



SOUTH DAKOTA

RURAL HEALTH TRANSFORMATION

ruralhealthtransformation.sd.gov

Background & Legislative Authority

- **Established Through:** federal legislation supporting rural health system redesign.
- **Program Goal:** strengthen rural health access, workforce, and sustainability.
- **Funding Authority from SD Legislature:**
 - HB 1044 signed on Jan. 29, 2026
 - First bill signed by Gov. Rhoden



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Federal Allocation and Funding Authority

- Total funding: **\$50 billion** over 5 fiscal years (FY 2026–2030).
- SD award for FY 2026: approximately \$189.4M.
- Multi-year investment.
- Once in a generation funding.

Eligible Uses & Strategy Areas

Federal Directive for States to Select from at least 3 program domains:

- Preventive and chronic disease interventions
- Innovative provider payment models
- Technology and telehealth expansion
- Workforce recruitment and retention
- Health IT and cybersecurity upgrades
- Behavioral health expansion
- Innovative, community-centered care models



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South Dakota Rural Landscape

- 64 of 66 counties classified as rural; many frontier-level
- Tribal nations and high-poverty regions facing persistent disparities
- Barriers: long distances to care, limited specialty access
- Gaps: maternity care deserts, mental health workforce shortages
- Elevated chronic disease rates in several regions

South Dakota **Rural** Counties



SOURCE: South Dakota Department of Health Office of Rural Health



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Transformation Strategy Overview

South Dakota Focus Areas:



1. Connect Technology and Data for a Healthier South Dakota



2. Advance the Rural Workforce



3. Keep Healthcare Access Local and Strong



4. Transform Systems for Sustainability



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Technology & Data

- Upgrade electronic health records and interoperability
- Expand telehealth and remote monitoring tools
- Improve cybersecurity infrastructure
- Develop a statewide rural health data platform to improve decision-making



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Rural Workforce

- Recruitment incentives for clinicians and support staff
- Workforce retention strategies
- Expanding and strengthening the rural workforce
- Rural Health Forward Training Hub to coordinate education and support



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Keep Healthcare Access Local & Strong

- Grants to strengthen hospitals, clinics, and local access points
- Maternal and infant health initiatives
- Chronic disease management and community-based care supports





Transform Systems for Sustainability

- Integrated behavioral health models (Collaborative Care, CCBHC approaches)
- Regional EMS system improvements, including data sharing and workforce training
- Support for long-term financial and operational sustainability across rural systems
- Primary care transformation through alternative payment models



Implementation Timeline

Early 2026 (January-March)

- Launch of foundational RFPs and planning efforts
- Focus areas: technology and data modernization, Medicaid transformation, chronic disease planning, behavioral health frameworks
- Workforce and EMS initiatives center on planning and stakeholder engagement

Spring 2026 (March-May)

- Major release of programmatic RFPs and RFAs
- Focus areas: chronic disease, maternal and infant health, behavioral health, Medicaid providers, rural training and resources
- Proposal review and awards begin

Early Summer 2026 (June)

- Transition from planning to program launch
- Initial awards for digital modernization, chronic disease, and behavioral health programs

Mid to Late 2026 (Summer-Fall)

- Additional funding rounds and technical assistance
- Expanded behavioral health funding, Medicaid PACT support, and remote patient monitoring initiatives



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Recap of Where We Have Been

- Over 80 team members involved in the proposal submission.
- 1st bill signed by Gov. Rhoden granting DOH funding authority – on Jan. 29.
- **Since Feb. 25 -**
 - Released 18 Request for Proposals
 - 14 have closed
 - 4 are currently open
 - 3 RFPs pending – Data Atlas, Workforce Recruitment and Retention, EMS
 - 3 contracts awarded – all project management driven
- Rural Strong Grants – 85 applications
- Press Releases – 4
- Targeted Stakeholder Emails – approx. 25
- Targeted Stakeholder Webinars and Technical Assistance calls – nearly 20
- Implementation Team – meets weekly, 26 team members from DOH and DSS
- Governance Team – meets every month – or more as needed
- Federal CMS Team – meets every other week – emails daily/weekly

Contract and Grant Opportunities

- The state Central Bid Exchange on the South Dakota Bureau of Administration website under the Office of Procurement Management is where opportunities for Request for Proposals (RFP) and Request for Applications (RFA) will be posted. sd.gov/bhra
- Register to bid for contract and grant opportunities on the website.
 - Review your notification options on your profile to receive notifications when new opportunities are released
 - Complete the SB189 Vendor Certification Form
 - Note: “Invitation Only” means the system sends notifications only to vendors registered with the relevant National Institute of Governmental Purchasing (NIGP) codes. “Open Invitation” sends notifications to all registered vendors. These labels reflect notification settings only. RHT RFPs remain fully open and publicly accessible to any vendor, regardless of the notification type displayed in the system.
- Log in to this site to browse and view posted opportunities on the Central Bid Exchange.
- Opportunities funded by the Rural Health Transformation Project will have "RHT" in the RFP or RFA number.
- If applying for grant funding opportunities, please ensure you have an active SAM.gov registration that is searchable. [SAM.gov](https://sam.gov)
- Unique Entity Identifier (UEI) will be required on grant applications.

Bottom Line

South Dakota's Rural Health Transformation initiative will build a more accessible, sustainable, and modern healthcare system in statewide.



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