Rural Health Care Providers Can Use Federal Funding to Reduce Operating Costs and Improve Resilience

HHS is committed to helping rural health care organizations serve their communities. The **Inflation Reduction Act** offers billions of dollars that can support the mission of rural providers by improving emergency preparedness and lowering operating expenses.

Investments to Support Rural Health Care Providers

The tax credits listed below are eligible for "elective pay," meaning that **non-profit, tax-exempt organizations** can receive a payment equal to the full value of the credits. In general, the grant and loan programs listed below can be used for the same project as the tax credits, subject to certain requirements and limitations.

On-Site Renewable Energy Generation

On-site energy generation can save money and ensure consistent power for the facility, even in an emergency.



The **Investment Tax Credit for Energy Property** can support investments such as solar, small wind, energy storage, microgrid controllers, and combined heat and power. The credit increases if certain requirements are met, including if a property is in a low-income or energy community.



The **Rural Energy for America Program** can provide grants and guaranteed loan financing to rural small businesses for renewable energy systems. This opportunity is available to businesses, not tax-exempt entities.

Low-Emissions Transportation

Funding for low-emissions transportation can support fleet investments such as mobile clinics.



Two key tax credits can support low-emissions transportation:

- The **Alternative Fuel Vehicle Refueling Property Credit** is for charging stations using fuels including electricity and ethanol in **non-urban areas** and/or low-income.
- The **Credit for Qualified Commercial Clean Vehicles** is for purchasers of qualified clean vehicles, including passenger vehicles, buses, and ambulances.

Energy Efficiency Improvements

Energy efficiency improvements like enhancing building HVAC systems can reduce energy use and save money.



The **Energy Efficient Commercial Buildings Deduction** is for improvements to systems like interior lighting; heating, cooling, ventilation, and hot water; and building envelope. The deduction can be claimed by businesses and by designers working with tax-exempt entities.



The **Rural Energy for America Program** can also provide grants and guaranteed loan financing to rural small businesses for energy efficiency improvements.

Greenhouse Gas Reduction Fund loans can also support investments across the categories listed above. The Fund emphasizes benefits to low-income and disadvantaged communities.

The above programs are administered by the Department of the Treasury, Environmental Protection Agency, and United States Department of Agriculture.



More information is available here:

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