



State of New Mexico
Rural Health Transformation Program Application
Budget Narrative

Executive Summary

The New Mexico Health Care Authority (HCA) submits this Budget Narrative to accompany its application to the Centers for Medicare & Medicaid Services (CMS) for the Rural Health Transformation (RHT) Program. The narrative aligns with the Standard Form 424A (SF-424A) and provides detail for each cost component and how each applies to our proposed initiatives.

Aligned with CMS guidance, New Mexico assumed a total budget of \$200 million per budget period for Federal Fiscal Year (FFY) 2026 through FFY2030. Our budget outlines administrative and programmatic costs for the following five initiatives:

1. Healthy Horizons: Expanding Specialty Care Access and Chronic Disease Management
2. Rooted in New Mexico: Building Tomorrow's Rural Health Workforce
3. Rural Health Innovation Fund: Enabling Community-Designed, Community-Led Change
4. Bridge to Resilience: **Center for Rural Health Sustainability & Innovation (CRHSI)**
5. Rural Health Data Hub: Establishing a Health Analytics Platform

In January 2026, New Mexico updated the budget and associated narrative to reflect the Year 1 (FFY 2026) award from CMS in the amount of \$211,484,740.89. A detailed line-item budget for FFY 2026 aligned with the CMS award is provided in Appendix A of this document.

The budget proposal we define below will help New Mexico substantially transform rural healthcare across the State, while maintaining compliance with applicable Federal and State requirements. Across each of the five funding periods, we maintain administrative expenses (including indirect costs) at roughly 5 percent (below the 10 percent threshold) per year. Through administrative funding, we plan to establish 17 new positions to administer RHT Program activities and provide thorough oversight to support effective implementation and meet all Federal reporting requirements.

The State will allocate programmatic funding (i.e., funding not assigned to administrative overhead) through two primary methods dependent on the initiative and use of funding:

1. Direct Subawards: Allocate funding directly to sub-recipients to establish new clinical or workforce development programs as defined in the Healthy Horizons and Rooted in New Mexico initiatives.
2. Competitive Procurement and/or Application: Receive proposals or applications that the State will competitively evaluate and award funding to implement programs as defined in the Rural Health Innovation Fund, Bridge to Resilience, and Rural Health Data Hub initiatives.

These funds are identified and described under the "Contractual" SF-424A category. In instances where the HCA will operate as a pass-through entity (i.e., Direct Subawards), the State will establish robust oversight methods aligned with 2 CFR 200.332 requirements. When competitively procuring support, the State will align with both 2 CFR 200.317 – 2 CFR 200.327 requirements and New Mexico's procurement code. As defined in the following narrative, New Mexico's lead agency (the HCA) will retain thorough and complete oversight over all implementation activities, funding distribution, and funding utilization.



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This budget includes direct payment to providers, remodeling expenses, and support for Electronic Health Record (EHR) implementation. As defined in subsequent sections, our annual and total budget for each of these activities remains below the defined funding caps (e.g., 15% provider payments).

Table 1. Proposed Budget by CMS Strategic Goal and Initiative (Year 1/ FFY 2026)

Initiative	CMS Goal	FFY2026
Healthy Horizons	Make Rural America Healthy Again	\$79,063,879.62
Rooted in New Mexico	Workforce Development	\$43,142,702.91
Rural Health Innovation Fund	Make Rural America Healthy Again	\$47,048,080.97
Bridge to Resilience	Sustainable Access	\$26,181,936.72
Rural Health Data Hub	Tech Innovation	\$16,048,140.67
Totals:		\$211,484,740.89

A. (Personnel) Salaries and Wages

Budget allocated to Personnel includes funding to establish positions that will oversee and support RHT Program implementation. Elisa Wrede (Acting Rural Health Care Director, New Mexico HCA) will serve as the Rural Health Transformation Program Director.

The State has identified the need for 17 additional staff, covering key programmatic functions such as financial management, operations, implementation, data analysis, and communications. Each position description is defined below. **Table 2** summarizes total Personnel costs by initiative for program Year 1 (FFY2026).

Additionally, Personnel costs include assumed, prospective costs for potential subrecipients and / or contractors. As the State has not yet identified subrecipients or contractors to support implementation, the HCA assumed that roughly 34 percent of subrecipient / contractor administrative costs would be attributable to Personnel. Through the subaward and/or contracting process, we will specifically require all subrecipients or contractors to submit a detailed budget aligned with Federal requirements, and we will further refine budgets with actuals in subsequent budget narrative updates.

Table 2. Personnel Costs by Initiative (Year 1 / FFY 2026)

Initiative	FFY2026
Healthy Horizons	\$808,613.50
Rooted in New Mexico	\$467,175.12
Rural Health Innovation Fund	\$322,677.87
Bridge to Resilience	\$304,303.02
Rural Health Data Hub	\$141,432.83
Totals:	\$2,044,202.34

New Mexico intends to include the positions outlined in **Table 3**. Each proposed staff member, unless specifically assigned to a specific initiative, will support all RHT Program initiatives. For staff that will require establishing a new position and hiring, we anticipate the process to take roughly six months for budgeting purposes.



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Table 3. RHT Program Roles and FTE Allocations (Year 1 / FFY 2026)

Position Title	Name	Annual	Time	Months	Amount Requested
Staff Supporting All Initiatives					
RHT Program Director *	Elisa Wrede	\$92,702.00	100%	6	\$46,351.00
RHT Finance Director	To Be Determined	\$83,517.00	100%	6	\$41,758.50
RHT Operations Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
RHT Program Implementation Manager 1	To Be Determined	\$83,517.00	100%	6	\$41,758.50
RHT Program Implementation Manager 2	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Administrative Aide 1	To Be Determined	\$74,331.00	100%	6	\$37,165.50
Administrative Aide 2	To Be Determined	\$74,331.00	100%	6	\$37,165.50
Finance Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Finance Analyst	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Data and Evaluation Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Data and Evaluation Analyst	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Communications Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Staff Assigned to Specific Initiatives					
CRHSI: Rural Technical Assistance & Systems Support Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Healthy Horizons: Specialty Access & Remote Care Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Rooted in New Mexico: Rural Health Workforce Pipeline Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Rural Health Innovation Fund: Subgrant Manager	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Rural Health Innovation Fund: Community Health Innovation Liaison	To Be Determined	\$83,517.00	100%	6	\$41,758.50
Rural Health Data Hub: Rural Health Data Lead	To Be Determined	\$83,517.00	100%	6	\$41,758.50

* We used six months allocation for estimate purposes only and understand that this individual may begin supporting the RHT Program in FFY 2026 Q2, pending funding allocation timeline.

Concise position descriptions for each of the above positions can be found in **Table 4**. New Mexico has also identified specific job “grades” when applicable to assist with budget assumptions (e.g., fringe, supplies) through the remainder of our narrative.

Table 4. Proposed Positions and Job Descriptions

Position Title	Brief Job Description
RHT Program Director	Provides strategic leadership and oversight for the RHT Program, ensuring all initiatives are implemented in alignment with New Mexico’s transformation goals and CMS requirements. Coordinates cross-departmental efforts and stakeholder engagement to drive measurable improvements in rural health access, outcomes, and sustainability.
RHT Finance Director	Oversees financial planning, budgeting, and compliance for the RHT Program, ensuring all expenditures meet CMS guidelines and support program sustainability. Manages funding allocations across initiatives and monitors financial performance to maximize impact and avoid duplication of existing funding streams.



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Position Title	Brief Job Description
RHT Operations Manager	Manages day-to-day operations of the RHT Program, coordinating logistics, staffing, and resource deployment to support effective implementation of all initiatives. Ensures operational processes are efficient, compliant, and responsive to evolving program needs.
RHT Program Implementation Manager 1	Leads the execution of Healthy Horizons and Rooted in New Mexico initiatives, tracking milestones, outcomes, and reporting requirements. Collaborates with internal and external partners to ensure timely delivery of program activities and continuous improvement based on evaluation findings.
RHT Program Implementation Manager 2	Leads the execution of Rural Health Innovation Fund, Bridge to Resilience, and Rural Health Data Hub initiatives, tracking milestones, outcomes, and reporting requirements. Collaborates with internal and external partners to ensure timely delivery of program activities and continuous improvement based on evaluation findings.
Administrative Aide	Provides administrative support for the RHT Program team, including scheduling, documentation, and coordination of meetings and communications. Assists with record-keeping and ensures compliance with program documentation standards.
Finance Manager	Supports the Finance Director in managing budgets, tracking expenditures, and preparing financial reports. Ensures all financial activities adhere to CMS requirements and contribute to the program's fiscal integrity.
Finance Analyst	Conducts financial analysis to inform decision-making, monitors spending trends, and evaluates cost-effectiveness of program activities. Provides data-driven insights to optimize resource allocation and support sustainability.
Data and Evaluation Manager	Designs and oversees the program's data collection, analysis, and evaluation framework, ensuring robust measurement of outcomes and compliance with CMS reporting standards. Leads efforts to use data for continuous improvement and strategic planning.
Data and Evaluation Analyst	Supports the Data and Evaluation Manager by collecting, analyzing, and interpreting program data. Prepares reports and visualizations to communicate progress and inform program adjustments.
Communications Manager	Develops and implements communication strategies to engage stakeholders, disseminate program updates, and promote transparency. Ensures messaging aligns with program goals and CMS requirements and supports outreach to rural communities.
CRHSI : Rural Technical Assistance & Systems Support Manager	Leads the Center for Rural Health Sustainability & Innovation technical assistance (TA) efforts, providing operational, financial, and strategic support to rural providers. Facilitates partnerships and shared services to strengthen provider sustainability and program impact.
Healthy Horizons: Specialty Access & Remote Care Manager	Manages initiatives to expand specialty care access and remote care solutions, including telehealth and e-consults. Works to reduce travel burdens, improve chronic disease management, and integrate behavioral health services in rural communities.
Rooted in New Mexico: Rural Health Workforce Pipeline Manager	Oversees workforce development strategies, including recruitment, training, and retention of rural health professionals. Implements programs to build local talent pipelines and support long-term workforce sustainability.
Rural Health Innovation Fund: Subgrant Manager	Administers the Rural Health Innovation Fund, managing the competitive subgrant process for community-designed initiatives. Ensures funded projects address local needs, comply with CMS requirements, and support program objectives.
Rural Health Innovation Fund: Community Health Innovation Liaison	Engages with community-based organizations and stakeholders to support the design and implementation of innovative health projects. Facilitates collaboration and ensures initiatives are responsive to local priorities and program goals.
Rural Health Data Hub: Rural Health Data Lead	Leads the development and management of the Rural Health Data Hub, integrating data sources to support analytics, transparency, and informed decision-making. Ensures data security, privacy, and compliance with federal standards.



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B. Fringe Benefits

HCA calculated fringe benefits based on the State assigned fringe rate aligned to each position’s employment grade. Fringe benefits include FICA (7.7%), Group Insurance (5.9%), and Retirement (21.2%). **Table 5** outlines the salary requested and resulting fringe benefits amount requested for each proposed position for program Year 1 (FFY 2026).

Table 5. Proposed Positions and Job Descriptions (Year 1 / FFY 2026)

Position Title	Salary Requested	Fringe Rate	Fringe Amount Requested
RHT Program Director	\$92,702.00	35%	\$31,816.00
RHT Finance Director	\$83,517.00	35%	\$29,162.00
RHT Operations Manager	\$83,517.00	35%	\$29,162.00
RHT Program Implementation Manager 1	\$83,517.00	35%	\$29,162.00
RHT Program Implementation Manager 2	\$83,517.00	35%	\$29,162.00
Administrative Aide 1	\$74,331.00	35%	\$29,162.00
Administrative Aide 2	\$74,331.00	35%	\$29,162.00
Finance Manager	\$83,517.00	35%	\$29,162.00
Finance Analyst	\$83,517.00	35%	\$29,162.00
Data and Evaluation Manager	\$83,517.00	35%	\$29,162.00
Data and Evaluation Analyst	\$83,517.00	35%	\$29,162.00
Communications Manager	\$83,517.00	35%	\$29,162.00
CRHSI: Rural Technical Assistance & Systems Support Manager	\$83,517.00	35%	\$29,162.00
Health Horizons: Specialty Access & Remote Care Manager	\$83,517.00	35%	\$29,162.00
Rooted in New Mexico: Rural Health Workforce Pipeline Manager	\$83,517.00	35%	\$29,162.00
Rural Health Innovation Fund: Subgrant Manager	\$83,517.00	35%	\$29,162.00
Rural Health Innovation Fund: Community Health Innovation Liaison	\$83,517.00	35%	\$29,162.00
Rural Health Data Hub: Rural Health Data Lead	\$83,517.00	35%	\$29,162.00

Additionally, fringe benefits include assumed, prospective costs for potential subrecipients and / or contractors. As the State has not yet identified subrecipients or contractors to support implementation, the HCA assumed that roughly 12 percent of subrecipient / contractor administrative costs would be attributable to fringe. Through the subaward and/or contracting process, we will specifically require all subrecipients or contractors to submit a detailed budget aligned with Federal requirements, and we will further refine budgets with actuals in subsequent budget narrative updates. **Table 6** identifies Fringe benefits for each initiative for program Year 1 (FFY 2026)

Table 6. Total Fringe Benefits by Initiative (Year 1 / FFY 2026)

Initiative	FFY2026
Healthy Horizons	\$282,723.85
Rooted in New Mexico	\$163,343.24
Rural Health Innovation Fund	\$112,821.18
Bridge to Resilience	\$106,396.60
Rural Health Data Hub	\$49,450.62
Total	\$714,735.49



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C. Travel

The State recognizes that in-state travel to rural, frontier, and tribal communities across New Mexico will be necessary to support effective program implementation. We anticipate varying travel needs across initiatives, which may include, for example:

- **Healthy Horizons:** Site visits to rural providers (e.g., hospitals, clinics) to assess specialty rotations and/or remote care adoption
- **Rooted in New Mexico:** Travel to observe newly established rural rotational programs, observing and/or participating in newly established K-12 pipeline program activities
- **Rural Health Innovation Fund:** Site visits to community-based organizations to assess implementation of new community-designed programs
- **Bridge to Resilience:** Travel to observe technical assistance vendors providing direct support, attending in-state rural health conferences and/or association meetings to encourage engagement with **CRHSI** programs and support
- **Rural Health Data Hub:** Onsite provider visits to support data hub adoption and participation

Specific destinations for in-state travel will be dependent on how each initiative is implemented. To develop an assumption for a standard trip for budgeting purposes, as a proxy we projected travel from Albuquerque to Carlsbad, including one overnight and reimbursement for meals using the General Services Administration (GSA) rates for Carlsbad, New Mexico. We assume approximately 400 miles round trip driven in a privately owned vehicle to account for travel to communities surrounding Carlsbad. **Table 7** identifies our estimated average cost per trip. In future RHT Program years, the State will update travel assumptions to align with refreshed GSA rates and actual travel required for implementation.

Table 7. Estimated Average Cost Per Trip

	Lodging	M&IE	Mileage (Round Trip)
Assumptions	GSA - Carlsbad	GSA - Carlsbad	Privately Owned Vehicle
Rates	\$155.00	\$74.00	\$0.67
Multiplier	1	1.50	400
Total	\$155.00	\$111.00	\$268.00
Cost per Trip:			\$534.00

To arrive at an estimate, we assumed a specific number of trips considering the responsibilities for various proposed position as outlined in **Table 8**. For directors and managers, we assumed more frequent trips to oversee implementation efforts. For administrative staff, we assume fewer trips to assist with meeting facilitation (e.g., notes, equipment set up). We have assumed roughly half the volume of annual trips in FFY2026 due to time to onboard staff.

Table 8. Assumed Number of Trips (Year 1 / FFY2026)

RHT Program Initiative	Assumed Number of Trips per Year
Healthy Horizons	43
Rooted in New Mexico	15



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RHT Program Initiative	Assumed Number of Trips per Year
Rural Health Innovation Fund	22
Bridge to Resilience	35
Rural Health Data Hub	5

We have also included FFY2026 travel to the Annual CMS Quality Conference in Baltimore, MD. **Table 9** includes estimated travel costs for four HCA attendees. We assumed costs for Lodging (GSA - Baltimore, MD), Meals and Incidental Expenses (GSA - Baltimore, MD) for 2 full days and 2 travel days, Ground Transportation (\$100 per employee to cover airport transfers, local transit, and rideshare expenses in Baltimore, MD), and Airfare (GSA rates for flights from Albuquerque to Baltimore, MD).

Table 9. Travel Expenses for 2026 CMS Quality Conference (Year 1 / FFY 2026)

	Lodging	M&IE - Travel Day	M&IE - Full Day	Ground Transportation	Airfare
Assumptions	GSA - Baltimore	GSA - Baltimore	GSA - Baltimore	Rideshare, Taxi, etc.	ABQ - BWI (FY 2026 Rates)
Rates	\$150.00	\$64.50	\$86.00	\$100.00	\$619.00
Multiplier	4	2	2	1	2
Total	\$600.00	\$129.00	\$172.00	\$100.00	\$1,238.00
Total Per Trip:					\$2,239.00
Total (4 Attendees):					\$8,956.00

Additionally, travel costs include assumed, prospective costs for potential subrecipients and / or contractors. As the State has not yet identified subrecipients or contractors to support implementation, the HCA assumed that roughly 2 percent of subrecipient / contractor administrative costs would be attributable to travel. Through the subaward and/or contracting process, we will specifically require all subrecipients or contractors to submit a detailed budget aligned with Federal requirements, and we will further refine budgets with actuals in subsequent budget narrative updates.

Using this methodology and assumed FTE allocation for each position across initiatives, we developed the travel cost estimates for each initiative as identified in **Table 10**.

Table 10. Travel Expenses by Initiative (Year 1 / FFY 2026)

Initiative	FFY2026
Healthy Horizons	\$43,082.47
Rooted in New Mexico	\$12,387.35
Rural Health Innovation Fund	\$14,264.31
Bridge to Resilience	\$14,450.70
Rural Health Data Hub	\$2,088.27
Total	\$86,273.10

D. Equipment

The State does not assume any equipment costs associated with projected personnel. Equipment that may be required by contractors or subrecipients will be identified as such per 2 CFR 200 requirements as part of the State’s application or procurement process. Current costs for potential



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equipment (e.g., e-consult platforms / technology, remote patient monitoring solutions, telehealth platforms) are currently captured under “F. Consultant/Subrecipient/Contractual Costs” as the State has not identified specific vendors and/or equipment investments. The State will evaluate all sub-recipient and/or vendor agreements to confirm alignment with Federal requirements and will amend this budget proposal as needed in future cycles to reflect equipment.

E. Supplies

The State does not assume any supply costs associated with projected personnel. Equipment that may be required by contractors or subrecipients will be identified as such per 2 CFR 200 requirements as part of the State’s application or procurement process. Current costs for potential supplies are captured under “J. Indirect Costs” as the State covers supplies through the Medicaid Public Assistance Cost Allocation Plan. The State will evaluate all sub-recipient and/or vendor agreements to confirm alignment with Federal requirements and will amend this budget proposal as needed in future cycles to reflect supplies.

F. Consultant/Subrecipient/Contractual Costs

The State intends to use roughly 95 percent of RHT Program funds towards initiative implementation (i.e., not administrative). The State intends to use two primary methods to allocate funding to implementation partners:

1. Direct Subawards: Allocate funding directly to sub-recipients to establish new clinical or workforce development programs as defined in the Healthy Horizons and Rooted in New Mexico initiatives.
2. Competitive Procurement and/or Application: Receive proposals or applications that the State will competitively evaluate and award funding to implement programs as defined in the Rural Health Innovation Fund, Bridge to Resilience, and Rural Health Data Hub initiatives.

Direct Subawards

The HCA will function as a pass-through entity with robust oversight of subrecipients in accordance with 2 CFR 200.332. The HCA will have dedicated staff supporting financial oversight and meeting all Federal compliance requirements, including the RHT Program Director, RHT Finance Director, RHT Program Implementation Manager(s), and Finance Manager.

To retain oversight and support effective implementation, the State will implement the following controls for all subrecipients:

- Pre-award risk assessments
- Verification of allowability and performance prior to approval / disbursement
- Sub-award agreements with all required data elements for annual reporting
- Monthly programmatic and financial reporting
- Desk reviews and on-site monitoring
- Audit and records retention (throughout 5-Year RHT Program period)



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New Mexico will develop and implement a **Written Five-Year Service Agreement** for all individuals participating in Rooted in New Mexico programming and / or receiving funding through these programs. The five-year service agreement will outline service expectations, reporting requirements, and conditions for initial and continued participation in the Rooted in New Mexico program. The State will also maintain a **Method of Accountability** for program participants. Our process will verify compliance with the five-year service agreements through quarterly reporting by participants to the State, licensure and FTE validation, site attestations, and routine desk or site reviews performed by Health Care Authority program leadership and/or **Center for** Rural Health Sustainability & Innovation support staff. If a program participant fails to meet the terms of the agreement, the State will follow a structured **Method of Enforcement** process that will include written notice, a defined resolution period, technical assistance when appropriate, and graduated remedies such as corrective action plans, suspension of payments, or termination from the program. When a program participant does not fulfill service obligations, the State will calculate recoupment on a pro-rata basis consistent with the Method of Enforcement and initiate formal collection processes. Any funds recouped through these actions will be returned to CMS. These procedures promote a fair, consistent oversight while safeguarding public funds and supporting the program’s long-term workforce goals.

Competitive Procurements / Applications

The HCA will conduct competitive procurements consistent with 2 CFR 200.317–200.327 and the New Mexico Procurement Code. The State may use methods such as micro-purchases and small purchases (as defined under 2 CFR 200.320) and formal requests for proposals (RFPs) for higher-value acquisitions. Additionally, for the Rural Health Innovation Fund, the State will establish a grant application process to solicit responses for potential use of funds. The State will establish guardrails and parameters as defined in the Project Narrative to confirm compliance with Federal requirements (e.g., RHT Program requirements, 2 CFR 200).

No vendors have been selected at this time. All HCA solicitations and associated contracts/agreements will define specific scope, deliverables, timelines, performance measures / service level agreements (SLAs), data-sharing and security requirements, and acceptance criteria. Solicitations will specifically refer to and align with RHT Program requirements and Federal / State regulation.

In addition to initiative-specific qualifications, the HCA will regularly assess overall technical merit, rural health experience, scalability, cybersecurity posture, and value of each applicant prior to selection. The HCA will design contracts to incorporate oversight provisions, milestone reviews, invoice validation against deliverables, and closeout checklists, each tying back to RHT Program requirements and the annual reporting cycle.

Funding allocation method is contingent on specific initiative uses of funds as described in the Project Narrative. **Table 11 – Table 15** describe the specific subrecipient and contractor agreement frameworks for each of HCA’s five RHT Program initiatives.

Table 11. Healthy Horizons Subrecipient Agreement Framework

Category	Description
Name of Subrecipient	<ul style="list-style-type: none"> TBD – New Mexico has not yet identified specific subrecipients. The State intends to award multiple subawards following an application and selection process (e.g., request for proposal or similar method). The State has not finalized the



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Category	Description
	number of awards or individual award amounts – funding levels will vary based on selected proposals and geographic / clinical priorities.
Period of Performance	<ul style="list-style-type: none"> The State is assuming an initial period of performance from July 1, 2026, through September 30, 2027 (18 months; aligned with full spending period for RHT Program Year 1)
Scope of Work	<p>Subrecipients will propose implementing one or more Healthy Horizons program components in HRSA-defined rural census tracts to expand specialty care access and improve chronic disease management. Applicants will identify the specific Healthy Horizons activities they seek to implement and outline their plans to do so. New Mexico will then select and enter into a contractual agreement to implement each selected applicant’s identified plans. Activities defined within each organization’s proposal could include:</p> <ul style="list-style-type: none"> Specialty and Maternal Care Expansion: <ul style="list-style-type: none"> Establish / expand in-person specialty and maternal care networks (e.g., regional centers of excellence) Implement and operationalize referral and care transition pathways Deploy provider-to-provider specialty consult models (e.g., EHR-integrated e-consults, ED tele-consults, HIPAA-compliant clinical messaging) Prevention and Chronic Disease Management: <ul style="list-style-type: none"> Implement evidence-based screening, risk stratification, and chronic disease management workflows for priority conditions (e.g., diabetes) Include behavioral health screening and integration into maternal and chronic care models Strengthen post-acute follow-up processes and reduce readmissions Community-Centered Remote Care: <ul style="list-style-type: none"> Deploy/scale telehealth and remote patient monitoring (RPM) for chronic disease management and post-discharge support Implement community access points for telehealth (e.g., clinics, libraries, schools, senior centers) where appropriate Provide user-centered training and adoption support for clinicians and staff Health IT and Interoperability: <ul style="list-style-type: none"> Support EHR enhancement or adoption activities (including interoperability and workflow optimization) and cybersecurity improvements consistent with State program design Integrate, as applicable, with statewide referral and data-sharing approaches <p>Deliverables will be contingent on each individual subrecipient agreement. Example deliverables may include: approved implementation workplan and timeline; executed partner agreements (as applicable); evidence of rotational schedules and consult workflows; RPM deployment and utilization logs; staff training completion records; and timely submission of monthly/quarterly financial and programmatic reports aligned with State and CMS reporting cycles.</p>
Method of Accountability	<p>The New Mexico Health Care Authority (HCA) will monitor subrecipients as a pass-through entity in accordance with 2 CFR 200.332. Oversight will include, at a minimum: pre-award risk assessments; subaward agreements with required data elements; verification of allowability and performance prior to payment approval/disbursement; monthly programmatic and financial reporting; desk reviews and on-site monitoring; and audit and records retention requirements through the required retention period.</p> <p>Monitoring roles: The RHT Program Director will provide overall strategic oversight; the RHT Finance Director and Finance Manager will oversee financial management, allowability, and compliance; the RHT Program Implementation Manager 1 will lead execution and performance tracking for Healthy Horizons; and the Healthy Horizons Specialty Access & Remote Care Manager will provide initiative-specific operational monitoring (e.g., provider onboarding, technology adoption, site readiness, and deliverable verification). Data and Evaluation staff</p>



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Category	Description																																												
	<p>will validate data submissions and support performance measurement, and Operations/Administrative staff will support documentation and compliance tracking.</p> <p>Closeout will include reconciliation of deliverables against the approved workplan, final financial reconciliation, documentation of any required equipment/IT disposition (if applicable), and final reporting sufficient to support State and CMS reporting requirements.</p>																																												
Itemized Budget	<p>Subrecipients are TBD and each will be required to submit a detailed, line-item budget (aligned with the SF-424A and all CMS requirements) prior to award.</p> <p>The State has prepared an itemized budget outlined in Appendix A. HCA expects to approve and issue approximately five awards that collectively total up to \$76,361,254.17 aligned with the FFY 2026 budget. See below for a sample individual award (i.e., one of five anticipated) that HCA plans to issue. Please note, specific budgets for each individual award will be contingent on subrecipient proposals in response to the request for proposal.</p> <p>Estimated Budget for Individual Healthy Horizons Award (FFY2026) (Anticipating Five Total Awards)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #005596; color: white;"> <th>Cost Component</th> <th>FFY 2026</th> </tr> </thead> <tbody> <tr><td>Personnel</td><td>\$500,000.00</td></tr> <tr><td>Fringe Benefits</td><td>\$175,000.00</td></tr> <tr><td>Travel</td><td>\$26,560.44</td></tr> <tr><td>Equipment</td><td>\$576,461.37</td></tr> <tr><td>Supplies</td><td>\$50,000.00</td></tr> <tr><td>Contractual</td><td>\$13,745,025.75</td></tr> <tr><td>Construction</td><td>\$0.00</td></tr> <tr><td>Other</td><td>\$0.00</td></tr> <tr><td>Indirect Costs</td><td>\$199,203.27</td></tr> <tr><td>Total</td><td>\$15,073,047.56</td></tr> </tbody> </table> <p>Total Estimated Budget for All Healthy Horizons Awards (FFY2026)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #005596; color: white;"> <th>Cost Component</th> <th>FFY 2026</th> </tr> </thead> <tbody> <tr><td>Personnel</td><td>\$2,500,000.00</td></tr> <tr><td>Fringe Benefits</td><td>\$875,000.00</td></tr> <tr><td>Travel</td><td>\$132,802.20</td></tr> <tr><td>Equipment</td><td>\$2,882,306.85</td></tr> <tr><td>Supplies</td><td>\$250,000.00</td></tr> <tr><td>Contractual</td><td>\$68,725,128.77</td></tr> <tr><td>Construction</td><td>\$0.00</td></tr> <tr><td>Other</td><td>\$0.00</td></tr> <tr><td>Indirect Costs</td><td>\$996,016.35</td></tr> <tr><td>Total</td><td>\$76,361,254.17</td></tr> </tbody> </table> <p>This budget includes assumed administrative and direct costs for Healthy Horizons subrecipients. Expected cost categories for Healthy Horizons subrecipients include: Personnel and Fringe (limited administrative staffing for project management, subgrant / fiscal management, reporting and compliance; note that personnel supporting each proposed award may also be responsible for delivering activities under the approved Healthy Horizons initiative and some costs may be covered as programmatic); Travel (e.g., implementation coordination and required meetings/site visits); Equipment (e.g., remote patient monitoring technology, e-consult platform acquisition, mobile care units); Supplies (e.g., training materials and basic operational needs); Contractual/Programmatic (primary category supporting specialty rotation</p>	Cost Component	FFY 2026	Personnel	\$500,000.00	Fringe Benefits	\$175,000.00	Travel	\$26,560.44	Equipment	\$576,461.37	Supplies	\$50,000.00	Contractual	\$13,745,025.75	Construction	\$0.00	Other	\$0.00	Indirect Costs	\$199,203.27	Total	\$15,073,047.56	Cost Component	FFY 2026	Personnel	\$2,500,000.00	Fringe Benefits	\$875,000.00	Travel	\$132,802.20	Equipment	\$2,882,306.85	Supplies	\$250,000.00	Contractual	\$68,725,128.77	Construction	\$0.00	Other	\$0.00	Indirect Costs	\$996,016.35	Total	\$76,361,254.17
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Category	Description
	<p>delivery, consult/telehealth/RPM deployment and onboarding, clinical training/technical assistance, and other direct community-facing activities as outlined in Scope of Work).</p> <p>We have assumed a 15 percent de minimis indirect costs rate consistent with federal requirements. Indirect costs could include general overhead or other expenses that we cannot readily identify. Upon submission for HCA review, all budgets must include sufficient justification to explain the necessity and reasonableness of each cost category and its relationship to the approved scope of work.</p> <p>As noted above – subrecipients will be required to submit an itemized budget prior to subrecipient award. The budgets outlined above are estimates subject to formal submission by potential subrecipients. The RHT Program Finance Director and RHT Program Finance Manager will review each budget for completeness, accuracy, and alignment with Federal requirements prior to the RHT Program Director approving award.</p>

Table 12. Rooted in New Mexico Subrecipient Agreement Framework

Category	Description
Name of Subrecipient	<ul style="list-style-type: none"> TBD – New Mexico has not yet identified specific subrecipients. The State intends to award multiple subawards following an application and selection process (e.g., request for proposal or a similar method). The State has not finalized the number of awards or individual award amounts – funding levels will vary based on selected proposals, professional development programs implemented, and geographic priorities.
Period of Performance	<ul style="list-style-type: none"> The State is assuming an initial period of performance from July 1, 2026, through September 30, 2027 (15 months; aligned with full spending period for RHT Program Year 1)
Scope of Work	<p>Subrecipients will propose implementing one or more Rooted in New Mexico program components to establish or expand rural workforce pipeline programs to recruit, train, and retain health professionals serving rural and tribal communities. Applicants will identify the specific Rooted in New Mexico activities they seek to implement and outline their plans to do so. New Mexico will then select and enter into a contractual agreement to implement each selected applicant’s identified plans. Activities defined within each organization’s proposal could include:</p> <ul style="list-style-type: none"> Fostering Local Interest in Health Careers: <ul style="list-style-type: none"> Launch/expand K-12 health career pathway programming in rural and tribal school districts (e.g., adapted curricula, dual-credit pathways, career exploration, mentorship programs) Host community outreach activities to increase student participation and awareness of rural health careers (e.g., career fairs, shadowing programs) Strengthening the Workforce Pipeline: <ul style="list-style-type: none"> Establish or expand rural clinical rotations, residencies, apprenticeships, preceptorships, and training programs for high need professions Support faculty/preceptor pool and training capacity Provide paid training time, certification support, and defined career ladders for roles such as LPNs, CHWs, peer support workers, and/or direct care/HCBS caregivers Mobilizing and Retaining the Rural Health Workforce: <ul style="list-style-type: none"> Implement incentive and retention strategies aligned with Rooted in New Mexico program designs (e.g., expanded training programs), such as relocation / housing supports and retention bonuses where allowable Implement tele-mentoring and tele-supervision networks (e.g., Project ECHO) to accelerate licensure, build practice readiness, and reduce burnout



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Category	Description																						
	<p>For subrecipients providing direct workforce support (i.e., payment or programs directly impacting clinicians), subrecipients will support the State’s implementation of a five-year rural service commitment framework by maintaining requirement documentation, participant reporting workflows, and verification inputs necessary for State oversight (see Method of Accountability for additional detail).</p> <p>Deliverables will be contingent on each individual subrecipient agreement. Example deliverables may include: approved implementation workplan and timeline; executed training site agreements and preceptor arrangements; cohort rosters, completion records, and placement tracking; tele-mentoring participation logs; and timely submission of monthly/quarterly financial and programmatic reports aligned with State and CMS reporting cycles.</p>																						
<p>Method of Accountability</p>	<p>The New Mexico Health Care Authority (HCA) will monitor subrecipients as a pass-through entity in accordance with 2 CFR 200.332. Oversight will include: pre-award risk assessments; subaward agreements with required data elements; verification of allowability and performance prior to payment approval/disbursement; monthly programmatic and financial reporting; desk reviews and on-site monitoring; and audit and records retention requirements.</p> <p>Monitoring roles: The RHT Program Director will provide overall strategic oversight; the RHT Finance Director and Finance Manager will oversee financial management and compliance; the RHT Program Implementation Manager 1 will lead execution and performance tracking for Rooted in New Mexico; and the Rooted in New Mexico Rural Health Workforce Pipeline Manager will provide initiative-specific monitoring of pipeline deliverables (e.g., rotations/residencies/apprenticeships, K–12 activities, tele-mentoring participation, and incentive structures). Data and Evaluation staff will validate data submissions and support performance measurement, and Operations/Administrative staff will support documentation and compliance tracking.</p> <p>Service commitment enforcement framework: The State will implement Written Five-Year Service Agreements and a Method of Accountability/Enforcement for program participants, including quarterly participant reporting, licensure and FTE validation, site attestations, desk/site reviews, corrective action processes, and graduated remedies (including recoupment on a pro-rata basis where appropriate). Subrecipients will support collection and submission of the documentation required to enable the State’s verification and enforcement activities.</p>																						
<p>Itemized Budget</p>	<p>Subrecipients are TBD and each will be required to submit a detailed, line-item budget (aligned with the SF-424A and all CMS requirements) prior to award.</p> <p>The State has prepared an itemized budget outlined in Appendix A. HCA expects to approve and issue approximately four awards that collectively total up to \$41,621,400.34 aligned with the FFY 2026 budget. See below for a sample individual award (i.e., one of four anticipated) that HCA plans to issue. Please note, specific budgets for each individual award will be contingent on subrecipient proposals in response to the request for proposal.</p> <p>Estimated Budget for Individual Rooted in New Mexico Award (FFY2026) (Anticipating Four Total Awards)</p> <table border="1" data-bbox="396 1539 1419 1890"> <thead> <tr> <th data-bbox="396 1539 873 1570">Cost Component</th> <th data-bbox="878 1539 1419 1570">FFY 2026</th> </tr> </thead> <tbody> <tr> <td data-bbox="396 1577 873 1608">Personnel</td> <td data-bbox="878 1577 1419 1608">\$340,661.97</td> </tr> <tr> <td data-bbox="396 1614 873 1646">Fringe Benefits</td> <td data-bbox="878 1614 1419 1646">\$119,231.69</td> </tr> <tr> <td data-bbox="396 1652 873 1684">Travel</td> <td data-bbox="878 1652 1419 1684">\$18,096.26</td> </tr> <tr> <td data-bbox="396 1690 873 1722">Equipment</td> <td data-bbox="878 1690 1419 1722">\$392,756.93</td> </tr> <tr> <td data-bbox="396 1728 873 1759">Supplies</td> <td data-bbox="878 1728 1419 1759">\$34,066.20</td> </tr> <tr> <td data-bbox="396 1766 873 1797">Contractual</td> <td data-bbox="878 1766 1419 1797">\$9,364,815.08</td> </tr> <tr> <td data-bbox="396 1803 873 1835">Construction</td> <td data-bbox="878 1803 1419 1835">\$0.00</td> </tr> <tr> <td data-bbox="396 1841 873 1873">Other</td> <td data-bbox="878 1841 1419 1873">\$0.00</td> </tr> <tr> <td data-bbox="396 1879 873 1911">Indirect Costs</td> <td data-bbox="878 1879 1419 1911">\$135,721.96</td> </tr> <tr> <td data-bbox="396 1917 873 1948">Total</td> <td data-bbox="878 1917 1419 1948">\$10,405,350.09</td> </tr> </tbody> </table>	Cost Component	FFY 2026	Personnel	\$340,661.97	Fringe Benefits	\$119,231.69	Travel	\$18,096.26	Equipment	\$392,756.93	Supplies	\$34,066.20	Contractual	\$9,364,815.08	Construction	\$0.00	Other	\$0.00	Indirect Costs	\$135,721.96	Total	\$10,405,350.09
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Category	Description																						
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Table 13. Rural Health Innovation Fund Subrecipient Agreement Framework

Category	Description
Name of Subrecipient	<ul style="list-style-type: none"> • TBD – New Mexico has not yet identified specific implementation partners for the Rural Health Innovation Fund. • The State intends to establish a request for applications process to identify implementation partners for the Rural Health Innovation Fund. The State intends to award funding to multiple implementation partners through the request for application process. The State has not yet identified the number of awards and/or individual award amounts, as they will vary based on selected applications, community-defined needs, and proposed scopes of work (see below for potential SOW activities). • The State will solicit applications during a defined annual funding cycle and competitively evaluate submissions using defined selection criteria (e.g., technical merit, feasibility, community alignment, and impact on rural and tribal communities). • The State will apply guardrails to avoid duplication with other State-facilitated grant programs and to comply with Federal and State procurement requirements.



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Category	Description
Period of Performance	<ul style="list-style-type: none"> The State is assuming an initial period of performance from July 1, 2026, through September 30, 2027 (15 months; aligned with full spending period for RHT Program Year 1)
Scope of Work	<p>Potential implementation partners will define their proposed use of Rural Health Innovation Fund grant funding through competitive application submission. Implementation partners will lead efforts to implement community-designed, community-led initiatives that improve rural health access, outcomes, and/or patient safety through locally tailored programs. The State will solicit proposals that could reflect the following Scope of Work activities.</p> <ul style="list-style-type: none"> Community-Led Prevention and Chronic Disease Initiatives: <ul style="list-style-type: none"> Develop and delivery local prevention programs (e.g., screening, counseling, education) and chronic disease management programs aligned to community infrastructure and needs Integrate referral pathways to appropriate clinical and social supports based on existing community partnerships and infrastructure Behavioral Health and SUD/ODU Access Improvements: <ul style="list-style-type: none"> Implement or expand mental health screening integration, substance use disorder services, peer supports, and other community-based behavioral health access strategies that connect residents to timely care Non-Medical Drivers of Health: <ul style="list-style-type: none"> Implement community-tailored programs addressing priorities such as transportation, food security, and other locally defined barriers limiting access and/or benefits from health care services Preventive Services Expansion: <ul style="list-style-type: none"> Expand preventive services such as dental, vision, and hearing (where allowable per RHT program requirements) through community-based approaches that increase reach and reduce barriers to care. Facility / Equipment Improvements for Patient Safety and Access: <ul style="list-style-type: none"> Fund minor renovations, purchase necessary medical equipment, or make other allowable improvements for rural healthcare facilities to improve patient safety, quality of care, and access. <p>Deliverables will be contingent on each individual subgrant agreement. Example deliverables may include: approved implementation workplan and timeline; implementation of funded activities consistent with the approved workplan; routine performance and financial reports (at least quarterly; monthly if required by the State based on risk/award terms); documentation of project outputs and outcomes, including progress toward achieving at least 80% of stated objectives where feasible within the period; and a closeout package including final narrative, final financial reconciliation, and documentation needed for State and CMS reporting.</p>
Method of Accountability	<p>HCA will oversee awards using a monitoring approach consistent with federal and State requirements and the State’s program governance model. Monitoring will include: (1) pre-award review and risk screening; (2) executed award agreements defining scope, deliverables, timelines, reporting requirements, and performance measures; (3) verification of allowability and performance prior to invoice approval/payment; (4) routine programmatic and financial reporting; (5) desk reviews and targeted on-site monitoring (as appropriate based on risk, award size, and project type); and (6) formal closeout review.</p> <p>Monitoring roles: Contract supervision will be led by the RHT Program Director (overall program oversight), RHT Finance Director and Finance Manager (financial compliance and allowability), and RHT Program Implementation Manager 2 (initiative execution and performance tracking for Rural Health Innovation Fund). Day-to-day subgrant administration will be supported by the Rural Health Innovation Fund Subgrant Manager, with community engagement and applicant support facilitated by the Community Health Innovation Liaison. The Data and Evaluation Manager/Analyst will validate performance data and support</p>



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Category	Description																																												
	reporting to CMS; Operations and Administrative staff will support documentation, scheduling, and records management.																																												
Itemized Budget	<p>Implementation partners are TBD and each will be required to submit a detailed, line-item budget (aligned with the SF-424A and all CMS requirements) prior to award.</p> <p>The State has prepared an itemized budget outlined in Appendix A. HCA expects to approve and issue multiple awards that collectively total up to \$46,041,369.37 aligned with the FFY 2026 budget. HCA anticipates individual award amounts may vary in size based on the community-specific proposal and associated needs. On average, HCA anticipates contractual awards will likely average approximately \$5,000,000 across all awards. Please note, specific budgets for each individual award will be contingent on subrecipient proposals in response to the request for proposal. The estimated budget outlined below aligns with the anticipated average award amount for Rural Health Innovation Fund proposals.</p> <p>Estimated Budget for Individual Rural Health Innovation Fund Award (FFY2026) (Assuming an average award amount of \$5,000,000 across multiple awards)</p> <table border="1"> <thead> <tr> <th>Cost Component</th> <th>FFY 2026</th> </tr> </thead> <tbody> <tr> <td>Personnel</td> <td>\$163,695.58</td> </tr> <tr> <td>Fringe Benefits</td> <td>\$57,293.45</td> </tr> <tr> <td>Travel</td> <td>\$8,695.65</td> </tr> <tr> <td>Equipment</td> <td>\$188,728.37</td> </tr> <tr> <td>Supplies</td> <td>\$16,369.56</td> </tr> <tr> <td>Contractual</td> <td>\$4,500,000.00</td> </tr> <tr> <td>Construction</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$0.00</td> </tr> <tr> <td>Indirect Costs</td> <td>\$65,217.39</td> </tr> <tr> <td>Total</td> <td>\$5,000,000.00</td> </tr> </tbody> </table> <p>Total Estimated Budget for All Rural Health Innovation Fund Awards (FFY2026)</p> <table border="1"> <thead> <tr> <th>Cost Component</th> <th>FFY 2026</th> </tr> </thead> <tbody> <tr> <td>Personnel</td> <td>\$1,507,353.73</td> </tr> <tr> <td>Fringe Benefits</td> <td>\$527,573.78</td> </tr> <tr> <td>Travel</td> <td>\$80,071.93</td> </tr> <tr> <td>Equipment</td> <td>\$1,737,862.52</td> </tr> <tr> <td>Supplies</td> <td>\$150,735.39</td> </tr> <tr> <td>Contractual</td> <td>\$41,437,232.43</td> </tr> <tr> <td>Construction</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$0.00</td> </tr> <tr> <td>Indirect Costs</td> <td>\$600,539.59</td> </tr> <tr> <td>Total</td> <td>\$46,041,136.94</td> </tr> </tbody> </table> <p>This budget includes assumed administrative and direct costs for Rural Health Innovation Fund implementation partners. Expected cost categories for Rural Health Innovation Fund implementation partners include: Personnel and Fringe (limited administrative staffing for program management, fiscal management, reporting and compliance; note that personnel supporting each proposed award may also be responsible for delivering activities under the approved Rural Health Innovation Fund initiative and some costs may be covered as programmatic); Travel (e.g., travel required to implement identified Rural Health Innovation Fund programming); Equipment (e.g., technology or other equipment required to delivery community-specific program proposals); Supplies (limited and justified costs to facilitate Rural</p>	Cost Component	FFY 2026	Personnel	\$163,695.58	Fringe Benefits	\$57,293.45	Travel	\$8,695.65	Equipment	\$188,728.37	Supplies	\$16,369.56	Contractual	\$4,500,000.00	Construction	\$0.00	Other	\$0.00	Indirect Costs	\$65,217.39	Total	\$5,000,000.00	Cost Component	FFY 2026	Personnel	\$1,507,353.73	Fringe Benefits	\$527,573.78	Travel	\$80,071.93	Equipment	\$1,737,862.52	Supplies	\$150,735.39	Contractual	\$41,437,232.43	Construction	\$0.00	Other	\$0.00	Indirect Costs	\$600,539.59	Total	\$46,041,136.94
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Category	Description
	<p>Health Innovation Fund programs); Contractual/Programmatic (primary category supporting community-specific Rural Health Innovation Fund program implementation).</p> <p>We have assumed a 15 percent de minimis indirect costs rate consistent with federal requirements. Indirect costs could include general overhead or other expenses that we cannot readily identify. Upon submission for HCA review, all budgets must include sufficient justification to explain the necessity and reasonableness of each cost category and its relationship to the approved scope of work.</p> <p>As noted above – implementation partners will be required to submit an itemized budget prior to award. The RHT Program Finance Director and RHT Program Finance Manager will review each budget for completeness, accuracy, and alignment with Federal requirements prior to the RHT Program Director approving award.</p>

Table 14. Bridge to Resilience Contractor Agreement Framework

Category	Description
Name of Contractor	<ul style="list-style-type: none"> TBD – New Mexico has not yet identified the specific contractor to establish the Center for Rural Health Sustainability & Innovation (CRHSI) under the Bridge to Resilience initiative.
Method of Selection	<ul style="list-style-type: none"> The State will use a competitive request for proposals to identify and select a single prime contractor to establish the CRHSI, and this contractor may engage with additional subcontractors. This procurement will not be a sole source opportunity. The State anticipates completing the procurement process in Spring 2026, with the goal of awarding a contract and establishing the CRHSI by July 1, 2026. The State will base selection on technical expertise, demonstrated experience supporting rural providers, operational and organizational capacity to deliver statewide services, scalability and sustainability planning, and overall value.
Period of Performance	<ul style="list-style-type: none"> The State is assuming an initial period of performance from July 1, 2026, through September 30, 2027 (15 months; aligned with full spending period for RHT Program Year 1). The State anticipates the CRHSI contractor will deliver support for each of the five RHT Program funding years.
Scope of Work	<p>The CRHSI contractor will deliver a defined CRHSI service package designed to stabilize and strengthen rural provider operations and support long-term sustainability. Scope of Work activities will include:</p> <ul style="list-style-type: none"> Technical Assistance Delivery: <ul style="list-style-type: none"> Provide one-on-one and cohort-based technical assistance to eligible rural providers (e.g., hospitals, rural health clinics, FQHCs, tribal health centers) focused on operational improvement, revenue cycle management, supply chain, clinical documentation, service line optimization, financial performance, and other provider needs (as defined through technical assistance engagement). Fostering Collaboration: <ul style="list-style-type: none"> Implement shared services and support regional collaborations (e.g., referral pathways, back-office services, joint purchasing) Develop partnership agreements among rural healthcare facilities Provider Education and Learning Collaboratives: <ul style="list-style-type: none"> Develop and deliver training materials, workshops, and learning collaboratives on high-priority topics for rural healthcare providers (e.g., emerging technologies, financial sustainability, policy changes). Data Analytics: <ul style="list-style-type: none"> Coordinate with State analytics efforts (e.g., Rural Health Data Hub) to build provider data literacy and develop public-facing dashboards with actionable insights and information for rural healthcare providers.



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	<ul style="list-style-type: none"> RHT Program Management Support: <ul style="list-style-type: none"> Assist HCA with RHT Program Management functions (as required), including providing the internal and external technical assistance necessary to establish and facilitate each of the State’s RHT Program initiatives. <p>Example CRHSI deliverables will include (at minimum): (1) CRHSI operational plan and service catalog; (2) standardized TA intake and triage process (service request workflow; public facing portal); (3) provider assessment tools and TA workplan templates; (4) completed TA engagement summaries with documented outputs/outcomes; (5) learning collaborative curriculum and session materials; (6) partnership facilitation outputs (e.g., MOUs, referral pathway documentation, shared service proposals and outcomes); (7) routine performance reports and financial invoices tied to deliverables/milestones; and (8) closeout package including final performance summary and final financial reconciliation.</p>																						
Method of Accountability	<p>HCA will manage and monitor the contractor using a performance-based monitoring plan that ties payments to accepted deliverables and milestones. Monitoring will include: (1) contract kickoff and detailed implementation plan approval; (2) recurring status meetings (e.g., weekly/biweekly); (3) milestone and deliverable reviews with documented acceptance criteria; (4) invoice validation against deliverables and allowable costs; (5) periodic performance reporting and corrective action processes if deliverables are delayed or quality thresholds are not met; and (6) formal closeout review and reconciliation.</p> <p>Monitoring roles: Contract supervision will be led by the RHT Program Director (overall), RHT Operations Manager (day-to-day contract management and coordination), and RHT Program Implementation Manager 2 (initiative performance tracking). The CRHSI Rural Technical Assistance & Systems Support Manager will serve as the initiative-aligned technical lead for validating TA service quality and outputs. Financial oversight will be led by the RHT Finance Director with support from the Finance Manager/Analyst. Data and Evaluation staff will validate outcome reporting and support CMS reporting alignment.</p>																						
Itemized Budget	<p>The CRHSI contractor is TBD, and prospective contractors will be required to submit a detailed, line-item budget (aligned with the SF-424A and all CMS requirements) as part of their proposal and prior to award.</p> <p>The State has prepared an itemized budget outlined in Appendix A. HCA expects to approve and issue one award totaling \$25,100,772.81 aligned with the FFY 2026 budget. Please note, the specific budgets for the individual award will be contingent on the selected subrecipient’s proposal in response to the request for proposal.</p> <p>Estimated Budget for Bridge to Resilience Award (FFY2026)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #005596; color: white;">Cost Component</th> <th style="background-color: #005596; color: white;">FFY 2026</th> </tr> </thead> <tbody> <tr> <td>Personnel</td> <td>\$1,313,045.19</td> </tr> <tr> <td>Fringe Benefits</td> <td>\$459,565.82</td> </tr> <tr> <td>Travel</td> <td>\$138,398.06</td> </tr> <tr> <td>Equipment</td> <td>\$0.00</td> </tr> <tr> <td>Supplies</td> <td>\$82,177.71</td> </tr> <tr> <td>Contractual</td> <td>\$22,590,695.54</td> </tr> <tr> <td>Construction</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$189,489.11</td> </tr> <tr> <td>Indirect Costs</td> <td>\$327,401.38</td> </tr> <tr> <td>Total</td> <td>\$25,100,772.81</td> </tr> </tbody> </table> <p>This budget includes administrative and direct costs for the CRHSI. Expected cost categories for the Bridge to Resilience initiative and the CRHSI contractor include: Personnel and Fringe (limited administrative staffing for program management, grant / fiscal management, reporting and compliance; note that personnel supporting the CRHSI may also be responsible for</p>	Cost Component	FFY 2026	Personnel	\$1,313,045.19	Fringe Benefits	\$459,565.82	Travel	\$138,398.06	Equipment	\$0.00	Supplies	\$82,177.71	Contractual	\$22,590,695.54	Construction	\$0.00	Other	\$189,489.11	Indirect Costs	\$327,401.38	Total	\$25,100,772.81
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Category	Description
	<p>delivering activities under the approved Bridge to Resilience initiative and some costs may be covered as programmatic); Travel (e.g., travel required to facilitate technical assistance activities with providers across New Mexico); Supplies (limited and justified costs to facilitate establish the CRHSI); Contractual/Programmatic (primary category supporting technical assistance, shared services, data analytics, provider education and learning collaborative facilitation, etc.); and Other (additional costs required to administer CRHSI services, such as funds to secure learning collaborative space, TA intake and management software fees).</p> <p>We have assumed a 15 percent de minimis indirect costs rate consistent with federal requirements. Indirect costs could include general overhead or other expenses that we cannot readily identify. Upon submission for HCA review, all budgets must include sufficient justification to explain the necessity and reasonableness of each cost category and its relationship to the approved scope of work.</p> <p>As noted above – the contractor will be required to submit an itemized budget prior to award. The RHT Program Finance Director and RHT Program Finance Manager will review the budget for completeness, accuracy, and alignment with Federal requirements prior to the RHT Program Director approving award.</p>

Table 15. Rural Health Data Hub Contractor Agreement Framework

Category	Description
Name of Contractor	<ul style="list-style-type: none"> TBD – New Mexico has not yet identified the specific contractor to support the Rural Health Data Hub initiative.
Method of Selection	<ul style="list-style-type: none"> The State will use a competitive request for proposals to identify and select a single prime contractor to implement the Rural Health Data Hub initiative. This procurement will not be a sole source opportunity. The State anticipates completing the procurement process in Spring-Summer 2026, with the goal of awarding a contract by Summer-Fall 2026. The State will base selection on technical expertise, demonstrated experience with health data platforms and interoperability, data governance and security posture, ability to deliver rural-specific analytics and public-facing interfaces, and overall value.
Period of Performance	<ul style="list-style-type: none"> The State is assuming an initial period of performance from July 1, 2026, through September 30, 2027 (15 months; aligned with full spending period for RHT Program Year 1). The State anticipates the Rural Health Data Hub contractor will deliver support for each of the five RHT Program funding years.
Scope of Work	<p>The Rural Health Data Hub contractor will design, implement, and support HCA and partner state agencies to improve rural health data transparency and analytic capabilities to support rural healthcare providers and communities. Scope of Work activities will include:</p> <ul style="list-style-type: none"> Platform Architecture and Development: <ul style="list-style-type: none"> Develop a secure statewide analytics platform (or expand existing infrastructure as directed by the State), including environment setup, scalability planning, and operational support processes (e.g., service desk, incident management) Data Integration and Pipelines: <ul style="list-style-type: none"> Create interfaces and automated ingestion / update pipelines to integrate prioritized data sources (e.g., Medicaid claims, HIE clinical data, public health data, closed-loop referral system data) Incorporate telehealth and other technology (e.g., remote patient monitoring) data elements into the Rural Health Data Hub environment (where applicable) Analytics and Visualization Products: <ul style="list-style-type: none"> Develop rural-specific dashboards, queries, and reports to support access, quality, and sustainability planning for rural healthcare providers



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Category	Description
	<ul style="list-style-type: none"> ○ Enable predictive analytics use cases where feasible and aligned with State RHT Program priorities and initiatives ○ Coordinate with the CRHSI contractor to make public-facing dashboards available to rural healthcare providers and community members ● External User Enablement and Training: <ul style="list-style-type: none"> ○ Deliver training and technical assistance to rural healthcare providers on engaging with the Rural Health Data Hub ○ Develop user guides, data dictionaries, and onboarding materials to support Rural Health Data Hub participation ○ Support provider participation and data contribution / submission ● Data Governance, Privacy, and Security: <ul style="list-style-type: none"> ○ Implement and document security controls, privacy protections, and data governance workflows consistent with State and Federal requirements, including role-based access, audit logging, and data-sharing protocols for any public-facing components. <p>Example Rural Health Data Hub deliverables will include (at minimum): (1) detailed project plan, architecture documents, and implementation schedule; (2) operational data ingestion pipelines and data quality validation routines; (3) initial set of rural-focused dashboards/reports and a roadmap for iteration; (4) training materials and completed training sessions; (5) provider onboarding process and documentation; (6) security and compliance documentation (e.g., policies, procedures, attestations as required); (7) routine performance and financial reporting; and (8) closeout package with final deliverables, transition documentation, and final financial reconciliation.</p>
<p>Method of Accountability</p>	<p>HCA will manage and monitor the contractor using a performance-based monitoring plan that ties payments to accepted deliverables and milestones. Monitoring will include: (1) kickoff and approval of the detailed project plan; (2) recurring technical governance meetings (e.g., weekly during build phases, then biweekly/monthly); (3) documented milestone reviews and deliverable acceptance criteria; (4) security/compliance checkpoints (e.g., architecture and controls reviews); (5) invoice validation against accepted deliverables and allowable costs; and (6) closeout review and reconciliation.</p> <p>Monitoring roles: Contract supervision will be led by the RHT Program Director (overall), RHT Program Implementation Manager 2 (initiative performance tracking), and the Rural Health Data Lead (initiative-aligned technical lead responsible for day-to-day validation of technical deliverables). The Data and Evaluation Manager/Analyst will support requirements definition for metrics, validate analytic outputs for reporting, and coordinate performance measurement. Financial oversight will be led by the RHT Finance Director with support from Finance Manager/Analyst. Operations staff will support contract administration, and Communications staff may support public-facing communications about Rural Health Data Hub capabilities as appropriate.</p>
<p>Itemized Budget</p>	<p>The Rural Health Data Hub contractor is TBD, and prospective contractors will be required to submit a detailed, line-item budget (aligned with the SF-424A and all CMS requirements) as part of their proposal and prior to award.</p> <p>The State has prepared an itemized budget outlined in Appendix A. HCA expects to approve and issue one award totaling \$15,538,795.02 aligned with the FFY 2026 budget. Please note, the specific budgets for the individual award will be contingent on the selected subrecipient's proposal in response to the request for proposal.</p>



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Category	Description																						
	Estimated Budget for Rural Health Data Hub Award (FFY2026)																						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #005596; color: white;">Cost Component</th> <th style="background-color: #005596; color: white;">FFY 2026</th> </tr> </thead> <tbody> <tr> <td>Personnel</td> <td>\$812,849.08</td> </tr> <tr> <td>Fringe Benefits</td> <td>\$284,497.18</td> </tr> <tr> <td>Travel</td> <td>\$85,676.21</td> </tr> <tr> <td>Equipment</td> <td>\$0.00</td> </tr> <tr> <td>Supplies</td> <td>\$50,872.64</td> </tr> <tr> <td>Contractual</td> <td>\$13,984,915.53</td> </tr> <tr> <td>Construction</td> <td>\$0.00</td> </tr> <tr> <td>Other</td> <td>\$117,304.45</td> </tr> <tr> <td>Indirect Costs</td> <td>\$202,679.93</td> </tr> <tr> <td>Total</td> <td>\$15,538,795.02</td> </tr> </tbody> </table>	Cost Component	FFY 2026	Personnel	\$812,849.08	Fringe Benefits	\$284,497.18	Travel	\$85,676.21	Equipment	\$0.00	Supplies	\$50,872.64	Contractual	\$13,984,915.53	Construction	\$0.00	Other	\$117,304.45	Indirect Costs	\$202,679.93	Total	\$15,538,795.02
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Total	\$15,538,795.02																						
	<p>This budget includes administrative and direct costs for the Rural Health Data Hub. Expected cost categories for the Rural Health Data Hub and the TBD contractor include: Personnel and Fringe (limited administrative staffing for program management, grant / fiscal management, reporting and compliance; note that personnel supporting the CRHSI may also be responsible for delivering activities under the approved Rural Health Data Hub initiative and some costs may be covered as programmatic); Travel (e.g., travel required to provide technical assistance to rural healthcare providers); Supplies (limited and justified costs to establish and facilitate the Rural Health Data Hub and associated activities); Contractual/Programmatic (primary category supporting technical Rural Health Data Hub architecture, development, implementation, training and technical assistance, etc.); and Other (costs required to facilitate Rural Health Data Hub, such as technology or software costs that a prospective vendor may leverage to support Rural Health Data Hub build and implementation).</p> <p style="background-color: yellow;">We have assumed a 15 percent de minimis indirect costs rate consistent with federal requirements. Indirect costs could include general overhead or other expenses that we cannot readily identify. Upon submission for HCA review, all budgets must include sufficient justification to explain the necessity and reasonableness of each cost category and its relationship to the approved scope of work.</p> <p>As noted above – the contractor will be required to submit an itemized budget prior to award. The RHT Program Finance Director and RHT Program Finance Manager will review the budget for completeness, accuracy, and alignment with Federal requirements prior to the RHT Program Director approving award.</p>																						

“Consultant / Subrecipient / Contractual Costs” also includes direct provider payments. Direct payments will be used to incentivize participation with specific RHT Program initiatives. **Table 16** defines how the State intends to use provider payments for specific initiatives.

Table 16. Summary of Proposed Direct Provider Payments

Initiative	Provider Payment Methods
Healthy Horizons	<ul style="list-style-type: none"> • Incentive payment models for rural hospitals and clinics to establish specialty and maternal care service lines • Value-based care arrangements to sustain specialty and maternal care delivery • Incentives for high-need specialty providers to deliver in-person services in rural communities • Incentive payments for providers for technology onboarding and utilization
Rooted in New Mexico	<ul style="list-style-type: none"> • Incentive payments for rural facilities to implement new or additional workforce development programs (e.g., rural rotations, residencies)



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Initiative	Provider Payment Methods
Bridge to Resilience	<ul style="list-style-type: none"> Incentive payments for providers that meet outcome metric targets
Rural Health Data Hub	<ul style="list-style-type: none"> Incentive payments to encourage provider onboarding / participation and aligned with quality of submitted data

In summary, **Table 17** identifies the roughly 95 percent of total assumed RHT Program funding that we intend to use to drive health outcome improvements across New Mexico’s activities through our proposed RHT Program initiatives.

Please note that the costs included in **Table 17** do not include subrecipient and / or contractor administrative costs that have been allocated to the Direct Cost factors described in sections A – E of this Budget Narrative.

A line-item description of specific Subrecipient and Contractor costs for FFY 2026 is available in Appendix A of this document.

Table 17. Subrecipient and Contractor Costs (Non-Administrative) by Initiative (Year 1 / FFY 2026)

Initiative	FFY2026
Healthy Horizons	\$76,361,254.17
Rooted in New Mexico	\$41,621,400.34
Rural Health Innovation Fund	\$46,041,369.37
Bridge to Resilience	\$25,100,772.81
Rural Health Data Hub	\$15,538,795.02
Total	\$204,663,591.71

G. Construction

Not applicable.

H. Other

We are requesting non-programmatic costs that support implementation, oversight, and sustainability of the State’s RHT Program. These expenses are necessary to successfully coordinate, monitor, and administer activities aligned with the program’s goals. These administrative functions (e.g., project management, stakeholder engagement, office operations, grant management systems, compliance support) are critical to maintaining program integrity, facilitating collaboration, and supporting the successful implementation of the RHT Program. The types of costs this funding will support are provided in **Table 18**.

Additionally, other costs include assumed, prospective costs for potential subrecipients and / or contractors. As the State has not yet identified subrecipients or contractors to support implementation, the HCA assumed that roughly 34 percent of subrecipient / contractor administrative costs would be attributable to other costs. Through the subaward and/or contracting process, we will specifically require all subrecipients or contractors to submit a detailed budget aligned with Federal requirements, and we will further refine budgets with actuals in subsequent budget narrative updates.



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Table 18. Other Cost Categories, Descriptions, and Budgets

Category	Description	Budget (FFY 2026)
Administrative and Grants Management Support	6,000 hours (i.e., 3 FTE) of program administration and grants management support at \$250 per hour. HCA plans to contract with an administrative service organization to provide back office administrative support including subaward administration, invoicing, procurement support, reporting, and internal program governance support.	\$1,500,000.00
Office Space and Lease Costs	The 17 HCA RHTP Staff will be located at 3900 Masthead St NE, Albuquerque, NM 87109. The staff will be in a 4000 square foot section of the building at the cost of \$29/sq ft for a total of \$116,000 annually. The lease agreement is “full service” including all property operating expenses, including utilities, janitorial services, maintenance, property taxes, and insurance.	\$116,000.00
Communications and Outreach Materials	Design and dissemination of public-facing materials (e.g., newsletters, infographics, digital content) to inform stakeholders and rural communities about program goals, progress, and opportunities. FFY 2026 costs include: <ul style="list-style-type: none"> • RHT Program Website Development: \$25,000 • RHT Program Website Maintenance: \$20,000 • Infographic Materials: \$5,000 • Quarterly Newsletter Mailers: \$500 • Collateral for Stakeholder Engagement Meetings: \$500 	\$51,000.00
Stakeholder Engagement Facilitation	HCA is planning to facilitate four stakeholder engagement "roadshows" covering each of the four quadrants of the State. For each roadshow, we will facilitate 4 listening sessions / community forums. FFY 2026 costs include: <ul style="list-style-type: none"> • \$600 per listening session, community forum, and/or tribal meeting, including \$250 for reserving public event space (e.g., public library, community centers), \$100 in materials, \$100 for beverages (e.g., water, coffee, tea), \$150 for supplies and incidentals (e.g., name tags, markers, flip charts, folders, accessibility accommodations including extra printed copies and large font hand-outs). • Note: Travel costs are captured under the Travel cost category. 	\$9,600.00
Evaluation and Continuous Improvement	Engagement of evaluators or consultants to assess program effectiveness, identify areas for improvement, and refine administrative processes. HCA anticipates an evaluation partner / contractor will require roughly 2,500 hours at \$200 per hour.	\$500,000.00
Grant Management Systems and Implementation Technologies	Costs for acquiring, customizing, and maintaining grant management software and digital platforms necessary for tracking program activities, managing subawards, monitoring performance metrics, and ensuring compliance with federal and state reporting requirements. Includes licenses, subscriptions, and IT support services essential for effective program oversight and data-driven decision-making.	\$131,599.65



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Category	Description	Budget (FFY 2026)
	<p>HCA has received a tentative quote from a grants management software vendor with an existing Statewide Price Agreement for \$131,599.65, including:</p> <ul style="list-style-type: none"> • Tier 2 Government Package (\$111,290.32) • Deluxe Implementation Support (\$10,349.46) • Implementation Fees (\$9,959.87) 	
Auditing and Program Integrity Support	<p>Costs associated with audits, internal controls, and program integrity functions to ensure fiscal accountability and compliance with federal and state regulations. This includes expenses for audit services, fraud prevention systems, and staff time dedicated to monitoring subrecipient activities, verifying allowable use of funds, and maintaining transparency throughout the RHT Program lifecycle.</p> <p>HCA anticipates there may be a need for an independent auditor / evaluator to assist with program integrity efforts. If there is a necessity for this function, HCA anticipates roughly 3,890 hours at \$200 hours for this independent auditor to partner with the State and contracted Administrative Services Organization to complete the program integrity review.</p>	\$778,023.49

Table 19 reflects projected Other costs for each initiative for program Year 1 (FFY 2026). HCA has allocated other costs by initiative based on anticipated level of need and support across the State’s entire RHT Program.

Table 19. Other Costs by Initiative (Year 1 / FFY 2026)

Initiative	FFY2026
Healthy Horizons	\$1,215,689.27
Rooted in New Mexico	\$679,966.09
Rural Health Innovation Fund	\$425,638.03
Bridge to Resilience	\$514,992.21
Rural Health Data Hub	\$249,937.54
Total	\$3,086,223.14



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I. Total Direct Costs

Table 20 includes a summary of total direct costs and each cost component category for FFY2026. **Table 21** defines administrative vs non-administrative costs for FFY 2026.

Table 20. Total Direct Costs for the RHT Program Funding Period (Year 1 / FFY2026)

Cost Component	FFY 2026
Personnel	\$2,044,202.34
Fringe Benefits	\$714,735.49
Travel	\$86,273.10
Equipment	\$-
Supplies	\$-
Contractual	\$204,663,591.71
Construction	\$-
Other	\$3,086,223.14
Total Direct Charges	\$210,595,025.78

Table 21. Total Administrative vs. Non-Administrative Costs (Year 1 / FFY2026)

Administrative vs. Non-Administrative	FFY 2026
Direct Administrative Costs	\$5,931,434.07
Indirect Administrative Costs	\$889,715.11
Total Administrative Costs	\$6,821,149.18 (3.23%)
Non- Administrative Costs	\$204,663,591.71 (96.77%)
Total Costs	\$211,484,740.89

J. Indirect Costs

The State does not have an approved negotiated indirect cost rate agreement (NICRA), but the State does have an approved Public Assistance Cost Allocation Plan that will be updated to reflect RHT Program funding. To calculate indirect costs, we assumed to charge a de minimis rate of 15% of administrative costs as outlined above. **Table 22** includes all indirect costs for Program Year 1 (FFY 2026).



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Additionally, indirect costs include assumed, prospective costs for potential subrecipients and / or contractors. As the State has not yet identified subrecipients or contractors to support implementation, assumed that 15 percent of subrecipient / contractor administrative costs would be attributable to indirect costs (i.e., de minimis rate). Through the subaward and/or contracting process, we will specifically require all subrecipients or contractors to submit a detailed budget aligned with Federal requirements, and we will further refine budgets with actuals in subsequent budget narrative updates.

Table 20. Total Indirect Costs for the RHT Program Funding Period (Year 1 / FFY2026)

Initiative	FFY 2026
Indirect Charges	\$889,715.11



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Appendix A: Detailed FFY 2026 Budget

Per the Notice of Award received on December 29, 2026, HCA has provided a detailed, line-item FFY 2026 budget for each approved RHT Program initiative aligned with approved funding. The budgets provided in **Tables A-1 through A-5** identify projected administrative and contractual costs by initiative. Through quarterly and annual reporting, HCA will provide CMS updates on FFY 2026 spending aligned to each of the following projections and confirm potential amendments based on utilization as needed.

Table A-1. Detailed FFY 2026 Budget – Healthy Horizons

Healthy Horizons		FFY 2026
	Summary Costs	
a	Personnel	\$808,613.50
b	Fringe	\$282,723.85
c	Travel	\$43,082.47
d	Equipment	\$0.00
e	Supplies	\$0.00
f	Contractual	\$76,361,254.17
g	Construction	\$0.00
h	Other	\$1,215,689.27
i	Total Direct Charges (sum of 6a - 6h)	\$78,711,363.26
j	Indirect	\$352,516.36
k	Totals (sum of 6i and 6j)	\$79,063,879.62
	Total Administrative Costs	\$2,702,625.45
	Detailed Contractual Costs (Subrecipient Funding)	
	CMS Limited Costs	
	Provider Payments	\$15,000,000.00
	Capital Expenditures/Remodels - State DOH Clinical Sites	\$10,000,000.00
	EMR Costs	\$10,000,000.00
	Activities by CMS Allowable Use of Funds	
	Prevention	\$4,000,000.00
	Chronic Disease and Specialty Care	\$12,700,000.00
	Maternal and Child Health	\$5,178,219.55
	Appropriate Care Availability	\$4,000,000.00
	Behavioral Health	\$5,000,000.00
	Post-Acute and LTC	\$4,000,000.00
	Consumer Tech Solutions (e.g., wearables)	\$3,741,517.25
	Fostering Collaboration	\$2,741,517.37
	Total Contractual Costs	\$76,361,254.17
	Total Costs (Administrative + Contractual):	\$79,063,879.62



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Table A-2. Detailed FFY 2026 Budget – Rooted in New Mexico

Rooted in New Mexico		FFY 2026
	Summary Costs	
a	Personnel	\$467,175.12
b	Fringe	\$163,343.24
c	Travel	\$12,387.35
d	Equipment	\$0.00
e	Supplies	\$0.00
f	Contractual	\$41,621,400.34
g	Construction	\$0.00
h	Other	\$679,966.09
i	Total Direct Charges (sum of 6a - 6h)	\$42,944,272.14
j	Indirect	\$198,430.77
k	Totals (sum of 6i and 6j)	\$43,142,702.91
	Total Administrative Costs	\$1,521,302.57
	Detailed Contractual Costs (Subrecipient Funding)	
	CMS Limited Costs	
	Provider Payments - Incentive to stand up workforce program	\$5,000,000.00
	Capital Expenditures/Remodels - Med. Edu. Sites	\$10,000,000.00
	EMR Costs	
	Activities by CMS Allowable Use of Funds	
	Training & Technical Assistance	\$2,000,000.00
	Workforce - Operating costs	\$22,521,896.91
	Fostering Collaboration (e.g., Cross-state collaboration)	\$2,099,503.43
	Total Contractual Costs	\$41,621,400.34
	Total Costs (Administrative + Contractual):	\$43,142,702.91



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Table A-3. Detailed FFY 2026 Budget – Rural Health Innovation Fund

Rural Health Innovation Fund		FFY 2026
	Summary Costs	
a	Personnel	\$322,677.87
b	Fringe	\$112,821.18
c	Travel	\$14,264.31
d	Equipment	\$0.00
e	Supplies	\$0.00
f	Contractual	\$46,041,369.37
g	Construction	\$0.00
h	Other	\$425,638.03
i	Total Direct Charges (sum of 6a - 6h)	\$46,916,770.76
j	Indirect	\$131,310.21
k	Totals (sum of 6i and 6j)	\$47,048,080.97
	Total Administrative Costs	\$1,006,711.60
	Detailed Contractual Costs (Subrecipient Funding)	
	CMS Limited Costs	
	Provider Payments	
	Capital Expenditures/Remodels - Various Uses	
	EMR Costs	
	Activities by CMS Allowable Use of Funds	
	Innovative Care	\$46,041,369.37
	Total Contractual Costs	\$46,041,369.37
	Total Costs (Administrative + Contractual):	\$47,048,080.97



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Table A-4. Detailed FFY 2026 Budget – Bridge to Resilience

Bridge to Resilience		FFY 2026
	Summary Costs	
a	Personnel	\$304,303.02
b	Fringe	\$106,396.60
c	Travel	\$14,450.70
d	Equipment	\$0.00
e	Supplies	\$0.00
f	Contractual	\$25,100,772.81
g	Construction	\$0.00
h	Other	\$514,992.21
i	Total Direct Charges (sum of 6a - 6h)	\$26,040,915.34
j	Indirect	\$141,021.38
k	Totals (sum of 6i and 6j)	\$26,181,936.72
	Total Administrative Costs	\$1,081,163.91
	Detailed Contractual Costs (Subrecipient Funding)	
	CMS Limited Costs	
	Provider Payments	\$5,000,000.00
	Capital Expenditures/Remodels	
	EMR Costs	
	Activities by CMS Allowable Use of Funds	
	Training & Technical Assistance	\$12,020,500.00
	Fostering Collaboration	\$8,080,272.81
	Total Contractual Costs	\$25,100,772.81
	Total Costs (Administrative + Contractual):	\$26,181,936.72



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Table A-5. Detailed FFY 2026 Budget – Rural Health Data Hub

Rural Health Data Hub		FFY 2026
	Summary Costs	
a	Personnel	\$141,432.83
b	Fringe	\$49,450.62
c	Travel	\$2,088.27
d	Equipment	\$0.00
e	Supplies	\$0.00
f	Contractual	\$15,538,795.02
g	Construction	\$0.00
h	Other	\$249,937.54
i	Total Direct Charges (sum of 6a - 6h)	\$15,981,704.28
j	Indirect	\$66,436.39
k	Totals (sum of 6i and 6j)	\$16,048,140.67
	Total Administrative Costs	\$509,345.65
	Detailed Contractual Costs (Subrecipient Funding)	
	CMS Limited Costs	
	Provider Payments - HIE Participation	\$5,000,000.00
	Capital Expenditures/Remodels	
	EMR Costs	
	Activities by CMS Allowable Use of Funds	
	Training & Technical Assistance	\$1,503,998.67
	Data Lake / visuals	\$5,034,796.35
	Consumer-based applications / access (e.g., referral system, cost of care)	\$4,000,000.00
	Total Contractual Costs	\$15,538,795.02
	Total Costs (Administrative + Contractual):	\$16,048,140.67