



The Federal Rural Health Policy Landscape: Texas Rural Health Forum

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Health Resources and Services Administration

Office of Rural Health Policy

November 9-10, 2009



Overview

- What's Happening in Washington
- Health Care Reform
- Recent Regulatory Activity
- Resources for Rural Providers



About Office of Rural Health Policy

- Created in 1987 to address the problems for rural hospitals that arose from the implementation of the Prospective Payment System (PPS).
- Serves as the voice for rural within the Department of Health and Human Services
- Administers grant programs, makes policy recommendations, and facilitates research on rural health.
- Coordinates border health and intergovernmental affairs (Commissions) for HRSA



Current Health Care Challenges

- Economic Recession
- Increases in the Uninsured, Underinsured
- Decreased Revenues for Providers
- Workforce Recruitment and Retention
- Increased Focus on Quality and Reporting
- Resources/Infrastructure Needs

What's Going On In Washington?





HARD TIMES IN THE HEARTLAND

Health Care in Rural America

Health Care and the Rural Economy | [Sources](#)

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Introduction

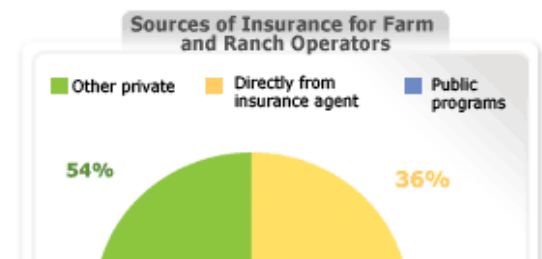
Throughout rural America, there are nearly 50 million people who face challenges in accessing health care. The past several decades have consistently shown higher rates of poverty, mortality, uninsurance, and limited access to a primary health care provider in rural areas. With the recent economic downturn, there is potential for an increase in many of the health disparities and access concerns that are already elevated in rural communities. *Hard Times in the Heartland* provides insight into the current state of health care in rural areas and the critical need for health care reform.

Health Care and the Rural Economy

High poverty rates and job loss in the current economic recession highlight the challenges of accessing health care and rising health care costs in rural areas.

Rates of poverty are higher, with 15% of people in rural areas living below the poverty level compared to 12% of people in urban areas.¹

The rural economy is dominated by small businesses, which are struggling as the cost of





Health Care Reform Principles

- Health Insurance Reform Solutions
- Expand Health Care Workforce
- Re-Emphasizing Primary Care
- Improving Access and Health Outcomes
- Strengthening Medicare, Medicaid and SCHIP



Themes for Transforming Health Care Delivery

- Value-based purchasing for hospitals & CAHs
- Accountable Care Organizations
- Patient Centered Medical Home
- Bundling of Payments & Readmissions
- Rural Hospital Provisions



Saturday Sep 5, 2009



HHS.gov/Recovery

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Recovery Money

Nearly \$1.2 Billion in Grants Available to Help Doctors and Hospitals Use Electronic Health Records

The Recovery Act HITECH Grants will fund approximately 70 Health Information Technology Regional Extension Centers to provide technical assistance and support. Funds will also provide state-level grants to share information across a nationwide system of networks.

To learn more see:

- [Health Information Technology Extension Program](#)
- [State Health Information Exchange Grant Program](#)
- [Vice President Biden Announces Availability of Nearly \\$1.2 Billion in Grants to Help Hospitals and Doctors Use Electronic Health Records](#)



200-Days Milestone Report

[HHS exceeds its 200-Day 300,000 patient goal](#), serving 500,000 patients in Community Health Centers!

Read the [Vice President's remarks](#) on the 200 Days of the Recovery Act

Recovery Grantee Reporting Assistance

Reporting begins 10/1/2009 at [FederalReporting.gov](#).

Have you [registered](#) to report?

Recovery.Gov

Learn about the [American Recovery & Reinvestment Act \(ARRA\)](#).



ARRA: Workforce

- \$500 million to strengthen the health care workforce
 - \$300m to National Health Service Corps
 - \$200m Title VII- Primary Care, Dentistry, AHECs

<http://bhpr.hrsa.gov/recovery/>



ARRA: Community Health Centers

\$2 billion to support CHC services, repairs and renovations, and investments in HIT

- \$155m New Access Points- awarded to 126 CHC
- \$337m Increased Demand for Services (IDS)- awarded to 1,128 CHC
- \$851m Capital Improvement Program- awarded to 2,614 CHC

<http://bphc.hrsa.gov/recovery>



ARRA: HIT

- Medicare HIT Payments for PPS Hospitals & CAHs
- Medicaid HIT Payments for eligible professionals, RHCs, FQHCs, PPS Hospitals, and CAHs
- Based on “Meaningful” HIT adoption through 2014
- Other Resources
 - HIT Extension Program- Regional Technical Assistance Centers
 - HIT workforce training
 - Regional health information exchange
 - Construction, renovation and equipment, and acquisition of HIT



Children's Health Insurance Program Reauthorization

- CHIPRA extends, improves, and expands CHIP through 2013
- Rural Provisions:
 - Focus on outreach and enrollment for un-enrolled rural children
 - Improve quality of care for pediatric services
 - New PPS reimbursements for RHC & FQHC

<http://www.insurekidsnow.gov/>



FY10 Inpatient Hospital Payments

- Payments to Hospitals
 - Overall payments to increase 1.6%
 - Implementing a 2.1% market basket update
- Key Proposed Changes:
 - Expanded quality measures: 42 FY10, 44 FY11
 - Apply budget neutrality adjustment factors for SCH/MDH
 - CAH provisions:
 - Changes to Method II billing
 - Clinical diagnostic lab services
 - Scope of provider-based regs



CY10 Outpatient Hospital Payment

- Overall Payments to Increase 1.9%
 - Rural Payments to Increase 1.6%
 - Add-on for Rural Sole Community Hospitals of 7.1%.
- Clarifies physician supervision requirements
- OPPS Quality Reporting continued
 - Includes 5 “transfer measures” relevant for rural
 - Includes CAHs on a voluntary basis



CY10 Physician Fee Schedule

- Increasing overall payments to primary care by 5-8%
- SGR percentage rate decrease of -21.2%
- Adds individual health and behavior assessment/intervention to Medicare approved telehealth services
- PQRI: adds 22 individual and 6 group measures
- Additional MIPPA Provisions: Outpatient mental health, Addition of new benefit categories



Rural Health Clinic (RHC) & FQHC Proposed Rule

- Published in the Federal Register 6/27/08
- Implements Updated Location Requirements BBA. Requires ALL RHCs to be in:
 - Rural Area
 - Shortage Area
- Establishes Exception Criteria for Existing RHCs
- Requires RHCs to establish a Quality Assessment and Performance Improvement Program (QAPI)
- Allows RHCs to contract with RHC non-physician providers under certain circumstances
- Creates one-yr staffing waiver for existing RHCs

About HRSA



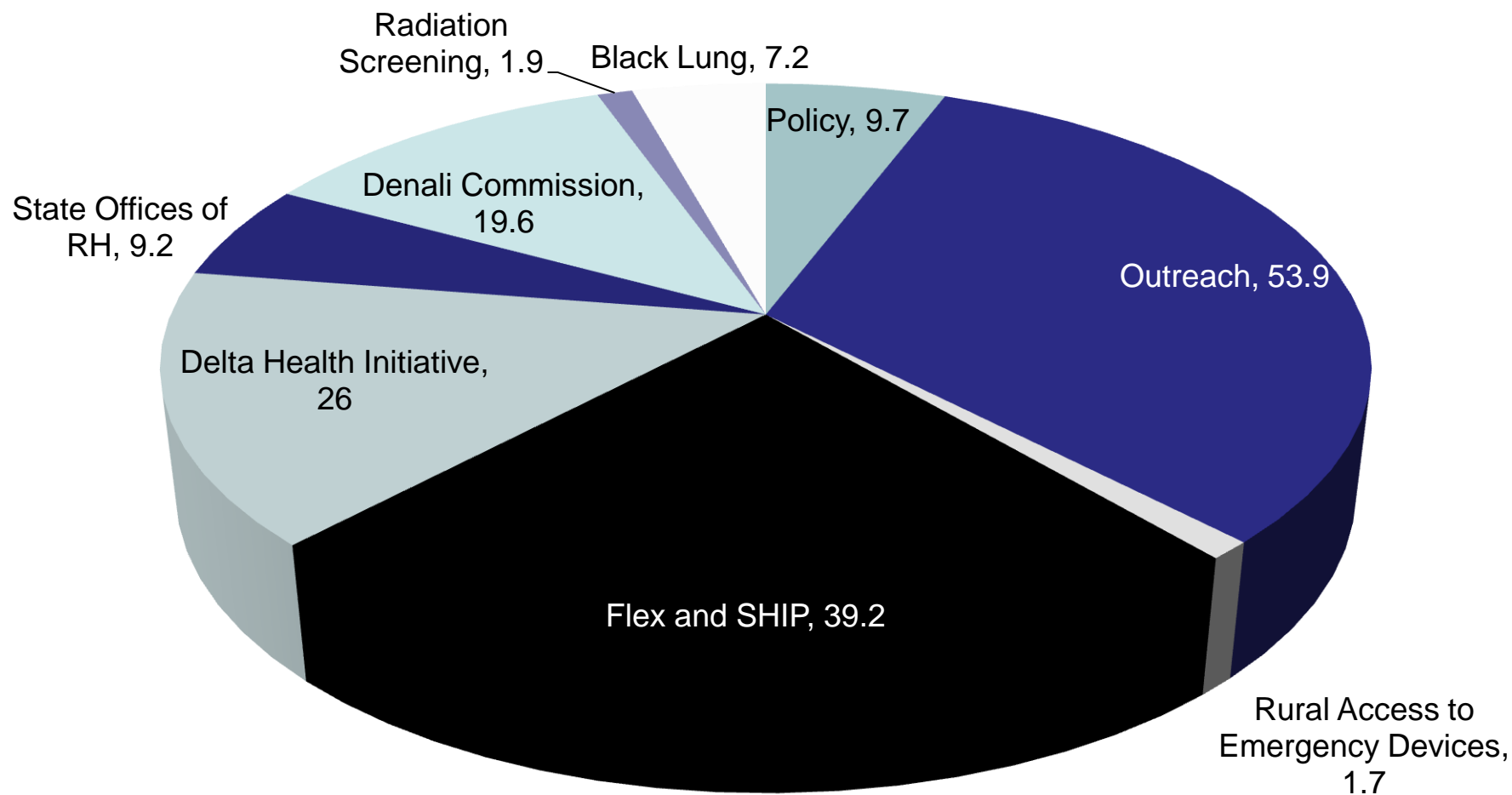
- Delivers preventive and primary health care services through health centers and the National Health Service Corps.
- Gives low-income people with HIV/AIDS the medication and care they need through the Ryan White CARE Act.
- Partners with States to provide maternal and child health services.
- Supports training for health professionals.
- Oversees nation's organ transplantation system.
- Enhances health services delivery through use of telehealth technology.

ORHP Structure

- Community-Based Division
- Hospital- State Division
- Border Health Division
- Policy-Research Team



ORHP 2009 Funding by Program

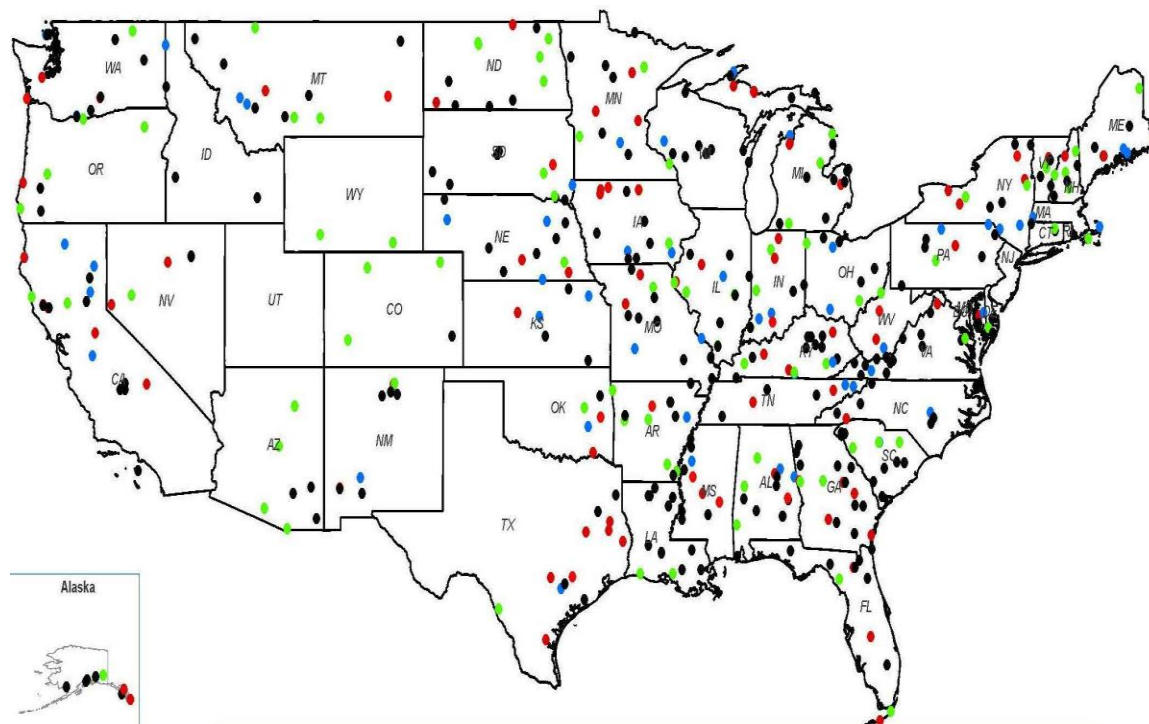




Community-Based Division

- Rural Health Services Outreach
- Rural Health Network Development
- Rural Network Development Planning
- Delta States Development Network (Delta)
- Small Rural Provider Quality Improvement
- Radiation, Exposure, Screening and Education Program Black Lung Clinic Program (BLCP)
- Delta Health Initiative (DHI)
- Rural AED (RAED)
- Frontier Extended Stay Clinic (FESC)

Rural Health Grants 2005-2009



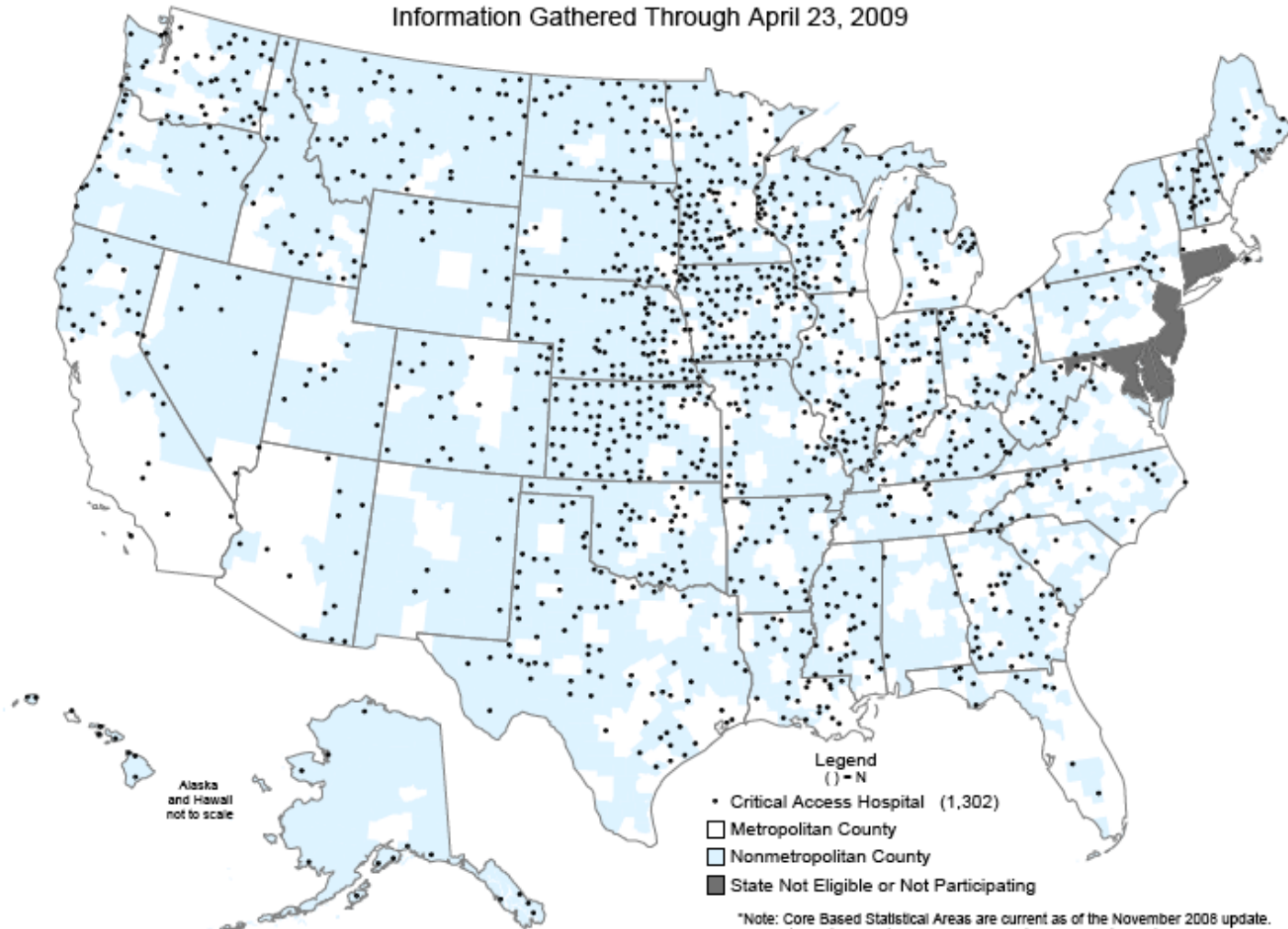
- Rural Health Outreach Grants
- Rural Health Network Planning Grants
- Rural Health Network Development Grants
- Small Health Care Provider Quality Improvement



Hospital-State Division

- State Offices of Rural Health (SORH)
- Rural Hospital Flexibility Grant (Flex)
- Small Rural Hospital Improvement Program (SHIP)
- Critical Access Hospital HIT Network Grants (CAH-HIT Network)

Location of Critical Access Hospitals Information Gathered Through April 23, 2009



Sources: US Census Bureau, 2006; CMS Regional Office, ORHP, and State Offices Coordinating with MRHFP, 2009.

*Note: Core Based Statistical Areas are current as of the November 2008 update. Nonmetropolitan counties include micropolitan and counties outside of CBSAs. Produced By: North Carolina Rural Health Research and Policy Analysis Center, Cecil G. Sheps Center for Health Services Research, University of North Carolina at Chapel Hill.



**DEPARTMENT
of HEALTH
and HUMAN
SERVICES**

**Fiscal Year
2010**

Health Resources and
Services Administration

*Justification of
Estimates for
Appropriations Committees*

“Within the total amount requested for Rural Health activities, the Budget includes \$73 million for a new "Improve Rural Health Care" Initiative to strengthen partnerships among rural health care providers, recruit and retain rural health care professionals, and modernize the health care infrastructure in rural areas.”



CMS Rural Resources

- CMS Rural Health Council
 - CMS Regional Office Rural Liaisons
- CMS Rural Open Door Forum- Sign up at:
 - <http://www.cms.hhs.gov/OpenDoorForums>
 - Special ODF on Wage Index Reform 5/20 2-4 pm
- CMS Website Rural Health Center
 - <http://www.cms.hhs.gov/center/rural.asp>



H1N1

- General Information, Vaccination, Info for Specific Populations:
 - <http://www.cdc.gov/H1N1FLU/>
- Flu Shot Locator:
 - <http://www.flu.gov/>
- Section 1135 Waiver Requests for CAHs
 - <http://www.cms.hhs.gov/H1N1/>.



ORHP Resources

- Rural Assistance Center
 - One stop shopping for all rural health and human services
<http://raonline.org>
- Rural Health Research Gateway
 - Learn more about past and ongoing studies
<http://www.ruralhealthresearch.org/>
- Rural Health Clinic TA Series
 - Quarterly Conference Call Series for all RHCs
<http://www.narhc.org>



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ORHP- <http://ruralhealth.hrsa.gov>