

November 4, 2025

Dear Administrator Oz:

We, Arizona providers, provider associations, professional healthcare licensure associations, Arizona's Medicaid health plans, and the business community proudly endorse Arizona's participation in the Rural Health Transformation Program.

Since August, the State of Arizona has been actively engaged with the healthcare community and business leaders, including and especially rural healthcare providers, in seeking input and feedback regarding the current challenges we face in providing healthcare in rural Arizona.

The needs in our rural communities have never been greater. We have worked collaboratively with the State of Arizona, through the Office of Governor Katie Hobbs, Arizona's Medicaid agency (the Arizona Health Care Cost Containment System or AHCCCS), the Arizona Department of Health Services, and the Office of Economic Opportunity as well as with members of Arizona's business community who share our commitment to strengthening the state's economic and healthcare infrastructure. Together, we have focused on solutions that recognize the interconnection between healthcare access and economic vitality, particularly in rural areas where hospitals are often the largest employers and economic anchors. We have shared the particular struggles faced by Arizona's healthcare providers related to workforce challenges, rural healthcare access, behavioral healthcare, substance use disorder (SUD), maternal fetal health, and rural healthcare resiliency.

The State of Arizona has taken this project seriously and has really listened to providers and health plans in building an application that directs dollars to programs that truly have the potential to transform the provision of rural healthcare in Arizona. We are hopeful that these programs will have a tangible impact on outcomes and help mitigate some of the significant challenges our rural providers face.

We are grateful for our collaboration with the State of Arizona and respectfully request that CMS fully fund Arizona's application for Rural Healthcare Transformation Program funds.

Sincerely, the stakeholder community of Arizona.

