



National Rural Health Association

What Healthcare Looks Like Post COVID-19

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#ruralhealth

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National Rural Health Association Membership



Destination NRHA

Plan now to attend these 2021 events.



Policy Institute	Feb. 9-11, 2021	Washington, DC
Annual Conference	May 4-7, 2021	New Orleans, LA
Rural Hospital Innovation Summit	May 4-7, 2021	New Orleans, LA
Rural Health Equity Conference	May 4, 2021	New Orleans, LA
Rural Health Clinic Conference	Sept. 21-22, 2021	Kansas City, MO
Critical Access Hospital Conference	Sept. 22-24, 2021	Kansas City, MO



Visit [RuralHealthWeb.org](https://www.RuralHealthWeb.org)
for details and discounts.

Session Objectives

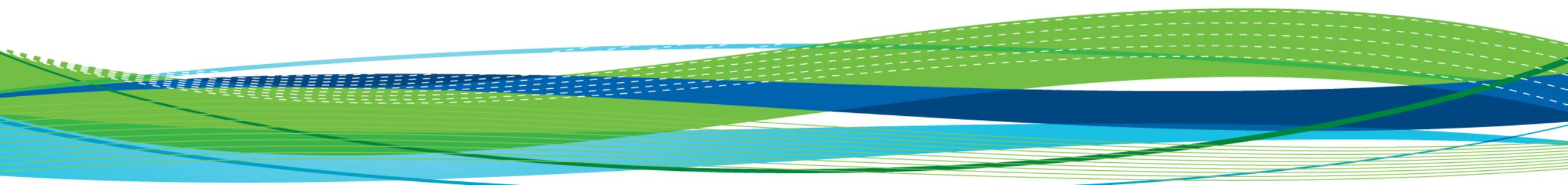


- Describe the current state of rural health in America
 - Historic trends
 - Rural demographics/disparities
- Outline challenges and opportunities for rural providers of care in an era of Covid-19.
- Describe the impact Covid-19 will have on the future of rural health care
 - Future trends
 - 2020 Election cycle
 - The future of RHCs

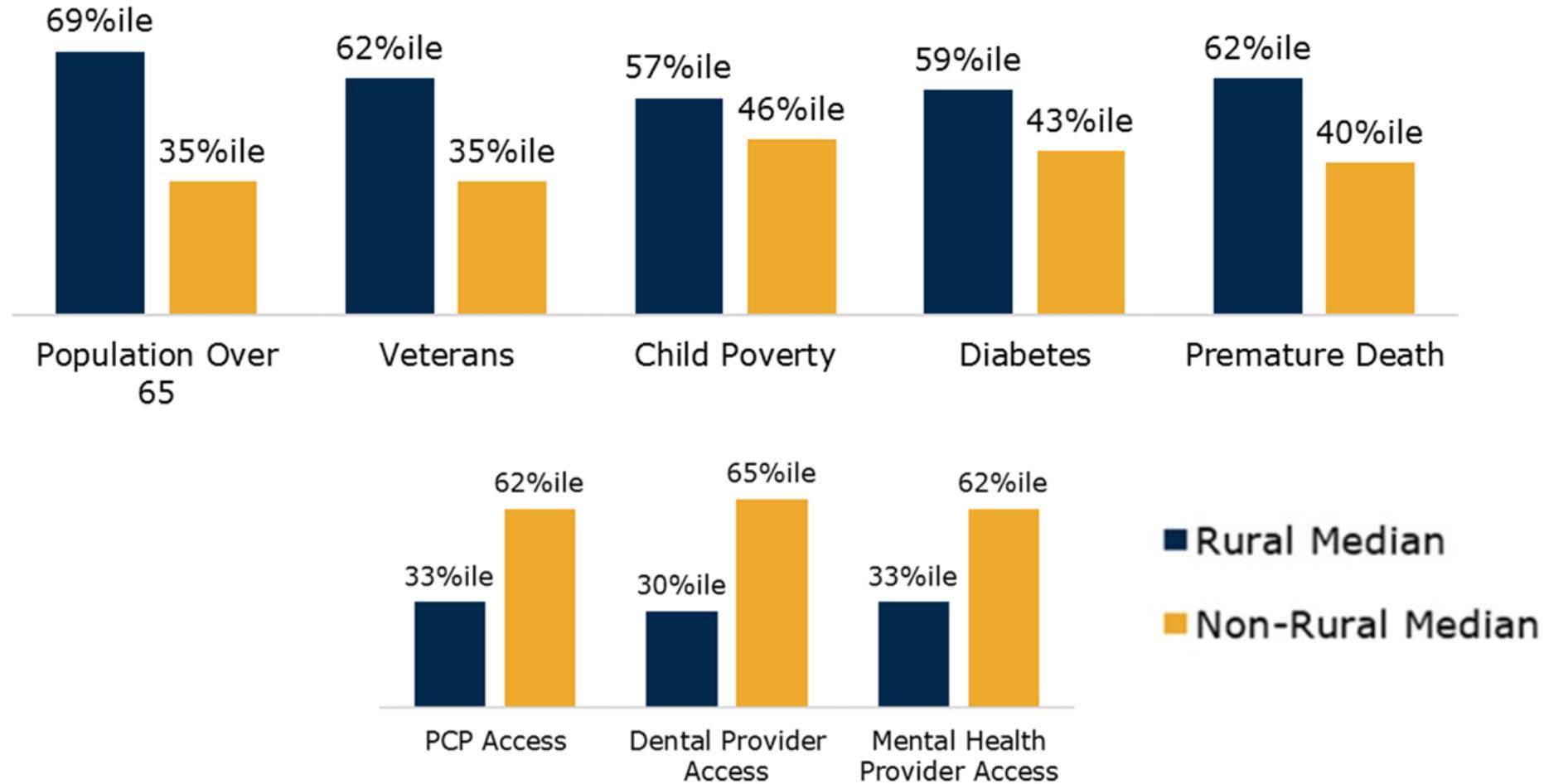
A (short) History of Rural Health



- War on Poverty in the 60's: **Medicare/caid** born 1965, Independence, MO
- **Community Health Centers**, created in 1965 during War on Poverty, first rural CHC: 1967
- **Rural Health Clinics** –42 Years Old (1978), 4,500 nationwide, President Carter signed into law
- Result of **PPS** 1983: 440 hospital closures
- Policy Response 1992-2003:
 - State Office of Rural Health (SORH)
 - Medicare Dependent Hospitals (MDH) ← **9/11/2001—Global Disruption/shoes off at TSA check points/Security**
 - Critical Access Hospital (CAH) 1997
 - Medicare Rural Flexibility Program (1997)
 - Low-Volume Hospital (LVH) Adjustment (2003 and 2010) ← **2008 Wall-Street/Financial Crisis**
- Patient Protection and Affordable Care Act (ACA) 2010
- Medicare Access and Chip Reauthorization Act (MACRA) 2015
- Emphasis on rural health—Trump Administration 2017-2020
 - ← **Climate change—changing weather patterns/fire**
 - ← **SARS-CoV-2 Pandemic/Face Coverings and social distancing**
- Federal government spending tops \$6T in response to pandemic (CARES and Federal Reserve)

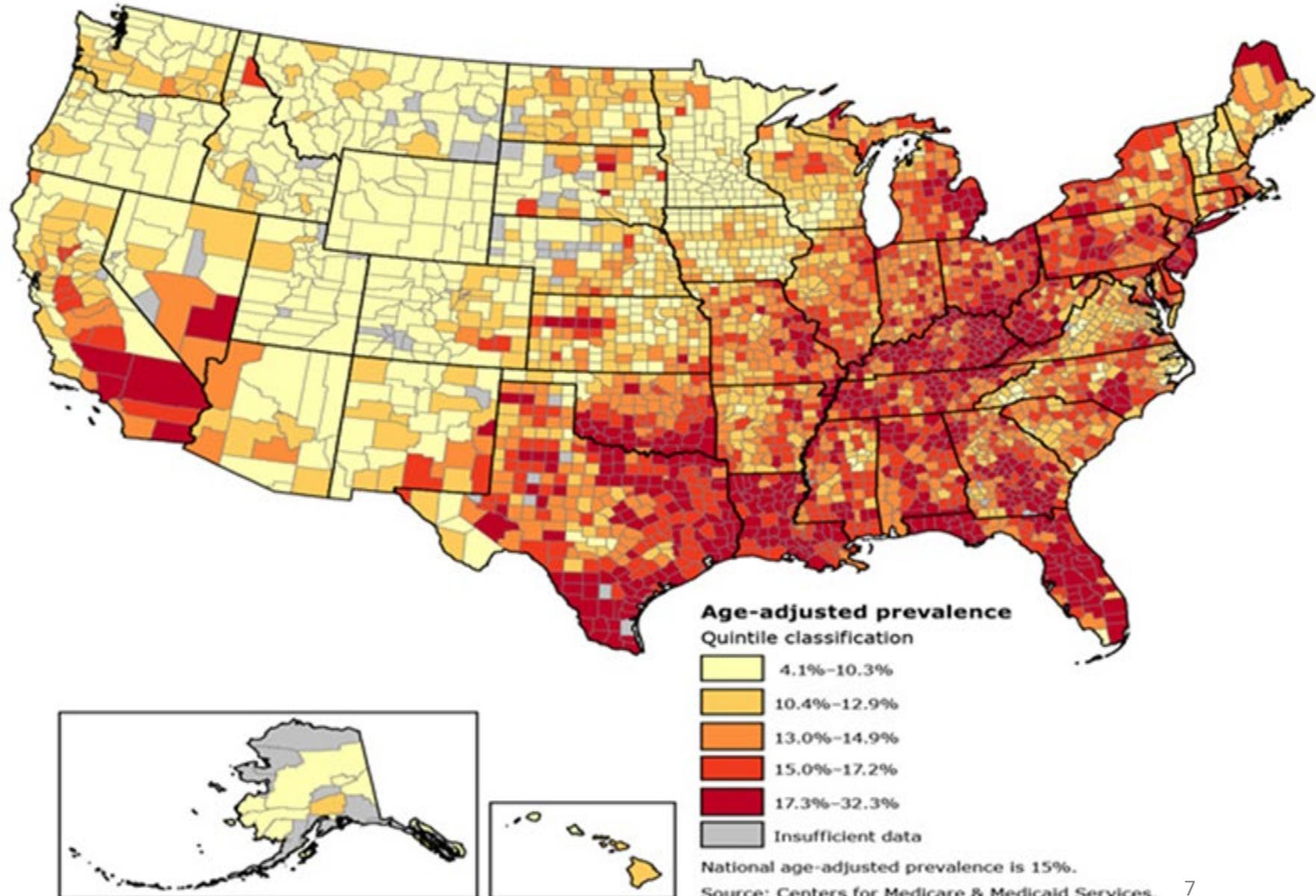


Summary: Rural Populations are Older, Less Healthy, Less Affluent and Have Limited Access to Multiple Types of Care



Prevalence of Medicare Patients with 6 or more Chronic Conditions

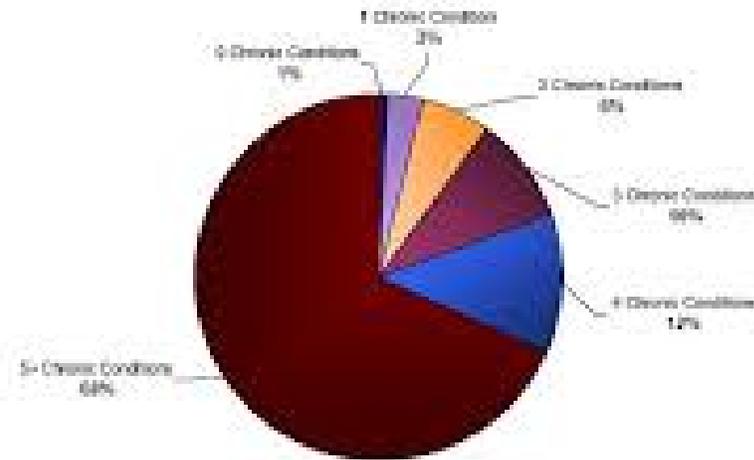
The Prevalence of Medicare Fee-for-Service Beneficiaries 65 Years or Older With 6 or More Chronic Conditions, by County, 2012



Chronic Disease Burden

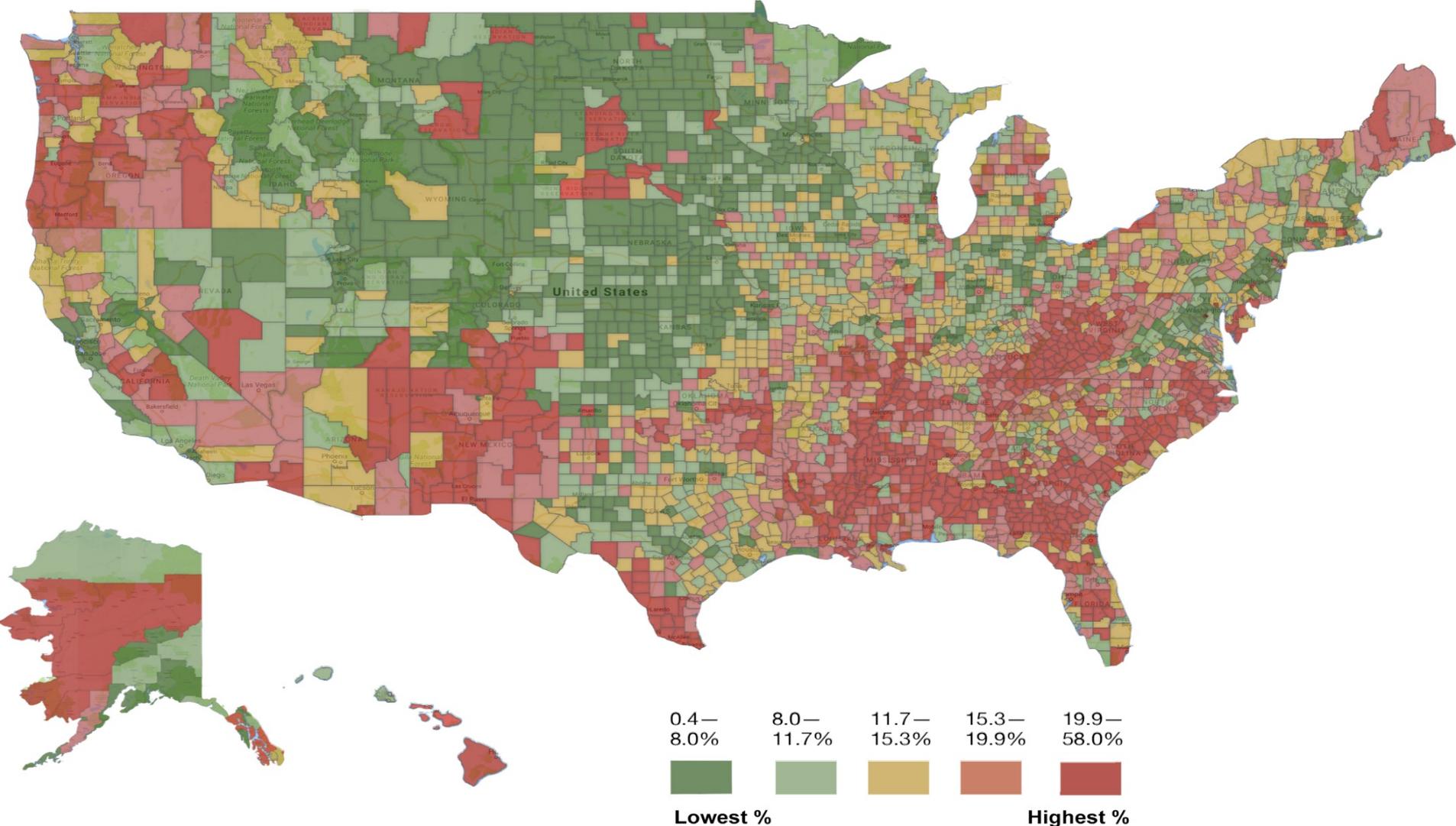
Two-Thirds Of Medicare Spending Is For Beneficiaries With Five Or More Chronic Conditions

- **Ninety-six percent of Medicare expenditures involve individuals with multiple chronic conditions.**



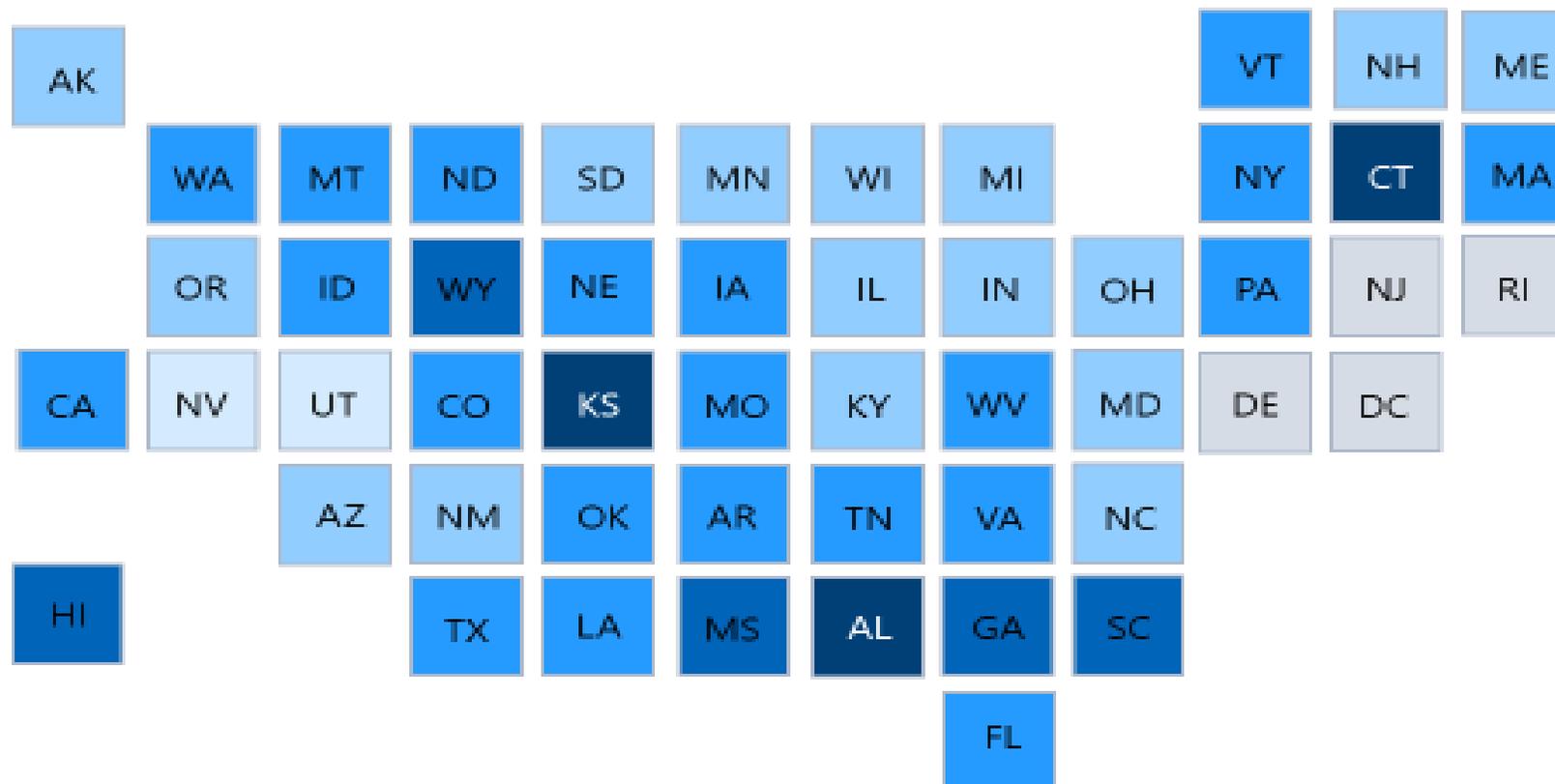
The geography of food stamps

SNAP Enrollment as Percent of County Population



Impact on Rural Operating Margins

48% of all Rural Providers have a Negative Operating Margin



State-level percentage of rural hospitals with negative operating margin.

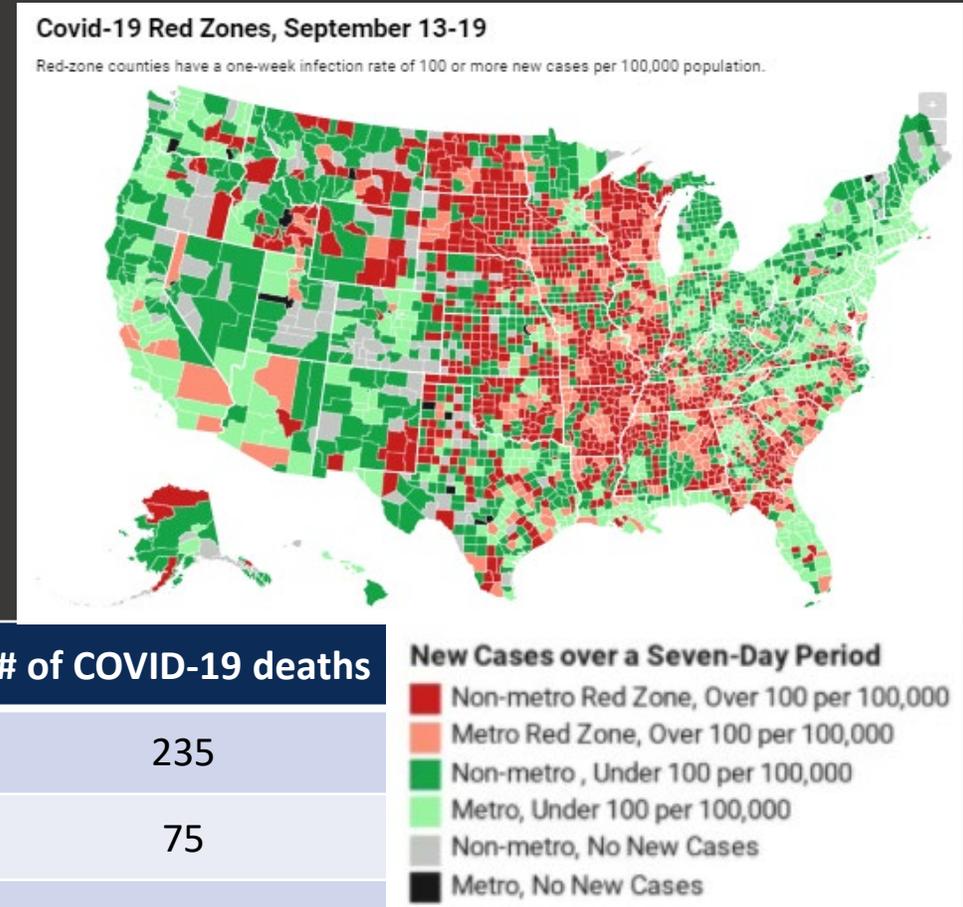


Source: The Chartis Center for Rural Health, 2019.

COVID-19 in Rural America

- Thus far in 2020, fifteen rural hospitals have closed, and two more rural hospitals are slated for closure in October ([UNC Sheps Center, Becker's Healthcare](#)).
- (9/28) There have been >860,000 confirmed cases of COVID-19 and >19,200 deaths in non-metro counties ([RUPRI](#)).
- (9/23) "Nearly half of all rural counties have new-infection rates that the White House task force defines as out of control." ([The Daily Yonder](#))
- Rural COVID-19 hotspot data (as of 9/29):

County, State	# of COVID-19 Cases	# of county hospital beds	# of COVID-19 deaths
Navajo, Arizona	5,787	176	235
Robeson, North Carolina	4,530	246	75
McKinley, New Mexico	4,322	148	257
Marshall, Alabama	3,961	150	43



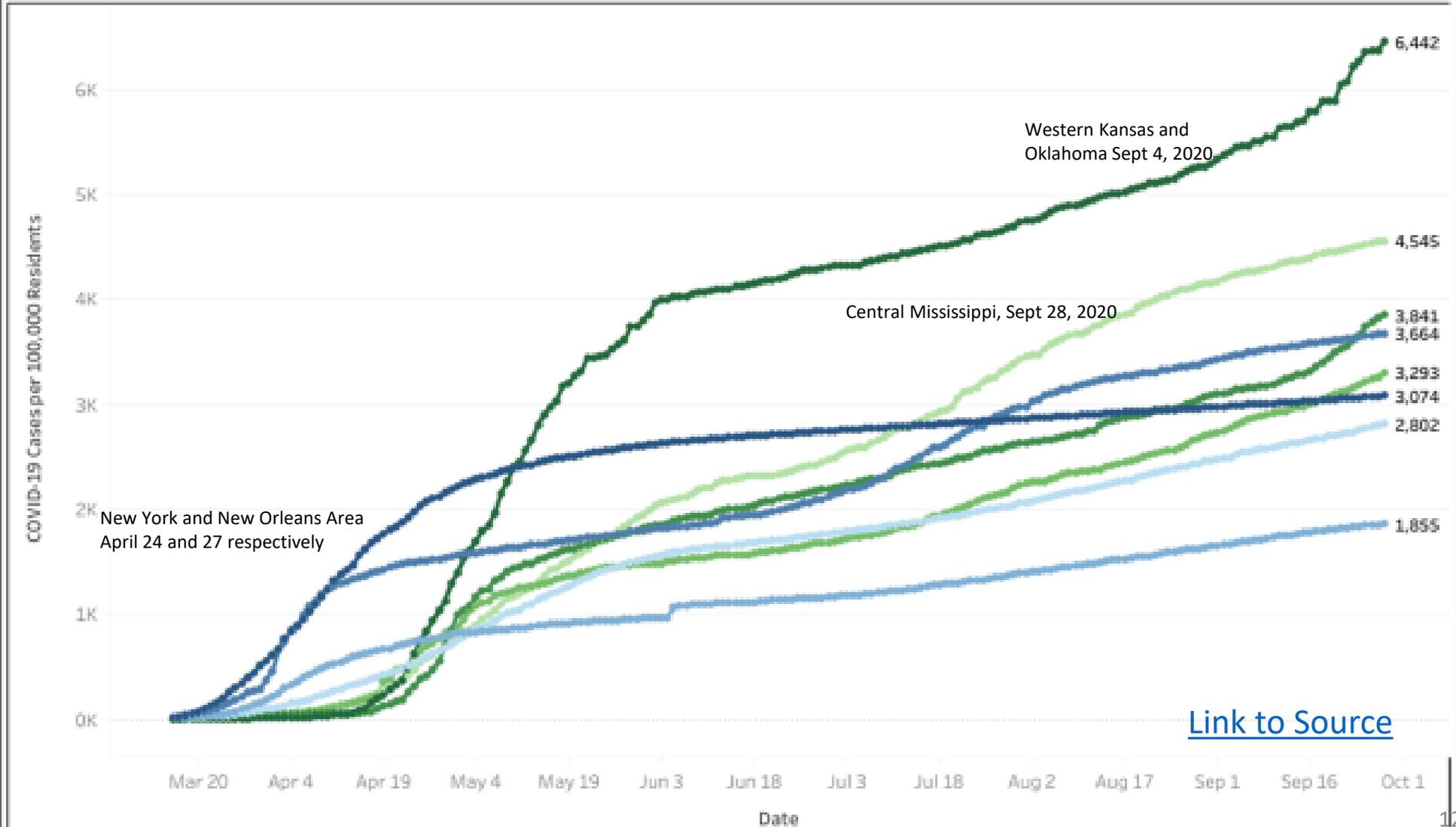
([Daily Yonder](#), 2020)

([USA Facts](#), 2020)

COVID-19 Cases per 100,000 Residents for Urban and Rural Hot Spots

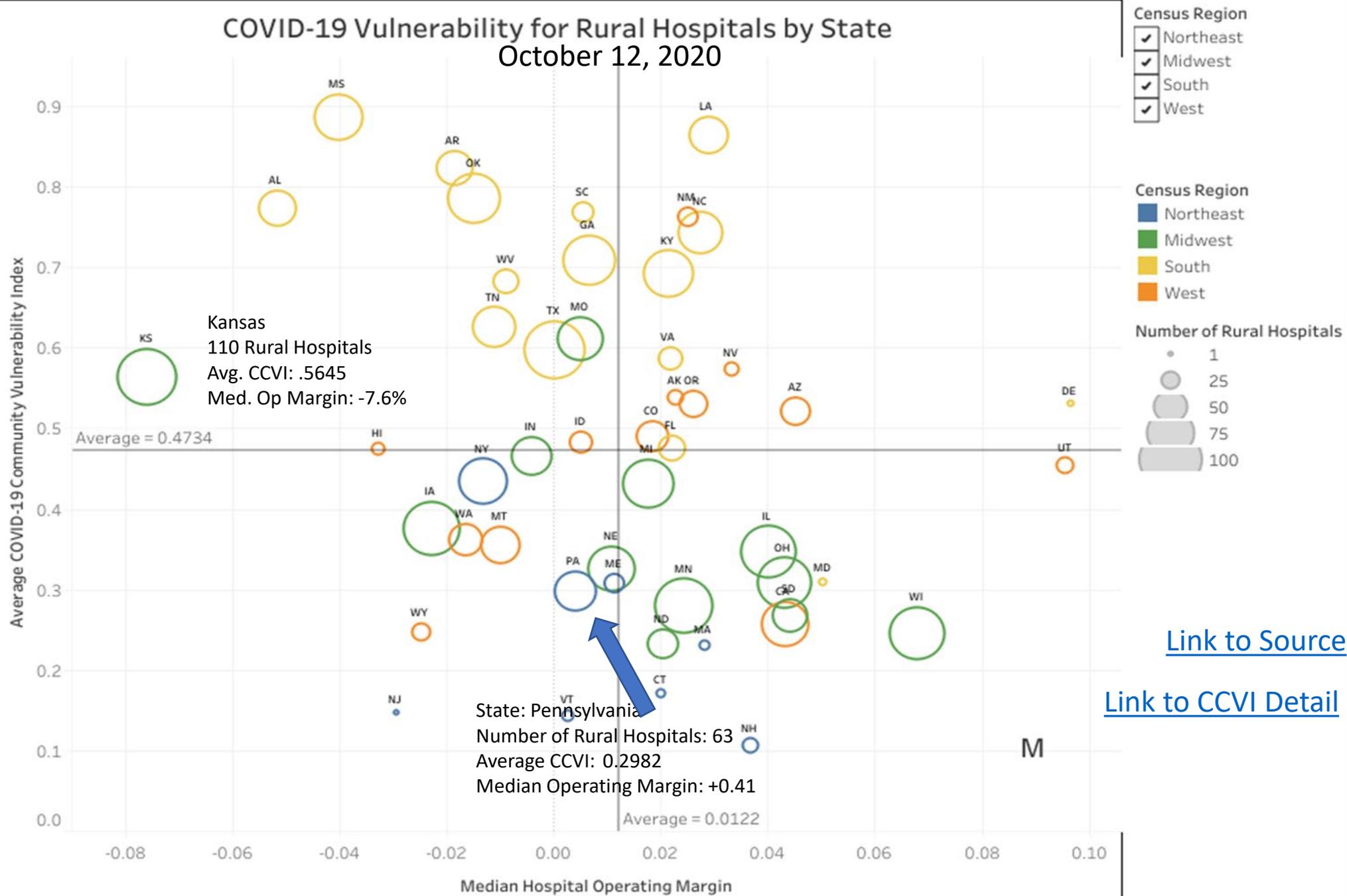
Date
September 28, 2020
 Show history

- Hot Spots
- New York Area
 - New Orleans Area
 - Detroit Area
 - Chicago Area
 - Western KS & OK
 - Southern MN
 - Central IA
 - Central MS



COVID-19 Vulnerability for Rural Hospitals by State

October 12, 2020



Rural Fractures Widen as Covid 19 Spreads



Your voice. Louder.

- Covid 19 has exploited the longstanding weaknesses of rural providers of care
 - Workforce
 - Technology/Supplies
 - Reimbursement/Finances
- Workforce shortages will be highlighted in the wake of Covid 19 spread
- Technology/Supplies
 - PPE
 - Ventilators
 - Testing
- Reimbursement/Finances: The Covid Paradox
 - CDC/CMS Recommendations to discontinue all elective/non-emergent care
 - Hospitals nationwide sitting idle as a result, hemorrhaging cash
 - Acute need for support in this period of emergency

CONTINUED REALITIES



-
- Significant geographic disparities (some spiking/some in large reductions)
 - Population behaviors are affecting efficiency/failures of efforts
 - Safety in re-opening inconsistent – example – schools and universities (parental and alumni pressure)
 - Large challenges for surges due to increased social (sports) and other events (Sturgis)
 - Seeming differences on treatment of next steps: testing/tracing, types of testing/vaccinations

Re-opening Elective/Non-Emergency Services



Key Elements to Control Community Spread

- Testing
- Tracing
- Treatment
- Vaccine

CMS on Re-opening Facilities to Provide Non-emergent Non-COVID-19 Healthcare:

- Patient perceptions of safety in visiting healthcare facilities
- Hospitals and Clinics are safe: Am. Heart Association's "[Don't Die of Doubt](#)" campaign and [video](#)
- Adequate workforce across phases of care (such as availability of clinicians, nurses, anesthesia, pharmacy, imaging, pathology support, and post-acute care)
- In coordination with State and local public health officials, evaluate the incidence and trends for COVID-19 in the area where re-starting in-person care is being considered ¹⁶

Project N95 Collaborative Agreement Details:



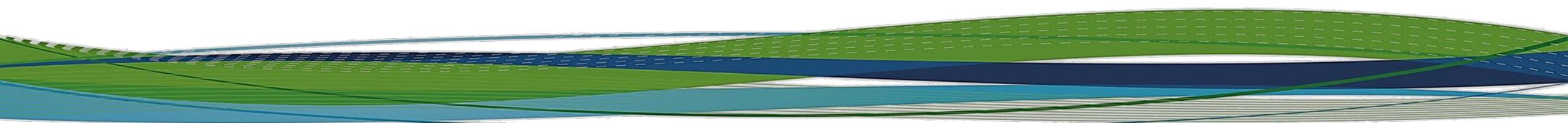
Your voice. Louder.

-
- Just signed collaborative agreement
 - NRHA to provide information to members of PPE available from Project N95
 - Project N95 will provide vetting of products, source product, aggregate orders, purchase products.
 - Purchasers pay for product by credit card to Project N95
 - Each facility receives their individual order



Your voice. Louder.

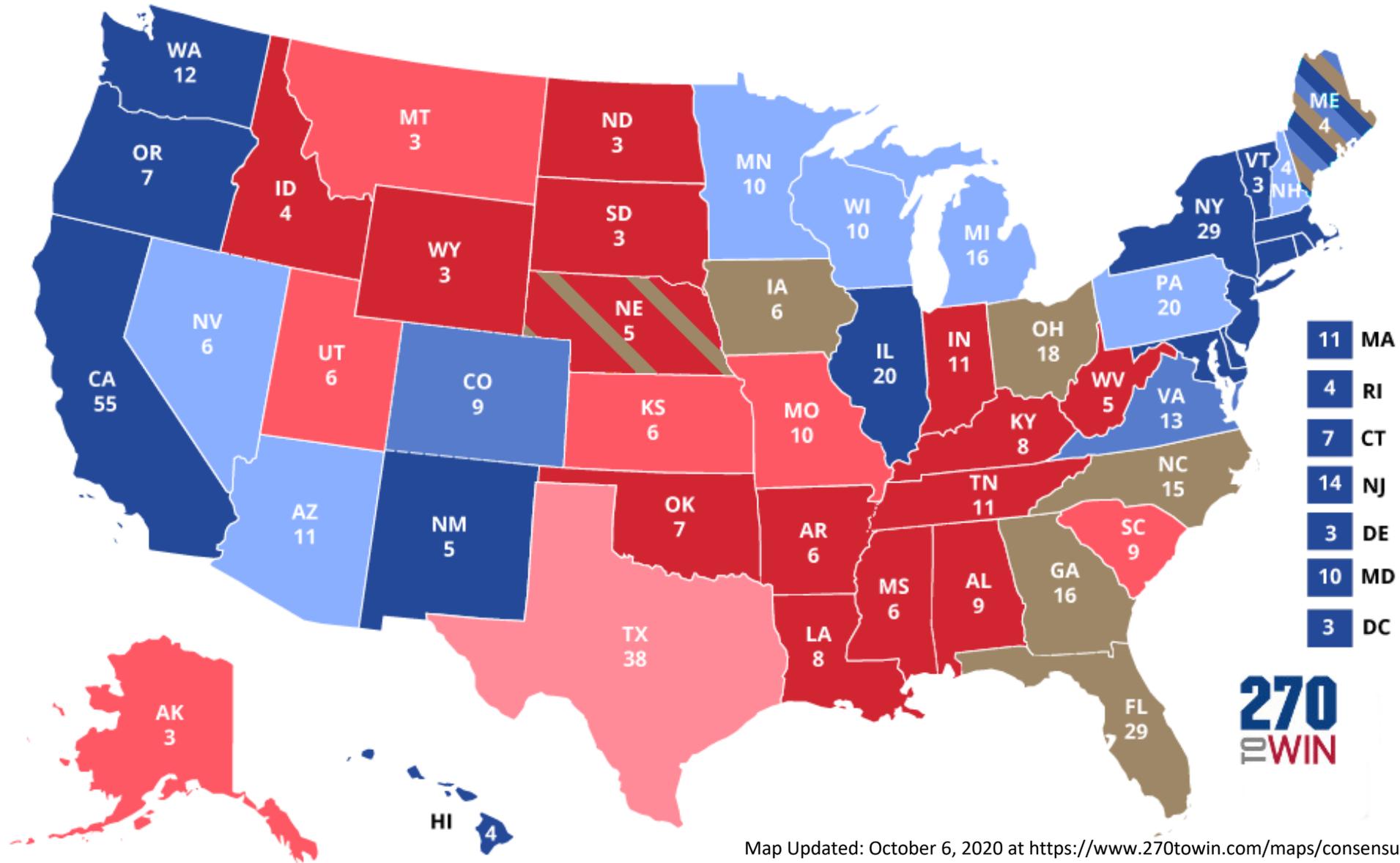
2020 Federal Election Review



2020 Presidential Electoral Map

Biden 289

163 Trump

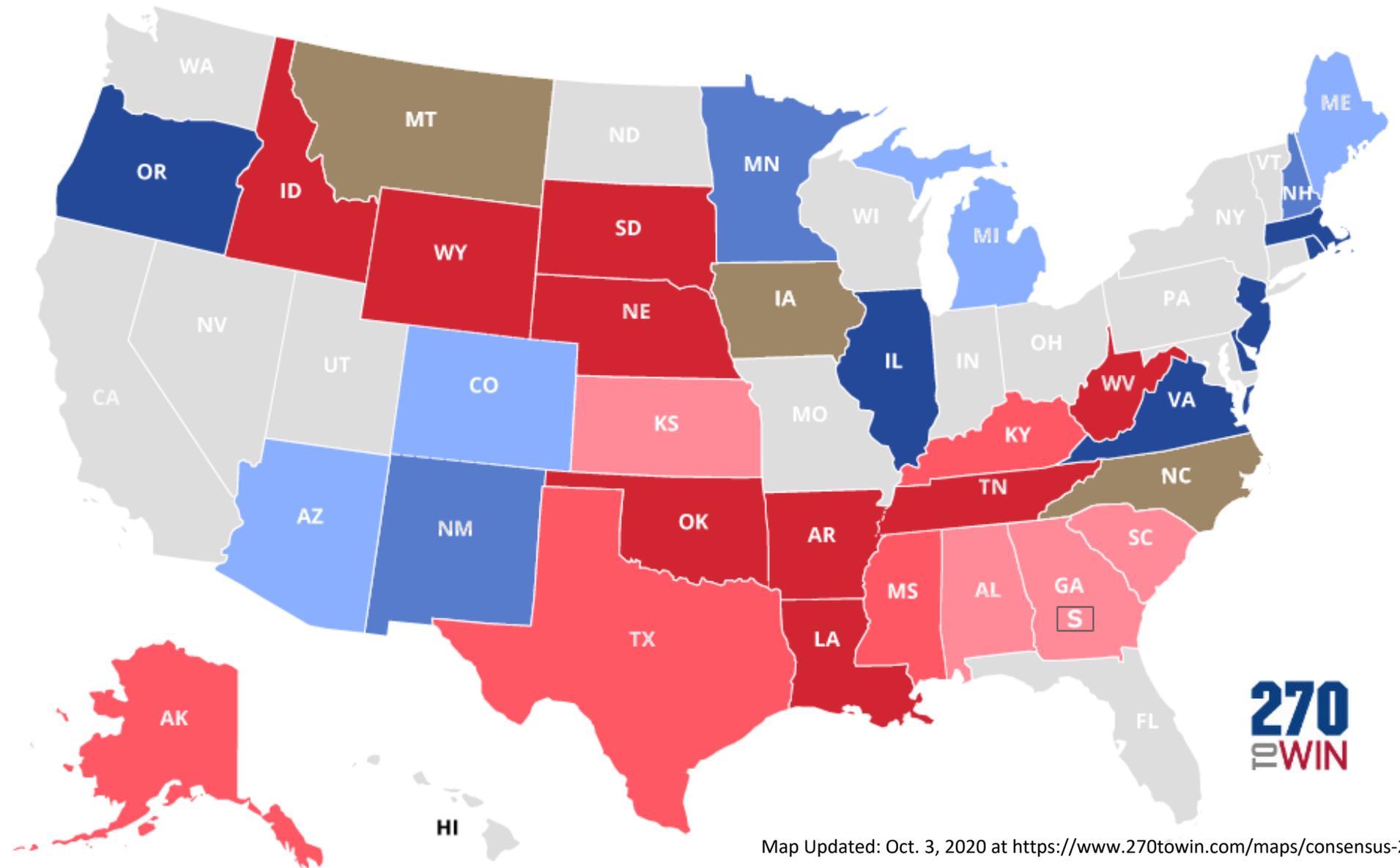


270
TO WIN

2020 Senate Electoral Map

Democrats **49**

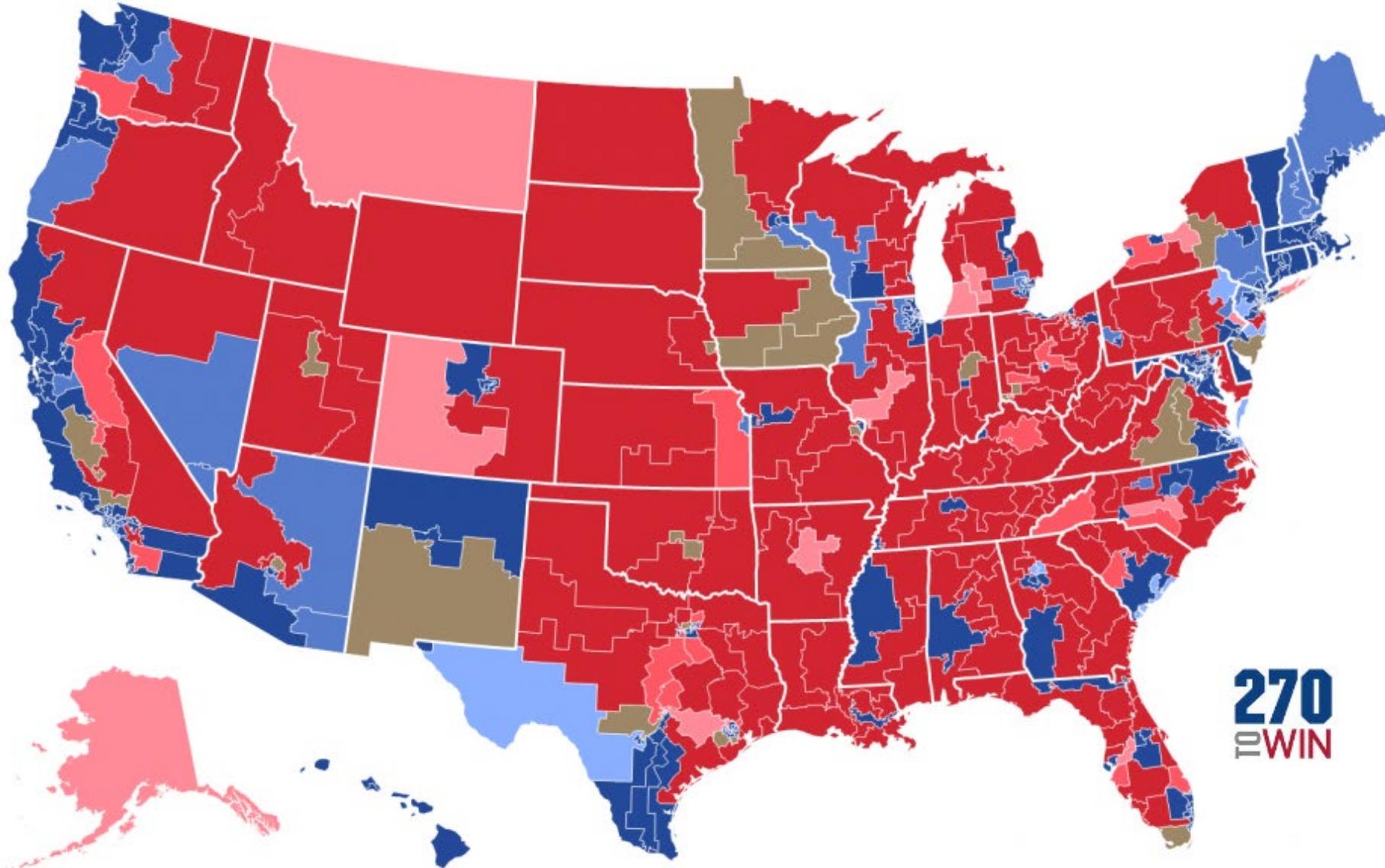
48 Republicans



2020 House of Representatives Election Map

Democrats **225**

184 Republicans



270
TO WIN

Future Trends

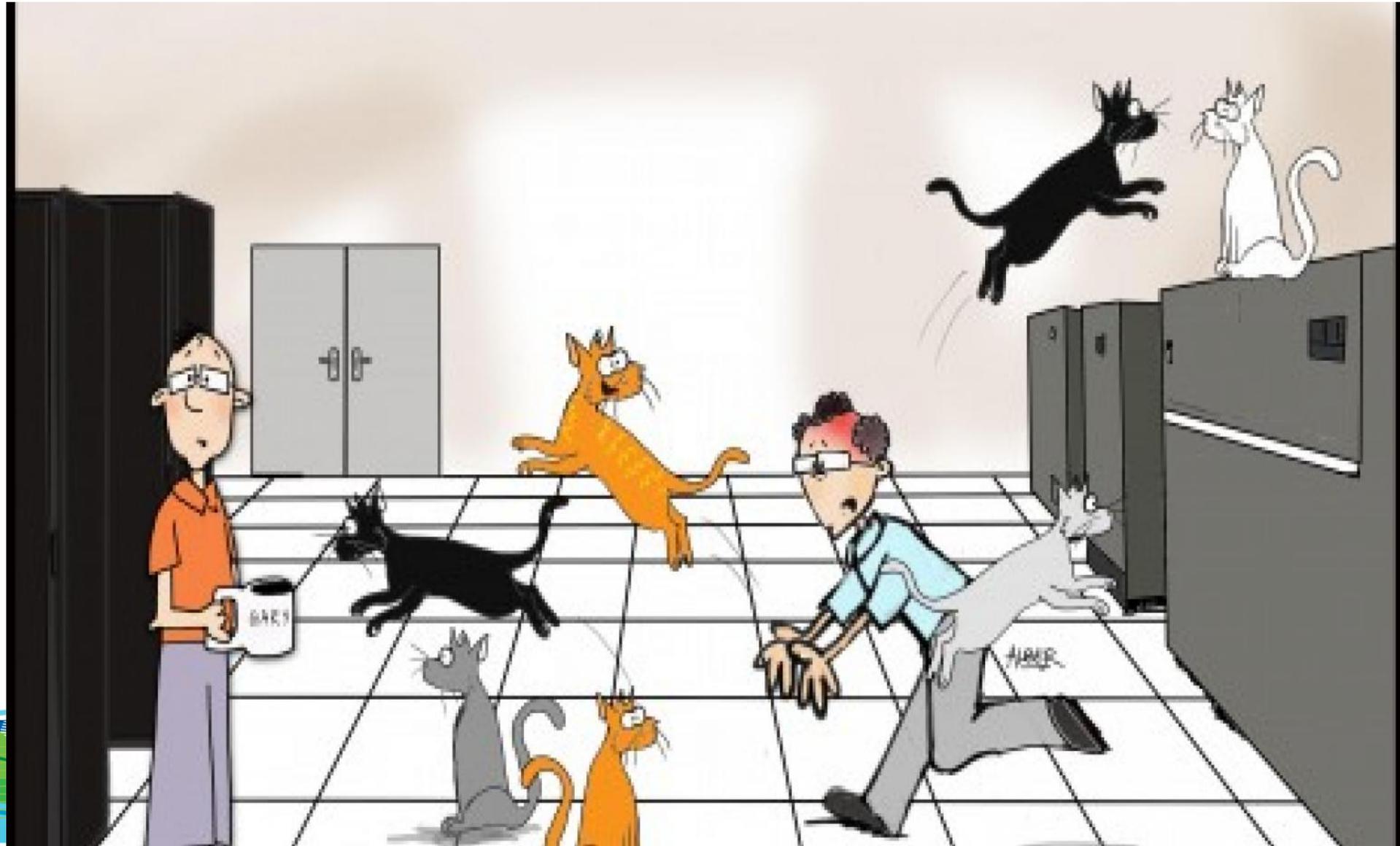


- Austerity measures 5-10 years, severity/impact depends on 2020 Elections
- Federal efforts to contain cost based on Quadruple Aim (QA) more aggressive
 - MACRA, transforming PFS from volume to value
 - Hospital spending on Medicare—Medicare Advantage, ACO/MSSP, Reduced payments
 - Primary care the currency of the realm
 - Medicaid reductions: Federal and State efforts (for example, MFAR)
 - Health equity/systemic racism—challenges remain as health coverage is challenged/chronic disease increases
 - ACA Case Supreme Court Nov. 10, decision expected June 2021:
 - High deductible plans with increasing coinsurance payments
 - Designed to transfer risk from insurance company to provider (consumer)
 - This will intensify under whatever scheme is developed on ACA or its replacement, i.e., EOs on Pre-existing Conditions
- Consumerism
 - Driving down “costs” through transparency, giving consumer knowledge
 - Price becomes paramount both in insurance premium and patient spending choices
 - Public reporting of provider quality will continue to develop the other side of the equation
- Innovation
 - CMMI and Medicaid programs will continue to introduce change that will incentivize consumers and providers along the track of QA
 - HHS Rural Action Plan
 - CMMI CHART Model
 - Social and Medical Determinants of Health increasingly intertwined—value of Public Health

Incentives Matter



Your voice. Louder.



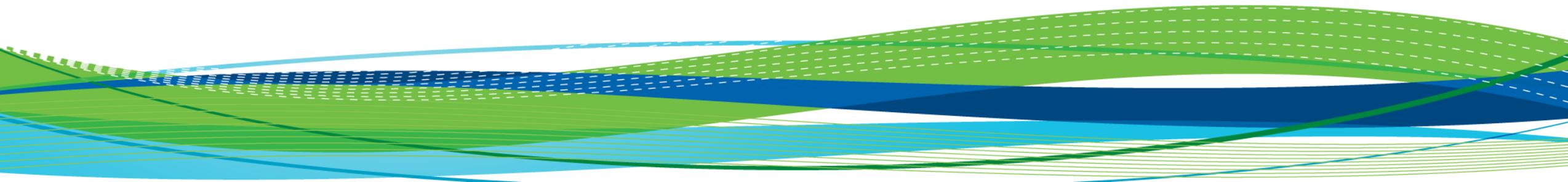
You can herd cats...



Your voice. Louder.



Move the Food!



First Things First



Your voice. Louder.

Delivery System Reforms (DSR)

- Rural Transformation Plans (CHART)
- PCMH
- Transitions of Care
- Chronic Care Management
- Post-acute Care
- EHR
- Network Formation

Care redesign should not outpace
Changes in payment

Population
Health
Transformation

New Payment Arrangements

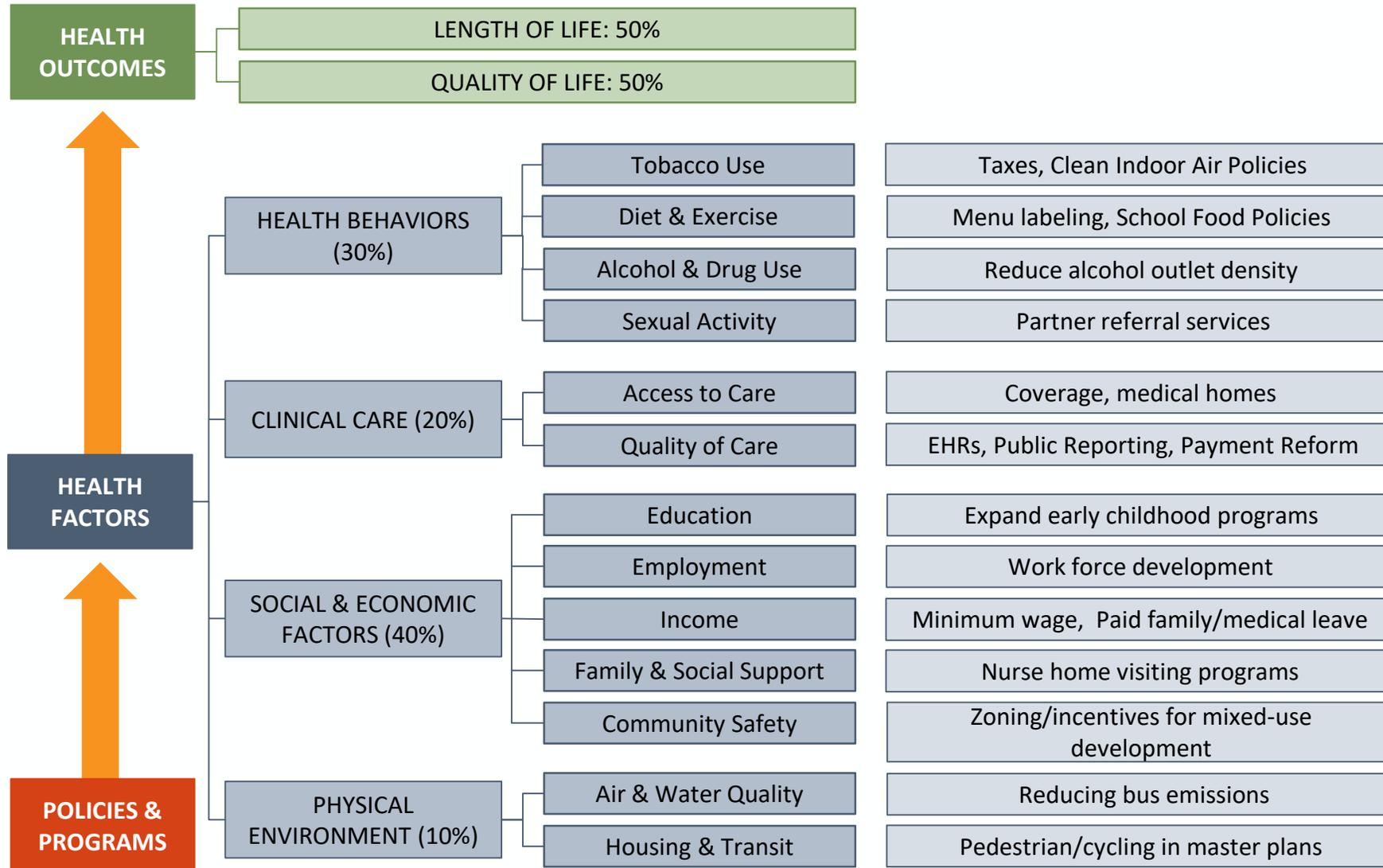
- MACRA
- Care Transformation Costs
- Care Management Payments
- **Shared Savings--CHART**
- Episodes of Care Payments
- Global Payments (Pennsylvania)

Source: Joseph F. Damore, Premier Health Alliance, March, 2015

County Health Rankings & Roadmaps

Building a Culture of Health, County by County

A Robert Wood Johnson Foundation program



Future of Rural Health



- **Payment Innovation**
 - Accountable Care Organizations (ACO)
 - Global Budgets
- **Delivery System Innovation: New Provider Type**
 - Community Outpatient Hospital (COH)
 - REACH/REMC
 - **CHART Community Transformation Program**
- **Infrastructure investment**
 - Aging capital in rural, needing renovation or replacement
 - Technical Assistance, i.e., USDA

Administration Update: Rural Action Plan

On September 3, 2020, HHS released the Rural Action Plan, the first HHS-wide assessment of the department's rural healthcare efforts in more than 18 years and the product of HHS's Rural Task Force.

The [Rural Action Plan](#) is based on the following four-point strategy:

- Build a sustainable Health and Human Service Model for rural communities;
- Leverage technology and innovation;
- Focus on preventing disease and mortality;
- Increase rural access to care.

Administration Update: CMMI New Rural Health Model

CMS released the [Notice of Funding Opportunity](#) for CMMI's new CHART model on September 15, 2020.

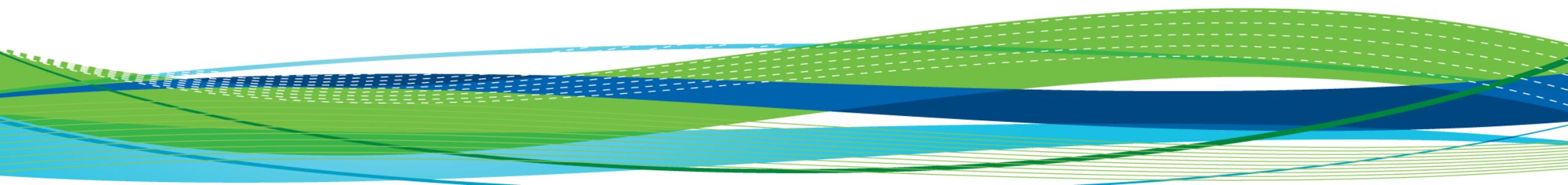
- CMMI press release: "The Community Health Access and Rural Transformation (CHART) Model delivers on President Trump's Executive Order from this month on Improving Rural Health and Telehealth Access as well as the President's Medicare Executive Order and CMS's *Rethinking Rural Health* initiative."
- The CHART Model features two tracks, the Community Transformation Track and the Accountable Care Organization (ACO) Track:
 - *Community Transformation Track*: The Trump Administration is investing up to \$75 million in seed money to allow up to 15 rural communities to participate in the Community Transformation Track. The upfront investment empowers communities to implement care delivery reform, provide predictable capitated payments, and offer operational and regulatory flexibilities to build a sustainable system of care.
 - *ACO Track*: This track offers upfront investment to assist rural healthcare providers in improving outcomes and quality for rural beneficiaries. This track builds on the success of the ACO Investment Model (AIM), which has saved \$382 million over three years.
- Rural Health Voices blogs:
 - [Trump Administration Announces Details of New Rural Health Model](#)
 - [President Trump Signs New Executive Order to Improve Rural Health](#)

Rural Transformation Plans (RTP) Must:



- Address community health needs
- Achieve financial sustainability for the Rural Hospital
- Achieve savings or budget neutrality for Participating Payers
- Demonstrate robust community partnerships
- Fulfill existing obligations under Medicare and Medicaid requirements.

RTPs are the core component of the CHART Community Transformation Track. Rural Health Clinics should be participants these efforts at the community/regional level.



Rural Realities After Covid-19



Your voice. Louder.

- Modernization of the cost-based programs: square pegs in round holes?
- Quality measurement must be woven into the rural programs
- Cost-based reimbursement in an era of value-based programming
- Rural communities are nimble and can implement rapid cycle improvements
- Rural providers excel at innovation—i.e., AIM Program
- Despite the many disruptions over the years, rural providers are resilient
- Payment programs come and go with changes in between, rural providers can adjust to make it work
- Together we can manage the challenges, NRHA and LRHA will do all we can during this uncertain future





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Thank you!

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