

Stand Tall for Small

February 19, 2026



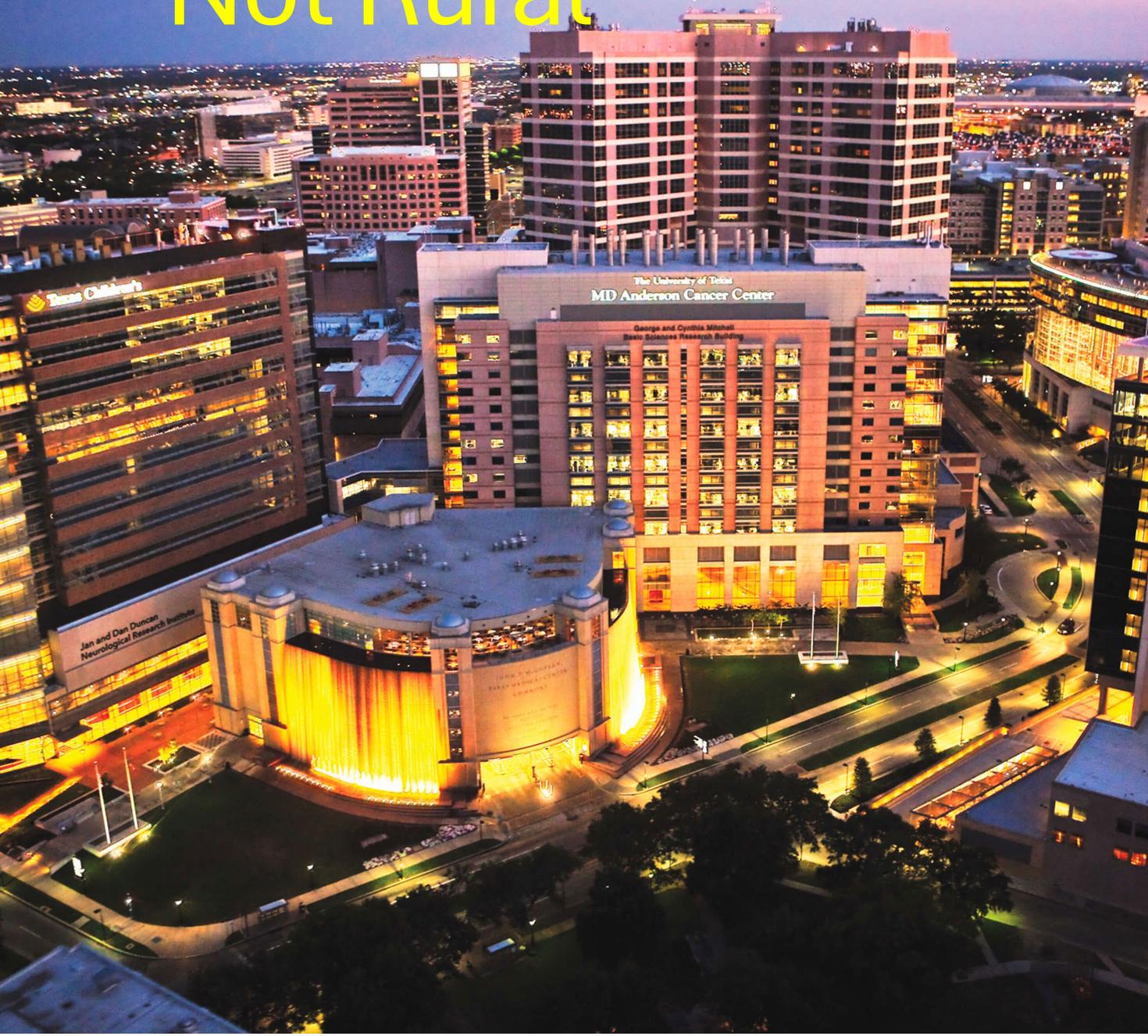
John Henderson
CEO

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3309 Forest Creek Drive #305 | Round Rock, TX 78664 | TorchNet.org



**Texas Organization
of Rural & Community Hospitals**

Not Rural



(very) Rural

Rural Hospital Map

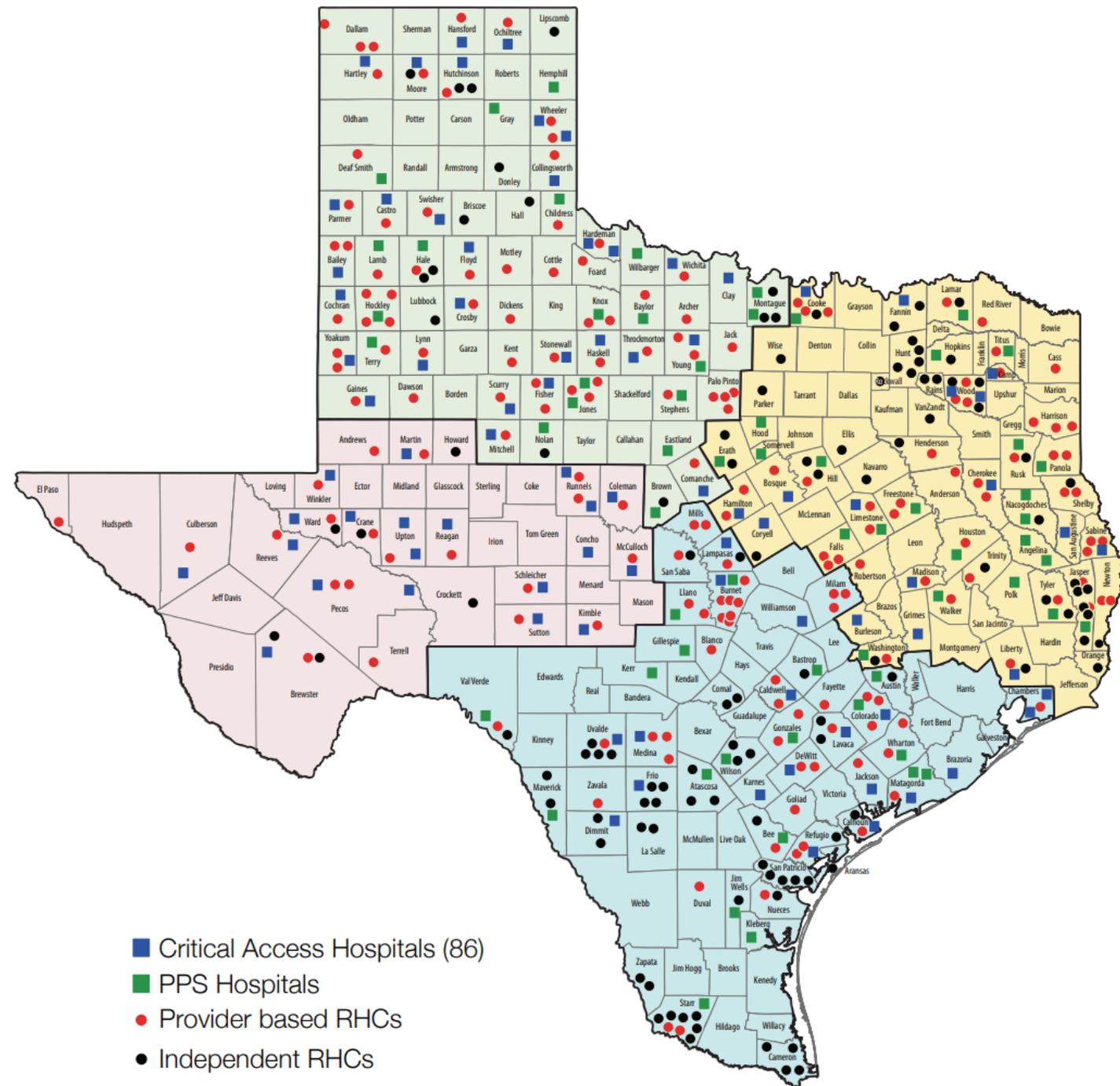
156 Total Hospitals

374 Total Rural Health Clinics (RHC)

86 Trauma Designated

91 CAH

62 OB Services



Rural Texas

-  254 Texas Counties – 201 rural (<68,750) counties (<79%)
-  139 rural counties have hospitals (69.2%); 17 rural counties have two hospitals
-  Texas has approximately 3.5 million (11.5%) people living in rural
-  Texas rural population greater than 21 entire states
-  Median age in rural is 40.4 years (higher than state median of 35.6 years)
-  20% of rural residents are age 65 or older compared to 13.5% statewide



TX Rural Hospital Closures

Hospital	City	County	State	icare Paym	# of Beds	Closure Month	Closure Year
Mid Coast Medical Center - Trinity	TRINITY	Trinity	TX	PPS	21	April	2025
St. Mark's Medical Center	LA GRANGE	Fayette	TX	REH	0	October	2023
Central Hospital of Bowie	Bowie	Montague	TX	MDH	37	February	2020
Texas General - Van Zandt Regional Medical Center	Grand Saline	Van Zandt	TX	PPS	1	August	2019
Hamlin Memorial Hospital	Hamlin	Jones	TX	MDH	25	July	2019
Chillicothe Hospital	Chillicothe	Hardeman	TX	CAH	21	July	2019
Little River Healthcare Cameron Hospital	Cameron	Milam	TX	PPS	6	December	2018
Little River Healthcare Rockdale Hospital	Rockdale	Milam	TX	CAH	25	December	2018
Stamford Memorial Hospital	Stamford	Jones	TX	PPS	22	July	2018
Weimar Medical Center	Weimar	Colorado	TX	PPS	38	November	2017
Care Regional Medical Ctr	Aransas Pass	San Patricio	TX	PPS	63	August	2017
Gulf Coast Medical Center	Wharton	Wharton	TX	PPS	94	November	2016
Nix Community General Hospital	Dilley	Frio	TX	PPS	18	September	2016
Hunt Regional Community Hospital of Commerce	Commerce	Hunt	TX	CAH	24	May	2015
East Texas Medical Center Clarksville	Clarksville	Red River	TX	MDH	43	December	2014
East Texas Medical Center Mount Vernon	Mt Vernon	Franklin	TX	MDH	49	December	2014
East Texas Medical Center Gilmer	Gilmer	Upshur	TX	PPS	37	October	2014
Good Shepherd Med Ctr	Linden	Cass	TX	CAH	25	April	2014
Lake Whitney Med Ctr	Whitney	Hill	TX	MDH	49	March	2014
Wise Regional Health System-Bridgeport	Bridgeport	Wise	TX	PPS	36	December	2013
Shelby Regional Medical Center	Center	Shelby	TX	PPS	54	July	2013
Renaissance Hospital Terrell	Terrell	Kaufman	TX	PPS	106	February	2013
Dickerson Memorial Hospital	Jasper	Jasper	TX	PPS	24	July	2008
Fayette Memorial Hospital	La Grange	Fayette	TX	PPS	24	July	2005
Deleon Hospital	De Leon	Comanche	TX	CAH	14	July	2005

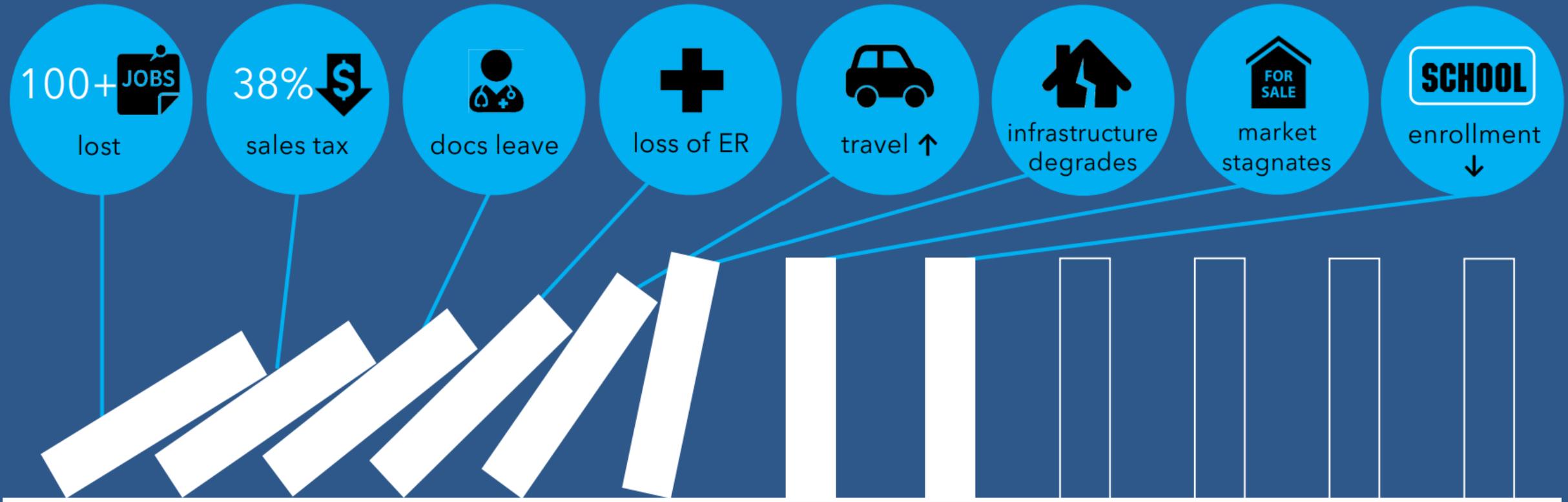
Texas Hospital Closures – 25

- 2025 – 1
- 2023 – 1
- 2020 – 1
- 2019 – 3
- 2018 – 3
- 2017 – 2
- 2016 – 2
- 2015 – 1
- 2014 – 5
- 2013 – 3
- 2008 – 1
- 2005 - 2

- PPS – 14
- MDH - 5
- CAH – 5
- REH - 1

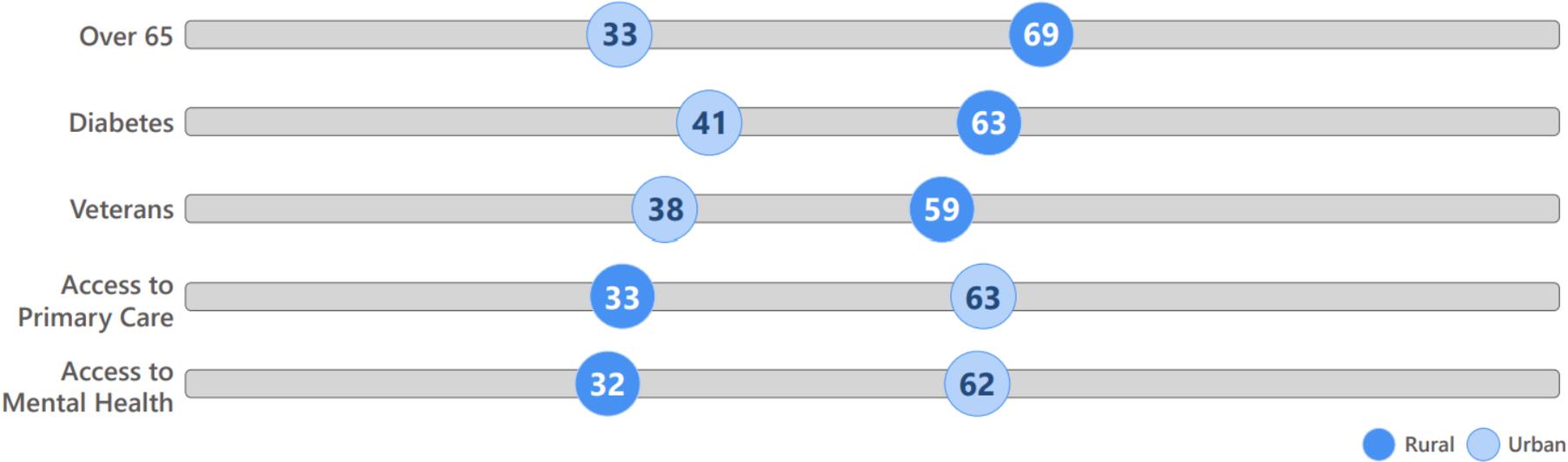


“If you want to watch a rural community die, kill its hospital.”



CONTEXT – WHAT MAKES RURAL DIFFERENT:

Figure 7: Disparity between rural and urban communities.



Rural Texas Strong *aka Rural Health Transformation (RHT)* *aka OB3, OBBBA or HR 1*

Summary:

- \$50b is massive investment in Rural Health – all 50 states applied by 11/5/25 deadline
- CMS announcement regarding state awards released 12/29/25: Texas will receive at least \$281k x 5 years (\$1.4b)
- Federal allocations to qualifying states should start in early 2026
- Funding to qualifying rural entities should flow by late 2026
- Texas application includes 6 initiatives

The rural health 'Hunger Games' are underway

States are scrambling for a piece of a \$50 billion fund. It's unclear where the money will go.



Centers for Medicare and Medicaid Services Administrator Dr. Mehmet Oz will have broad discretion to decide how half of a \$50 billion rural health fund is spent. | Francis Chung/POLITICO

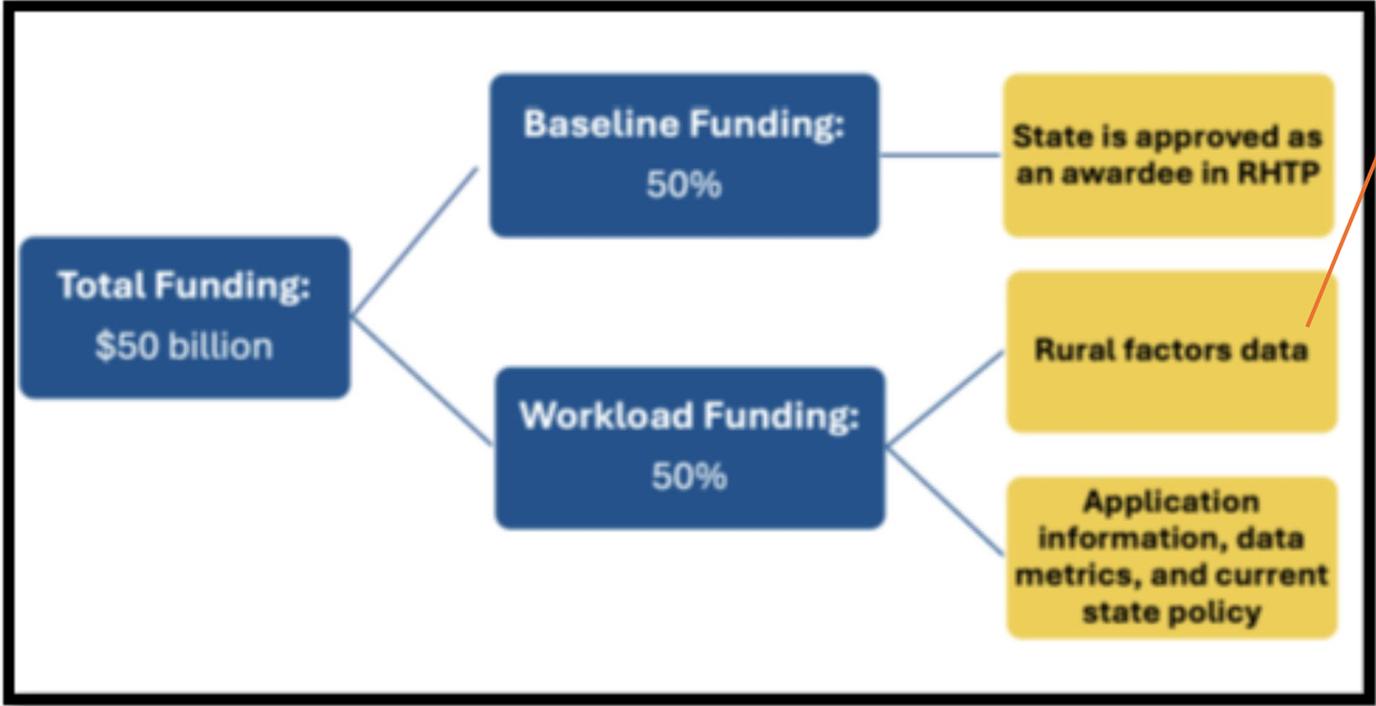
By ALICE MIRANDA OLLSTEIN

09/15/2025 10:00 AM EDT

Updated: 09/16/2025 05:49 PM EDT



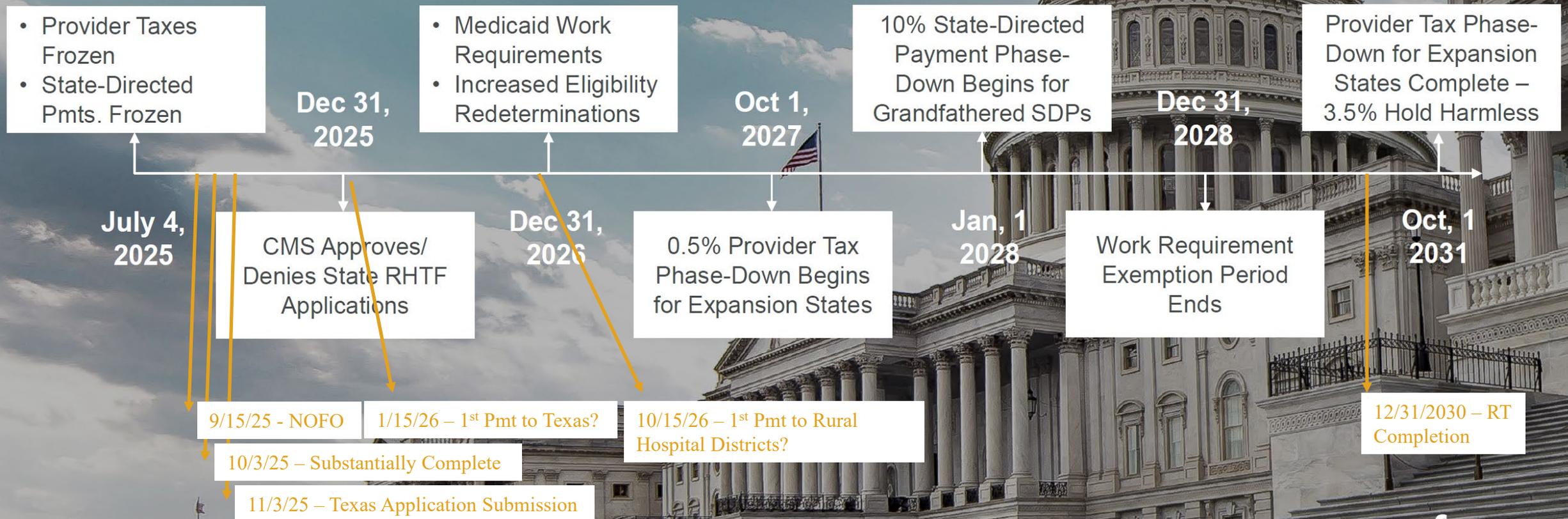
\$10b/yr x 5 = \$50b



State	Weighted Score	Rural Population		Hospital Facilities	Non-Hospital Facilities
		a1	a1_score	a2a	a2b
TX	2.103	4,271,728	4	209	1139
CA	1.957	2,760,120	3.755	116	2951
NM	1.815	788,291	1.633	35	275
MT	1.774	593,400	1.143	56	199
AK	1.763	274,972	0.327	18	220
MO	1.376	2,073,283	3.102	76	770
MS	1.376	1,751,555	2.857	82	555
NC	1.362	2,958,609	3.918	74	804
GA	1.350	2,448,694	3.592	90	560
OK	1.282	1,579,235	2.531	95	355
KS	1.254	1,163,696	2.286	111	353

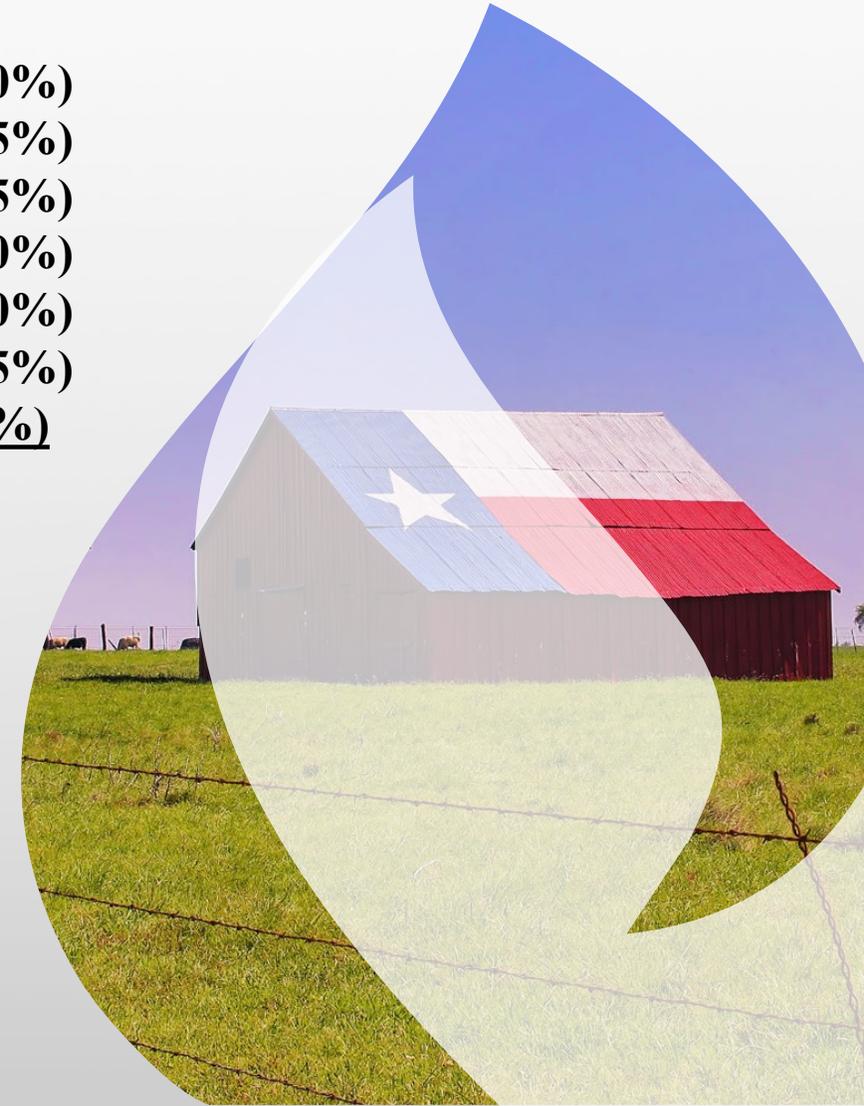
OBBBA Implementation Timeline

Provisions impacting provider finances have staggered implementation dates.



Initiatives (published 11/6/25 – updated 2/6/26)

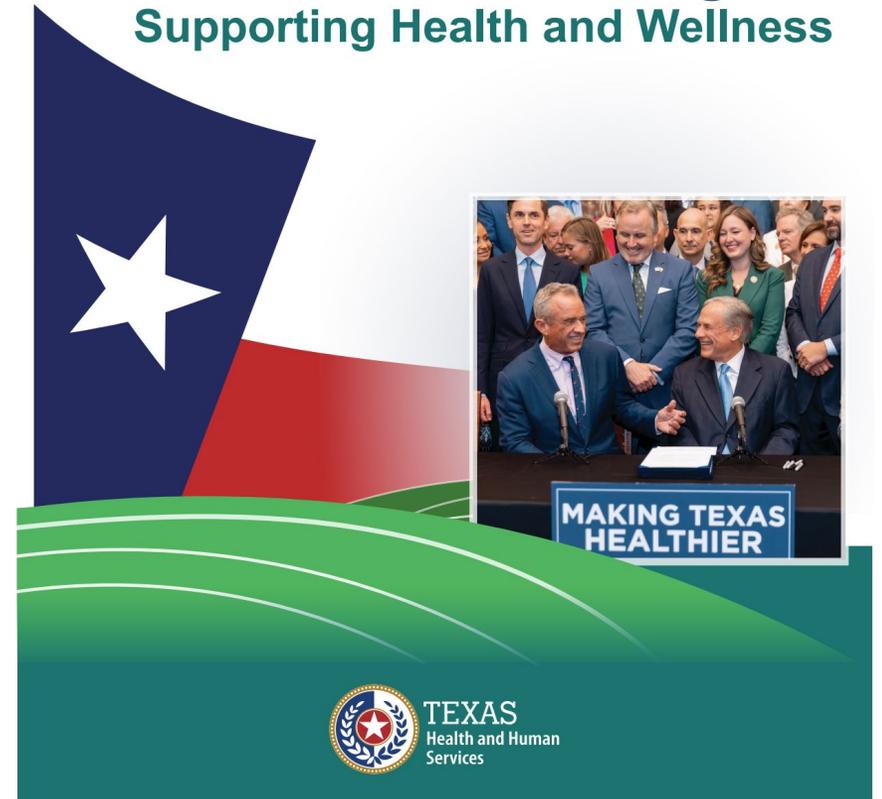
1. MRTHA – chronic disease mgmt., wellness, nutrition	\$280m (~20%)
2. RT Patients in the Drivers Seat - Portal & HIE	\$210m (~15%)
3. Lone Star AI & Tele	\$210m (~15%)
4. Next Generation Small Town Doc & Team – Workforce	\$280m (~20%)
5. UCI (5% cap) & Cyber	\$140m (~10%)
6. Capital Equipment & Infrastructure	\$210m (~15%)
<u>Admin (goal is 3%)</u>	<u>\$ 70m (~5%)</u>
Total	\$1.4b



Forecast (advice):

- Expect Texas to receive more than any other state, and be at the front of the line to claim additional dollars as other states miss targets & policy commitments
- Start an RHT file and **keep your receipts** related to all initiatives beginning 1/1/26
- Expect MAHA, workforce, cyber, and capital equipment initiatives to be administered by HHSC and move relatively quickly
- Expect the innovation initiatives (HIE, AI, tele, EMR) to be subcontracted to non-profit or CIN, move a little slower, and rely on aggregation/scale as mechanism for sustainability
- All rural providers (hospital, RHC, FQHC, BH, Opioid, EMS, Pharmacy) will be eligible to participate
- In most cases, hospital district will lead, but where there are multiple qualifying organizations, **engage at the county level** (examples on next slide)

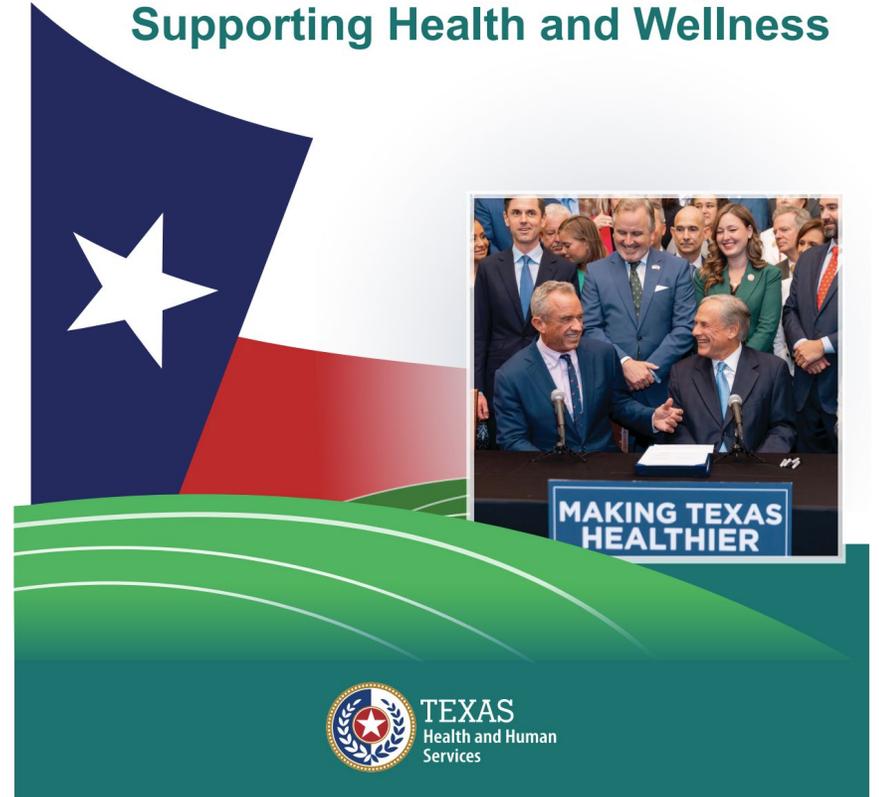
Rural Texas Strong: Supporting Health and Wellness



Engagement

- Workforce Initiative (agreements require 5 year commitment and no non-compete clauses):
 - Reference DSHS ratios by county:
<https://healthdata.dshs.texas.gov/dashboard/health-care-workforce/hprc/health-profession-supply>
 - Consider Rural Rotations and/or Housing
 - Possible workforce priorities:
 - Physician (family medicine, OB, or specialty)
 - Nursing & Allied Health
 - Dietitians & Community Health Workers
 - Paramedics & Pharmacy Techs
 - Managers & Coders
- Possible Capital Equipment Priorities:
 - Imaging or Lab equipment
 - OR or ER renovation (new construction not permitted)
 - EMS defibrillators or stretchers
 - Clinic equipment
 - Pharmacy automation

Rural Texas Strong: Supporting Health and Wellness



Additional Information

- Bill Text: <https://www.congress.gov/bill/119th-congress/house-bill/1/text>
- Program Summary: <https://www.cms.gov/priorities/rural-health-transformation-rht-program/overview>
- Texas Leadership Meetings: <https://gov.texas.gov/news/post/governor-abbott-secretary-kennedy-hold-rural-healthcare-roundtable-press-conference>
- Texas Application & Rural Vulnerability Index: <https://www.hhs.texas.gov/providers/medicaid-business-resources/medicaid-supplemental-payment-directed-payment-programs/rural-hospital-finance>
- NRHA's state application summary guide: https://nrha-prod-eastus-be.azure.silvertech.net/NationalRuralHealth/media/Documents/Advocacy/2025/RHTP%20Application%20Materials%202025/RHTP-State-Tracking-Guide_Final.pdf
- CMS Award Announcement: <https://www.cms.gov/newsroom/press-releases/cms-launches-landmark-50-billion-rural-health-transformation-program>





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Questions?

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