

HOUSE BILL NO. HB0122

Wyoming rural health transformation program.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to the federal rural health transformation
2 program funds; establishing the Wyoming rural health
3 transformation program; creating an advisory committee;
4 creating a perpetuity fund; authorizing investments as
5 specified; creating an expenditure account; continuously
6 appropriating an annually required distribution; providing
7 for governance, fiscal controls, accountability and
8 reporting requirements; authorizing expenditures,
9 initiatives, grants and awards; providing for deposits and
10 appropriations; requiring rulemaking; directing studies;
11 and providing for an effective date.

12

13 *Be It Enacted by the Legislature of the State of Wyoming:*

14

15 **Section 1.** W.S. 35-25-701 through 35-25-709 are
16 created to read:

1

2

ARTICLE 7

3

WYOMING RURAL HEALTH TRANSFORMATION

4

5

35-25-701. Short title.

6

7

This act shall be known and may be cited as the "Wyoming

8

Rural Health Transformation Sustainability, Accountability

9

and Fiscal Protection Act."

10

11

35-25-702. Definitions.

12

13

(a) As used in this article:

14

15

(i) "Advisory committee" means the Wyoming rural

16

health transformation advisory committee created in W.S.

17

35-25-703;

18

19

(ii) "Annual required distribution" means:

20

21

(A) Beginning July 1, 2026 and ending June

22

30, 2036, the greater of:

23

1 (I) The total program income, as
2 defined in 2 C.F.R. § 200.1, earned during the previous
3 fiscal year that is required to be expended under federal
4 statutes, federal regulations or the terms and conditions
5 of the Wyoming rural health transformation plan; or

6

7 (II) Four percent (4%) of the
8 cumulative total of funds deposited into the perpetuity
9 fund since inception, as calculated on the first day of
10 each fiscal year.

11

12 (B) Beginning July 1, 2036 and each fiscal
13 year thereafter, four percent (4%) of the previous five (5)
14 year average market value of the perpetuity fund, as
15 calculated on the first day of each fiscal year.

16

17 (iii) "Department" means the department of
18 health;

19

20 (iv) "Perpetuity fund" means the Wyoming rural
21 health transformation perpetuity fund created in W.S.
22 35-25-704;

23

1 (v) "Purpose-dedicated share" means a discrete
2 fractional interest of the annual required distribution
3 allocated to a specific allowable perpetuity fund
4 expenditure authorized in W.S. 35-25-706;

5

6 (vi) "Rural health transformation funds" means
7 federal funds awarded to the state of Wyoming under the
8 federal rural health transformation program established by
9 section 71401 of the federal One Big Beautiful Bill Act,
10 P.L. 119-21;

11

12 (vii) "Wyoming rural health transformation plan"
13 means the rural health transformation program application
14 submitted to and approved by the federal government
15 pursuant to section 71401 of the federal One Big Beautiful
16 Bill Act, P.L. 119-21, and shall include any terms and
17 conditions specified in any associated notice of award,
18 cooperative agreement or similar federal instrument
19 governing the receipt or use of funds, and any amendments
20 thereto;

21

22 (viii) "Wyoming rural health transformation
23 program" means the program established in W.S. 35-25-705.

1

2 **35-25-703. Wyoming rural health transformation**
3 **advisory committee; legislative liaisons.**

4

5 (a) There is created the Wyoming rural health
6 transformation advisory committee. The advisory committee
7 shall be composed of nine (9) voting members, each of whom
8 shall serve for a term of four (4) years. The governor
9 shall make appointments and fill any vacancies for
10 unexpired terms. Members are eligible for reappointment.
11 The governor may remove any member as provided in W.S.
12 9-1-202.

13

14 (b) The director of the department or the director's
15 designee and the director of the state budget department or
16 the director's designee shall serve as ex officio members
17 of the advisory committee, having the right to speak but
18 not to vote.

19

20 (c) One (1) senator appointed by the president of the
21 senate and one (1) representative appointed by the speaker
22 of the house shall serve as nonvoting legislative liaisons
23 to the advisory committee.

1

2 (d) The advisory committee shall select one (1) of
3 its voting members to serve as chairman.

4

5 (e) The advisory committee shall meet not less than
6 two (2) times per year.

7

8 (f) Voting members shall serve without compensation
9 but shall be reimbursed for expenses incurred in the
10 performance of their duties in the manner and amounts
11 provided by law for state employees. Legislative liaisons
12 shall be paid salary, per diem and mileage as provided in
13 W.S. 28-5-101 when attending meetings of the advisory
14 council.

15

16 (g) The advisory committee shall review the
17 operations of the perpetuity fund and provide formal
18 written recommendations to the department regarding the
19 annual required distribution and allowable perpetuity fund
20 expenditures. The department shall review any
21 recommendations from the advisory committee and provide a
22 written response.

23

1 (h) The advisory committee shall review and approve
2 each grant, award or expenditure of rural health
3 transformation funds in excess of five hundred thousand
4 dollars (\$500,000.00), excluding deposits into the
5 perpetuity fund.

6

7 **35-25-704. Wyoming rural health transformation**
8 **perpetuity fund; investment; distributions.**

9

10 (a) There is created the Wyoming rural health
11 transformation perpetuity fund. The perpetuity fund shall
12 consist of monies designated to the fund by law and other
13 contributions, grants, gifts, bequests and donations made
14 to the fund.

15

16 (b) The state treasurer, or the treasurer's designee,
17 who shall be registered under the Investment Advisor's Act
18 of 1940, as amended, if required to be registered by the
19 terms of that act, as amended, shall invest the
20 unobligated, unencumbered balance of the Wyoming rural
21 health transformation perpetuity fund as authorized by law.
22 Investments of the perpetuity fund shall be in accordance
23 with subsection (c) of this section, if effective, and W.S.

1 9-4-715(a) and (c) through (e) and 9-4-716. All investment
2 earnings shall be deposited to the perpetuity fund. In
3 adopting investment policy statements for the perpetuity
4 fund, the state loan and investment board, in consultation
5 with the investment funds committee, shall seek to preserve
6 the balance of the fund in a manner that strives for the
7 highest possible risk-adjusted total net return consistent
8 with an appropriate level of safety and liquidity to
9 maintain a consistent annual required distribution.

10

11 (c) If this article is enacted by the legislature
12 pursuant to the voting requirements of article 16, section
13 6(a)(ii)(B) of the Wyoming constitution, the state
14 treasurer may invest the unobligated, unencumbered balance
15 of the perpetuity fund in equities, including stocks of
16 corporations.

17

18 (d) All monies deposited to the perpetuity fund,
19 including investment earnings, shall be expended only for
20 the allowable perpetuity fund expenditures authorized under
21 the Wyoming rural health transformation program and in
22 accordance with the terms and conditions under which the
23 monies are received. Rural health transformation funds, and

1 investment earnings thereon, expended in violation of the
2 terms and conditions under which the monies are received
3 shall be returned by the state to the federal source from
4 which the monies originated.

5

6 (e) Each one million dollars (\$1,000,000.00) of
7 principal deposited to the perpetuity fund shall be
8 allocated to one (1) purpose-dedicated share by the
9 department, or fractional value thereof if a deposit is
10 less than one million dollars (\$1,000,000.00).

11

12 (f) The annual required distribution is continuously
13 appropriated to the Wyoming rural health transformation
14 expenditure account, which is hereby created. The state
15 treasurer shall annually credit the annual required
16 distribution to the expenditure account not later than
17 September 30 of each year. Monies in the expenditure
18 account shall only be expended by the department for
19 allowable perpetuity fund expenditures under W.S.
20 35-25-706, the Wyoming rural health transformation plan and
21 all other requirements and limitations specified in this
22 article. Any unexpended, unobligated funds remaining from
23 an annual required distribution, after a reasonable period

1 for expenditure for which the funds were continuously
2 appropriated, as recommended by the advisory committee and
3 determined by the department, shall revert to the Wyoming
4 rural health transformation perpetuity fund.

5

6 (g) Subject to W.S. 35-25-706(a), the total amount of
7 the annual required distribution expended on each allowable
8 perpetuity fund expenditure shall reasonably reflect the
9 total number of purpose-dedicated shares initially
10 allocated to that expenditure, divided by the total number
11 of all purpose-dedicated shares in the perpetuity fund.

12

13 **35-25-705. Wyoming rural health transformation**
14 **program.**

15

16 There is established the Wyoming rural health
17 transformation program within the department. The
18 department shall administer the program. The program shall
19 be implemented in accordance with the Wyoming rural health
20 transformation plan and shall be limited to the allowable
21 perpetuity fund expenditures authorized in W.S. 35-25-706
22 and the time-limited initiatives authorized in W.S.

1 35-25-707. The department shall promulgate rules necessary
2 to implement this section and the program.

3

4 **35-25-706. Wyoming rural health transformation**
5 **program; allowable perpetuity fund expenditures.**

6

7 (a) Subject to the availability of funds, the
8 department shall expend the annual required distribution
9 solely for the allowable perpetuity fund expenditures
10 authorized under this section. The allocation of
11 purpose-dedicated shares and annually required distribution
12 expenditures shall seek to achieve the percentage targets
13 for support, grants and awards specified in this section.
14 Upon a written recommendation of the advisory committee,
15 the department may materially deviate from the percentage
16 targets specified in this section to the extent necessary
17 to meet documented need and demonstrated demand for the
18 support, grants and awards specified in this section.

19

20 (b) Forty and seven-tenths percent (40.7%) of the
21 annual required distribution shall be allocated for the
22 critical access hospital basic incentive (CAHB) program.
23 Under this program, the department shall provide incentive

1 payments to hospitals that elect to participate and that
2 meet service delivery requirements, subject to all of the
3 following:

4
5 (i) A participating hospital shall operate a
6 staffed twenty-four (24) hour emergency department with
7 stroke and trauma imaging capability, provide or operate
8 ground ambulance services within its service area, provide
9 basic labor and delivery services if annual births exceed a
10 threshold established by the department and participate in
11 the statewide health information exchange;

12
13 (ii) Incentive payments under this subsection
14 may include tiered payments, one (1) time grants, medical
15 debt relief for Wyoming residents and ongoing payments to
16 offset fixed costs.

17
18 (c) Twenty-six and nine-tenths percent (26.9%) of the
19 annual required distribution shall be allocated for
20 emergency medical service regionalization. After the
21 submission of a statewide emergency medical services
22 response time model to the joint labor, health and social
23 services interim committee as provided in paragraph (i) of

1 this subsection, the department shall provide incentive
2 payments to emergency medical service providers that elect
3 to participate and that meet regionalization requirements
4 established by rule of the department, subject to the
5 following:

6

7 (i) The department shall not require or
8 implement emergency medical service regionalization under
9 this subsection unless it first submits to the joint labor,
10 health and human services interim committee a statewide
11 emergency medical service response time model demonstrating
12 no increase in emergency response times, staffing
13 projections including volunteer impacts, inter-county
14 governance and authority agreements and full cost estimates
15 of regionalization, including long-term maintenance costs;

16

17 (ii) Eligibility for incentive payments under
18 this subsection shall be limited to joint applications
19 submitted by two (2) or more ground ambulance providers
20 serving a contiguous rural or frontier region;

21

22 (iii) Joint applicants shall submit a
23 regionalization plan to the department demonstrating

1 maximization of revenue sources, integration with public
2 safety answering points, use of interoperable equipment and
3 technology, reduction of administrative overhead and
4 commitment to community emergency medical services and
5 tele-crisis stabilization services;

6

7 (iv) Incentive payments under this subsection
8 shall include ongoing payments to offset fixed readiness
9 costs and grants for ambulances, interoperability equipment
10 and implementation of regional medical dispatch.

11

12 (d) Twenty-one and six-tenths percent (21.6%) of the
13 annual required distribution shall be allocated for
14 workforce education individual support. The department
15 shall administer awards to individual persons for health
16 care workforce education and training costs, including
17 tuition, fees and stipends, subject to the following:

18

19 (i) Awards under this subsection shall be used
20 to pay allowable education and training costs for eligible
21 applicants pursuing credentials in one (1) or more of the
22 following fields:

23

1 (A) Nursing, including certified nursing
2 assistant, licensed practical nurse, registered nurse and
3 advanced practice registered nurse programs;

4

5 (B) Emergency medical services, including
6 emergency department technician, emergency medical
7 responder, emergency medical technician and paramedic
8 programs;

9

10 (C) Clinical behavioral health professions;

11

12 (D) Physician education, including
13 undergraduate medical education.

14

15 (ii) As a condition of receiving an award under
16 this subsection, an applicant shall agree to provide health
17 care services in Wyoming for a minimum of five (5) years
18 following completion of the approved program, under terms
19 and conditions established by the department;

20

21 (iii) An applicant who fails to satisfy the
22 service obligation required under paragraph (ii) of this
23 subsection shall be required to repay to the department all

1 or a prorated portion of the award, together with any
2 applicable interest, as determined by rule of the
3 department.

4

5 (e) Ten and eight-tenths percent (10.8%) of the
6 annual required distribution shall be allocated for
7 physician post-graduate medical education (GME) individual
8 support. The department shall administer awards to
9 individuals for physician medical education, including
10 residency and fellowship training costs, subject to the
11 following:

12

13 (i) In awarding funds under this subsection, the
14 department shall prioritize awards to applicants in
15 programs that will increase the supply of family medicine
16 physicians and that provide training in obstetrics or other
17 high-demand specialties, as determined by the department;

18

19 (ii) As a condition of receiving an award under
20 this subsection, an applicant shall agree to provide health
21 care services for a minimum of five (5) years in one (1) or
22 more underserved counties within the state, under terms and
23 conditions established by rule of the department.

1

2 **35-25-707. Wyoming rural health transformation**
3 **program; time-limited initiatives; sunset.**

4

5 (a) Subject to the availability of rural health
6 transformation funds and subsection (b) of this section,
7 the department is authorized to expend funds for
8 time-limited initiatives in amounts that seek to achieve
9 the following percentage targets:

10

11 (i) Thirty-six and four-tenths percent (36.4%)
12 of amounts available for time-limited initiatives for
13 integrated primary care. Expenditures under this paragraph
14 shall be for competitive grants to expand the number and
15 geographical reach of federally qualified health centers in
16 the state through conversion of existing facilities and
17 practices for the integration of primary care delivery
18 models that coordinate primary medical care with behavioral
19 health services, obstetric and gynecological care, dental
20 services and preventive health services;

21

22 (ii) Fifteen and one-tenths percent (15.1%) of
23 amounts available for time-limited initiatives for a

1 technology adoption challenge program. Expenditures under
2 this paragraph shall be for competitive grants for health
3 care technology procurement. Grants under this paragraph
4 shall be awarded only to joint applications submitted by
5 two (2) or more health care providers and shall be limited
6 to projects that improve care delivery closer to patients'
7 homes, enhance interoperability and coordination among
8 providers and reduce administrative activity;

9

10 (iii) Nine and eight-tenths percent (9.8%) of
11 amounts available for time-limited initiatives for exercise
12 and diet programs. Expenditures under this paragraph shall
13 be for competitive grants to Wyoming-based entities to
14 promote physical activity and healthy nutrition. Projects
15 that demonstrate measurable increases in participation in
16 exercise, outdoor recreation or evidence-based nutrition
17 practices shall be prioritized for the grants under this
18 paragraph;

19

20 (iv) Eight and two-tenths percent (8.2%) of
21 amounts available for time-limited initiatives for a
22 statewide tele-specialist platform. Expenditures under
23 this paragraph shall be for the procurement and operation

1 of a centralized tele-specialty platform to deliver
2 physician-level specialty consultations to health care
3 providers statewide;

4

5 (v) Eight and two-tenths percent (8.2%) of
6 amounts available for time-limited initiatives for
7 workforce education startup costs. Expenditures under this
8 paragraph shall be for competitive grants to support health
9 care workforce training programs operated by educational
10 institutions within the state. Grants under this paragraph
11 shall be awarded to recipients that commit to establishing
12 and maintaining a specified number of training positions
13 for nurses, emergency medical service personnel,
14 physicians, clinical behavioral health providers and other
15 health care professionals;

16

17 (vi) Eight and two-tenths percent (8.2%) of
18 amounts available for time-limited initiatives for care
19 coordination. Expenditures under this paragraph shall be
20 for competitive grants to hospitals, health care providers
21 and rural health facilities to propose clinically
22 integrated care coordination models for one (1) or more
23 counties to improve the management of chronic disease among

1 persons who are dually eligible for Medicare and Medicaid
2 and who are identified as high risk. Funding awarded under
3 this paragraph may include capped start-up costs, a
4 per-member, per-month care coordination payment for
5 assigned persons and performance-based payments tied to
6 demonstrated cost savings;

7

8 (vii) Four and nine-tenths percent (4.9%) of
9 amounts available for time-limited initiatives for
10 centralized billing capacity. Expenditures under this
11 paragraph shall be for centralized billing and revenue
12 collection services for voluntarily participating emergency
13 medical services agencies. This centralized billing
14 capacity initiative may be expanded to other health care
15 providers if the initiative demonstrates effectiveness and
16 financial sustainability;

17

18 (viii) Two percent (2.0%) of amounts available
19 for time-limited initiatives for a nonemergency
20 transportation coordination platform. Expenditures under
21 this paragraph shall be for the procurement and operation
22 of a centralized nonemergency medical transportation
23 coordination platform to improve access to health care

1 appointments for seniors, persons with disabilities and
2 other eligible populations. The platform shall facilitate
3 the scheduling, coordination and billing of nonemergency
4 transportation;

5

6 (ix) Two and six-tenths percent (2.6%) of
7 amounts available for time-limited initiatives for
8 administration. Expenditures under this paragraph include
9 any administrative costs necessary to implement the rural
10 health transformation program, including expenses of the
11 advisory committee;

12

13 (x) Four and six-tenths percent (4.6%) of
14 amounts available for time-limited initiatives included in
15 the Wyoming rural health transformation plan that are not
16 specifically authorized in this subsection shall be
17 redistributed for expenditure on the initiatives authorized
18 under this subsection.

19

20 (b) Upon a written recommendation of the advisory
21 committee, the department may materially deviate from the
22 percentage targets specified in subsection (a) of this
23 section to the extent necessary to meet documented need and

1 demonstrated demand for the time-limited initiatives
2 specified in subsection (a) of this section.

3

4 (c) The authority to administer the time-limited
5 initiatives and any funds for the initiatives under
6 subsection (a) of this section shall terminate upon
7 exhaustion of all rural health transformation funds
8 appropriated or otherwise made available for the
9 initiatives specified in subsection (a) of this section.

10

11 **35-25-708. Prohibited uses; legislative notice;**
12 **reporting.**

13

14 (a) In addition to any other limitations imposed by
15 state or federal law, no expenditure of rural health
16 transformation funds shall be made for abortions or for
17 specified sex-trait modification procedures, as defined in
18 45 C.F.R. § 156.400.

19

20 (b) Each grant, award, or expenditure of rural health
21 transformation funds in excess of five hundred thousand
22 dollars (\$500,000.00) shall require written approval of the
23 advisory committee and notice to the legislature not less

1 than ten (10) days prior to authorization of the grant,
2 award or expenditure. For authorized perpetuity fund
3 expenditures, the notice shall identify the proposed
4 recipient, amount, purpose and material terms of the grant,
5 award or expenditure. For time-limited initiatives,
6 legislative notice shall be satisfied by the department
7 providing written notice to the joint appropriations
8 committee in a manner similar to the process specified in
9 W.S. 9-2-1005(b)(ii) and 9-2-1013(b).

10
11 (c) The state budget department, in consultation with
12 the department, shall develop and maintain an electronic
13 reporting portal to provide current information on
14 expenditures and program activity of rural health
15 transformation funds.

16
17 **35-25-709. Recipient reporting; performance and**
18 **accountability agreements; repayment.**

19
20 (a) The department shall require each recipient of
21 funds under the Wyoming rural health transformation program
22 to submit reports sufficient to demonstrate compliance with
23 applicable state and federal requirements. At a minimum,

1 required reporting shall include detailed expenditure
2 information, performance measures and documentation
3 demonstrating the authorized use of funds.

4

5 (b) The department shall require each recipient
6 hospital, clinic, emergency medical service provider or
7 other health care-related organization receiving funds
8 under the program to enter into a written performance and
9 accountability agreement with the department. At a minimum,
10 the agreement shall include requirements relating to:

11

12 (i) Operating margin targets;

13

14 (ii) Days cash on hand;

15

16 (iii) Liquidity ratio benchmarks;

17

18 (iv) The adoption of modernization and
19 efficiency practices, including improved revenue cycle
20 management systems;

21

1 (v) The development and implementation of a plan
2 to reduce unprofitable, duplicative or nonessential service
3 lines;

4

5 (vi) Participation in shared services, regional
6 collaboration or other cost-containment arrangements where
7 feasible; and

8

9 (vii) Submission of independent financial audits
10 to the department for annual collection and transmittal to
11 the joint appropriations committee.

12

13 (c) A recipient of funds under the Wyoming rural
14 health transformation program that fails to comply with a
15 requirement, condition or obligation imposed by statute,
16 rule or performance and accountability agreement, or that
17 fails to meet required performance targets, misuses funds,
18 expends funds for purposes not authorized under state or
19 federal law or fails or refuses to implement required
20 operational reforms, shall repay to the department all or a
21 prorated portion of the funds received, as determined by
22 the department. The department may recover amounts owed
23 under this subsection by any means authorized by law.

1

2 **Section 2.** The department of health shall adopt all
3 rules necessary to implement this act.

4

5 **Section 3.** During the 2026 interim, the joint labor,
6 health and social services interim committee shall study
7 policy issues identified in the Wyoming rural health
8 transformation plan, as defined in W.S. 35-25-702(a)(vii)
9 created in this act, and may prepare any legislation it
10 deems necessary for consideration by the legislature.

11

12 **Section 4.**

13

14 (a) Federal funds awarded to the state of Wyoming
15 under the federal rural health transformation program
16 established by section 71401 of the federal One Big
17 Beautiful Bill Act, P.L. 119-21, are appropriated to the
18 department of health, subject to the following:

19

20 (i) In federal fiscal year 2026, eighty percent
21 (80%) of funds awarded for that fiscal year shall be
22 deposited into the Wyoming rural health transformation
23 perpetuity fund, as defined in W.S. 35-25-702(a)(iv)

1 created in this act. Thereafter, in each subsequent federal
2 fiscal year, sixty-nine and five-tenths percent (69.5%) of
3 funds awarded in that fiscal year shall be deposited into
4 the Wyoming rural health transformation perpetuity fund;

5

6 (ii) In federal fiscal year 2026, twenty percent
7 (20%) of funds awarded for that fiscal year are
8 appropriated for the time-limited initiatives authorized in
9 W.S. 35-25-707, as created in this act. Thereafter, in
10 each subsequent federal fiscal year, thirty and five-tenths
11 percent (30.5%) of the funds awarded in that fiscal year
12 are appropriated for the time-limited initiatives.

13

14 **Section 5.** This act is effective immediately upon
15 completion of all acts necessary for a bill to become law
16 as provided by Article 4, Section 8 of the Wyoming
17 Constitution.

18

19

(END)