Our mission is to provide leadership on rural health issues.
## Destination NRHA

Plan now to attend these 2022 events.

<table>
<thead>
<tr>
<th>Event</th>
<th>Dates</th>
<th>Location</th>
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<tbody>
<tr>
<td>Annual Conference</td>
<td>May 10-13, 2022</td>
<td>Albuquerque, NM</td>
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<tr>
<td>Rural Hospital Innovation Summit</td>
<td>May 10-13, 2022</td>
<td>Albuquerque, NM</td>
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<tr>
<td>Rural Health Clinic Conference</td>
<td>Sept. 20-21, 2022</td>
<td>Kansas City, MO</td>
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<tr>
<td>Critical Access Hospital Conference</td>
<td>Sept. 21-23, 2022</td>
<td>Kansas City, MO</td>
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Visit RuralHealthWeb.org for details and discounts.
Agenda
Today’s Presentation

• The Rural Landscape
• COVID-19
• Federal Update
• Innovation
• Questions

Go Rural!
The Rural Landscape
What We Fight for on Behalf of Rural

• Addressing Rural Declining Life Expectancy and Inequality

• Reducing Rural Healthcare Workforce Shortages

• Invest in a Strong Rural Health Safety Net
Rural Details

- Rural areas make up 80% of the land mass in USA
- Rural areas have roughly 17% of the US Population
- Rural areas provide the food, fuel and fiber to power our nation
- Access to high-quality health care is a requirement to keep these important resources available
- An exchange between urban and rural that must not be overlooked
- Historically, public policy has disadvantaged health care in rural communities
Asset-Based Look at Rural Areas

Source: Urban Institute
“Rural hospitals and the rural economy rise and fall together”

“Three years after a rural hospital community closes, it costs about $1000 in per capita income.”

- Mark Holmes, professor, University of North Carolina

- On average, 14% of total employment in rural areas is attributed to the health sector. Natl. Center for Rural Health Works. (RHW)

- The average CAH creates 107 jobs and generates $4.8 million in payroll annually. (RHW)

- Health care often represent up to 20 percent of a rural community’s employment and income. (RHW)

- Medical deserts form in rural communities where hospitals close.
Rural Realities

• Asset-based approach for rural communities

• Health Care is vital to rural communities for two reasons:
  • Access to care
  • Economic Development

• Rural communities are challenged:
  • Public policy disadvantages: one-size fits all
  • Covid has expanded the fractures that pre-existed in rural areas

• Policy solutions must account for the complexities of rural communities, recognizing the value of health care
Convergence of Multiple Pressure Points

- Health Disparities
- Population Migration
- Recruitment/Retention
- COVID-19
- Healthcare Policies
- Economic Policy
Population Health Disparity
Rural v. Urban

Percentile Ranking

<table>
<thead>
<tr>
<th>Category</th>
<th>Rural</th>
<th>Urban</th>
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<tr>
<td>Over 65</td>
<td>69</td>
<td>33</td>
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<tr>
<td>Diabetes</td>
<td>63</td>
<td>41</td>
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<tr>
<td>Median HSHLD Income</td>
<td>69</td>
<td>32</td>
</tr>
<tr>
<td>Access to Primary Care</td>
<td>63</td>
<td>33</td>
</tr>
<tr>
<td>Access to Mental Health</td>
<td>62</td>
<td>32</td>
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Population Health Disparity
Rural v. Urban

Percentile Ranking

- Median HSHLD Income: Rural 32, Urban 69
- Child Poverty: Rural 44, Urban 60
- Uninsured Adult: Rural 48, Urban 53
- Uninsured Children: Rural 40, Urban 60
- Premature Death: Rural 40, Urban 61
Rural Hospitals Vulnerable to Closure

Percentage of State Rural Hospitals Determined to be Vulnerable

- 0% to 1%
- 1% to 9%
- 10% to 15%
- 16% to 20%
- 21% to 25%
- 26% to 30%
- 31% to 40%
- 41%+

States are color-coded based on the percentage of rural hospitals determined to be vulnerable.
Hospital Performance By State

• Chartis Center for Rural Health has compiled a list of hospitals nationwide and the impact that various payment programs have on performance.

• Link here to access this valuable data.
Where the Safety Net is Weakest

Vulnerable Rural Communities v. Rural

Vulnerable Hospital Community

Rural

Percentile Ranking:

- Primary Care: Vulnerable 33, Rural 23
- Mental Health: Vulnerable 23, Rural 17
- Uninsured Adult: Vulnerable 73, Rural 53
- Uninsured Children: Vulnerable 69, Rural 60
- Premature Death: Vulnerable 77, Rural 61
Rural Population Disparity

Adults Uninsured

Percentage of population served by rural hospitals that is adults under age 65 without health insurance.

0-5%  6%-10%  11%-15%  16%-20%  21%-25%  >25%

Medicaid Expansion State
Rural Population Disparity

Child Poverty

Percentage of population served by rural hospitals that is under age 18 in poverty.

- 0-5%
- 6%-10%
- 11%-15%
- 16%-20%
- 21%-25%
- >25%

Medicaid Expansion State
The Geography of Food Stamps

SNAP Enrollment as Percent of County Population

[Map showing the geographic distribution of SNAP enrollment across the United States, with a legend indicating percentage ranges from 0.4% to 19.9% and 8.0% to 58.0%.]
Disparities in Maternal Care Access for Rural Moms

More than 18 MILLION reproductive age women live in rural America.
#RuralMaternalHealthForum

More than HALF of rural counties have NO hospital-based maternity ward.
#RuralMaternalHealthForum

From 2004-2014, Rural counties with greater %s of black women were more than 4Xs as likely to lose obstetric services.
#RuralMaternalHealthWeek
Prevalence of Medicare Patients with 6 or more Chronic Conditions

The Prevalence of Medicare Fee-for-Service Beneficiaries 65 Years or Older With 6 or More Chronic Conditions, by County, 2012

Age-adjusted prevalence
Quintile classification
- 4.1%–10.3%
- 10.4%–12.9%
- 13.0%–14.9%
- 15.0%–17.2%
- 17.3%–32.3%
- Insufficient data

National age-adjusted prevalence is 15%.
Source: Centers for Medicare & Medicaid Services.
The Digital Divide in Rural America

RURAL HOUSEHOLDS WITH BROADBAND SUBSCRIPTIONS

HOUSEHOLDS WITH BROADBAND SUBSCRIPTIONS


83% METROPOLITAN
73% OUTSIDE METROPOLITAN

BROADBAND SUBSCRIPTIONS

BY INCOME

Source: NAR Health. American Indian/Alaska Native Population

BY AGE

Source: NAR Health. American Indian/Alaska Native Population

BY RACE / ETHNICITY

Source: NAR Health. American Indian/Alaska Native Population
Red Sky in Morning, Sailor’s Warning

- **Negative Operating Margin**: 45%
  - Excluding relief funds

- **Medicare Sequester**: $228.5M
  - 2% cut July-Dec 2022

- **PAYGO**: $900M+
  - 4% cut 2023

- **Rural Hospital Staffing**: 96.2%
  - said nursing #1 need
How Unstable is the Rural Health Safety Net?
Operating Margin, Closures and Hospital Vulnerability

- **$12.9B** Pandemic Relief Payments*
- **41%** Operating in the Red (includes relief funds)
- **2** Rural Hospitals Closed in 2021

*CARES Act and CAAP*
Pandemic Relief Funds Stabilize Safety Net

CARES Act  
$4.8B

Medicare Advanced Payments  
$8.2B

American Rescue Plan  
$887M
Addressing COVID-19
Covid Hospitalization Rate by County

Source: NY Times April 19, 2022
Covid Hospitalization Rate by County

Source: NY Times, Jan. 24, 2022
Rural COVID-19 Death Rate

Cumulative Death Rate (per 100,000), Metro and Rural

The rate of Covid-related deaths per 100,000 population from metropolitan and rural (nonmetropolitan) counties.

Metropolitan  Rural

372.04  272.37

Rural is defined as nonmetropolitan, or counties that are not part of a Metropolitan Statistical Area. (OMB 2013)

Chart: Daily Yonder graphic  Source: #USAFacts, CDC  Get the data  Created with Datawrapper

As of April 13, 2022

Source: CDC and selected state departments of health
NRHA survey shows rural COVID vaccine barriers, needs

• Most rural adults report at least partial vaccination for COVID-19 (61%), as well as half of rural parents (47%) and rural teens (48%)

• Overall, 31% of rural adults, 42% of rural parents, and 50% of rural teens report feeling social pressure about the vaccine – either to accept it or reject it.

• When looking at barriers to vaccination, feeling overwhelmed by the information and misinformation is the most selected barrier to personal vaccination uptake (26% of unvaccinated rural adults) and vaccination uptake for their child(ren) (31% of rural parents)

• Health care providers are the most trusted source of COVID-19 vaccine information across all three groups: rural adults, parents, and teens
Provider Relief Fund & ARP Rural Fund

• HRSA has made more than $13.5 billion in Provider Relief Fund Phase 4 General Distribution payments to more than 86,000 providers across the country.

• In addition to the American Rescue Plan, rural payments totaling nearly $7.5 billion in funding to more than 44,000 providers since November 2021.

• HHS released an updated state-by-state table outlining all Phase 4 payments made to date.

| Michigan | 2,632 Providers | $354,568,600 in Total Payments |

• Pay attention to reporting requirements at the PRF Reporting webpage!
Rural Vaccine Confidence: Key Messages

• Sharing **THE FACTS**: safe, effective, free of charge, development

• Protecting **LOCAL BUSINESSES** while strengthening economy: local healthcare works, keeping workers safe, stay open

• Protecting **YOURSELF**: hospitalizations/death, personal choice

**NRHA: COVID-19 Vaccine Talking Points**
COVID-19 Resources

• NRHA COVID-19 Vaccine Resources
• NRHA COVID-19 Rural Health Provision Summary
• NRHA COVID-19 Technical Assistance Center
• NRHA COVID-19 Resources Page
• We Can Do This COVID-19 Public Education Campaign
Federal Update
Drivers behind rural workforce shortage

- COVID-19 burnout/exhaustion
- Baby Boomers are retiring
- Desire for flexible work schedules
- New options like remote work/digital opportunities
- Salary and benefit limitations
- Education opportunities limited
- Rural patients need more services
- Rural practice characteristics
- Rural communities lack spouse opportunities
Rural Health Workforce

1. Expand the Medicare Graduate Medical Education (GME) Program
   - NRHA urges support for S. 1893, the Rural Physician Workforce Production Act, to ensure rural providers are adequately represented in the Medicare GME program.

2. Provide supplemental appropriations to National Health Service Corps
   - Support supplemental appropriation funding for workforce programs like the National Health Service Corps and the Nurse Corps Loan Repayment Programs in future COVID-19 relief legislation.

3. Support the nursing workforce to expand access to care
   - NRHA urges support for S. 246 / H.R. 851, the Future Advancement of Academic Nursing (FAAN) Act.
2022 National Health Service Corps (NHSC) New Site Application Cycle is now open

• New site application due through May 5, 7:30 p.m. ET
• Opportunity is for sites that have never been approved for NHSC!
• Potential eligible rural sites eligible include Rural Health Clinics, Critical Access Hospitals, Federally-Qualified Health Centers (and look-alikes), Community Mental Health Centers, and State or Local Health Departments

• Interested sites and treatment facilities should review the Site Reference Guide (SRG) for additional details on becoming NHSC approved.

• HRSA will be holding free webinars to help with the application process.
  • April 27, 12-2 p.m. ET: NHSC New Site Application Q&A Session #2
FY 2023 IPPS Rule Released

- Increase of 3.2% to PPS rate
- Designation of “Birthing Friendly” Hospitals
- 1,786 pages long
- Link here to access the NPRM
- NRHA will provide a summary once complete
MDH and LVH Reauthorization

• Medicare Dependent Hospital and Low Volume Hospital program authorization expires September 30, 2022
• NRHA is advocating for reauthorization of these two programs
• Critical lifeline for small rural PPS hospitals to offset harmful effects of prospective payments on low volume hospitals
H.R. 6400, Save America's Rural Hospitals Act

In January, Representatives Graves (R-MO) and Huffman (D-CA) introduced the Save America's Rural Hospitals Act which included several of NRHA's rural hospital and rural health clinic priorities.

- Sec. 114: Restore full CBR AIR in exchange for reporting requirements for provider-based RHCs.
- Sec. 101: Elimination of Medicare sequestration for rural providers.
- Sec. 111: Makes permanent increased payments for ground ambulances.
- Sec. 113: Makes permanent telehealth distant site status for FQHCs and RHCs.
- Sec. 401: Reauthorizes the Medicare Rural Hospital Flexibility Program.
NRHAs advocacy priorities is to modernize and improve the rural health clinic program.

- Legislation to allow provider-based RHCs to receive reimbursement rates not subject to the upper-payment limit cap in exchange for quality reporting measures.
- This proposal is reflected in NRHA's updated [rural health clinic program modernization fact sheet](#).
- NRHA is also advocating Congress permanently extend CARES Act telehealth flexibilities for both RHCs and Federally Qualified Health Centers and allow them to be reimbursed for telehealth services at a rate closer to their in-person rate.

In the long-term, NRHA is working to get legislation introduced to modernize the RHC program by:

- Modernizing staffing requirements to allow for arrangements consistent with state and local law
- Allowing RHCs the flexibility to contract with physician assistants and nurse practitioners, rather than solely employment relationships
- Removing outdated laboratory requirements
Telehealth During COVID-19

• CARES Act provided the largest expansion of telehealth flexibilities in history for the duration of the public health emergency.

• The administration, through the 1135 waiver process also enhanced telehealth access.

• Current telehealth provisions are tied to 151 days past the end of the public health emergency. PHE has been extended to July 15, 2022 by Sec. Becerra, telehealth will be extended until December 13, 2022.

• NRHA is adamant that telehealth provisions be permanently extended and rates increased beyond the duration of the public health emergency so rural providers and patients can continue an increased access to care.
340B Program Lifeline

• Ensure the 340B Drug Pricing Program remains a critical resource for rural hospitals
  • Attacks on contract pharmacies
  • Medicare payment cuts
  • Pharmacy Benefit Manufacture restrictions
  • Scope of patient definition

• 340B Program reforms:
  • Protect rural hospitals
  • Increase HRSA’s enforcement authority
  • NRHA urges support for H.R. 4390, the Protect 340B Act of 2021
Medicare Advantage

• Rural MA enrollment continuing to grow:
  • Enrollment grew by 7.2 percent from 2020-2021

• CMS does not consider MA to be Medicare for rural cost-base provider payments, reducing Medicare volume and payments
  • Solution: Require CMS consider MA patient days and outpatient review as Medicare
Mental Health

Congress has held several hearings devoted to the mental health epidemic. A mental health package could possibly pass and provide significant support toward these epidemics.

- The **Senate Finance Committee** released a bipartisan request for information on legislative proposals to that will increase access to health care services for Americans with mental health and substance use disorders.

- NRHA is working with Representative Porter (D-CA) and Senator Smith (D-MN) to advance the *Stopping the Mental Health Pandemic Act* (H.R. 588 / S. 165).

The President's [fiscal year (FY) 2023 budget request](#) includes several initiatives to address the mental health needs of Americans and the opioid epidemic.
Recent Activities

- NRHA met with CMS/CMMI in a roundtable on rural participation in accountable care
  - Focus on lessons learned from AIM ACO model integration into MSSP
  - Findings from that discussion can be found [here](#)

- NRHA letter to HRSA regarding HPSA’s proposed for withdrawal
  - Requesting 1) improved transparency, flexibility, and technical support, 2) additional time for redetermination before de-designation occurs
  - A copy of the letter can be found [here](#)
FY22 Appropriations & Omnibus

In early March, the House and Senate agreed to fund the government for FY 2022. Included in the package was:

- USDA $3.45 billion for the Rural Community Facilities Program and $2 million for the Rural Hospital Technical Assistance Program
- $62 million for the Medicare Rural Hospital Flexibility Grant Program. This included $5 million to establish a Rural Emergency Hospital (REH) Technical Assistance Program.
- The continuation of other core rural health programs, including:
  - $12.5 million for State Office of Rural Health
  - $135 million for the Rural Communities Opioid Response Program
  - $10.5 million for the Rural Residency Development Program
  - $122 million for the National Health Service Corps
  - $6 million for the Rural Maternity and Obstetrics Management Strategies (RMOMS) program
NRHA is Advocating For...

- Extend relief from Medicare sequestration until December 31, 2022.
- Extend telehealth flexibilities beyond the duration of the public health emergency, including RHCs, FQHCs, and CAHs.
- Reinstate uncapped reimbursement for provider-based rural health clinics in exchange for quality measure reporting.
- Enhance the rural health care workforce.
- Fully fund the Rural Health Safety Net in FY2023 appropriations.
Innovation
Innovation Insights

• Traditional fee-for-service payment will wane as we continue transition to value-based payment
• Site-neutrality payment policies will continue to proliferate
• Pressures continue for rural hospitals:
  • Operational efficiencies
  • Human resources/workforce shortages
  • Access to capital
• Clinical integration will create advantages to systems of accountable care (Value based payment, re-admission rates and preventable re-admissions, bundled payments, accountable care organizations, etc.)
• Flexibility key to strategy going forward:
  • increased regulatory and environmental uncertainty
  • Legislative changes, for example, sequestration, Paygo, etc.
Goal: 100% of Medicare payments to providers are through a VBP approach
Trends in Rural Accountable Care

- Accountable Care Organizations (ACO)
- Pennsylvania Rural Health Model (PaRHM) and Global Budget

Evaluate your organization’s VBP readiness:

Rural Health Value Catalogue of Models

Accountable Health Communities Model – Two Rural Participants’ Experiences
New! Rural Emergency Hospital

Clinic
- Limited hours
- No Emergency Services
- No Overnight Stays
- Primary Care

Rural Emergency Hospital
- Open 24/7
- Emergency Services
- No Overnight Stays
- Primary Care
- Telemedicine

Hospital
- Open 24/7
- Emergency Services
- Overnight Stays
Key Elements of the REH Model

- Effective for services as of 1/1/2023
- Current CAHs and rural PPS under 50 beds
- Requires ED staffing levels and transfer rules to Level I or II trauma
- Payment for services at OPPS amounts plus 5% & monthly facility payment
- Allow distinct-part SNFs
- Required implementation plan
- Required quality reporting
Summary

- The Rural Landscape
- COVID-19
- Federal Update
- Innovation
- Questions

Go Rural!
Questions?
Thank you.

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@bslabach
#ruralhealth