

Statement of Work (SOW)

Initiative 10 - Clinical Training and Readiness - Physician Incentives

I. Initiative Overview:

On Dec. 29, 2025, Indiana was awarded a grant of nearly \$207 million for the first year of a five-year federal Rural Health Transformation Program (RHTP) to address health outcomes in the State's rural communities. This grant opportunity will provide incentives to qualifying new or existing physicians who commit 100% of their clinical practice to an identified rural community, for a duration of 5 years.

It is estimated that Indiana will need an additional 817 primary care physicians by 2030, and physician shortages, especially in rural areas, impact health care costs and public health outcomes.

To bolster Indiana's rural physician workforce, IDOH will award individual physicians grants of up to \$300,000 over a 5-year period through this competitive application process. The State anticipates opening additional application windows for the rural physician incentives each year of the 5-year RHTP timeframe.

These rural physician incentives will be dispersed by a physician's employer, over the 5-year commitment period through service at an eligible site.

This Rural Health Transformation Program is supported by the Centers for Medicare & Medicaid Services (CMS) of the U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$206,927,896.80 with 100 percent funded by CMS/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by CMS/HHS, or the U.S. Government.

II. Goals and Objectives

The initiative aligns with the RHTP's strategic goal of workforce development and training.

- The State of Indiana is seeking applications from qualified new or existing physicians who commit 100% of their clinical practice to an identified rural community for a duration of 5 years.
- With this targeted investment, rural physician incentives should decrease the average population to physician ratio in rural counties thereby increasing access to primary and specialty care in rural areas, improving continuity of care and health outcomes, and reducing physician vacancy and turnover in identified rural areas.

III. Eligibility:

In order to apply for a rural physician incentive, individuals must meet and agree to the following requirements. Applicants must:

- Be a qualifying physician:
 - Indiana-licensed MD or DO in good standing with an active, unrestricted license authorized to practice in Indiana; and
 - Board-eligible or board-certified in an applicable specialty
 - Applicable specialties include internal medicine, family medicine, obstetrics & gynecology, pediatrics, general surgery, anesthesiology, psychiatry, or other specialty with a rationale to document regional need.
 - If J1 or H1B is needed for U.S. work authorization, the physician must meet federal/state requirements and site sponsorship.
- Sign a service commitment to full-time rural practice at an eligible site for the duration of the five-year service commitment.
 - Service commitments are defined as the obligated 5-year period that an awarded physician must work in an eligible rural site.
 - Full-time is defined as an average 32 hours or more of clinical practice in an eligible rural site.
 - Rural areas are defined as counties identified as rural in accordance with their [HRSA designation](#).
 - Eligible sites are defined as licensed clinics or practices, hospitals, Federal Qualified Health Centers, or Rural Health Clinics that provide outpatient or inpatient services.

IV. Scope of Work

- **Program Structure**
 - Through this competitive application process, eligible physicians (see Section III above) will apply to receive grant awards of up to \$300,000 to be disbursed across the 5-year term.
 - IDOH will make award decisions for each grantee for each year of the RHTP.
 - Once grant awardees have been determined, IDOH will enter into agreements with the awarded physician's employer for a one-time award covering the full 5-year incentive amount.
 - The physician's employer will distribute funds for the five-year service commitment.
 - The physician's employer will report incentive disbursements to IDOH yearly, as detailed under "performance and reporting" below.
- **Program Timeline**
 - June 17, 2026 – Rural physician incentive applications window opens
 - July 20, 2026 – Rural physician incentive application due date
 - July 31, 2026 – Anticipated award decisions

- September 30, 2026 – Rural physician incentive agreements executed with awarded physicians' employers
- **Service Commitment:**
 - Awarded physicians must agree to provide full-time clinical practice at an eligible rural site for the duration of the service commitment of 5 years.
- **Incentive Terms:**
 - Amounts of up to \$300,000 will be paid directly to the physician's eligible employer to be distributed to the awarded physician throughout the 5-year service commitment period. Incentives may be taxable and physician's receiving incentives should consult a tax advisor.
 - Separation from eligible site employer, license suspension, or failure to meet service commitment may result in recoupment of received incentive funds and/or forfeiture of any remaining incentive funds.
 - Eligible site modifications require IDOH approval and could result in breach of contract, triggering a recoupment of incentive funds.
- **Performance & Reporting:**
 - Physician's eligible site employers must provide an annual report of total incentive disbursements, physician's employment status, average of clinical hours worked, and proof of licensure in good standing.

Rural physician incentives are administered without regard to race, color, religion, sex, national origin, age, disability, veteran status, or other protected status.

VIII: Conclusion:

This initiative provides an opportunity to bolster Indiana's rural physician workforce by creating incentives for clinician opportunities to align with rural needs.

To apply for this grant opportunity, please complete the REDCap survey linked below by **July 20, 2026 2026 at 5:00 PM EST:**

[RHTP Initiative 10 – Physician Stipend – REDCap Grant Application]

The REDCap survey will serve as the official grant application for this opportunity and will collect information related to institutional background, existing infrastructure and readiness, program implementation approach, staffing and partnership plans, rural workforce strategies, evaluation and sustainability planning, and anticipated budget needs. Applying physicians are required to complete this application form and provide required documentation, such as license and employer verification, upon request.