



NORTH CAROLINA

RURAL HEALTH TRANSFORMATION

Date: June 19, 2026

To: Chief Executive Officers, Chief Financial Officers, and Strategic Leadership Teams

From: NC ROOTS Region 2 Hub Lead / Trillium Health Resources

Subject: Letter of Interest (LOI) – Hospital Feasibility Study Funding Opportunity (Initiative 5A)

Dear Hospital System Leadership,

As the designated NC ROOTS (Rural Organizations Orchestrating Transformation for Sustainability) Hub Lead for Region 2, Trillium Health Resources is dedicated to driving the goals of North Carolina's Rural Health Transformation Program. Our collective mission is to build a deeply sustainable, highly coordinated rural healthcare infrastructure that bridges medical, behavioral, and social models of care.

A critical element of this transformation is ensuring our regional hospital systems remain fiscally resilient, operationally sound, and closely aligned with the actual needs of the communities they serve. To support this, NC ROOTS Region 2 is opening a targeted funding opportunity for Hospital Feasibility Studies under Initiative 5A.

Too often, healthcare systems face immense pressure to continuously add new, resource-heavy service lines to capture revenue, only to find those services unsustainable due to hidden operational costs, staffing shortages, or fragmented data. This funding is designed to help your organization pause, analyze, and optimize. The goal of these feasibility studies is to identify which services are truly viable, discover where the care gaps exist for your specific population, and establish a clear path toward long-term financial, operational, and structural sustainability.

Eligibility and Preliminary Requirements

To be eligible to apply for Hospital Feasibility Funding through NC ROOTS Region 2, your organization must submit a formal Letter of Interest answering the following nine baseline questions. Your responses will help us assess organizational needs, readiness, capacity, and alignment with the regional transformation framework.

1. **Data Transparency and Governance:** Is your hospital system fully willing and able to share the granular financial, clinical, and operational data required by a designated consultant to conduct a comprehensive, independent feasibility study? And are you able to commit the resources to producing timely ad hoc data reports to support the feasibility study?
2. **Service Array and Optimization Alignment:** Is your leadership team willing to objectively review your current service array and actively implement changes, including modifying, pausing, or transitioning services—if the data demonstrates that doing so will yield greater operational viability and financial success?
3. **Community and Population Investment Needs:** Beyond traditional medical services, what are the most critical, unmet health-related infrastructure or service needs required to support the specific population your hospital system serves?



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4. **Scope of Assessment:** Based on your current operational pain points, would it be most useful for your organization to undergo a comprehensive, full-system feasibility study, or a highly specific, project-focused feasibility study (e.g., behavioral health integration, a specialized stabilization unit, or a specific outpatient model)? And why?
5. **Operational and Structural Challenges:** What do you anticipate would be your primary internal challenges, barriers, or resource constraints to successfully participate in and execute a rigorous feasibility study at this time?
6. **Executive Sponsorship and Implementation Leadership:** Who will be the designated executive-level "Implementation Lead" for this feasibility study, and what internal operational capacity will be freed up to ensure they can manage this project from launch through long-term follow-up?
7. **Value-Based Care Integration Readiness:** How prepared is your hospital system to transition the findings of this feasibility study into a Value-Based Payment (VBP) or Value-Based Care (VBC) model that prioritizes long-term outcomes over fee-for-service volume?
8. **Whole-Person & Social Care Coordination:** How does your hospital currently integrate medical care with behavioral health services and social drivers of health (e.g., housing, food security, transportation), and how should the feasibility study account for these integrated networks?
9. **Sustainability Benchmarks and De-escalation Process:** If the feasibility study demonstrates that an existing, underperforming service line is actively draining hospital resources and threatening core stability, what is your leadership team's specific process for phasing out or restructuring that service?

Region 2 Service Area

Hospital systems submitting an LOI must be located within region 2 which includes:

- Alleghany County
- Ashe County
- Davidson County
- Davie County
- Forsyth County
- Guilford County
- Randolph County
- Rockingham County
- Stokes County
- Surry County
- Watauga County
- Wilkes County
- Yadkin County



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Letter of Interest Requirements

Interested hospitals should submit a Letter of Interest that includes:

- Organization name
- Contact person
- Mailing address
- Phone number
- Email address
- Website (if applicable)

Next Steps and Submission

We view this as a true partnership. NC ROOTS Region 2 is prepared to bring funding and the collaborative framework, but long-term sustainability requires local leadership, clean data, and a commitment to follow through on the study's findings.

If there are questions about this Request for Letters of Interest please submit them to Region2NCROOTSHub@trilliumnc.org **Subject line:** Questions NCROOTs Initiative 5A (Hospital Name). We cannot commit to answering individual questions but we will post a FAQ.

Responses are limited to 5 pages. Please submit your completed responses to these nine questions by **July 8, 2026** at 5:00p.m. to Region2NCROOTSHub@trilliumnc.org **Subject line:** NCROOTs Initiative 5A (Hospital Name). Following a review of the Letters of Interest, selected hospital systems will be invited to submit a full application for formal project funding.

Thank you for your tireless commitment to the health and resilience of North Carolina. We look forward to partnering with you to secure a sustainable future for rural care.

Sincerely,
Cindy Ehlers, MS, LCMHC
Executive Director NC ROOTS Region 2 Hub
Trillium Health Resources



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