

39th Annual Oregon Rural Health Conference

Presents *The Rural Health Landscape*

Speaker:

Alan Morgan, NRHA President

Our top partners



WIPFLI



The Rural Health Landscape

Alan Morgan
CEO

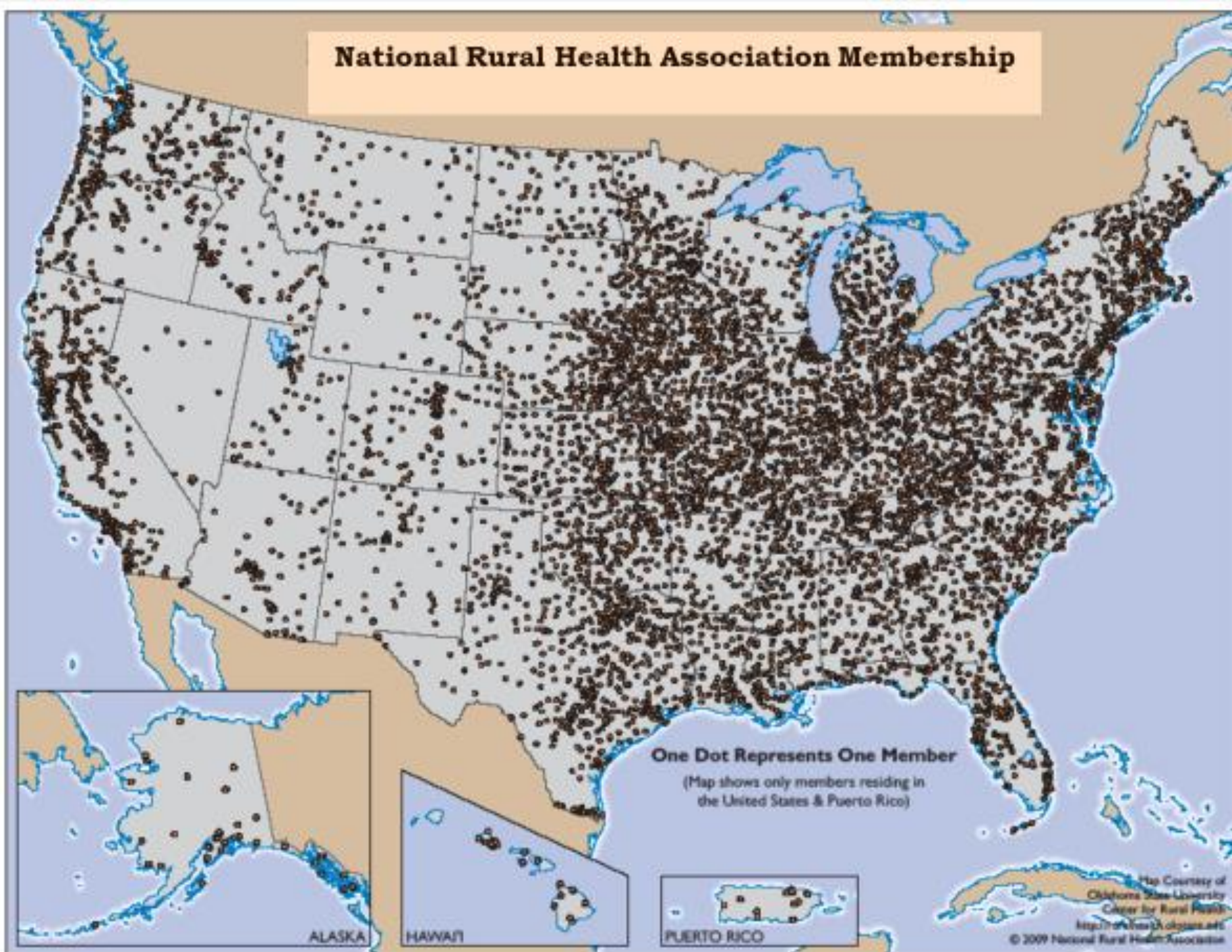
October 2022



NRHA
Your voice. Louder.

**Our mission is to provide
leadership on rural health issues.**

National Rural Health Association Membership





2022: An unprecedented year (continued)

- Unprecedented challenges to an already fragile rural health safety net
- Impact of the pandemic today and tomorrow
- Unprecedented NRHA advocacy and funding victories
- Rural health inequality and racial injustice focus
- New 117th Congress and Biden Administration
- Innovation continues

The State of Rural America

- **Workforce Shortages**
- **Vulnerable Populations**
- **Chronic Poverty**



The Rural Landscape

The Rural Context



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

Rural Population since 2015

- U.S. Census shows that population in nonmetropolitan counties remained stable from 2014 to 2022 at about 46 million.
- (2014-2018 rural adjacent to urban saw growth.)

Am I rural?



Rural Quality

- Strong sense of community responsibility, propensity toward collaboration (unique ways to develop and provide services needed.)
- Ability to create regional networks to provide greater access to state-of-the-art health care.
 - Institute Of Medicine “Quality through Collaboration”

Rural Quality

- Rural hospitals consistently outperform urban hospitals on patient experience metrics and patients often report higher levels of trust in their providers.
 - Joynt et al., 2016

Rural Quality

- Rural hospitals are more likely to practice patient-centered care as opposed to “more expensive” specialized care, which drives up Medicare costs.
 - Hiler 2014

Rural Quality

- Rural hospital perform better than urban hospitals in Medicare's Hospital Value-Based Payment Program.
- Rural hospitals scored better than their urban counterparts in postoperative wound infection rates and measures of health care related to infections.
 - Joynt et al, 2016

Rural Quality

- Rural home health care agencies are initiate care more quickly than their urban counterparts and typically outperform in the care process measure.
 - New York University, 2022

Rural Quality

- Patients seeking prenatal care at rural hospitals are less likely to experience potentially avoidable maternity complications.
 - Laditka et al, 2005

Rural Delivering Value

Rural has the edge

- Quality ✓
- Patient Safety ✓
- Patient Outcomes ✓
- Patient Satisfaction ✓
- Price ✓ +
- Time in the ED ✓ +

Study Area C – Hospital Performance

**Rural hospitals match
Urban hospitals on
performance at a lower
price**

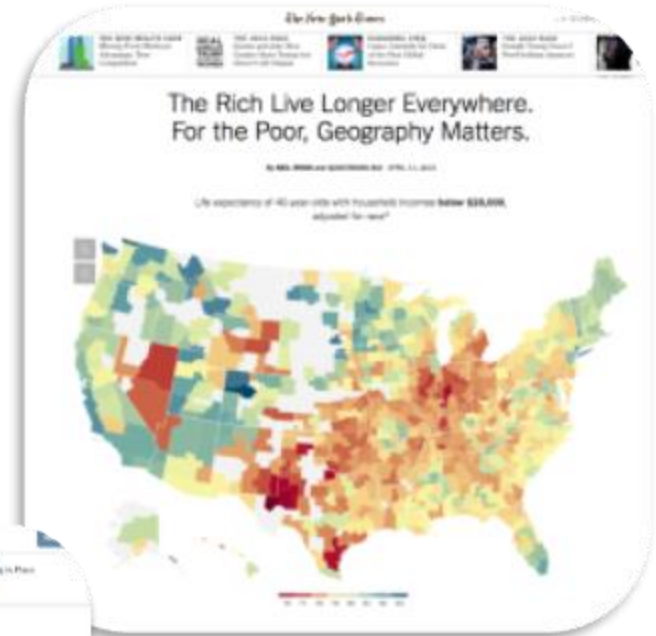
Rural has an Older, Sicker and Poorer Population

- The median age of adults living in rural areas is greater than those living in urban:
 - Rural: 51 years
 - Urban: 45 Years
- 18.4% of rural residents are age 65+, whereas its 14.5% in urban
- **Rural areas have higher rates of several health risk factors/conditions:**
 - **Obesity**
 - **Diabetes**
 - **Smoking**

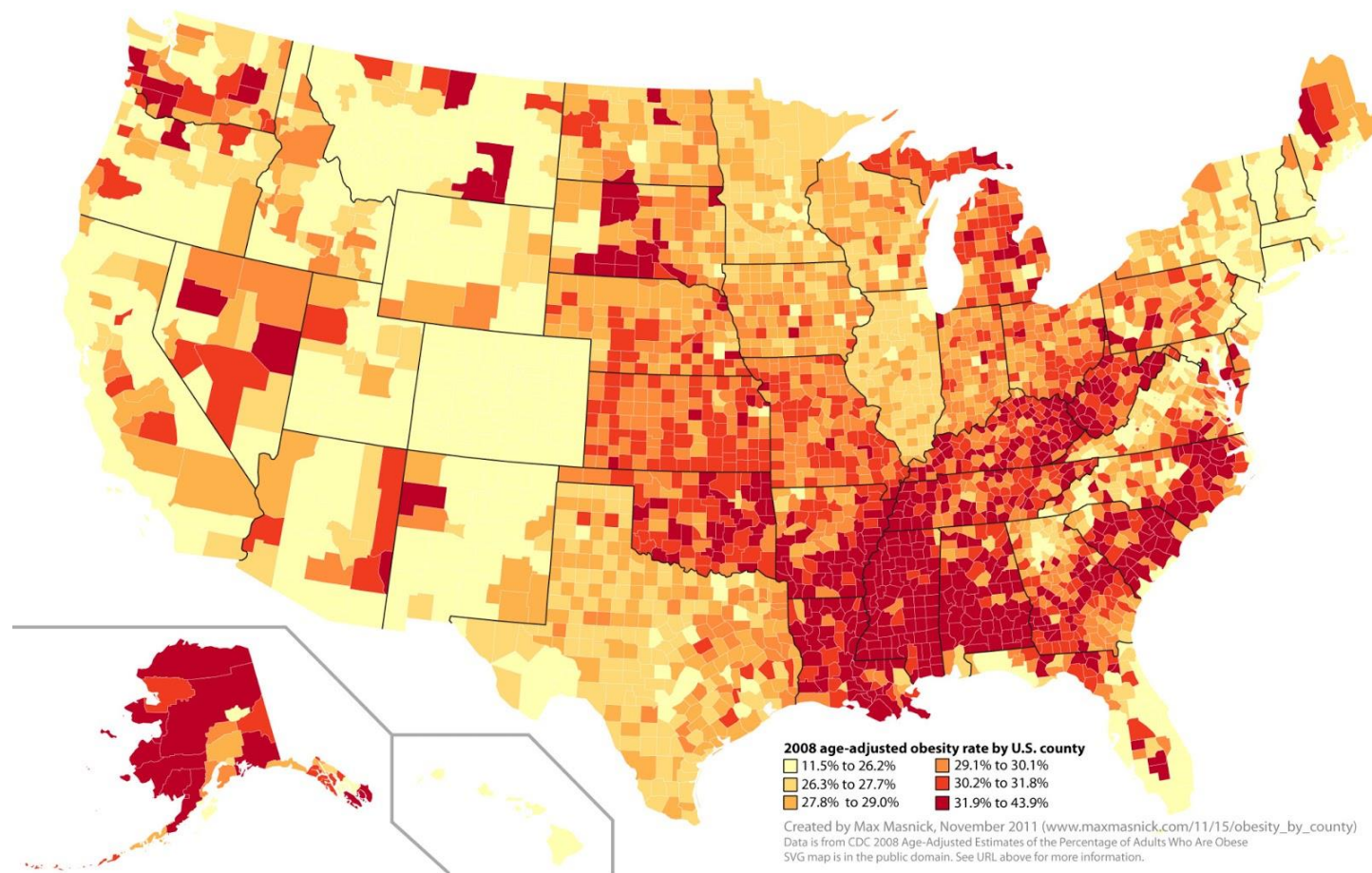
Fragile Rural Health Safety Net

- Vulnerable populations
- Systemic workforce shortages
- Scattered populations with inherent access to care issues
- Limited resources for providers
- Inadequate Medicare, Medicaid and private insurance coverage
- Lack of Medicaid expansion and high uninsured populations
- Rural provider closures

Declining Life Expectancy



Obesity rates in rural America



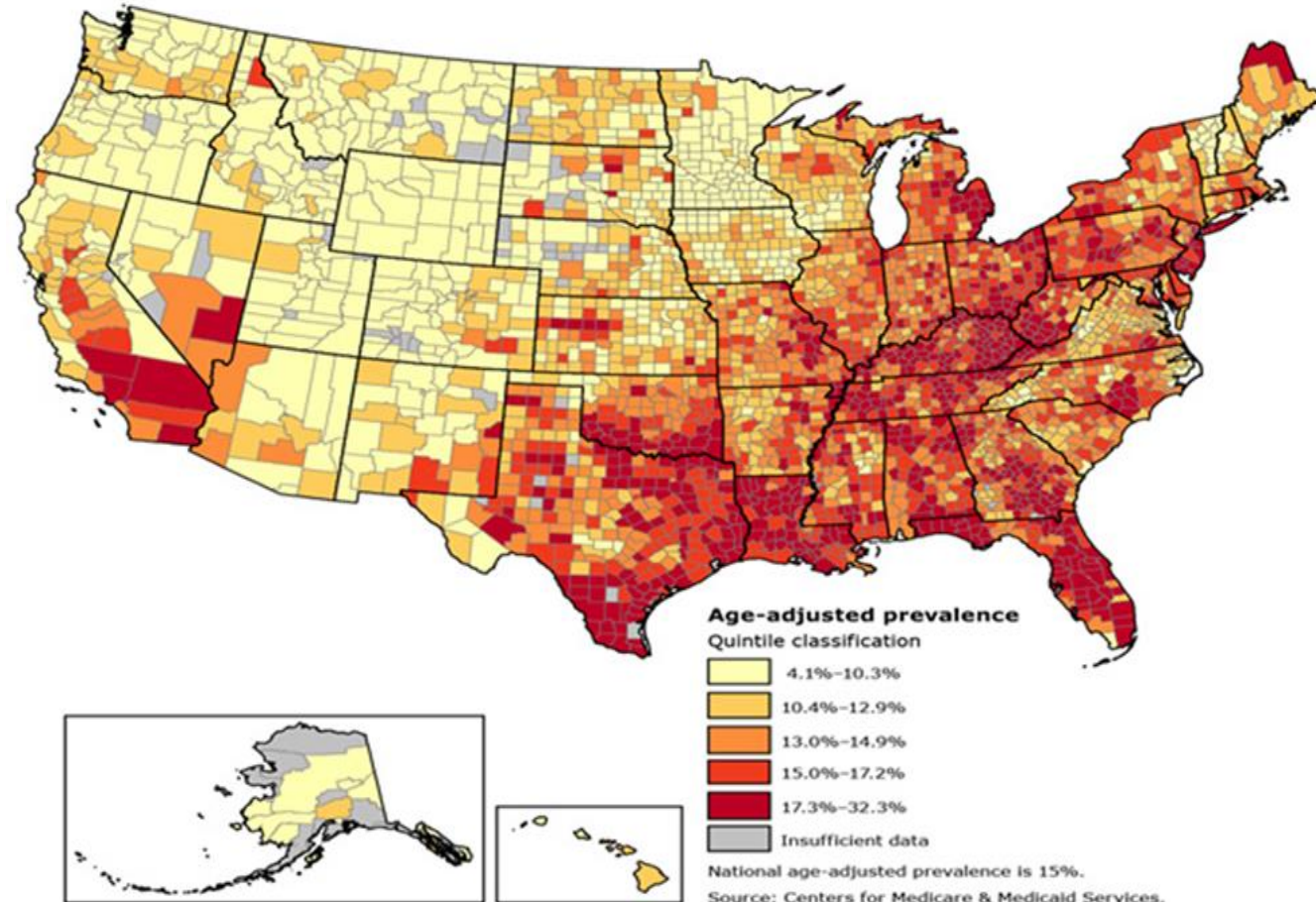
Rural Cancer Rates

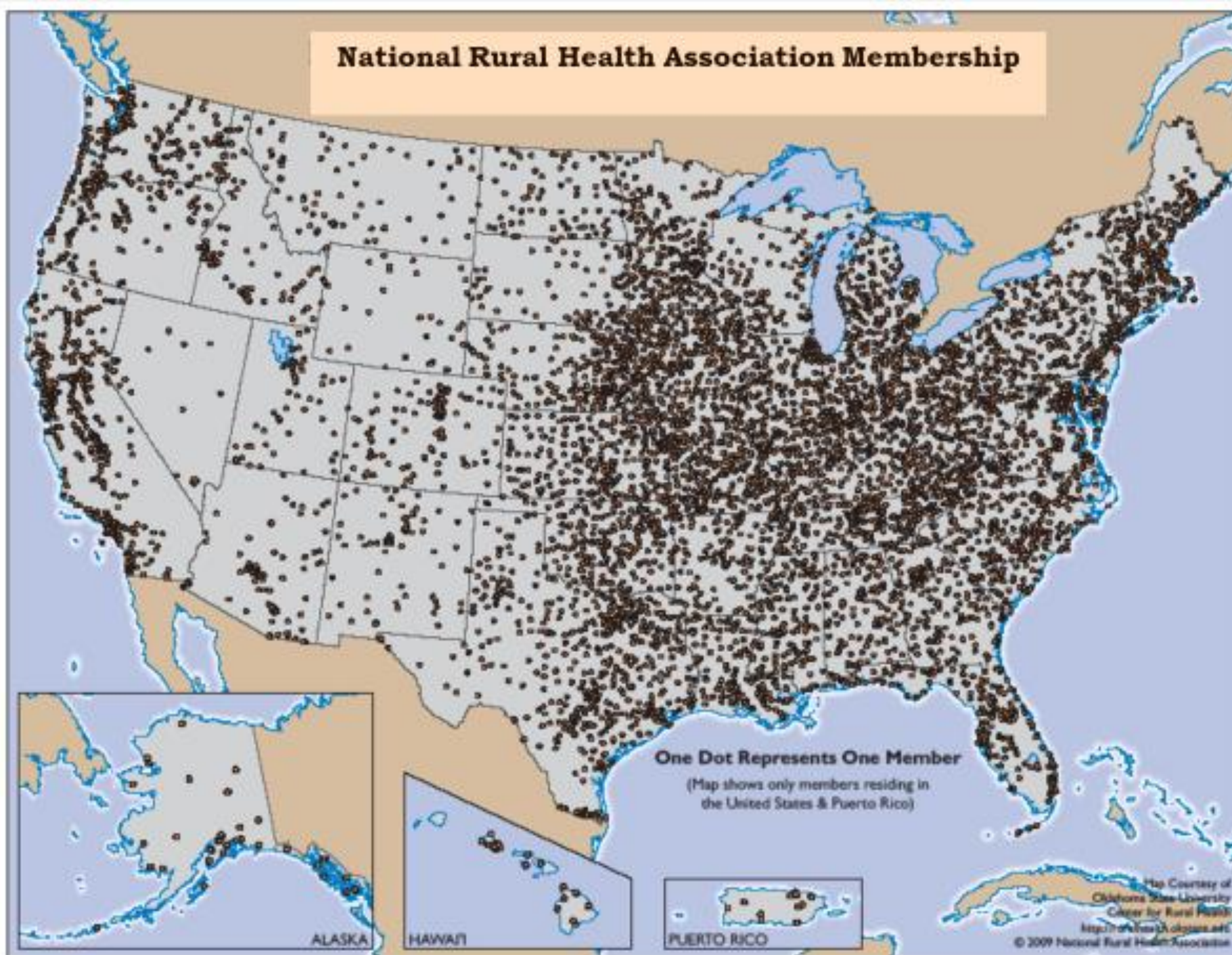
(Source: Centers for Disease Control and Prevention, MMWR Series July 2017)

- Reported death rates were higher in rural areas (180 deaths per 100,000 persons) compared with urban areas (158 deaths per 100,000 persons).
- Analysis indicated that while overall cancer incidence rates were somewhat lower in rural areas than in urban areas, incidence rates were higher in rural areas for several cancers: those related to tobacco use such as lung cancer and those that can be prevented by cancer screening such as colorectal and cervical cancers.
- ***While rural areas have lower incidence of cancer than urban areas, they have higher cancer death rates. The differences in death rates between rural and urban areas are increasing over time.***

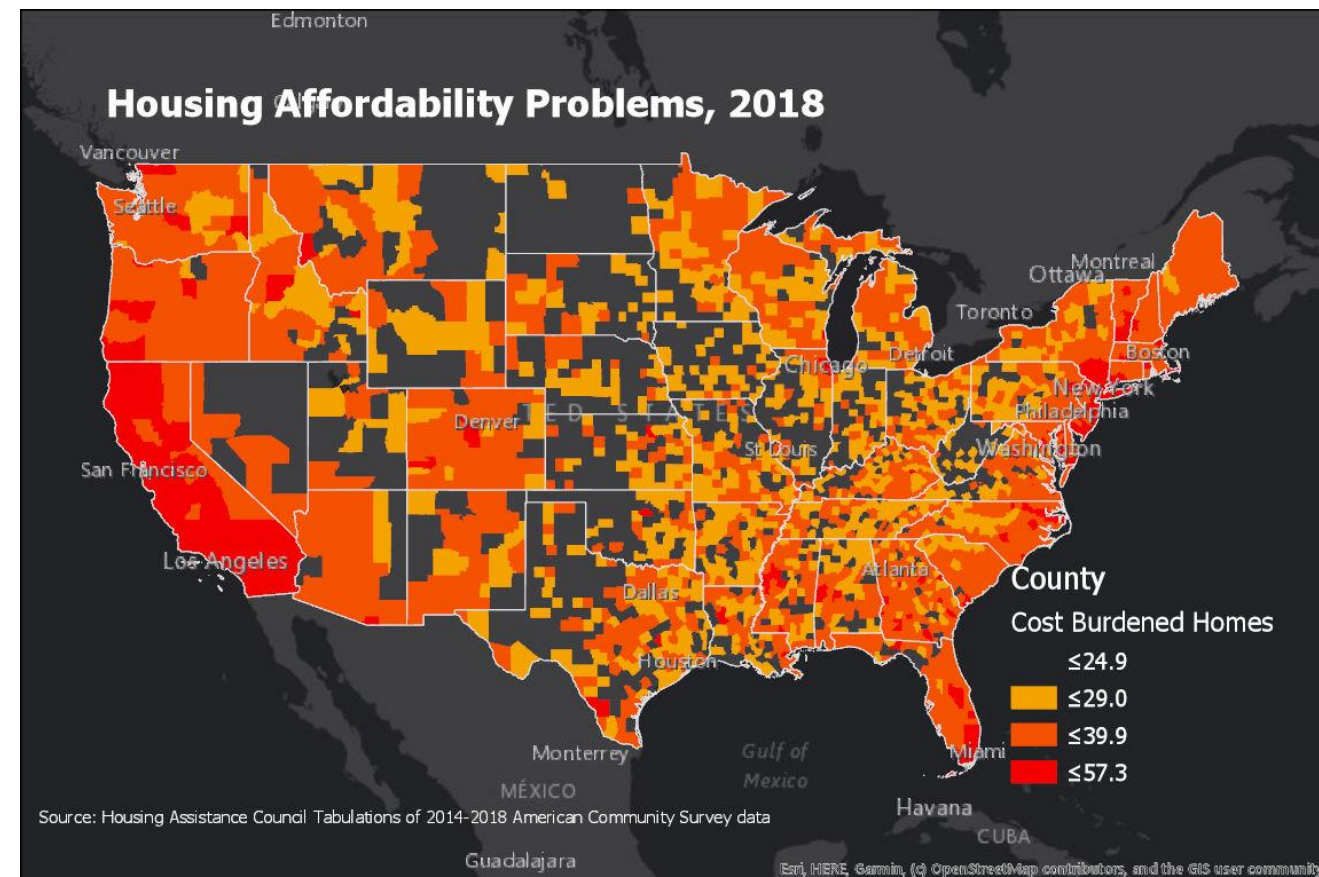
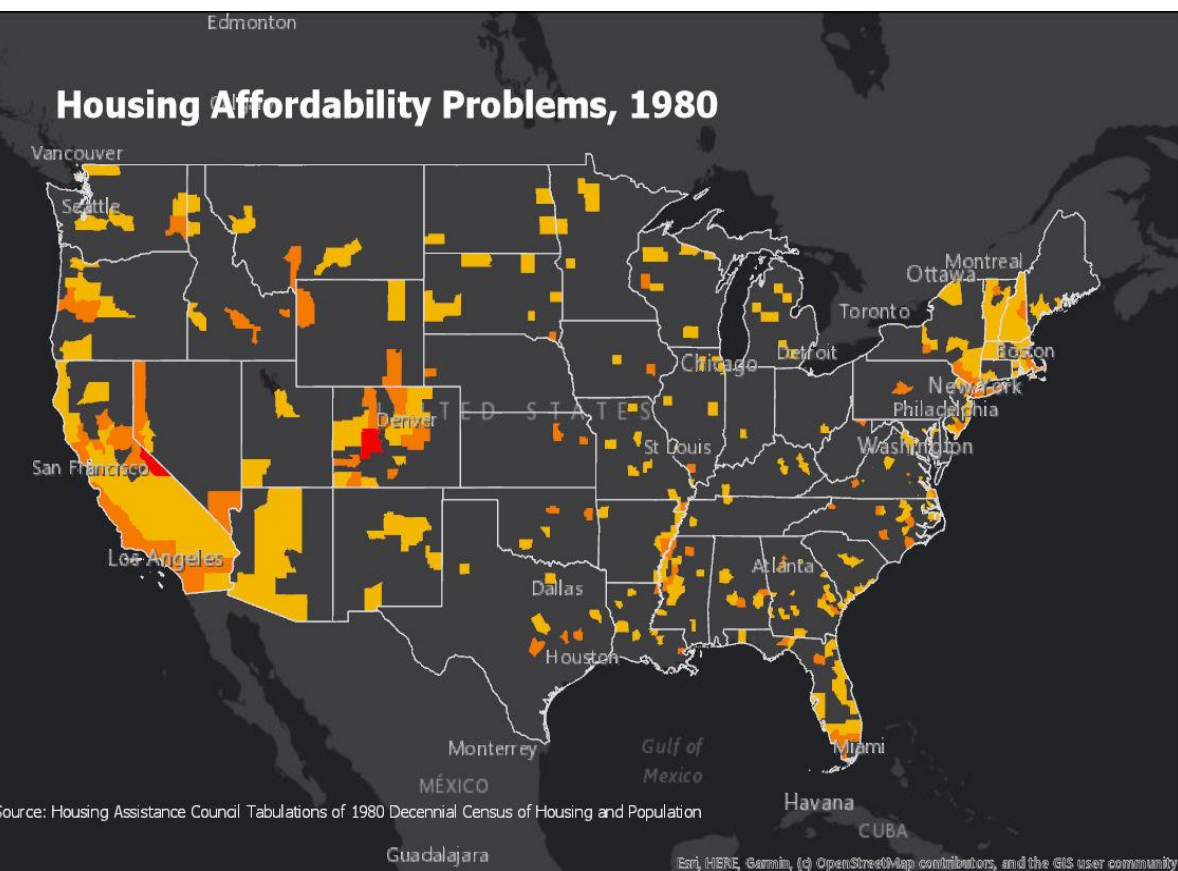
Prevalence of Medicare Patients with 6 or more Chronic Conditions

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

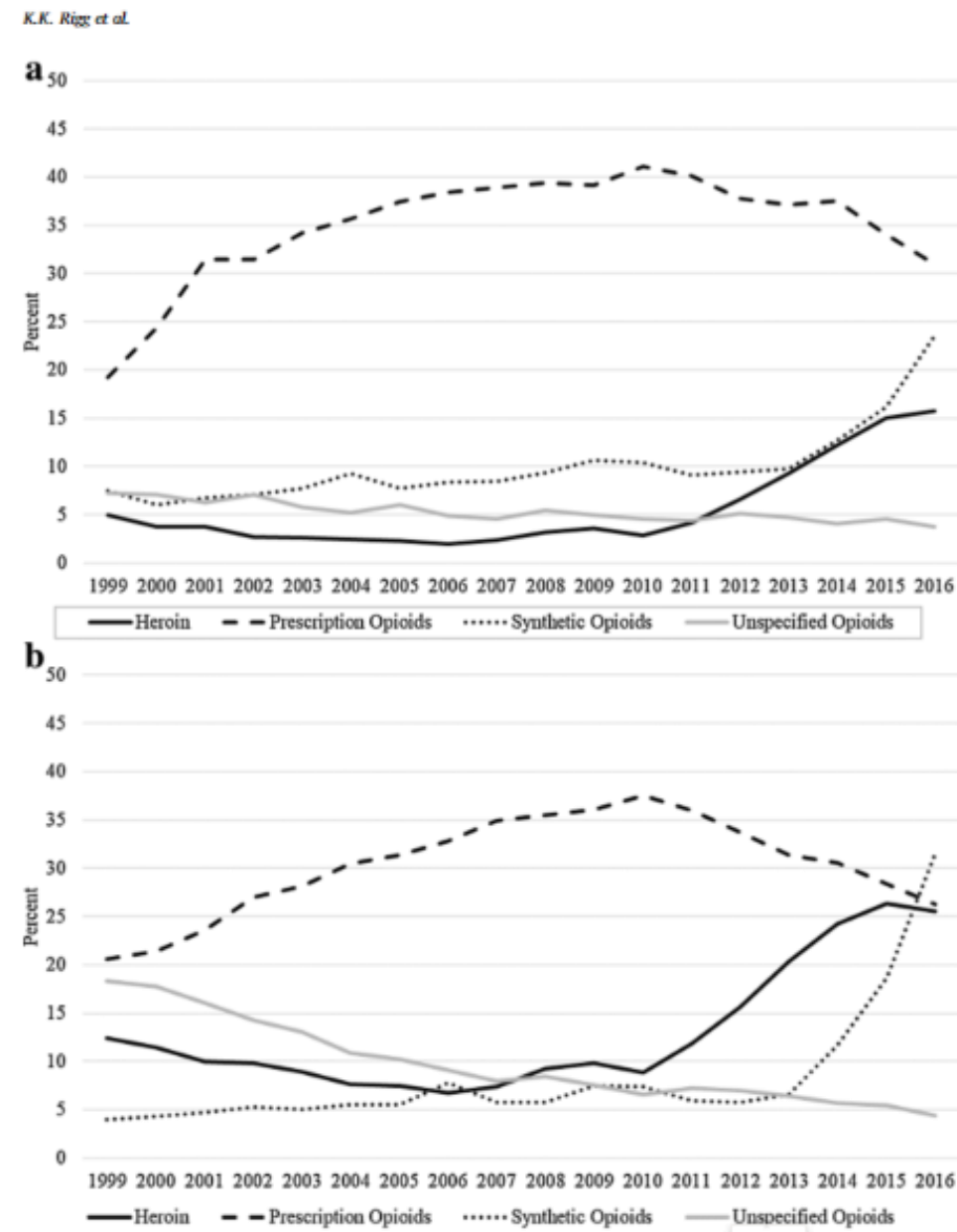




Rural Housing



Opioid-related mortality

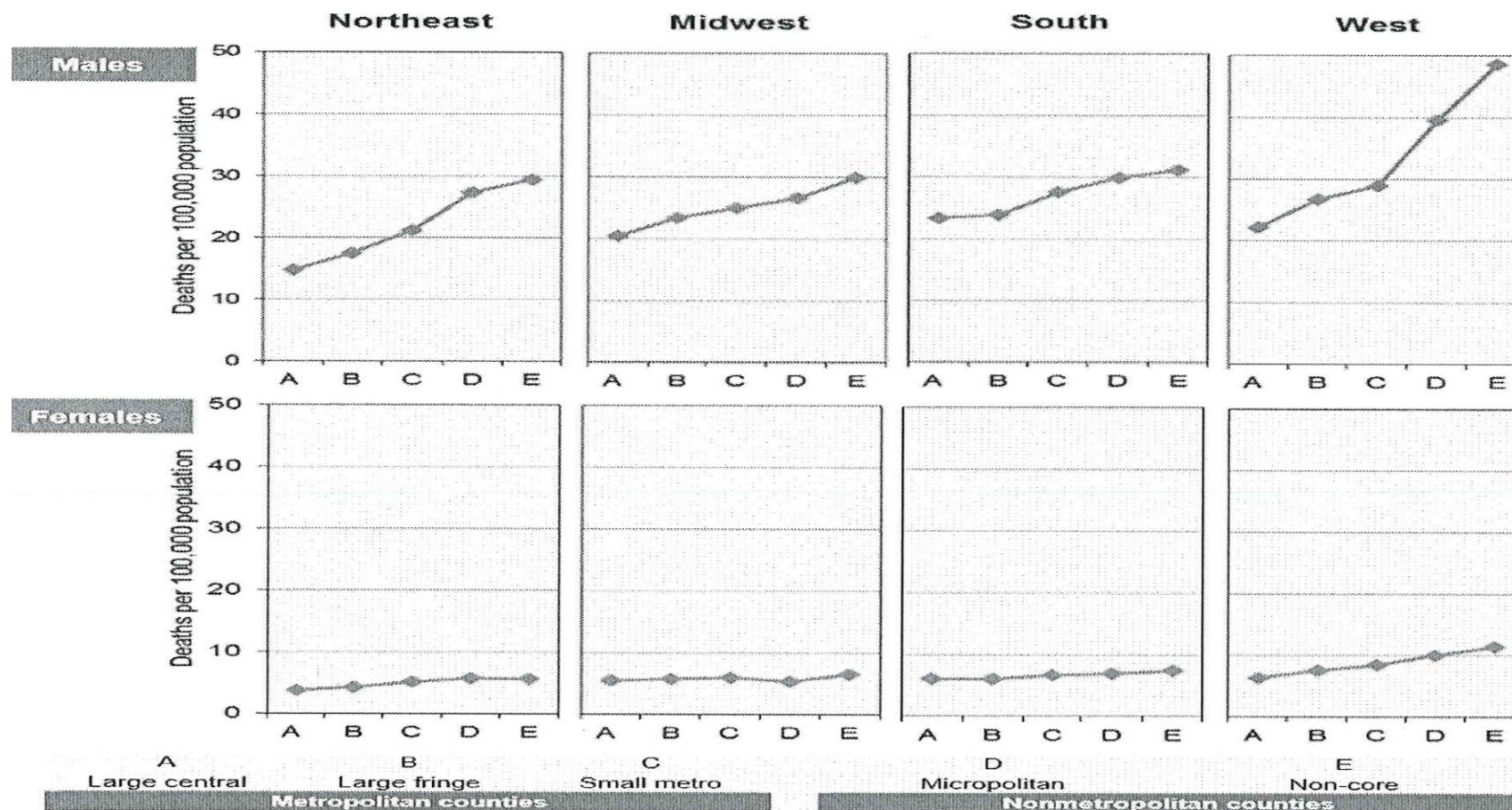


Rural areas

Urban areas

Source: Rigg KK, Monnat SM, Chavez MN. Opioid-related mortality in rural America: Geographic heterogeneity and intervention strategies. *International Journal of Drug Policy*. 2018 Jul;57:119–29.

Behavioral Health- Rural Suicide Rates



NOTES: Rates are age adjusted. See Technical Notes for description of age-adjustment method and urbanization levels. See Data Table 19 for data points graphed.

SOURCE: Centers for Disease Control and Prevention, National Center for Health Statistics, National Vital Statistics System.

The Rural Provider Environment

- 1400 total Federally Qualified Community Health Centers
(600 rural, serve 1 in 5 rural residents)
- 5000 Rural Health Clinics
- 1300 Critical Access Hospitals
- 500 Rural Prospective Payment Hospitals

Pandemic Relief Funds Stabilize Safety Net



CARES Act



\$4.8B

Medicare
Advanced Payments



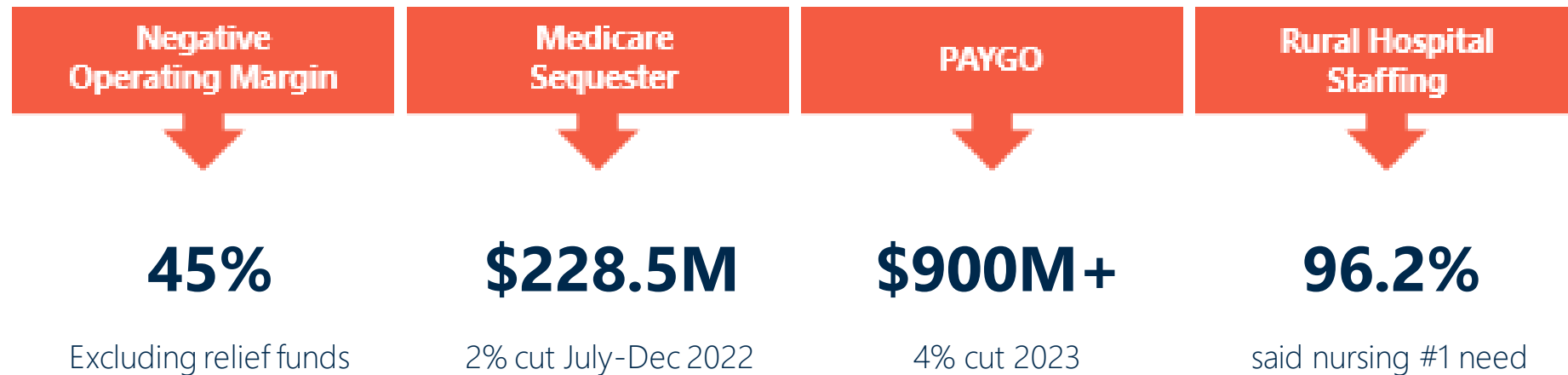
\$8.2B

American
Rescue Plan

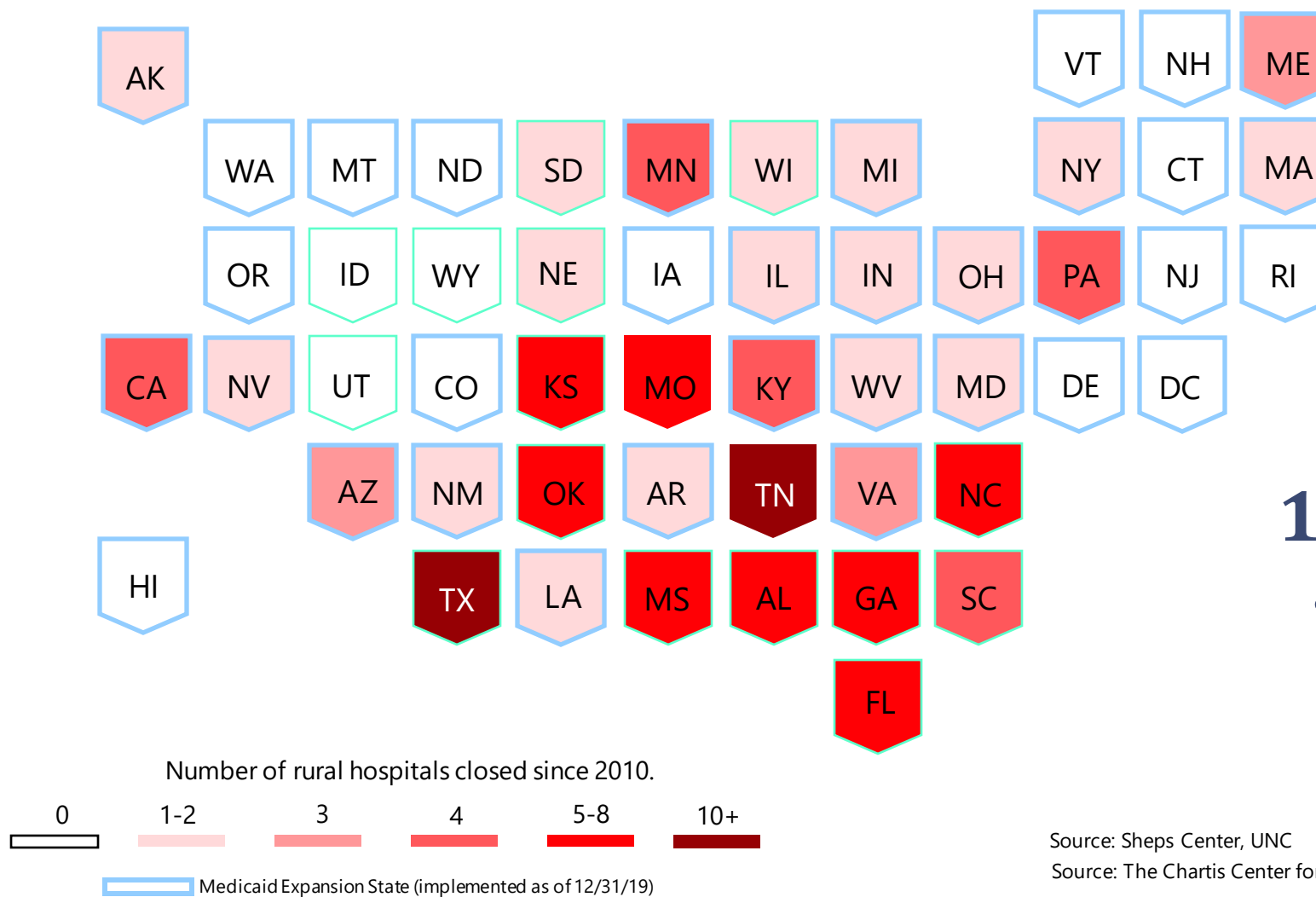


\$887M

Red Sky in Morning, Sailor's Warning



Rural Hospital Closures

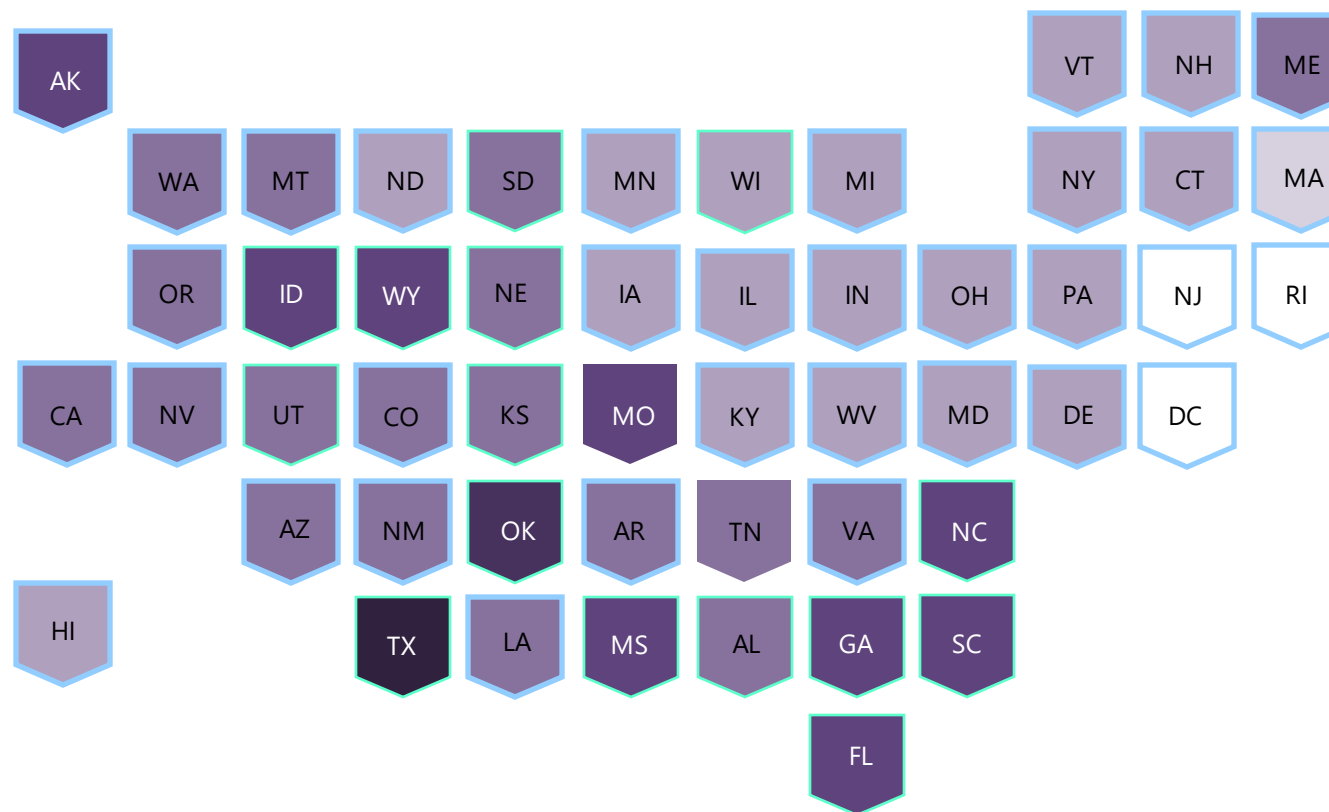


140 Closures
as of July 2022

Source: Sheps Center, UNC
 Source: The Chartis Center for Rural Health, 2021.

Rural Population Disparity

Uninsured Adults



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

0-5%

6%-10%

11%-15%

16%-20%

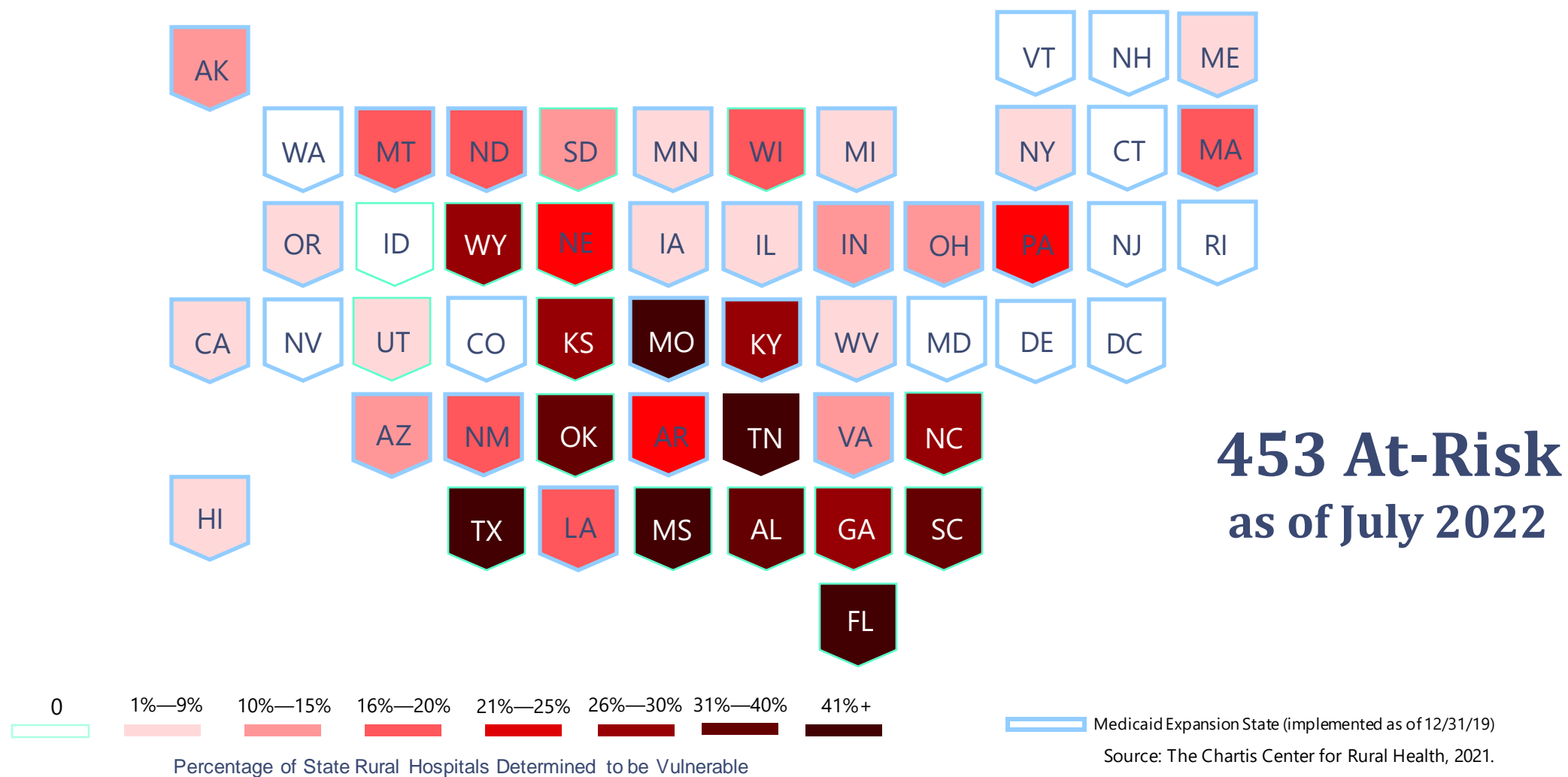
21%-25%

>25%

 Medicaid Expansion State (implemented as of 12/31/19)

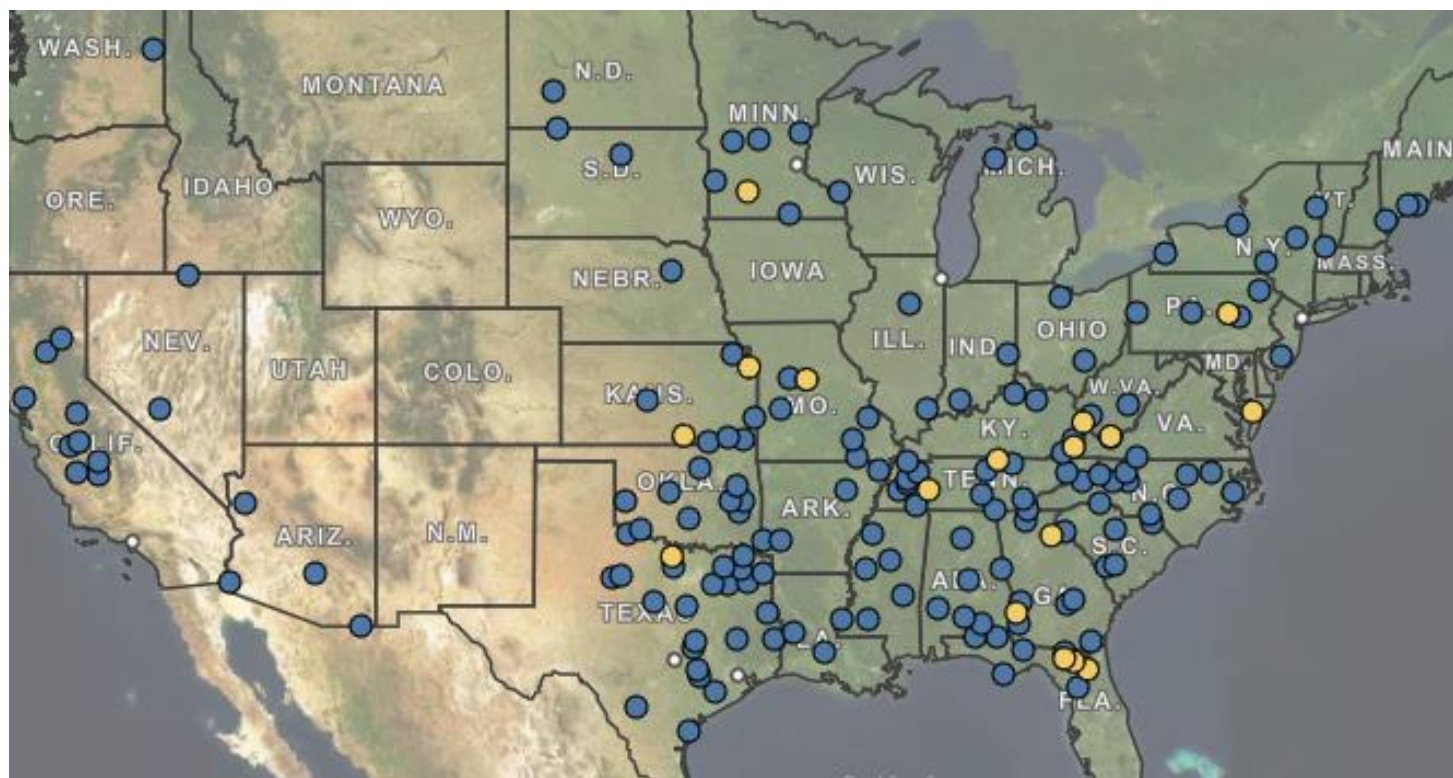
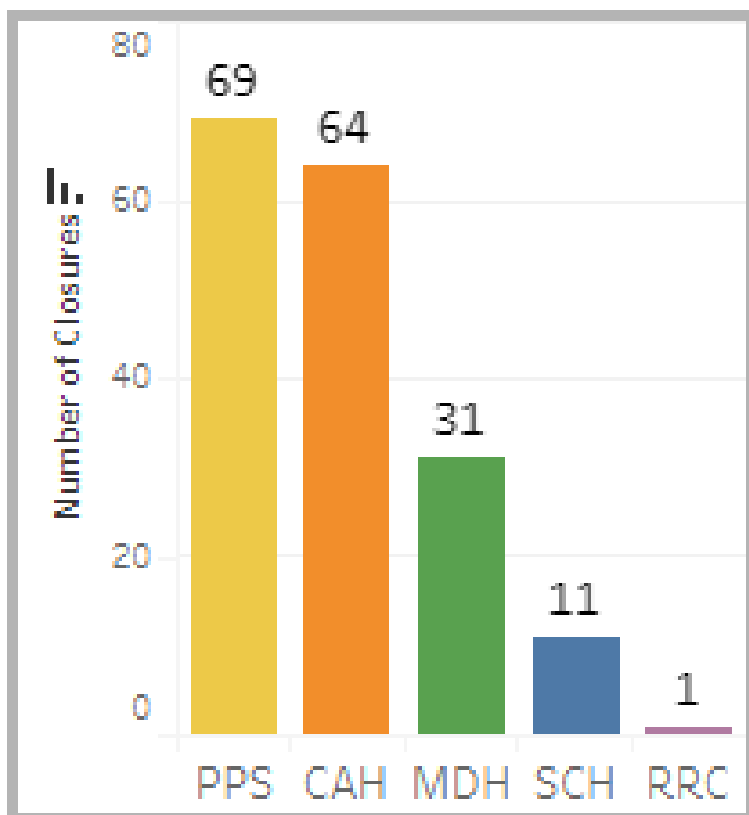
Source: The Chartis Center for Rural Health, 2021.

Rural Hospitals Vulnerable to Closure



Rural Hospital Closures

180 Rural Hospital Closures: January 2005 – Present (140 since 2010)



Population Health Disparity

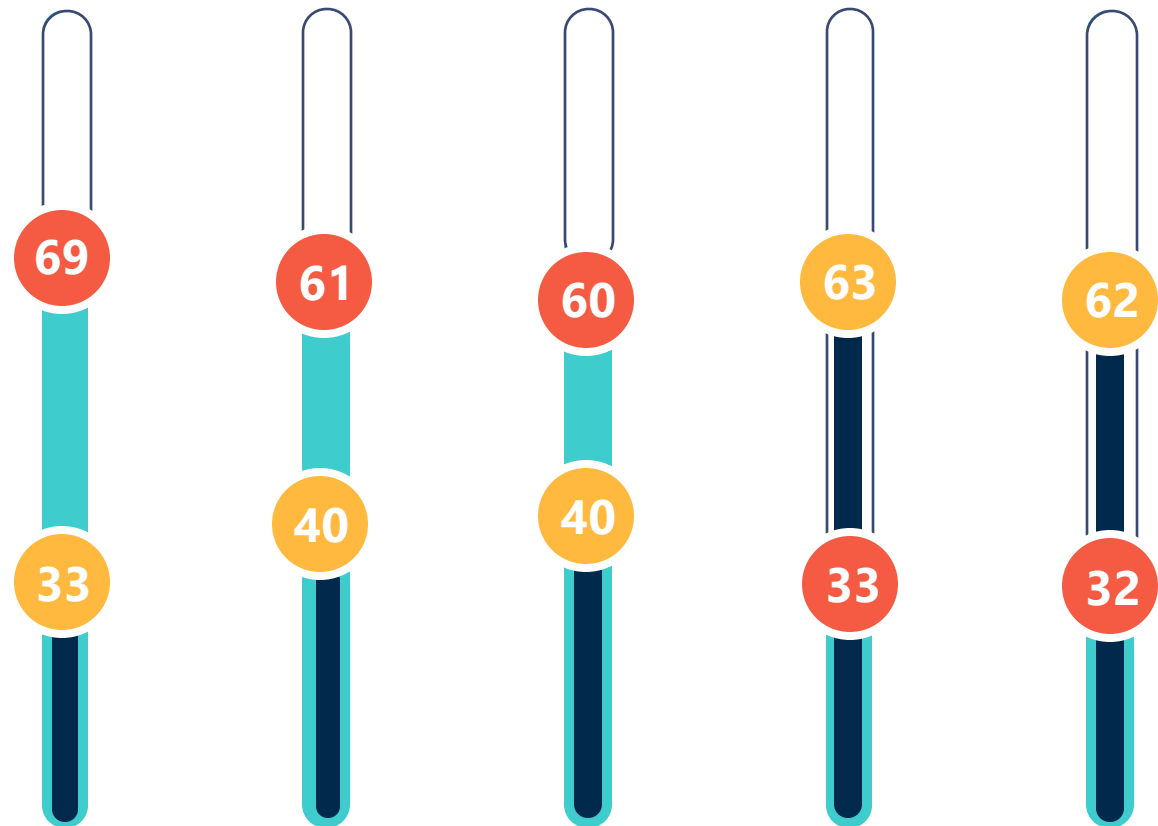
Percentile Ranking



Rural



Urban



Source: The Chartis Center for Rural Health, 2021.

Over 65

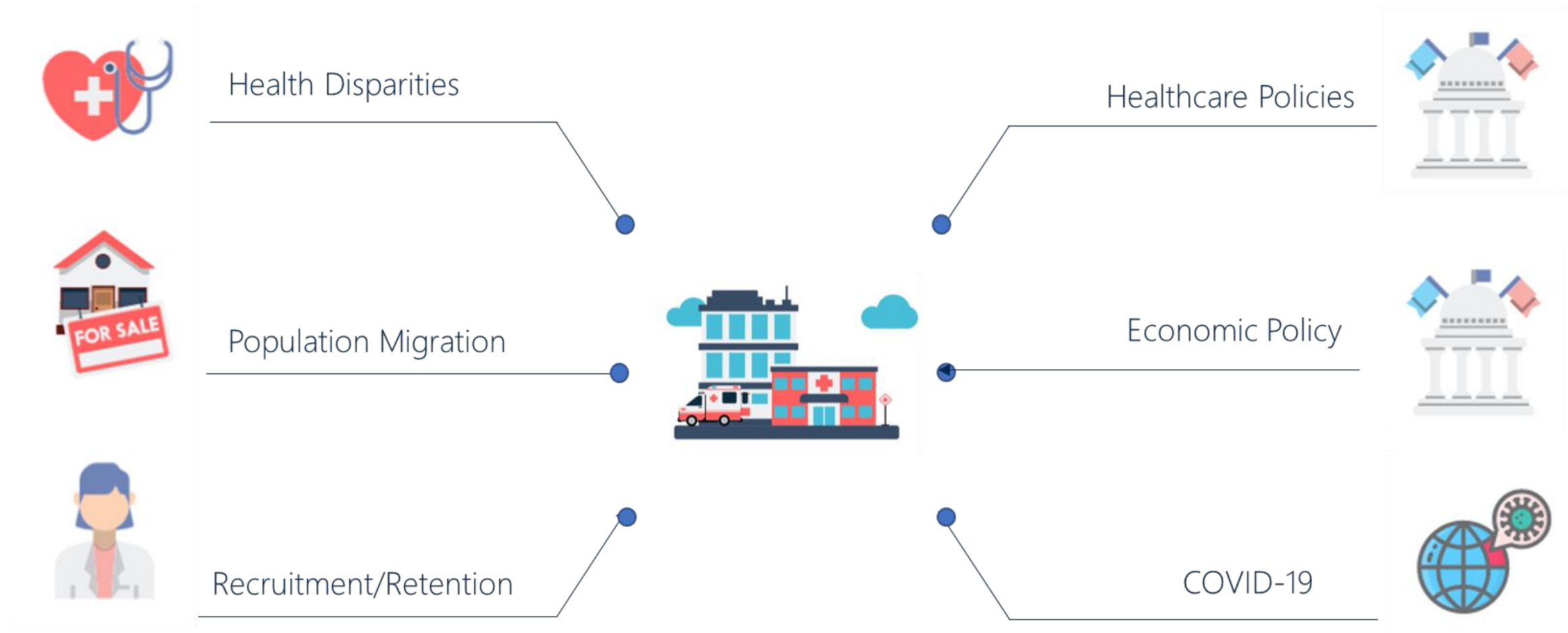
Premature
Death

Uninsured
Children

Access to
Primary Care

Access to
Mental Health

Rural Hospitals: Convergence of Multiple Pressure Points



Need for a New Model

- Rural hospital closures
 - Closures could resume after covid funding is gone
- Declining inpatient utilization
 - Average revenue coming from outpatient services increased from 66.5% in 2011 to 74.2% in 2019
- Access to emergency care
 - Study show rural ED care for potentially life-threatening conditions is comparable to that in urban settings
 - Importance of ensuring access to treatment at local EDs in rural and frontier communities

Addressing COVID-19

COVID-19 – A Rural Story



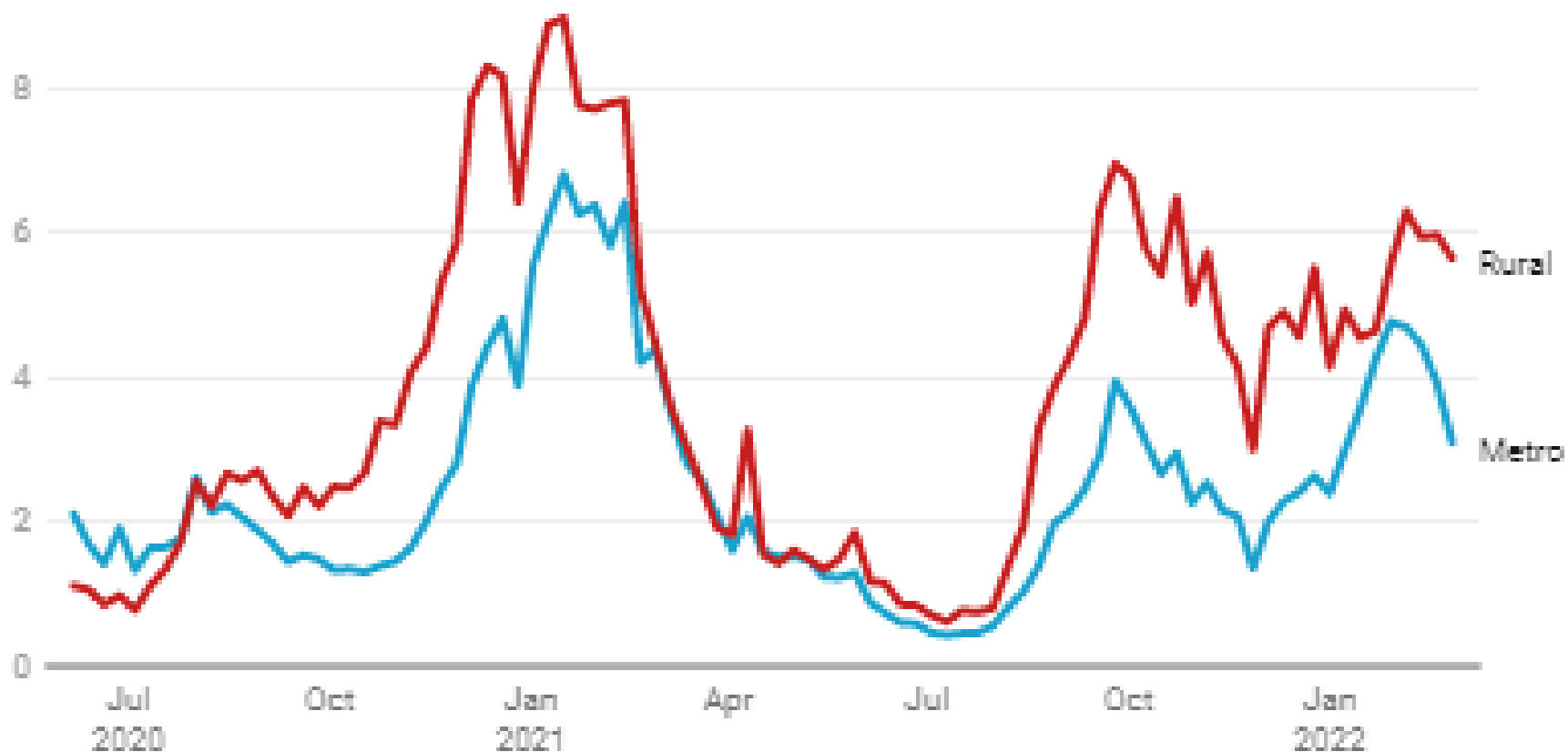
[WATCH NOW](#)

CORONAVIRUS

Covid is killing rural Americans at twice the rate of people in urban areas

The pandemic is devastating rural America, where lower vaccination rates are compounding the already limited medical care.

Rural COVID-19 Mortality Rate



As of March, 2022

Source: CDC and selected state departments of health
<https://dailyonder.com/covid-19-dashboard-for-rural-america/>

Rural Hospital Staffing Survey

Which roles are you experiencing the greatest difficulty filling?



Nursing 96.2%

Ancillary Services 66.2%

Facilities

Physicians

Other

Admin

Nursing was identified by **96.2%** of respondents as a role in which they are having difficulty filling. ***Staffing shortages can directly impact quality of care and access to care for rural communities.***

Rural Hospital Staffing Survey

How would you rank the following reasons for nurse staff departures in 2021?

48%



More financially lucrative opportunities at staffing agency



More financially lucrative opportunities at another hospital



Pandemic Burn Out



Retirement



Unwillingness to comply with vaccine mandate



Other

Among survey respondents, **48%** ranked more financially lucrative opportunities at staffing agencies as the #1 reason for nurse staff departure this year.

Rural Health Workforce

1. Expand the Medicare Graduate Medical Education (GME) Program

- *S. 1893, the Rural Physician Workforce Production Act*

2. Provide supplemental appropriations to National Health Service Corps

3. Support the nursing workforce to expand access to care

- *S. 246 / H.R. 851, the Future Advancement of Academic Nursing (FAAN) Act*



Updates from Congress

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.



Rural Health Clinics

NRHAs advocates to modernize and improve the rural health clinic program

- Allow provider-based RHCs to receive reimbursement rates not subject to the upper-payment limit cap in exchange for quality reporting measures
- Permanently extend CARES Act telehealth flexibilities for both RHCs and FQHCs and allow for telehealth service reimbursement closer to their in-person rate
- Rural Health Clinic Behavioral Health Initiative at \$10 million in the FY23 Appropriation
- Modernize Medicare mental health benefits to allow licensed professional counselors and family therapists
- Census bureau rural definition change alignment with RHC location requirements

340B Program Lifeline

- Ensure the 340B Drug Pricing Program remains a critical resource for rural hospitals by addressing:
 - 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



FY 2023 Appropriations

NRHA introduced a new advocacy campaign for members to utilize to urge full funding for rural health in FY 23.

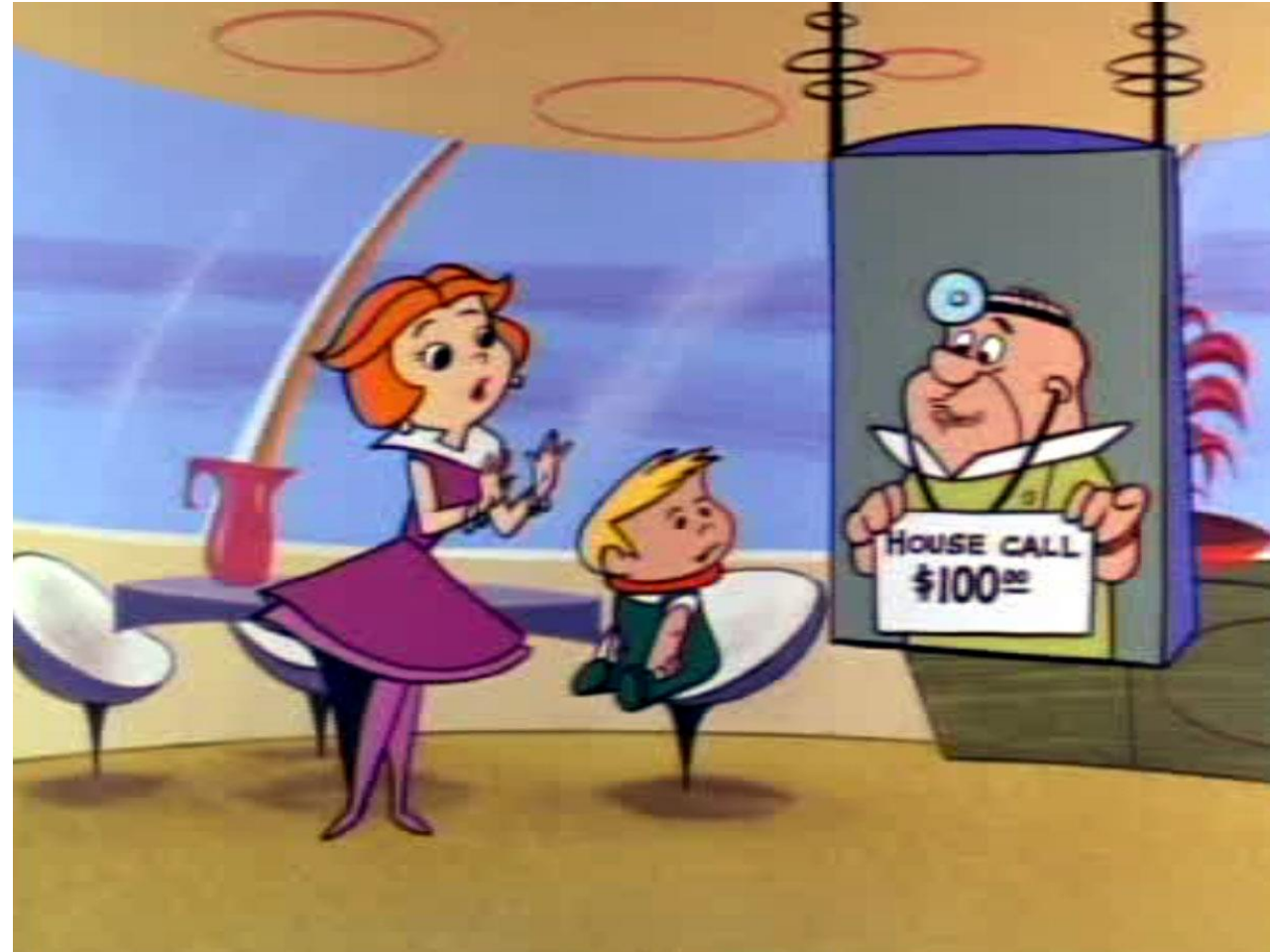
NRHA FY 2023 Requests (dollars in millions)

Program	FY22	NRHA Request	PB Request
Rural Hospital Flexibility Grants	62	68	58
New! Rural Health Clinic Behavioral Health	-	10	10
Rural Maternity & Obstetrics Management Strategies Program	6	10	10
New! Rural Maternal & OB Care Training Demonstration	-	5	-
Rural Residency Planning and Development	11	13	13
CDC Office of Rural Health	-	10	-
Rural Hospital Technical Assistance Program	2	5	0

Telehealth During COVID-19

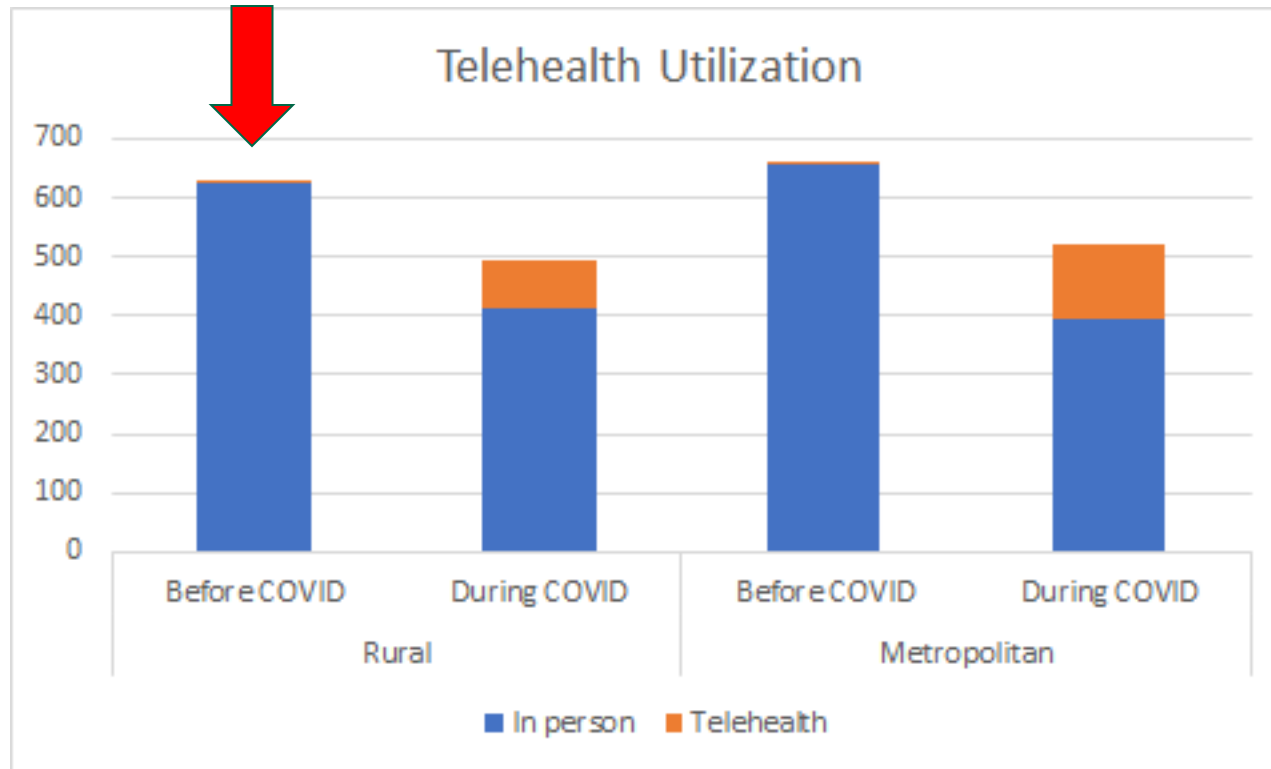
- CARES Act provided the largest expansion of telehealth flexibilities in history for the duration of the public health emergency.
 - Medicare to pay for telehealth services provided by a Federally Qualified Health Center (FQHC) or a Rural Health Clinic (RHC) (Sec. 3704).
- The administration, through the 1135 waiver process also enhanced telehealth access.
- Unfortunately, all notable telehealth provisions are tied to the end of the public health emergency.
- NRHA is adamant that telehealth provisions be extended beyond the duration of the public health emergency so rural providers and patients can continue an increased access to care.

1962 - 2021



Pre COVID

- Low utilization

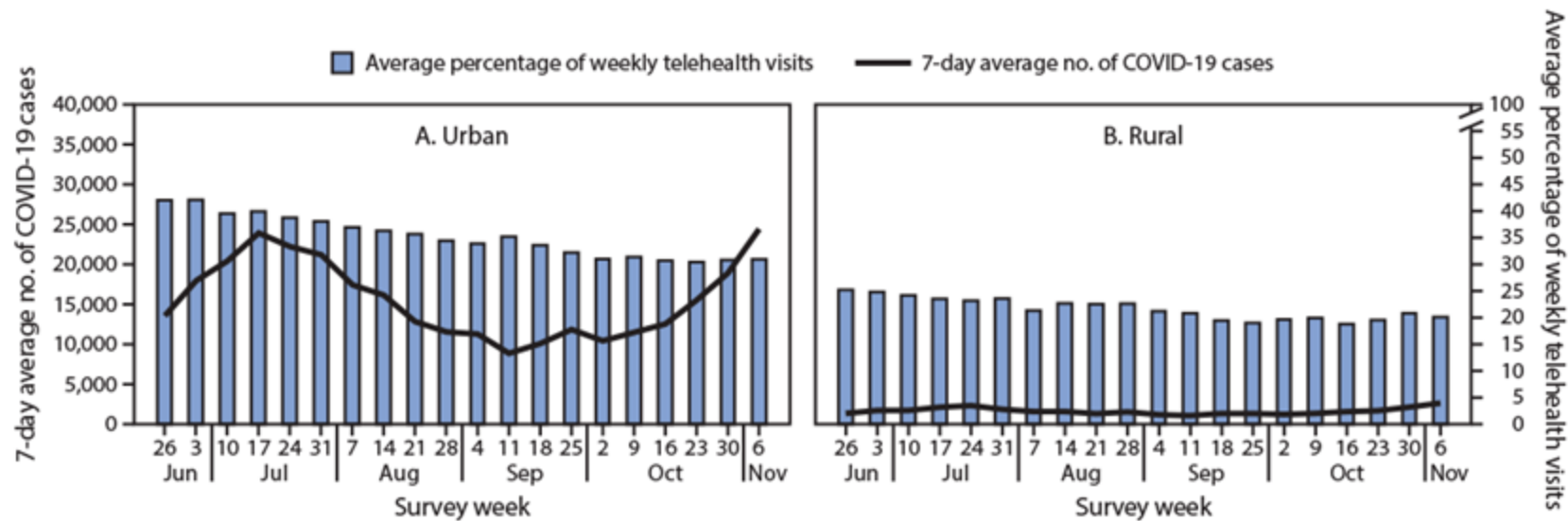


Why?

- Regulation
- Infrastructure (and cost)
- Reimbursement

2021 Rural vs. Urban

- Cohort study of 36 million Americans with private insurance
- 0.3% of contacts in 2019 to 23.6% of all contacts in 2020 (March-June)
- This represents a 79x increase
- Rural-urban disparity



Key Rural Telehealth Legislation

- CONNECT Act ([S. 1512/H.R. 2903](#))
 - Comprehensive telehealth legislation that includes the extension of several CARES Act flexibilities. Included is the permanent extension of RHCs and FQHCs to serve as distant-site providers, with payment parity.
- Telehealth Modernization Act ([S. 368/H.R. 1332](#))
 - Makes permanent CARES Act provisions with no modifications.
- Protecting Rural Telehealth Access Act ([S. 1988](#))
 - Allows payment-parity for audio-only health services. Brings CAHs into the fold, and updates RHC and FQHC payment rates to consider geographic constraints.
- Telehealth Extension and Evaluation Act ([S. 3593](#))
 - Two-year extension of telehealth services. Provides payment parity for RHCs and FQHCs. Brings CAHs into the fold.

CMS Center for Innovation

OLDER MODELS

- Frontier Extended Stay Clinic (FESC)
- Frontier Community Health Integration Project (F-CHIP)
- Rural Community Hospital Demonstration Program

NEWER MODELS

- Global Budget Model
 - Sen. Bob Casey (D-PA)
- 24/7 ER Model with Cost-Based Reimbursement
 - Community Outpatient Hospital
 - REACH ACT

New! Rural Emergency Hospital



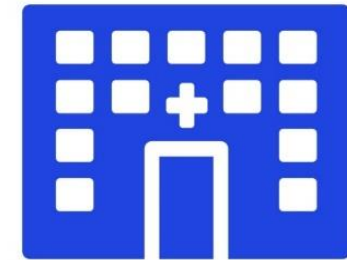
Clinic

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



NRHA
Your voice. Louder.

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Thank You to All of our Partners!



Building healthier communities together



OREGON
HEALTHCARE.GOV



Workability One

inQuiseek

OHA Oral Health

NEON

Grand Canyon University