

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

ENGROSSED

Committee Substitute

for

House Bill 4740

By Delegates Hanshaw (Mr. Speaker) and

Hornbuckle

(By Request of the executive)

[Originating in the Committee on Health of Human

Resources; Reported on January 28, 2026]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §5A-3-3d, relating to exempting the Department of Health from purchasing restrictions for implementation of the Rural Health Transformation Program; providing legislative findings; and providing exceptions.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. PURCHASING DIVISION.

§5A-3-3d. Exemption of Rural Health Transformation Program.

(a) The Legislature hereby finds and declares:

(1) That the federal Rural Health Transformation Program presents an unprecedented opportunity for the State to make critical improvements to health care in rural areas, modernize various aspects of health care delivery systems, enhance educational and work force pathways for health care, and expand the technological boundaries of health care science, analytics, and technology for the benefit of all West Virginians;

(2) That the federal Rural Health Transformation Program places many significant compliance requirements on the use of federal funds granted to the Department of Health, that use of funds received from the federal Rural Health Transformation Program must be used in accordance with the requirements and limitations of that program reflected in guidance and documentation from U.S. Center for Medicare and Medicaid Services ("CMS");

(3) That CMS will be closely monitoring the progress of the State's implementation of the program outlined in its application for funding submitted to CMS on November 5, 2025, and granted an award on or about December 29, 2025;

(4) That the federal Rural Health Transformation Program requires rapid, targeted
deployment of the awarded funds; and

(5) That such utilization be performed within rigid time frames, with the understanding that

failures to comply with the limitations on how these funds may be used—as well as requirements

19 on proper processes for the deployment—may result in clawbacks of funds both currently
20 awarded as well as jeopardizing future awards by CMS.

21 (b) To ensure conformity with the unique requirements of the federal Rural Health
22 Transformation Program, notwithstanding any provisions of §5A-3-1 or § 5A-3-3 of this code to the
23 contrary, the provisions of this article shall not apply to the State’s implementation of the Rural
24 Health Transformation Program, for which the program office is located within the Department of
25 Health.