HRSA Federal Office of Rural Health Policy

Responsibilities, Discretionary Grant Authority, and Recent Funding Levels

Executive Summary

The Federal Office of Rural Health Policy (FORHP) is both HRSA's rural-health policy office and a major grantmaking office. It coordinates rural-health policy across the U.S. Department of Health and Human Services (HHS), evaluates how Medicare, Medicaid, and other federal policies affect rural providers and communities, and administers programs supporting rural hospitals, health networks, workforce development, substance-use treatment, maternal health, telehealth, and rural-health research.

FORHP has broad statutory authority to create and fund rural-health initiatives, but it does not have an unrestricted discretionary fund that it can spend on any project it chooses. Its ability to launch a new grant or demonstration depends on whether the activity fits its rural-health authority and whether appropriated funds are legally available for that purpose.

What FORHP Does

- Advises the HHS Secretary on policies affecting rural hospital financial viability, rural workforce recruitment and retention, and access to high-quality rural care.
- Coordinates rural-health activities across HHS and reviews proposed regulations for their impact on rural communities.
- Funds State Offices of Rural Health, rural hospital improvement programs, rural health networks, workforce and residency programs, maternal-health initiatives, substance-use disorder programs, telehealth initiatives, and rural-health research.
- Administers programs such as the Medicare Rural Hospital Flexibility Program, Small Rural Hospital Improvement Program, Rural Communities Opioid Response Program, Black Lung Clinics Program, Radiation Exposure Screening and Education Program, and Rural Maternity and Obstetrics Management Strategies Program.

Discretionary Grantmaking Authority

The central authority is 42 U.S.C. § 912(b)(5). It authorizes FORHP to administer grants, cooperative agreements, and contracts to provide technical assistance and other activities necessary to support improvements in rural health care. This language is relatively broad and generally permits FORHP to design a rural-health pilot, demonstration, technical-assistance initiative, research project, or service-delivery program without Congress having to name the exact project in statute.

That authority is nevertheless constrained in four important ways:

1. **The project must have a clear rural-health purpose.** FORHP would need to document how the project improves health care access, workforce capacity, provider stability, outcomes, infrastructure, or service delivery in rural areas.

2. **Money must be available in an applicable appropriation.** Congress divides FORHP funding among numerous named programs and accounts. Funds appropriated for a specific program ordinarily cannot be redirected to an unrelated initiative.
3. **The correct funding instrument must be used.** A grant supports a public purpose with relatively limited federal involvement; a cooperative agreement is appropriate when HRSA anticipates substantial programmatic involvement; and a contract is used when HRSA is purchasing defined services or deliverables.
4. **Federal award procedures still apply.** A new initiative would generally require a funding announcement, eligibility criteria, application and review procedures, performance measures, reporting requirements, and compliance with federal grants-management rules, unless a lawful noncompetitive mechanism applies.

Accordingly, FORHP can originate and pursue a new project, but it generally needs one of the following: available flexibility within an existing appropriation or program; authority to use or reprogram unobligated funds consistent with appropriations law; or a new or expanded congressional appropriation for a larger initiative.

Funding Levels During the Past Three Fiscal Years

The following figures represent FORHP grant and cooperative-agreement funding, rather than all spending on contracts, technical assistance, and related investments.

Fiscal Year	FORHP Grant Funding	Total Awards	Average per Award
FY 2023	$327.9 million	614	Approximately $534,000
FY 2024	$339.3 million	620	Approximately $547,000
FY 2025	$342.4 million	638	Approximately $537,000
Three-year total/average	$1.010 billion	1,872	Approximately $539,000

The broader FORHP portfolio—including grants, cooperative agreements, contracts, technical assistance, and related investments—was reported at more than $335 million in FY 2023, more than $365 million in FY 2024, and approximately $365 million in FY 2025. **Using those rounded figures, the overall portfolio averaged approximately $355 million annually over the three-year period.**

Typical Size of an Individual FORHP Award

The overall mean of approximately $539,000 per award can be misleading because it includes large national technical-assistance centers, statewide initiatives, hospital programs, and continuation awards. In practice, awards commonly fall into the following ranges:

- **Planning and network-development grants:** approximately $100,000 annually.
- **Community outreach and service-delivery grants:** commonly $200,000 to $300,000 annually.

- **Targeted workforce, behavioral-health, maternal-health, or hospital initiatives:** often $500,000 to $1 million annually.
- **National technical-assistance centers or major multistate initiatives:** several million dollars annually, with some awards approaching or exceeding $10 million.

FORHP has sufficient legal authority to establish a new rural-health pilot or demonstration. A project in the range of $250,000 to $1 million per recipient per year would be consistent with many existing FORHP programs. A substantially larger national initiative would more likely require an identified appropriations line, congressional direction, or a deliberate allocation within HRSA's annual operating plan.

For an organization seeking FORHP support, the strongest approach would be to frame the proposal as a defined rural-health demonstration with measurable outcomes, identify the most closely related existing FORHP program or appropriations account, and determine whether HRSA could fund it through a competitive notice of funding opportunity, a cooperative agreement, or a congressionally directed expansion of an existing program.

Selected Sources

- **42 U.S.C. § 912, Office of Rural Health Policy:** https://uscode.house.gov/view.xhtml?edition=prelim&num=0&req=granuleid%3AUSC-prelim-title42-section912
- **HRSA Rural Health Grants and Cooperative Agreements:** https://www.hrsa.gov/rural-health/grants
- **HRSA FY 2023 National Award Summary:** https://data.hrsa.gov/api/factsheet/1/00/2023
- **HRSA FY 2024 National Award Summary:** https://data.hrsa.gov/api/factsheet/1/00/2024
- **HRSA FY 2025 National Award Summary:** https://data.hrsa.gov/api/factsheet/1/00/2025
- **HRSA FY 2023 Rural Health Investment Report:** https://www.hrsa.gov/sites/default/files/hrsa/rural-health/resources/hrsa-2023-rural-health-investment.pdf