



Measure 30 Impacts Rural Health Clinics and Rural Hospitals

Rural clinics and hospitals were struggling before the defeat of Measure 30. With the failure of the \$800 million tax increase, which would have filled the state budget gap, they face a greater challenge maintaining health care services for the members of their communities.

The Oregon Health Plan (OHP) proposed budget cuts directly affect 213,000 Medicaid beneficiaries. This includes cuts to the OHP Standard program, which covers adults with incomes below the poverty line. The proposed budget by the Department of Human Services eliminates 61,000 beneficiaries, and disposes of plans to expand that program for 27,000 new beneficiaries.

Proposed budget cuts will also eliminate 25,000 children and 2,000 pregnant women from the federally mandated Medicaid program in Oregon, OHP Plus. OHP Plus covers 300,000 low-income, elderly, blind and disabled adults, pregnant women and children. Another 125,000 beneficiaries are slated to lose coverage for vision care, dental care, mental health care, addiction treatment services, physical therapy, and some prescription drug benefits currently covered by OHP Plus.

Rural counties will be most affected by these OHP budget cuts. Larger portions of the rural population are poor, elderly, unemployed, and uninsured. A closed clinic or hospital is not so drastic in an urban area

when another health care source is 20 minutes away. It becomes a much more serious situation when a clinic or hospital closes in a rural area and the next closest health care source is an hour away through a mountain pass.

The proposed cuts to the Oregon Health Plan put the viability of the safety net - the rural health clinics, federally qualified health centers and rural hospitals that provide care for the underserved - at risk.

"These cuts are going to be disastrous for rural clinics and hospitals," said Karen Whitaker, Vice Provost, Oregon Center for Rural Health. "Ditto," said Craig Hostetler, Executive Director, Oregon Primary Care Association.

"Most clinics will see their budgets decrease by at least 10%, if not more," said Hostetler. This will vary depending on the percentage of Medicaid patients seeking care, and what services a clinic offers. However, Hostetler estimates that Medicaid covers 37% of the patients served by safety net clinics.

Clinics rely on Medicaid payments to stay viable, to fill the gap between what a patient can pay and what a service costs to administer. Most clinics strive just to keep the doors open, rather than make a profit. Without this revenue, clinics will be forced to cut their budgets by eliminating

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New Awards Honor Those Working in Rural Health

The Office of Rural Health will present five new awards to honor those making outstanding commitments to improving the quality and availability of rural health care. The awards will be presented on Friday, October 8, 2004 during a luncheon ceremony at the 21st Annual Oregon Rural Health Conference in Portland, Oregon.

Award determinations will be based on the merits of nominees, their relevance to established criteria in the category and a demonstrated benefit to the constituency. The Rural Health Coordinating Council will determine the award winners, and winners will be notified by telephone or email no later than July 31, 2004.

Nominations for award recipients are available on the Office of Rural Health web site, www.ohsu.edu/oregonruralhealth, or by calling the Office at 503-494-4450. All nominations must be received by July 1, 2004. The five award categories are:

Rural Health Practitioner of the Year

Recognizes a direct service provider for leadership in bringing health services to rural populations. Nominees should provide outstanding care, be involved in the community and have made lasting contributions to the health care system.

The Dutch Reinschmidt Award for Outstanding Achievement in Rural Health Education

The Dutch Reinschmidt Award will be presented annually in memory of J. S.

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New Staff Join the Office of Rural Health Team

The Office of Rural Health has made some changes to better serve your rural health needs. We invite you to join us in welcoming our newest staff members. All staff can be reached via phone at 503-494-4450 and through email. Information about each staff person is also available on our web site www.ohsu.edu/oregonruralhealth.



Caleb Minnieweather - Office Specialist

Caleb is our new Office Specialist, and the friendly voice greeting you on the phone. Caleb is also responsible for processing incoming and outgoing mail, scheduling and coordinating staff meetings, staff travel, disbursements, copying and

data input. Previous to joining the Office of Rural Health, Caleb became familiar with the ins and outs of Oregon Health & Science University by working in shipping and receiving. Say hello to Caleb the next time you call. He can be reached via email at minniewc@ohsu.edu.



Jo Johnson - Recruitment Services Coordinator

The Office of Rural Health is pleased to welcome our new Recruitment Services Coordinator, Jo Johnson. Jo is responsible for coordinating the HERO recruitment and retention program and answering questions regarding the Conrad 30 (J-1 Visa) program, loan

repayment and student scholarship programs. Jo is the former Division Manager for Oregon Health & Science University's Liver Transplant Program. Born and raised in Oregon, Jo has spent all but four years of her life here. "I'm very excited about the opportunity to get to know rural Oregon from this new perspective." Jo can be reached at johnsjo@ohsu.edu.



Kate Clemens - Technical Assistance Field Specialist

Kate will be working with Paul McGinnis and Troy Soenen in Field Services. Kate's new responsibilities include assisting communities to develop health care delivery systems, needs assessment and strategic planning, and the development of ongoing funding. Kate moved to

Portland last November from Port Angeles, Washington, where she was Office Administrator for a multi-specialty clinic. As Office Administrator, Kate was responsible for overall management of the clinic, including the recruitment and retention of physicians and staff, HIPAA compliance, and working with other local physicians and the hospital to ensure the highest level of patient care. Kate is available at clemensk@ohsu.edu.



Sandra Assasnik - Community Grants Coordinator

Sandra, former Recruitment Services Coordinator, is our new Community Grants Coordinator. Sandra brings her expertise as a Program Manager from the Utah State Office of Rural Health & Primary Care and Diabetes Control Program, as well as the Office of Rural Health HERO program.

Please update your records to show Sandra Assasnik as Community Grants Coordinator. She may be contacted assasnik@ohsu.edu.

Exhibitor & Sponsorship Opportunities

Don't forget to check out the Office of Rural Health web site for details on how to exhibit at the 21st Annual Oregon Rural Health Conference, October 7 – 9, 2004 in Portland Oregon.

Do you know of a local business or organization interested in sponsoring the conference? There are some very creative sponsorship opportunities available to support the 21st Annual Oregon Rural Health Conference. Information is available at www.ohsu.edu/oregonruralhealth/conf. Sign up early!

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services, reducing access, and turning away new patients. Some clinics may not be able to maintain their current patient load when compensation for care is no longer available.

History has shown that when patients are not able to access primary care they often wait until a medical problem becomes serious before seeking care at a hospital emergency room. Small rural hospitals, which already serve a large proportion of Medicaid clients, face an influx of uninsured patients in their emergency rooms.

The Oregon Association of Hospitals and Health Systems estimates that the direct impact of the OHP cuts for hospitals will be over \$150 million. Many small rural hospitals don't have the profit margins that larger urban hospitals have to sustain them through a new crop of uninsured patients seeking care in the emergency room.

This uncompensated care will be written off and hospitals will be forced to offset these costs by demanding higher rates from private health insurance companies. Private insurers will pass those increases on to people and companies that purchase health insurance.

"When the uninsured do not have access to primary care, and must seek medical care from a hospital emergency room, we all pay the price," said Whitaker. "We will probably see more patients with manageable illnesses avoiding care until they reach a crisis point. Then it is the providers and eventually the taxpayers who foot the bill for expensive procedures and extended hospitalization."

There is increasing apprehension about how this situation will impact the affordability and availability of health care services in rural communities. Many rural counties already face a high unemployment rate, and decreasing access to health care services. Both rural clinics and hospitals will face shrinking budgets at the same time they experience a demand for uncompensated care. The cuts to the OHP program not only put the safety net structure at risk, but also decrease access to health care for rural populations.

In order to avoid stress on the safety net structure and help rural communities, Oregon needs to maintain the structure of the Oregon Health Plan. The Governor has made it a priority to retain coverage for children and pregnant women, and to preserve some prescription drug coverage for vulnerable populations such as the elderly and disabled.

Some relief may come in the form of the Provider Tax. Through this program, hospitals and managed care plans are asked to pay extra taxes. The state sends this revenue to the Centers for Medicaid and Medicare Services (CMS). CMS matches that money two-to-one with federal money. The hospitals and managed care plans would receive tax refunds and the rest of the matching funds would be slated to support the Oregon Health Plan.

The Legislative Emergency Board is meeting in April to

determine which of the proposed cuts will be implemented, and if a budget bailout through the Provider Tax is feasible. The earliest that proposed cuts could take effect is August 1, 2004 since all changes to the mandated Medicaid program, OHP Plus, would have to be approved by CMS.

Advocates for rural health can contact their legislators ASAP, and emphasize the impact the loss of funding for the Oregon Health Plan will have on their rural health clinic, hospital, and community. To find your state legislator go to www.leg.state.or.us/findlegsltr/findset.htm.

The Oregon Primary Care Association can be reached at <http://orpca.org/>, or 503-228-8852. The Oregon Association of Hospitals and Health Systems can be reached at www.oahhs.org, or 503-636-2204. The Office of Rural Health web site is www.ohsu.edu/oregonruralhealth, and we can be reached via phone at 503-494-4450.

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Reinschmidt, M.D. Dr. Reinschmidt, lauded as a pioneering educator in Oregon, was the Founding Director of the Statewide Oregon AHEC Program. He had a profound effect on the health and well being of people in Oregon through his tireless efforts in continuing medical education. One rural physician summed Dr. Reinschmidt's contributions in a simple sentence, "If rural medicine in Oregon has a hero, it is certainly Dutch Reinschmidt." Nominees may be individuals or a group and will be evaluated based upon the scope of accomplishments, the significance of the scholarly effort and evidence of the outcome of the work in rural health.

Outstanding Rural Health Practice

Recognizes a community-oriented rural health practice, group or individual that has improved access to health services and information for rural populations through innovative, comprehensive approaches. Factors considered will include outreach, preventive health and education, quality and efficiency of care, and strong community support and involvement.

Outstanding Contribution to Rural Health Programs

Recognizes an individual whose work or volunteerism has made a significant difference in the access to and availability of health care in rural Oregon. Factors considered include the statewide and/or national impact of the person's contribution, extraordinary effort exceeding professional or volunteer expectations and overcoming challenges to his or her accomplishments.

Outstanding Rural Health Program

Recognizes a community, regional or statewide program involving one or more health professionals or entities that promotes or facilitates the development of rural health delivery systems. Awardees will be determined by considering coordination of services, networking and collaboration, innovation in development and implementation, and lasting impact.

TRAINING & CONFERENCE INFO

April 15 - 16, 2004

Community Cultural Competency in Healthcare Conference
Smullin Health Education Center, Medford, Oregon
Southwest Oregon Area Health Education Center
www.healthyoregon.com or call 541-672-1945

April 28 - 30, 2004

15th Annual Northwest States Trauma Conference
Sunriver Resort, Sunriver, Oregon
Oregon Health & Science University, McKenzie Willamette Hospital, Sacred
Heart Medical Center & St. Charles Medical Center
www.ohsu.edu/trauma/education/nwstc/ or call 503-494-7381

May 25 - 29, 2004

10th Annual Rural Minority & Multicultural Health Conference
Sheraton San Diego Hotel and Marina, San Diego, California
National Rural Health Association
www.NRHArural.org or call 816-756-3140

**The Office of Rural Health
would like to hear from you!**

Call us at:
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