

These 10 States Get the Most Money in Trump's First Rural Hospital Funding Allocation

The federal program to fund health care in rural areas is designed to offset massive cuts to Medicaid. Some experts say it's not enough.

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WASHINGTON — President Donald Trump's administration unveiled in late December the hundreds of millions of dollars each state will receive this fiscal year as part of a massive \$50 billion rural health fund baked into Republicans' "big, beautiful" law.

The five-year [Rural Health Transformation Program](#) — authorized under GOP lawmakers' mega tax and spending cut package Trump signed into law in July — is designed to offset the budget impacts on rural areas due to sweeping Medicaid cuts.

Half of the \$50 billion will be distributed equally among each state between fiscal years 2026 and 2030, according to the Centers for Medicare and Medicaid Services.

The agency under the U.S. Department of Health and Human Services said the remaining \$25 billion, doled out over the same time period, [is being allocated](#) to states based on several factors, such as steps states are taking to improve access to care in rural communities.

Texas will get the highest first-year award at \$281.3 million, followed by Alaska at \$272.2 million, California at \$233.6 million, Montana at \$233.5 million and Oklahoma, at \$223.5 million.

New Jersey is receiving the lowest first-year award, at \$147.2 million.

[Click here](#) for a full list of states and their allocation. The top 10 are:

1. Texas
2. Alaska
3. California
4. Montana
5. Oklahoma
6. Kansas
7. Georgia

8. Nebraska
9. Missouri
10. North Carolina

“Thanks to Congress establishing this investment and President Trump for his leadership, states are stepping forward with bold, creative plans to expand rural access, strengthen their workforces, modernize care, and support the communities that keep our nation running,” CMS Administrator Dr. Mehmet Oz said in a statement alongside the announcement.

Oz added that “CMS is proud to partner with every state to turn their ideas into lasting improvements for rural families.”

Meanwhile, the nonpartisan health research organization [KFF](#) found that the program would only offset a little more than one-third of the package’s estimated \$137 billion cut to federal Medicaid spending in rural areas over the next decade.

Ashley Murray contributed to this report.

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