NPO Member Resource

AANP | American Association of NURSE PRACTITIONERS®

State Nurse Practitioner Organizations (NPO) Resource:
Guidance for the Rural Health Transformation Program (RHTP) Funding Announcement

Purpose of This Guidance
The American Association of Nurse Practitioners® (AANP), representing the interests of the more than 431,000 licensed nurse practitioners (NPs) in the U.S., looks forward to working with state and federal stakeholders toward the successful implementation of the RHTP. State NP leaders and organizations have asked for additional clarification regarding the announcement. AANP has provided the following resources below with references from the Centers for Medicare and Medicaid Services (CMS) Notice of Funding Opportunity (NOFO) to assist and guide engagement with state policy leaders for state NPO members.

While state governments will be the applicants for these programs, it is important that NPs are aware of the process to ensure they are able to provide important input to states. As you may have seen, the RHTP includes removing state barriers on NPs so that they are authorized to practice to the top of their education and clinical practice as a policy objective.

- As stated in the NOFO, authorizing clinicians to practice to the top of their license will increase the supply of health services, increase primary care options to support preventative health and decrease waiting times for patients.

- This criterion is consistent with the Reforming America's Healthcare System Through Choice and Competition report from the Department of Health and Human Services, the Department of Treasury and the Department of Labor,[1] which called for removing barriers to care for clinicians and highlighted the anticompetitive impacts of restrictive policies.

Recommendation: AANP recommends that states applying for this program include their full practice authority (FPA) status or plans to achieve FPA for NPs in their state application for the funding available through the RHTP.

What to Know:

- **Only a state entity may apply.** Applications must be submitted by a state agency (e.g., Department of Health, governor's office). The grant application guidelines specifically note that a letter of endorsement signed by the governor is required. **(Source: CMS NOFO, Page 7)**

- **NP organizations are not qualified grant applicants**. NP state leaders and stakeholder groups can play an important role in providing documentation, information and feedback to state leaders about the NP workforce elements of the pending grant application. However, organizations or associations should not need to complete or submit any portion of the grant itself.

- **Start the conversation!** State NP leaders can act as a key voice to policymakers to urge the inclusion of NP state practice environment improvements as part of a state's application for the RHTP.

Learn More: Interested parties can view the grant opportunity and learn more by visiting this link. Under "Related Documents," download and open the ZIP file with additional CMS guidance and detailed information about the grant application and requirements.

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AANP Office of State Government Affairs
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Background: RHTP Policy Application, Proposal and Criteria

On Sept. 15, CMS released the NOFO for the RHTP. This program is a $50 billion fund spread over five years created in H.R. 1 (The One Big Beautiful Bill Act), where states can apply to receive funds to support rural health care initiatives.

Deadlines: This is a one-time application opportunity for states, and the application period will run from **Sept. 15 - Nov. 5,** with awardees to be determined by **Dec. 31.** CMS will then determine the subsequent award amounts for the following four years of the program on an annual basis based on this initial application and continuing engagement with the states.

Health Profession Workforce Metric: One of the state policy actions that states will be evaluated on is their state scope of practice environment. CMS included a technical score component within the RHTP **(D.3. Scope of Practice)** that rewards states for removing barriers to practice on NPs.

Under this criterion, states are awarded points on a scale of 0-100 based on the state practice environment for NPs (and certain other clinicians). These points will be tabulated with certain other health professions into an overall score on that metric for Workforce.

AANP FPA Criteria: For NPs, the rubric is based off of AANP's State Practice Environment map and states will be awarded 100 points if they are FPA; 50 points if they are reduced practice; and 0 points if they are restricted practice. It is also important to note that if a state has not yet adopted FPA, proactive steps to adopt FPA can be included in the workforce development portion of the state application to encourage states to remove barriers to practice.

- FPA: 100 points
- Reduced practice: 50 points
- Restricted practice: 0 points

Source: CMS NOFO, Appendix, pp. 87–89

Partial Credit for Commitment to FPA: States that have not yet adopted FPA can still be eligible for additional credits in this scoring category by committing to enact FPA by a deadline. The accompanying CMS guidance document explains:

"You can achieve high or maximum points for each factor either by having an existing policy or by committing to make policy changes by the end of calendar year 2027…If you are committing in your application to make changes to State policies, you will receive conditional, partial points for that factor starting in the first budget period…If you don't fulfill your commitment, we will recover points and funds in later years of the program."

- **Budget Period 1** (2026): States earn 50% of full credit for commitments.
  - **Deadline:** States must finalize FPA adoption by Dec. 31, 2027 (or lose points and have funding recovered).

Source: CMS NOFO, pp. 48–49

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Why AANP's Categorization Matters
Some states have inquired about their State Practice Environment categorization on AANP's map. CMS has tied this scoring directly to AANP's State Practice Environment map **(CMS NOFO, Appendix, p. 87).** The accompanying CMS grant guide does not currently have an explicit mechanism to substitute another definition or dispute AANP's classification for purposes of this grant.

AANP's definition of FPA comes from the evidence-based recommendations of the APRN Consensus Model. AANP's FPA designation promotes direct access under state law to the full scope of appropriate, high-quality NP care and services for patients statewide, regardless of geographic location, employer or patient characteristics.

Top Five Actions for State NP Organizations Now on the RHTP Opportunity

1. Clarify your state's status. For NPs, the grant rubric is based off of AANP's State Practice Environment map and definitions for each category.

> ***Tip:** AANP's State Policy Fact Sheets contain a top-line summary of each state regulatory environment and cite the specific statute and regulations associated with the state categorization.

2. Identify your state's main government lead for the RHTP application process.
States may all have different approaches and assign different agencies to lead the application. This could be a state health department, or body assigned within the governor's administration.

> ***Tip:** State Health and Value Strategies, a program of the Robert Wood Johnson Foundation, maintains a tracker of state progress on the program and indicating the contact or agencies leading the work: https://shvs.org/tracking-state-preparation-for-the-rural-health-transformation-program/

3. Connect with state officials. NP leaders and NP organizations can contact their state policy officials and offer to serve as a potential resource to state leaders on NP workforce issues in your state. If appropriate, the state entity leading the application may have a process to submit feedback and information from clinicians and stakeholders.

> **Note:** Be brief and concise in any materials shared. Be aware the grant requirements limit state applications to a set page number. Know that it may not be possible for the state to include all additional supporting documents in the final application.

4. Introduce legislation. For restricted/reduced states, a "commitment to FPA" for the partial credit system in the grant entails a commitment to introducing and passing state legislation by the deadline. FPA legislation must effectively retire all remaining restrictions and establish any necessary explicit authorizations for the NP role in state law, without enacting new barriers in the process.

5. Connect with AANP. Coordinate with AANP's state government affairs (SGA) team to take a deeper look at your state's practice environment. The AANP SGA team can provide added resources and successful strategies for states pursuing legislative campaigns to help ensure future changes will meet the grant's definitions.

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