



The State of Rural Health: Limited Access to Care, Limited Options for Patients

Currently America's rural communities lack affordable coverage options. Incomes are generally lower than those in urban areas, which has left 24% of rural adults uninsured (compared to 22% of adults in urban areas).

While 25% of Americans live in rural areas, only 9% of doctors practice in these areas and most rural areas have a shortage of dentists, pharmacists, registered nurses, and other health care workers. Nearly 82% of rural counties are classified as Medically Underserved Areas, and the local health care infrastructure in much of rural America is a web of small hospitals, clinics and nursing homes which are under increasing financial stress. Community health centers serve 1 in 9 rural Americans and are dependent on a shrinking pool of state and federal funding.

Rural hospitals provide essential health care services to nearly 54 million people, including 9 million Medicare beneficiaries. It is estimated that Medicaid and Medicare account for about 60% of rural hospital revenues.

Reform means real choices in rural health care

The health reform legislation moving through Congress will improve many of the current problems rural communities face in the current health care system.

Increased access to affordable insurance choices. 'Affordability credits' will help families with incomes below 400% of the federal poverty level (\$88,000 for a family of four) pay for their health insurance. Nearly 60% of uninsured rural families have incomes below 200% of the federal poverty level and will benefit from this provision. Health reform will also limit the annual out-of-pocket costs that families and individuals will face, especially for preventive health services..

"Health Insurance Exchanges" are a part of both the House and Senate Health reform legislation. It is way for low and medium income families and small business employees to choose health coverage from a range of health insurance plans, including a public health option. Plans within a "Health Insurance Exchange" must provide an adequate, approved range of benefits and cannot discriminate on health status or pre-existing conditions.

Health care provider workforce improvements. The proposed legislation has a 10% bonus payment in Medicare for primary care doctors practicing in under-served areas and



a 10% bonus to general surgeons in under-served areas. Expanded loan repayment and training programs for doctors and health care workers who serve in rural communities will mean more of the physicians most needed in rural and low income areas. The legislation proposes expanding the National Health Service Corps and the Public Health Service Corps, and it establishes a new Public Health Workforce Corps.. It also establishes a Tele-health Advisory Committee that will advise ways that telemedicine can bring specialist care and support to providers in rural and other underserved communities that may not have a specialist nearby.

Investing in Hospitals and Community Health Centers. The proposed legislation assures rural hospitals special protections in Medicare payment rules to secure their ability to provide essential access and hire and retain staff. Additionally, it recognizes that rural areas need special consideration in the distribution of additional funds to support Community Health Centers. Because no one bill can fully address the unique needs of patients and providers in rural areas, the proposed legislation will instruct the Health and Human Services Secretary to recommend ways to address urban/rural inequities in Medicare payment rates based on recommendations by the Institute of Medicine.

Stopping Health Problems Before they Start: Prevention and Wellness Efforts. The legislation invests \$15 billion over five years in community preventive services to fight diabetes and obesity, and working to educate individuals on the dangers of tobacco use and substance abuse.

The proposals designate half of that funding to be spent reducing disparities in health care, including disparities between urban and rural areas. The legislation also ensures that small and community-based health care practices, which are prevalent in rural areas, have incentive to participate in 'medical home' programs and other programs which that emphasize primary care, coordinate care across service providers, and reduce unnecessary hospitalizations in rural areas.

Health insurance reforms will abolish co-payments and deductibles to a range of approved preventive health services such as immunizations, cancer screenings and diabetes screening and advice.