain access to care and USDA's investments.

Devote resources toward rural hospital viability by maintaining the Medicare Rural Hospital Flexibility (Flex) Program at \$70.277 million in FY 2027. Congress created the Flex program as a bulwark against the structural challenges small rural hospitals face given their limited administrative capacity and resources. This program ensures consistent support for rural hospitals facing the risk of closure and financial stress. Flex funding provides infrastructure support that allows critical access hospitals and small rural hospitals to strengthen financial and operational performance, and invest in activities that improve access to high quality care in rural areas.

NRHA also asks that Congress fully fund the following programs critical to rural health in FY 2027:

- **Rural Health Research & Policy Development** to \$14 million.
- **State Offices of Rural Health** to \$15 million.
- **Rural Maternity and Obstetrics Management Strategies Program** at \$15 million.

- **Rural Communities Opioid Response** at \$145 million.
- **National Health Service Corps (NHSC)** at \$130 million in discretionary funding.
- **Area Health Education Center (AHEC) program** at \$50 million.
- **Nursing Workforce Development** at \$305.472 million.
- **Oral Health Training Programs** at \$43.673 million.
- **Behavioral Health Workforce Development Programs** at \$114 million.
- **Community Health Center Program** at \$1.858 billion in discretionary funding.
- **Teaching Health Center GME Programs** at \$250 million in mandatory funding.
- **340B Drug Pricing Program/Office of Pharmacy Affairs** at \$12.24 million.
- **Office for the Advancement of Telehealth programs** at \$45.5 million.
- **Community Facilities Loans and Grants** at \$1.9 billion.
- **ReConnect Broadband Program at USDA** to \$350 million.

We believe maintaining fiscal responsibility is a top priority. Consistent with that priority, we hope you will recognize the important role these programs play in ensuring that rural Americans can access quality, cost-effective health care. We thank you for your leadership on rural health issues. If you have any questions or would like to discuss our appropriations requests further, please contact NRHA's Government Affairs and Policy Director Alexa McKinley Abel at amckinley@ruralhealth.us.

Sincerely,



Alan Morgan
Chief Executive Officer
National Rural Health Association

CC:

Senator Shelley Moore Capito, Chair, Labor, Health and Human Services Subcommittee
Senator Tammy Baldwin, Ranking Member, Labor, Health and Human Services Subcommittee
Congressman Robert Aderholt, Chair, Labor, Health and Human Services Subcommittee
Congressman Andy Harris, Chair, Agriculture, Rural Development Subcommittee
Congressman Sanford Bishop, Ranking Member, Agriculture, Rural Development Subcommittee
Senator John Hoeven, Chair, Agriculture, Rural Development Subcommittee
Senator Jeanne Shaheen, Ranking Member, Agriculture, Rural Development Subcommittee