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Addressing Rural Health Care Needs

Statement of

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Mr. Chairman, Members of the Subcommittee, thank you for the opportunity to meet

with you today on behalf of Dr. Elizabeth Duke, Administrator of the Health Resources and Services Administration (HRSA), to discuss rural access issues as they affect the nation and what is being done to meet the health care needs of the rural and highly rural populations in this country. We appreciate your interest and support of rural health care and access to care for people residing in rural areas.

Introduction

The Health Resources and Services Administration (HRSA) helps the most vulnerable Americans receive quality medical care without regard to their ability to pay. HRSA works to expand the health care of millions of Americans: the uninsured, mothers and their children, those with HIV/AIDS, and residents of rural areas. HRSA takes seriously its obligation to zealously and skillfully implement enacted legislation from the Congress. HRSA helps train future nurses, doctors and other clinicians, and to place these clinicians in areas of the country where health care is scarce. HRSA=s efforts stress cross-cutting alliances across its offices and bureaus to bring about quality integrated services. The Agency works and collaborates both within government at Federal, State and local levels, and with community-based organizations to seek solutions to rural health care problems.

My testimony will briefly describe several HRSA activities that touch millions of people in rural America. These include Office of Rural Health Policy programs, the Health Center program, the National Health Service Corps, Telehealth, and Maternal and Child Health programs. I will also briefly describe our collaboration with our partners in other agencies, including the U.S. Department of Agriculture who is testifying alongside of me today.

RSA=s Rural Activities

Office of Rural Health Policy

HRSA=s Office of Rural Health Policy (ORHP) is the leading Federal proponent for better health care services for the 55 million people that live in rural America. Housed in HRSA, ORHP has a department-wide responsibility to analyze the impact of health care policy on rural communities. ORHP informs and advises the Secretary, and works to ensure that rural considerations are taken into account throughout the policy-making process.

I would like to highlight six of ORHP=s efforts to improve the health of rural Americans. The Medicare Rural Hospital Flexibility Grant Program (Flex) provides funding to States who in turn award the dollars to rural hospitals. For example, the Flex grants has helped over 1,200 small rural hospitals secure higher payments from the Medicare program under cost-based reimbursement.

Another program, Rural Health Care Services Outreach, worked to improve the health status of rural resident by providing a range of services such as health screenings, health education, and provider training. These community-driven projects provided flexibility for addressing health needs specific to rural communities. A majority of these projects fulfilled the needs in rural communities as 80 percent of them have continued after Federal funding ended.

The State Office of Rural Health grant program, which funds the 50 States, ensures that there is a focal point for rural health issues. In 2006, the State Offices worked with close to 4,700 rural communities on a variety of activities ranging from quality improvement to assistance with grant writing. In Colorado, for example, funds support quality reviews for over 30 clinical cases

from small rural hospitals across the State. Physicians review the cases for appropriate and timely care, helping these hospitals to monitor and improve care if necessary.

ORHP efforts also include assisting in the enrollment of more than 180 rural hospitals in the 340B Discount Drug program. A change in the law under the Medicare Modernization Act of 2003 allowed qualifying rural hospitals which take care of a large percentage of poor and elderly to qualify for this program. ORHP works extensively with the States to identify eligible hospitals and assist them in the application process for gaining access to low-cost pharmaceuticals.

HRSA=s ORHP also supports the Rural Recruitment and Retention Network (3RNet). The 3RNet works to increase the number of providers practicing in rural America by linking rural communities in need of a provider with providers seeking to practice in a rural setting. The 3Rnet consists of 43 States who work together to share information and recruitment strategies. During FY 2007, 3RNet placed 404 physicians and 277 other health professionals such as nurse practitioners, physician assistants and dentists. As a result, the 3Rnet saved rural communities close to $9 million in recruitment costs last year. Over the past four years, 3RNet placed nearly 2,900 clinicians in rural communities.

Finally, the Rural Assistance Center (RAC), supported by ORHP, offers rural residents one-stop shopping on health related rural issues. Rural residents can e-mail or call the RAC staff and find out about funding opportunities, successful rural health models or news and statistics on rural communities. In one success story, a 23-county consortia in Pennsylvania used information and assistance from the RAC to help design and monitor a managed care plan for behavioral health. Over its five-year existence, RAC has worked with more than 5,000 individuals for customized assistance via its 1-800 line.

Consolidated Health Centers

The Health Center Program, a major component of America=s safety net for the Nation=s underserved populations for more than 40 years, is at the forefront of the President=s Health Center Expansion Initiative to increase health care access in the Nation=s most needy communities. Due to the incredible efforts of the clinicians and staffs of the Health Centers, and the generous support of a bipartisan Congress, the Initiative created over 1,200 new or expanded Health Center sites, serving 16 million patients in 2007C compared with 10 million patients served in 2001. In 2007, as part of a renewed focus on high poverty areas, 80 new Health Center sites serving 300,000 people without access to Health Center services in areas of high need.

Health Centers are community-based and patient-directed organizations serving populations with limited access to care. These include low income populations, the uninsured, those with limited English proficiency, migrant and seasonal farmworkers, homeless families, and residents of public housing. Health Centers are open to allCregardless of ability to pay. Moreover, the Health Centers provide comprehensive primary care service on a sliding fee based on the patient=s income.

Health Centers improve the health status of underserved populations living in isolated rural communities, where residents often have no where else to go. To meet this need, over half (53 percent) of Health Centers serve rural populations. HRSA funds health center services in rural areas within a 40 to 60 percent range as required by statute. For example, in 2006, in rural areas, Health Centers served over 6.6 million people with 20.5 million patient visits. In the last fiscal year, HRSA awarded approximately $836 million to Health Centers serving rural areas. Additionally, the Agency recently awarded nearly $5 million in grants to Health Centers in rural areas to spur greater health information technology investments. For example, one rural grantee

implemented an electronic health record in 22 Health Center locations, reaching over 50,000 patients.

Peer reviewed literature and major reports document that Health Centers successfully improve access to care, improve patient outcomes for underserved patients, and are cost effective. Clearly, since their inception in the 1960s, Health Centers remain on a quality quest for their rural patients, grounded in the principles of community-oriented primary care.

National Health Service Corps

The National Health Service Corps (NHSC) has the unique distinction of having a book, *The Dance of Legislation*, a television series, *Northern Exposure*, and a movie, *Doc Hollywood*, feature aspects of its story. From its inception in 1970, the NHSC has placed in underserved areas more than 28,000 health professionals committed to providing improved access to primary care, oral, and mental health services.

The NHSC is a service program and its clinicians go wherever the need is great, where others choose not to go. By statute, the Program requires its recruited clinicians to serve targeted areas where they are needed most by linking educational support with a clinical placement (through a scholarship or loan repayment)Cto serve patients most in need of primary care services.

From 1993 to 2006, the NHSC provided almost 18,000 total years of dedicated service from its clinicians practicing in rural areas. Approximately 60 percent of the NHSC=s placements are in rural areas, continuing a trend throughout its history. Moreover, the most current retention rate of NHSC clinicians in rural areas is approximately 75 percent. To overcome shortages and scarcities in rural areas and to expose students to hands-on primary care rotations, the Agency supports State and community recruitment efforts including retention of

their grow-your-own health professionals. Additionally, according to one study, in rural areas, NHSC clinicians are major contributors to local economies, resulting in up to 14,367 jobs, and generating $1.5 billion in economic impact.

For over 35 years, the NHSC has been and continues to be an important contribution to the health care needs of underserved people in rural America.

Telehealth

In an era of high gasoline prices, travel costs have become an even greater barrier to rural patients receiving specialty services that are not locally available. The Telehealth Network Grant Program (TNGP) funds projects that demonstrate the use of telehealth systems in order to improve health care services for medically underserved populations. The TNGP focuses on providing innovative telehealth services to rural areas. From March 2007 through February 2008, nearly 140 thousand telehealth visits for 46 different specialty services were provided to patients in rural communities under this Program. During the same period, the TNGP is estimated to have saved patients over 14 million miles in travel, or otherwise stated, an estimated savings of almost $7 million in travel costs.

In terms of health outcomes, the TNGP examines the impact of remote disease management services on patient outcomes. From September 2006 through February 2008, 33 percent of diabetic patients enrolled in Telehealth diabetes case management programs achieved control over their disease as measured by their hemoglobin A1c levels. This is a significant improvement over the baseline of 10 percent of diabetic patients who are estimated to have had control over the disease.

Under the Telehealth Resource Center grant program, HRSA supports five regional and one national telehealth resource centers to provide technical assistance to rural communities

interested in providing or receiving telehealth services. The five regional centers work together to make available technical assistance from the nation's experts on practical approaches to creating a successful telehealth program, whereas the national center focuses on technical assistance to address the legal and regulatory barriers to sustaining successful programs. For example, the California Telemedicine and eHealth Center Mentor Program created a network of mentors, individuals who have developed successful telehealth programs in California, to serve as role models and advisors to communities that wish to use telehealth technologies to overcome barriers to service.

Maternal and Child Health

The geographic isolation of rural communities poses significant challenges in assuring that all mothers and children have access to routine preventive care, and acute medical and specialty care. To meet this challenge, HRSA funds programs to improve maternal and child health through the Healthy Start Program and the Maternal and Child Health Services Title V Block Grant to States. Healthy Start works to eliminate or reduce racial/ethnic disparities in birth outcomes in high-risk communities. For example, North Carolina=s Healthy Start Program serves fourteen rural counties. The minority infant mortality rate in these counties was two and a half times higher that the State=s rate. A recent evaluation indicates this year that there has been close to a 14 percent reduction in racial disparity for early entry into prenatal care, 12.9 percent reduction in the racial disparity for neonatal mortality, and a 10.8 percent reduction in overall infant mortality.

The Maternal and Child Health Services State Block Grant Program helps improve the health care of many rural mothers and children. States prioritize the use funds to address a multitude of maternal and child health needs within the State. Among other things, States work

to reduce the rate of child deaths by motor vehicle accidents, decrease the number of child suicide deaths, and lessen the rate of birth for teenagers. Several rural States focus on reducing child injuries caused by motor vehicle crashes. In South Dakota, for example, the State=s efforts have reduced the rate of deaths to children caused by motor vehicle crashes from 11.1 in 2002 to 7.1 in 2006.

Collaboration with Partners

HRSA works with its sister agencies in HHS and other Federal departments to seek solutions to rural health care problems. We collaborate with the U.S. Department of Agriculture (USDA) and the Department of Housing and Urban Development to assist small rural hospitals in accessing capital for building projects through programs funded by these two Departments. HRSA has also worked with USDA to revise and define a frontier definition, and to increase the number of health center grantees providing Women, Infant and Children (WIC) services such as supplemental foods and nutrition education. Today 95 percent of health centers provide such services. In addition, we will serve as an ex-officio member of the Department of Veteran=s Affairs Rural Advisory Committee, which advises the Secretary on health issues affecting veterans living in rural areas.

Conclusion

HRSA takes great pride in the work we do to provide quality health care for rural Americans. Thank you for the opportunity to discuss the agency=s rural programs and I am happy to answer any questions you have.