



NAVIGATING THE WAVES OF CHANGE

FARM BUREAU - CONFRONTING THE ISSUES

Rural Health Care AFBF Policy Development May 2011

Issue:

Nearly 50 million rural Americans face the challenge of not having access to adequate health care on a daily basis. In order for America's farmers to thrive in supplying food, fuel and fiber to the world, rural communities need access to health care and increased technology. Rural communities need programs that will bring and keep health care providers and health care facilities to small towns.

Background:

Approximately 17 percent of the U.S. population lives in rural communities. In order to have adequate health care, individuals need access to sufficient medical facilities. In particular, rural residents face a geographical challenge in accessing medical facilities. Studies have shown that under emergency health situations, rural residents have longer travel times for services than urban residents. This is problematic for individuals with acute symptoms that need to be treated immediately.

Rural residents face disparities in health care access as compared to urban residents. One disparity is access to physicians. In 2007, rural counties had on average 1.2 doctors for every 1,000 residents compared with three doctors for every 1,000 residents in urban counties. Furthermore, urban counties had more than three times as many specialists (1.1 specialists for every 1,000 residents compared with only 0.3 specialists for every 1,000 residents in rural counties.). In 2010, approximately 10 percent of physicians practiced in rural America, despite the fact that nearly 17 percent of the population lived in rural communities. Access to highly trained physicians is important in obtaining high-quality care. It is imperative that doctors, physician's assistants and nurse practitioners have the proper training and technology to serve the rural community in providing the best possible health care.

Today, the National Health Service Corps provides scholarships and loan repayment programs to increase primary care service to rural communities. The scholarships provide medical students an opportunity to pay tuition, fees and receive a living stipend. After graduating, the recipient is required to work between two and four years in a high-need Health Professional Shortage Area as a primary care provider. The loan repayment program allows current practicing primary care physicians to receive \$60,000 to repay student loans in exchange for two years of service in a high-need area. The loan recipient is allowed to apply for additional years, which provides the following payments: \$175,000 for five years and total debt forgiveness for six or more years.

A Critical Access Hospital (CAH) is a hospital that is certified to receive cost-based reimbursement from Medicare. The reimbursement that CAHs receive is intended to improve financial performance and thereby reduce hospital closures. As of September 2010, there are 1,320 certified Critical Access Hospitals located throughout the United States. There is a discrepancy with the amount of funding CAHs receive between rural and urban communities, which needs to be addressed. It is estimated that Medicare and Medicaid account for approximately 60 percent of rural hospital revenues. With both programs under budget pressure from a state and federal level, this may result in declining revenues for rural hospitals.

In order to provide doctors, physician's assistants and nurse practitioners with the most up-to-date training and improve efficiency, the use of technology in the form of telemedicine, broadband and medical facilities is essential. One responsibility the Telecommunications Act of 1996 gave to the Federal Communications Commission (FCC) was to increase access to telecommunications and advanced services to rural health care facilities. From this act, the FCC created the Universal Service Fund (USF) in 1997 to meet this responsibility. The USF provides reduced rates to rural health care providers for telecommunications and broadband services so that they pay no more than their urban counterparts for the same or similar service. The continuation and support of the USF is important to further improve the overall access of health care to rural communities.

The word "rural" as defined by the USDA is any location beyond the urbanized periphery surrounding a city of 50,000 or more. In essence, USDA can administer its Rural Development programs to communities with populations of up to, but no greater than, 50,000 people.

Questions:

What role should the federal government have in further promoting access to health care to rural America?

What policies need to be implemented to expedite the process of securing more grants and loans for better healthcare medical facilities to rural America?

What programs need to be improved to increase access to health care services for rural residents?

How can current or new policies attract more doctors, physician's assistants and nurse practitioners to rural America?

Farm Bureau Policy:

153 - Health and Health Insurance

Lines 36-40: We support: (1) Greater use of non-physician providers; (2) Efforts to train additional family physicians who intend to practice in rural areas; and (3) Government incentives for medical and mental health services in rural areas.

Lines 138-139: We support: (10) Equitable Medicare payments to rural hospitals and physicians.

161 - Rural Communications

Lines 7-8: We support continuation of the Universal Service Fund (USF) to maintain affordable communication services in rural America.

463 - Rural Development

Lines 1-3: We support the important work of USDA Rural Development to improve the quality of life and increase economic opportunity in rural America.