

# Harnessing AHEAD

## FOR RURAL HEALTH TRANSFORMATION

### What is the AHEAD Model?

A Achieving H Healthcare E Efficiency A Accountable D Design

The AHEAD (Achieving Healthcare Efficiency through Accountable Design) Model is a flexible framework that enables participating states to combine several powerful policy solutions to curb the growth of health care costs, stabilize and support hospitals, and increase access to primary care. AHEAD is designed to remove uncertainty and provide financial stability to hospitals, get patients better care coordination and communication between their providers, and bring down health care costs. The AHEAD Model is made up of four primary components:

- **Cooperative agreement funding** provided by the Centers for Medicare & Medicaid Services (CMS) allows states to invest in planning that supports the model's goals during pre-implementation and the early years of the model.
- Primary care practices can participate in **Primary Care AHEAD** to bring more Medicare funding into primary care, increasing care coordination as well as person-centered care — which have been shown to help increase overall population health.
- **Hospital global budgets**, which provide hospitals with a predictable amount of revenue for each year, help stabilize hospital finances and encourage hospitals to improve care coordination and eliminate avoidable hospitalizations.
- Through a competitive process, **Geo AHEAD** chooses several organizations in each state to be responsible for managing the cost and quality of care for people in traditional Medicare. This approach encourages competition, gives patients options, and improves care coordination.

### What is the Rural Health Transformation Program?

The Rural Health Transformation Program (RHTP) provides states with short-term funding to strengthen rural health care systems. Up to \$50 billion is being awarded by the federal government amongst states over five years, beginning in 2026. States are using these funds to build infrastructure like IT systems and facilities, recruit and retain health care workers, expand access to care in underserved rural areas, and more.

R Rural

H Health

T Transformation

P Program

## How do AHEAD and RHTP work together?

### AHEAD AND RHTP WILL SUPPORT:



PATIENTS



PROVIDERS



ECONOMY

These two programs might seem very different on their face: RHTP is a fast-moving series of grants, and AHEAD is designed as a slower transformation in partnership with the federal government. But, when pursued together intentionally, these two opportunities can provide a phased approach to transformational change that benefits a state's patients, providers, and economy. RHTP's rapid funding provides an upfront chance to construct capacity across technology, workforce, and systems. AHEAD can then build upon these early, finite investments to provide longer-term, sustainable payment reform through predictable, value-based payment models.

## How can AHEAD participation help maximize RHTP funding?

With the first year of RHTP funding already distributed, each state's portion of the next four years of RHTP funding will be determined by a unique technical scoring system recalculated every year based on quarterly and annual reports from states. CMS will be looking for measurable outcomes and progress in determining states' future funding, and even has the authority to claw back previously awarded funds if it determines states have not met their commitments. States simultaneously working toward AHEAD goals may be better able to show the kind of progress that will protect past RHTP funds and increase grants in subsequent program years.

## What does combining the power of AHEAD and RHTP look like?

- Sustaining improvements made with short-term RHTP funding into the long-term;
- Moving away from fee-for-service payments that incentivize providers to focus on volume to drive revenue and keep the doors open;
- Transitioning rural providers to stable, value-based payment systems with predictable budgets that encourage preventive care and health equity; and
- Improving care for patients, business for providers, and the overall state economy.

## How can a state use RHTP funds to support its AHEAD transformation?

RHTP can support the implementation of the AHEAD model, which can drive long-term transformational change and cost savings for a state's health care system. For example, the RHTP can support the following aspects of AHEAD:



**Technical assistance and financial modeling:** Investing in the building blocks and support necessary to help rural providers succeed in the transition to value-based payment models, like AHEAD.



**Data and technology investments:** Building robust health information exchanges, telehealth networks, and AI-enabled monitoring systems that ensure seamless care coordination — a core AHEAD requirement.



**Workforce development:** Recruiting clinicians and expanding roles like community health workers to develop the robust preventative care workforce necessary for a thriving value-based care system.



**Care integration:** Creating coordinated “hub-and-spoke” care systems across categories including physical, behavioral, and dental health to prevent costly emergency room visits and right-size health care delivery.