

Improving Access to Quality Medical Care Webinar Series

Presented by

Arizona Telemedicine Program, Southwest Telehealth Resource Center, Arizona Rural Health Association, the Arizona Center for Rural Health and the National Rural Health Association









National Rural Health Association

The Rural Policy Perspective

Alan Morgan, MPA
Chief Executive Officer

NRHA...



Improving the health of the 62 million who call rural America home

NRHA is non-profit and non-partisan

NRHA: #ruralhealth

Alan: @Amorganrural



The State of Rural America



Your voice. Louder.







Your voice. Louder.

1962





Federal responses since March 2020 impacting rural telehealth: Your voice. Louder.

- FCC: \$200 million to help provide services to patients at their homes or mobile locations.
- HRSA: \$275 million to support rural Critical Access Hospitals, rural tribal health and telehealth programs, and poison control centers.
- HRSA: \$2 billion appropriated for Community Health Centers, for multiple purposes, a fourth of which is to enhance telemedicine through actions related to infrastructure and to support transitions to increase care through telehealth.
- USDA: \$25 million for rural development to support the Distance Learning and Telemedicine Program, and \$100 million to the ReConnect program.
- Indian Health Services \$1.032 billion includes new investments for telehealth.



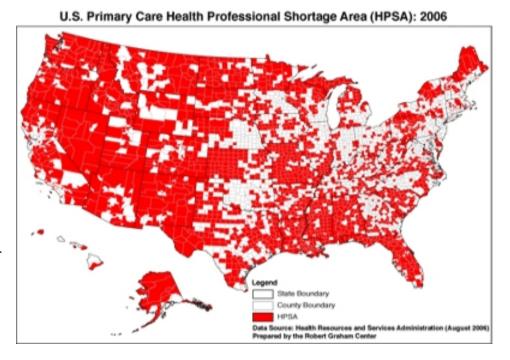
The Pre-COVID Rural Provider Environment

- -1300 total Federally Qualified Community Health Centers
- -4500 Rural Health Clinics
- -1300 Critical Access Hospitals
- -500 Rural Perspective Payment Hospitals

Workforce Shortages

Your voice, Louder.

- Only 9% of physicians practice in rural America.
- 77% of the 2,050 rural counties are primary care HPSAs.
- More than 50% of rural patients have to drive 60+ miles to receive specialty care.





The Pre-COVID Rural Hospital Environment

Your voice. Louder.

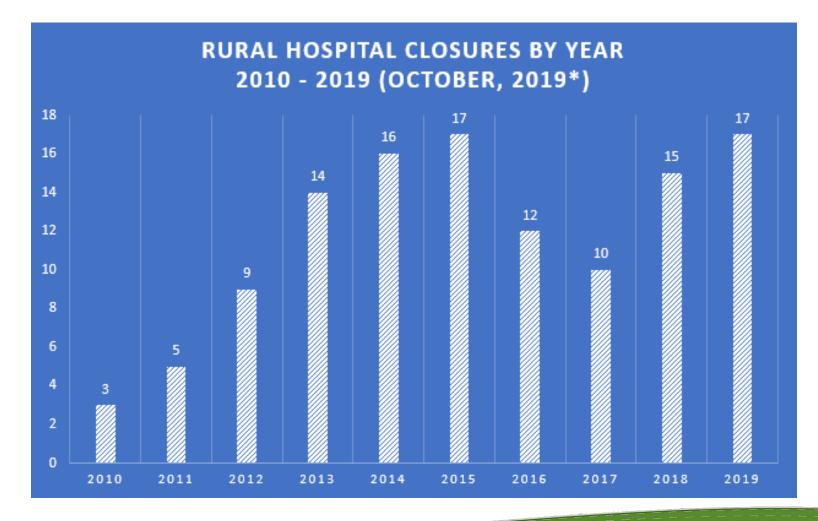
In February 1, 2020:

- -1800 rural hospitals (1300 Critical Access Hospitals, 600+ Prospective Payment System Facilities)
- -47 Percent operating at a loss
- -Half of all rural hospitals had 30 days cash on hand
- -More than 400 at risk for closure

Pre-COVID19



Your voice. Louder.





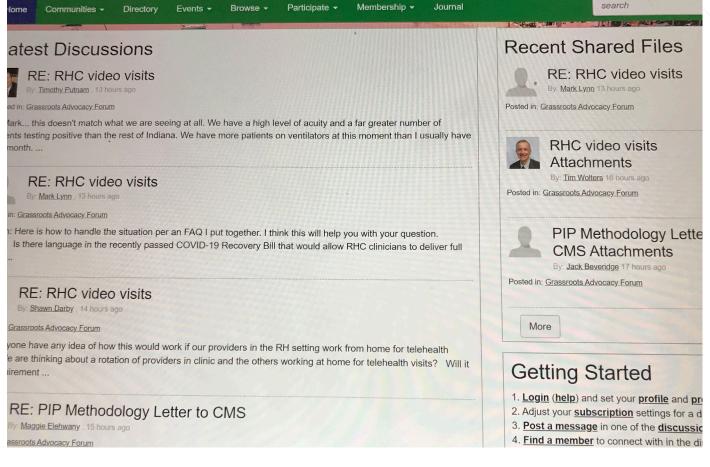
"Coronavirus strains cashstrapped hospitals, could cause up to 100 to close within a year"

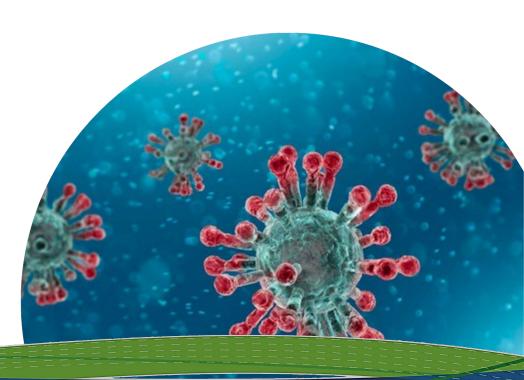
Josh Salman and Jayme Fraser USA TODAY NETWORK

NRHA CONNECT



Your voice.





Unprecedented Rural Health Dollars/ CARES Act Provider Relief Fund

CARES 3.0 - \$100 billion

CARES 3.5 – Additional \$75 billion added

• \$30 billion to Medicare providers (\$500,000 to

\$1.3 million)

- \$10 billion carve-out for rural providers
- \$15 billion to Medicaid providers and \$10 billion to

safety net hospitals

\$4 billion to vulnerable and rural hospitals



And what happens when the funding runs out?

"We saved rural hospitals from COVID-19, but will we now let them die of neglect?"

Dallas Morning News, June 6, 2020

"Coronavirus is killing rural hospitals. But they were already terminally ill"

Yahoo News, May 2, 2020



Three recent closures

- Tennessee Cumberland River Hospital
- Kansas St Luke Cushing Hospital
- West Virginia Bluefield Regional Medical Center –

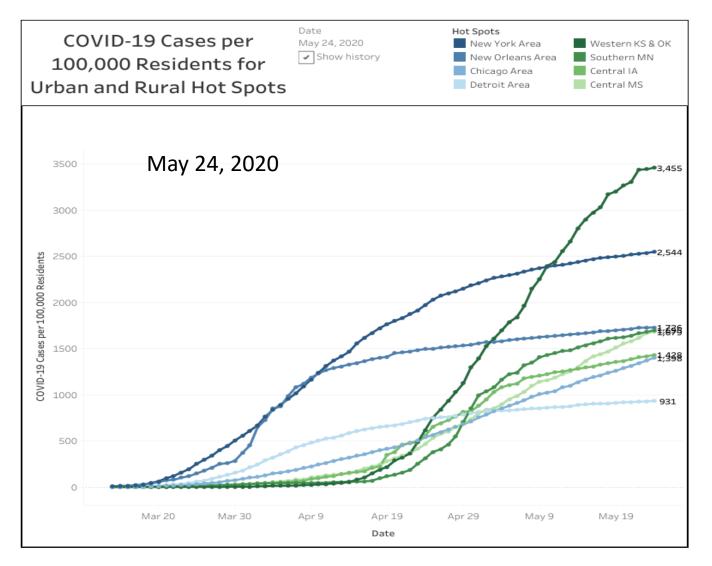
"Princeton Community Hospital (PCH), a nonprofit, bought the for- profit and financially troubled hospital last year and had plans to consolidate services and maximize the strengths of both.

However, the pandemic's financial impact forced PCH to start closing departments, with in-patient and ancillary services ending July 30."





Rural COVID concerns increase in May/June



Source: UNC Sheps Center Rural Health Research Program

Significant Progress in the Past Weeks for Advancing Rural Health Issues NRHA COVID-19 Messaging

Thousands of health care workers have been furloughed or laid off, and overall, rural providers are becoming increasingly financially vulnerable as the COVID-19 virus pandemic spreads to rural communities.

Congress cannot leave rural health care providers behind. The next COVID-19 relief package must include NRHA policy recommendations to ensure both immediate relief and long-term stability for rural health care providers.





Half of Rural Residents at High Risk of Serious Illness Due to COVID-19, Creating Stress on Rural Hospitals

Brystana G. Kaufman PhD 🗷, Rebecca Whitaker PhD, George Pink PhD, G. Mark Holmes PhD



Rural hospitals are on the brink of collapse

The New York Times

by David Hogberg, Healthcare Reporter | ■ | July 23, 2020 11:00 PM

'We're Not an Island': Rural Outbreaks Challenge Oregon's Virus Success



White House Executive Order on Rural Health

- Requires HHS to announce a new payment model, testing innovations that empower rural providers to transform healthcare on a much broader scale.
- Requires HHS to submit a report to the President on how to increase access to health care in rural areas by reducing regulatory and disease burdens and improve maternal and mental health in rural areas.
- To improve connectivity, the Federal government is directed to launch a joint initiative in 30 days to improve healthcare communication infrastructure and expand rural services.
- Requires HHS to look to review and extend, as appropriate, the current waivers put in place during the COVID-19 public health emergency, which have brought critical flexibilities and telehealth access to millions of Americans.

It is hereby ordered...

- <u>Section 1</u>. <u>Purpose</u>. My Administration is committed to improving the health of all Americans by improving access to better care, including for the approximately 57 million Americans living in rural communities. Americans living in rural communities face unique challenges when seeking healthcare services, such as limited transportation opportunities, shortages of healthcare workers, and an inability to fully benefit from technological and care-delivery innovations. These factors have contributed to financial insecurity and impaired health outcomes for rural Americans, who are more likely to die from five leading causes, many of which are preventable, than their urban counterparts. That gap widened from 2010 to 2017 for cancer, heart disease, and chronic lower respiratory disease.
- Since 2010, the year the Affordable Care Act was passed, 129 rural hospitals in the United States have closed. Predictably, financial distress is the strongest driver for risk of closure, and many rural hospitals lack sufficient patient volume to be sustainable under traditional healthcare-reimbursement mechanisms. From 2015 to 2017, the average occupancy rate of a hospital that closed was only 22 percent. When hospitals close, the patient population around them carries an increased risk of mortality due to increased travel time and decreased access.
- During the COVID-19 public health emergency (PHE), hospitals curtailed elective medical procedures and access to in-person clinical care was limited. To help patients better access healthcare providers, my Administration implemented new flexibility regarding what services may be provided via telehealth, who may provide them, and in what circumstances, and the use of telehealth increased dramatically across the Nation. Internal analysis by the Centers for Medicare and Medicaid Services (CMS) of the Department of Health and Human Services (HHS) showed a weekly jump in virtual visits for CMS beneficiaries, from approximately 14,000 pre-PHE to almost 1.7 million in the last week of April. Additionally, a recent report by HHS shows that nearly half (43.5 percent) of Medicare fee-for-service primary care visits were provided through telehealth in April, compared with far less than one percent (0.1 percent) in February before the PHE. Importantly, the report finds that telehealth visits continued to be frequent even after in-person primary care visits resumed in May, indicating that the expansion of telehealth services is likely to be a more permanent feature of the healthcare delivery system.
- Rural healthcare providers, in particular, need these types of flexibilities to provide continuous care to patients in their communities. It is the purpose of this order to increase access to, improve the quality of, and improve the financial economics of rural healthcare, including by increasing access to high-quality care through telehealth.

Section 2 – New Payment Model

- On Tuesday, CMS announced the details of a new rural health model, the Community Health and Rural Transformation (CHART) Model. The CHART Model aims to, "unleash innovation through new funding opportunities that will increase access and improve quality," by allowing a limited number of rural provider to participate in either the Community Transformation Track or the ACO Transformation Track.
- The Community Transformation Track will include up to 15 lead organizations. The ACO Transformation Track will select 20 ruralfocused ACOs.

Section 5

- <u>Sec. 5</u>. <u>Expanding Flexibilities Beyond the Public Health</u> <u>Emergency</u>. Within 60 days of the date of this order, the Secretary shall review the following temporary measures put in place during the PHE, and shall propose a regulation to extend these measures, as appropriate, beyond the duration of the PHE:
- (a) the additional telehealth services offered to Medicare beneficiaries; and
- (b) the services, reporting, staffing, and supervision flexibilities offered to Medicare providers in rural areas.

"Where do we stand?"

Fourth COVID-19 Relief Package

- Timeline: The timeline is influx.
- On Monday, July 27, Majority Leader McConnell introduced the Health, Economic Assistance, Liability protection and Schools (HEALS) Act. This will serve as the marker for negotiations in the Senate. Of note, this bill included:
 - Delay of the date in which providers must begin repaying Medicare Accelerated and Advance Payment loans.
 - Extension of all CARES Act telehealth flexibilities in Medicare through December 31, 2021.
 - Extension of FQHC/RHCs telehealth flexibilities for an additional five years after the public health emergency.
 - \$25 billion for the Provider Relief Fund, \$16 billion for testing, \$20 billion for vaccine, therapeutic and diagnostic development at BARDA, \$7.6 billion for Community Health Centers and \$225 million for Rural Health Clinics;
 - Additional dollars put in the PPP program (deadline to apply is still Aug. 8th)
- Now is the time to advocate to make this bill 'better'...



Provide Stabilizing Relief for Rural Providers to Abate Rural Hospital Closure Crisis

Make Telehealth Improvements Permanent for Rural Providers.

- The CARES Act included provisions for Rural Health Clinic and FQHC telehealth distant cite designations, and these have critically improved access to care for rural patients. These changes and other improvements for rural providers must continue to help battle this pandemic and alleviate systemic access issues for rural patients across the nation.
- In the past, the Congressional Budget Office (CBO) has traditionally scored bills that attempted to establish these flexibilities very high.
- We believe that (at the very least) an extension of these necessary
 provisions will allow CBO to better understand the cost-savings telehealth
 can produce (i.e. decrease in ER visits, diminish transportation as a barrier).
- As mentioned, NRHA is appreciative of the steps Leader McConnell took in his initial draft and are optimistic of future advancements.



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

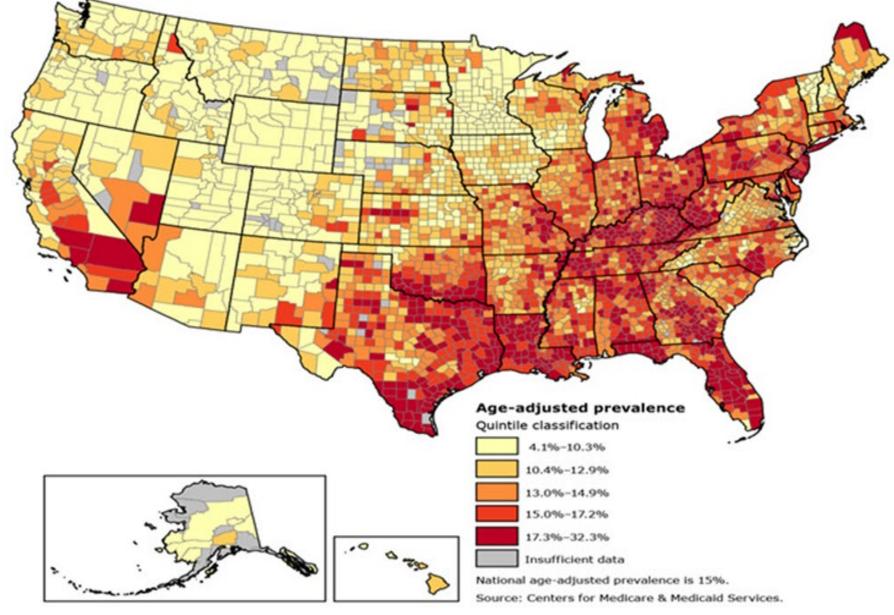
Rural has an Older, Sicker and Poorer Population



- 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

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

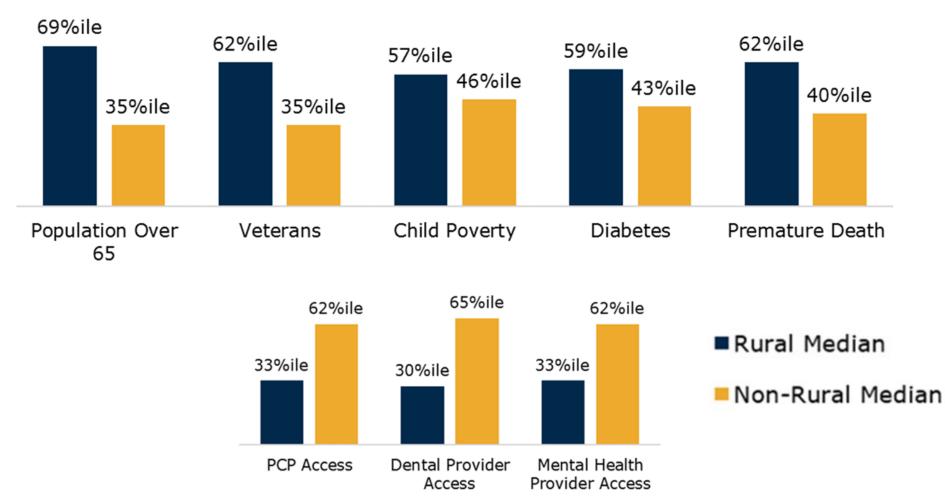






Summary: Rural Populations are Older, Less Healthy, Less Affluent and Have Limited Access to Multiple Types of Care





Source: iVantage Chartis Health Analytics

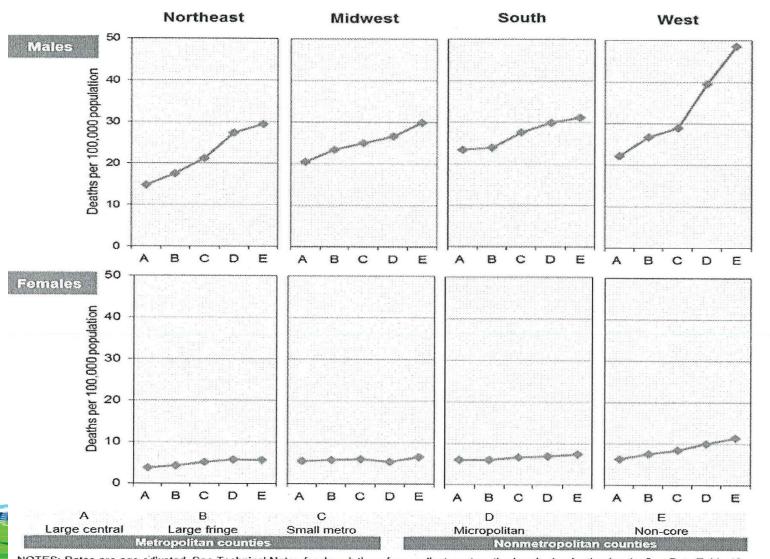
Deaths of Despair: The Rural Opioid Crisis



- The federal government has provided over \$2.4 billion in state grants since 2017, in hopes of stemming an opioid epidemic that killed 47,6600 people in that year alone
- Crawford County, Ohio: Received \$327,300 from key federal grants designed to curb the <u>opioid</u> epidemic
- Most Federal opioid grants cannot be used to treat meth addiction
- "I don't need more opiate money. I need money that will not be used exclusively for opioids," said a County Commissioner

Behavioral Health – 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.

However, Excellence Exists



Your voice. Louder.



Rio Grande
Hospital
recognized among
top 20 critical
access hospitals in
the nation





The State of Rural America

Your voice, Louder.

U.S. Census show that after a modest four-year decline, the population in nonmetropolitan counties remained stable from 2014 to 2019 at about 46 million. (2014-2019 rural adjacent to urban saw growth.)





National Rural Health Association

Alan Morgan, CEO

amorgan@nrharural.org
Twitter: @Amorganrural
#ruralhealth