



House Select Committee on Advancing Rural and Small Town Health Care

September 10, 2026, at 1:00 p.m.

James Madison University College of Health and Behavioral Studies

235 Martin Luther King Jr. Way, Harrisonburg, VA

<https://studies.viriniageneralassembly.gov/studies/678>

The House Select Committee on Advancing Rural and Small Town Health Care (the Committee) met on the campus of James Madison University in Harrisonburg with Delegate Rodney T. Willett, chair, presiding.¹ Materials presented at the meeting are accessible through the [*Committee's meetings webpage*](#).

Consideration of Committee Policy for Electronic Meetings

Chandler Brooks, Legislative Counsel, Division of Legislative Services

Mr. Brooks presented a draft committee policy for electronic meetings held pursuant to § 2.2-3708.3 of the Code of Virginia. The Committee adopted the policy.

Opening Remarks

Lauryn Walker, Deputy Secretary of Health and Human Resources

Deputy Secretary Walker delivered introductory remarks on the priorities of the administration as the health care landscape changes. She emphasized improving affordability and governance of health care as well as improving development of the Commonwealth's health care workforce. Deputy Secretary Walker also discussed the impacts of federal changes from H.R. 1 on health care in the Commonwealth.

Presentation: Medicaid Overview and Next Steps, Challenges

Steve Ford, Director, Department of Medical Assistance Services

Elizabeth Dervan, Chief Deputy Director, Department of Medical Assistance Services

Mr. Ford began with a brief overview of how Medicaid is administered in the Commonwealth and the Department of Medical Assistance Services' role and mission. He discussed the history and development of medical assistance services in the Commonwealth as well as the current landscape of Medicaid. Mr. Ford gave a summary of major initiatives the agency is undertaking, with emphasis on changes from H.R. 1; administration of specific benefits including behavioral health, maternal and child health, and weight loss; implementation of a statewide pharmacy benefits manager; oversight of managed care; and ensuring nursing facility quality.

Ms. Dervan gave a more detailed overview of the impacts of H.R. 1 and how it will affect the administration of the Commonwealth's Medicaid program. She discussed eligibility changes,

¹ **Members Present:** Delegate Rodney T. Willett (chair), Delegate Nadarius E. Clark, Delegate Joshua G. Cole, Delegate Amy J. Laufer, Delegate Garrett Z. McGuire, Delegate Chris S. Runion, Delegate H. Otto Wachsmann, Jr., Delegate Wendell S. Walker

Members Absent: Delegate Israel D. O'Quinn (vice-chair), Delegate Lily V. Franklin, Delegate Rozia A. Henson, Jr., Delegate Ellen H. McLaughlin

new work requirements, and new eligibility renewal timelines. She concluded with a discussion of steps the agency is taking to implement new requirements under H.R. 1.

Members of the Committee asked several questions related to H.R. 1, the capacity of the agency to implement all of the incoming changes, and maximizing coverage for the eligible population.

Presentation: The 340B Program and Its Current and Future Impacts on Virginia Health Care

David Christian, RPh, Pharmacy Director, Central Virginia Health Services

Michael Jackson, MPH, Chief Financial Officer and Director of Government and Legislative Affairs, Virginia Community Healthcare Association

Kristin Parde, Deputy Vice President for State Advocacy, Pharmaceutical Research and Manufacturers of America

Ms. Parde began by giving some background on the history of the federal 340B Drug Pricing Program (the 340B Program) and discussing the perspective of pharmaceutical companies on the program. She discussed the potential for health care providers participating in the 340B Program to collect money without the expectation that it be used to expand charity care or lower patient cost. She also discussed the potential for increased drug costs as a result of the 340B Program and provided ideas on potential federal action to change the program.

Mr. Christian and Mr. Jackson presented a different perspective on the 340B Program, particularly from the point of view of charitable clinics and federally qualified health centers. They discussed how the 340B Program increases access to care in underfunded areas and helps clinics in those areas provide more services than they otherwise could. They highlighted a desire among such providers for more standardized methods of transparency for the program and also for legislation on access to contract pharmacies.

Members of the Committee asked questions and commented on the mechanics of the program and its impact on access to care in rural areas.

Presentation: Rural Health Transformation Update

Heidi Hertz, Director, Rural Health Transformation Fund

Ms. Hertz opened with an overview of the rural health transformation funding opportunity from the federal government and the process the Commonwealth completed to obtain such funding. She broke down the four initiatives under which the Commonwealth is organizing its rural health transformation funding. She discussed the challenges of obtaining requests for application for funding and ensuring that the funding is allocated by October 30 to comply with federal requirements. Ms. Hertz also highlighted upcoming funding opportunities for future allocations of federal funding.

The Committee discussed the impact of the funding on rural health, the timeline of allocating all funding that will become available over the next five years, and difficulties with the use of the "rural" designation at the federal level and its exclusion of several underfunded areas with fewer resources.

Next Meeting

Delegate Willett indicated that the Committee intends to hold additional meetings in 2027.



For more information, see the [*Committee's website*](#) or contact the Division of Legislative Services staff:

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