

POLICY BRIEF



FEDERAL ADVOCACY AGENDA 2010: Protecting the Rural Safety-Net

Background

According to 2000 Census data, rural California represents 80 percent of the state's landmass and is home to more than 5 million people — about 13 percent of the state's population. Rural California is a major player in the state's economy, generating billions through agriculture, forestry and mining industries. Despite these important economic contributions, rural residents are among the state's poorest and sickest and do not have the same access to health services as their urban counterparts.

According to the Center for Disease Control, there are 935 residents per doctor in rural California compared to 460 in urban areas of the state, and approximately 45 percent of rural Californians live in regions designated as Primary Care Health Professional Shortage areas. A greater percentage of rural residents compared with urban residents experience chronic, debilitating health conditions that require regular medical attention.¹ They are less likely, however, to have health insurance and more likely to depend on Medi-Cal (16.2% rural vs. 11.2% urban) to pay for health care services.² The combined effects of poverty, higher rates of uninsurance and fewer healthcare providers result in a greater number of rural residents who suffer from poor health, and who are disproportionately affected by serious and prolonged physical and mental health conditions, such as diabetes, heart disease, cardiovascular disease and depression.

With declining reimbursement rates, limited access to funding for technological advances, and a dearth of healthcare professionals of all disciplines, those on the frontlines of service delivery in rural communities operate within a unique healthcare arena. With the growing state and national financial crisis, California's rural safety net is in extreme jeopardy and requires the immediate attention of public policy officials. The Health Care Safety Net in rural areas includes those health care providers (public health, mental health, hospitals, practitioners, clinics, health centers, pharmacy, and ambulance services) that deliver health care services to the uninsured, Medicaid, and other vulnerable patients.

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This document provides a summary of the California State Rural Health Association's top concerns and recommendations to be addressed by our public policy makers.

Medicaid Funding

- **Increase Medicaid level to highest level of assistance for health programs using a formula that ensures California's economic distress is recognized.**

Economic distress is impacting different states quite differently; California is among the hardest hit by the rising unemployment and chronic state and local budget deficits.

Health Insurance for Children

- **CSRHA strongly supports the expansion of the S-CHIP program for family coverage. There are currently more than 900,000 children currently dependent on our Healthy Families/SCHIP funding**

program, a couple hundred thousand more children in uninsured, low income families that could be covered under an expanded program.

Health Infrastructure

- **Funding should be provided, through a combination of grants, loan guarantees, and/or principal and interest forgivable loans, to support expansion, upgrade, and/or renovation of rural health facilities, including Health Information Technology (HIT) and ambulance services.**

- **Congress should ensure that rural Community Health Centers (CHCs) receive equitable Medicare reimbursement.** CHCs are a critical source of health care for California's underserved rural residents; and play a vital role in reducing emergency room (ER) visits, thereby keeping down healthcare costs by treating people — including the uninsured — in a primary care setting. A

recent study conducted by researchers at the Morehouse School of Medicine in Atlanta examined visits to the ER by uninsured people in rural Georgia and found that there is a 33% excess of uninsured emergency room visits in counties without a health center.³

Health Information Technology (HIT) and eHealth Services

eHealth and information technology can help rural health organizations provide needed services to rural residents where distances between patients, physicians and facilities frequently are measured in hours, and harsh climate can make transport difficult. eHealth services enable a healthcare provider to use technology to identify, store, and share clinical information that ensures patients receive the best care possible. Because patients move between access points in the healthcare system, such as their doctor's office, a hospital, a pharmacy or a nursing home, it is increasingly important that healthcare providers are able to share important health information securely and quickly.

In many rural communities, however, there is a lack of technology infrastructure which contributes to increasing the digital divide in California between rural and urban areas. Many rural communities have only low speed connectivity, and more than 20% do not have access to broadband at all which creates additional barriers for community access.

- **Ensure that rural areas are given priority as resources become available for technological infrastructure and telemedicine programs.** As technological resources become available, it is critical that rural communities receive their fair share of funding for infrastructure and equipment.

- **Require vendors of information systems used in rural communities to incorporate national standards for HIT into their systems.** This includes systems used in all care settings to assure interoperability with both a larger network and within rural facilities.

- **Enhance existing funding mechanisms and create new ones to support rural health facilities to plan for, purchase, and support HIT applications.**

- **Support Medicare reimbursement for telehealth consults utilizing store-and-forward technology.** Reimbursement for services provided through telehealth should be made based upon medical effectiveness and utilization and not based upon or limited to particular delivery platforms or location.

- **Expanded Medicare law to allow anything currently covered by Medicare to be reimbursed when provided through telehealth by appropriately licensed or credentialed providers otherwise eligible for Medicare reimbursement.**

- **Provide a telemedicine payment methodology that models those in place for conventionally delivered services** such that a professional fee is paid to all providers necessary to that particular encounter, including a technical fee to the facilities to cover costs associated with the technology at rates to be determined by the Secretary of Health and Human Services and related to costs of equipment, space, personnel and communications. Additionally, a separate Medicare billing code for telehealth consultations should be implemented to assist in monitoring the utilization of telehealth.

Rural Health Professional Shortages & Workforce Development

California's rural communities suffer from a chronic and enduring shortage of health care professionals in all disciplines, and this issue is ranked among the most critical factors affecting the accessibility of core health care services in rural areas. The causes of health professional shortages in California's rural areas are numerous and directly linked to a number of institutional factors embedded in other policies and practices currently in place. These factors, among others, include low Medi-Cal reimbursement rates and a shortage of rural residency training programs, among others.

Healthcare reform efforts focused primarily on the expansion of health care coverage will not improve the health status of rural residents unless it is coupled with targeted and ambitious strategies for training, recruiting and retaining rural health care professionals.

- **Restore and expand funding for recruitment programs under Title VII— increase emphasis on programs that foster interdisciplinary training and support for the development of health professions training programs in, and in collaboration with, rural communities.**

- **Expand and make permanent the J-1 Visa Waiver program.**

- **Expand Area Health Education Centers (AHEC)/Health Education and Training Centers (HETC):** CSRHA recognizes the important role AHECs and

HETCs play in providing valuable health care workforce development and health education services to underserved areas. CSRHA supports the reauthorization and expansion of these programs. At least 75% of every new dollar to California AHEC goes directly into health professions training in underserved and rural communities.

· **Invest in web-based and distance learning technologies.** Geographic isolation limits access to professional development and training opportunities. Web-based distance learning technologies are an important and effective tool for meeting many of the education and training needs of rural health professionals. However, while there is great interest within safety-net organizations to expand their use of technology for education and training, there is currently no comprehensive education and training programmatic infrastructure to support the safety-net, especially for community clinics. Another barrier to the utilization of technology for e-learning is operating funds, which translates into having sufficient staff resources to develop, manage and support training at all levels.⁴

¹ California Health Interview Survey. (2007). Diabetes and Heart Disease search; rural/urban comparison. <http://askchis.com/main/DQ2/geographic.asp>

² The California State Rural Health Association. (2004). Stats & Facts. Available at: <http://www.csrha.org/factsheet.html>.

³ Journal of Rural Health. (January 2009). Presence of a Community Health Center and Uninsured Emergency Department Visit Rates in Rural Counties.

⁴ Speranza Avram & Associates. (2009). Safety-Net e-Learning Assessment.