Health Care Reform 2009
The Rural Perspective

RUPRI Health Panel
Outline

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