

Health Care Reform 2009 The Rural Perspective

RUPRI Health Panel

April 30, 2009



Outline

- Affordable Coverage
- System Capacity
- High-Value Health Care System
- Health Status Disparities
- System Quality

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Access to Affordable Insurance

- Characteristics of insurance coverage in rural America
 - Uninsured rates are comparable in rural and urban
 - Adults (non elderly) more likely uninsured in rural
 - Children have lower uninsured rate in rural
 - Rates higher in nonadjacent counties

Access to Affordable Insurance

- Characteristics of health insurance markets in rural areas
 - A greater proportion of small employers
 - Individual coverage is more important
 - Higher premiums and out of pocket liability
 - Public plan coverage greater in rural areas
 - Eligibility and participation rates are higher

Policies to Assure Health Insurance Availability and Affordability

- Employer mandate (play or pay): subsidies for small employers of low wage earners
- Individual mandate: subsidies for low income persons
- Insurance regulation to eliminate risk rating
- Guaranteed availability of plans with minimum benefit

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Policies to Assure Health Insurance Availability and Affordability

- Health Insurance Exchange: comparable, affordable plan choices, in benefits and costs
- Assurances that rural residents retain meaningful choice of providers, including the providers in their own communities
- Tax credits: refundable tax credits for low income persons

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Policies to Assure Health Insurance Availability and Affordability

- Expand Medicaid and CHIP: more important to rural because of low income
- Expand Medicare to include younger age (e.g., 55)
- Public plan: may be the means of reaching rural places not attractive to private insurance plans
- Any of the three above requires adequate provider payment

System Capacity

- Insurance expansion will increase demand for primary care services
 - More physician opportunities will develop in urban areas
 - New urban demand will exacerbate historical rural physician shortages

Policies for System Capacity

- Realign physician payment to support primary care practice
- Support training programs
 - Rural training opportunities
 - Community based workforce programs
 - Two-year rural health care educational and training programs
- Support for National Health Service Corps

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Policies for System Capacity

- Reform graduate medical education
- Loan repayment and other incentives to begin practice in rural areas
- Workforce planning to consider rural physician shortages other than primary care

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Policies for Other Health Care Services

- Allied health
 - Any workforce title should include allied health professionals
 - Educational programs should include community college and technical colleges that train allied health personnel
 - Pipeline programs should include careers in allied health

Policies for Other Health Care Services

- Dental health
 - Federal funds to support dental school expansion
 - Financial support for training dental hygienists and dental assistants
 - Federal grant program to help with costs of setting up dental practices
 - Payment for e-Dentistry

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Policies for Other Health Care Services

- Mental health
 - Incentives for regional behavioral health integration and coordination
 - Financial incentives for expanded use of e-Health strategies
 - Support rural behavioral health professions training programs
 - Medicare reimbursement of behavioral health professionals

Policies for Acute Hospital Care

- Public policy needs to assure minimum payment for essential providers
- Create pools of investment capital as appropriate to enable essential rural providers to adopt new technologies

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Policies for Acute Hospital Care

- Assure minimum payment for essential providers
- Create pools of investment capital as appropriate to enable essential rural providers to adopt new technologies

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Policies to Support Use of Local Providers

- Access standards should support prevailing community patterns of utilization
- Workforce policies promoting distribution to address shortage issues
- Rural residents need information about the explicit tradeoffs between distance and quality indicators

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Policies for High-Value Health System

- Tailor health system redesign to address rural needs
 - Value-based purchasing: ensure that measures are relevant in a rural context
 - Bundled payment approaches: ensure rural providers are not inappropriately disadvantaged
 - Payment policy: reward patient-centered primary care and support coordinated care
 - Rural medical home: to improve workforce capacity, quality, and efficiency

Policies for Disparities in Rural Health Status

- Provide incentives and support for Institute of Medicine's goal of rural community and population health improvement
 - Existing and new policies and programs
- Support to strengthen rural public health infrastructure
- Demonstration projects that require integration of health care, human services, and public health to improve population health

Policies to Finance Reform

- If initiatives are not fully funded at the federal level, consideration needs to be given to the burden on state and local governments in areas with disproportionate levels of poverty

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Policies to Improve Quality and Reduce Geographic Variations

- Support for research that examines best practices considering area resource availability
- Rural to rural comparative effectiveness (related to delivery of care) research funding
- Support for care effectiveness information dissemination to rural providers
- Increased technical assistance to rural providers for health care quality and patient safety improvement
- Support for quality and efficiency data collection, analysis, and dissemination.

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Policies to Support the Care Continuum and Care Coordination

- Rural medical home demonstrations
- Strategies to foster rural/rural and rural/urban provider collaboration
- Interoperable health information technology
- Relaxation of regulatory barriers to collaboration (including information sharing)

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Policies to Address Rural Perspective and Inclusion

- Rural inclusion in health care commissions and demonstration programs
- Consideration of rural impacts and unintended consequences

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