



National Rural Health Association

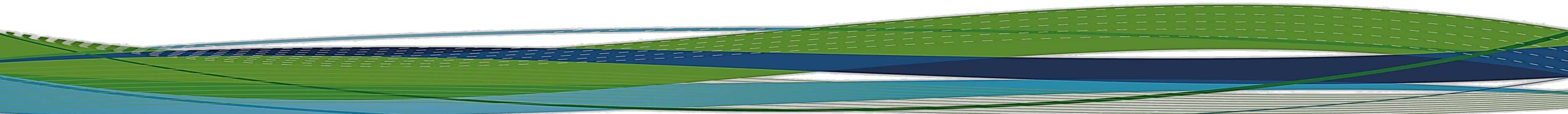
Government Affairs Update

Brock Slabach, NRHA VP of Program Services: bslabach@nrharural.org

Josh Jorgensen, NRHA Government Affairs and Policy Manager: jjorgensen@nrharural.org

Mason Zeagler, Government Affairs Senior Associate: mzeagler@nrharural.org

"With great challenges come great opportunities...let's work together."



National Rural Health Association Membership



One Dot Represents One Member
(Map shows only members residing in
the United States & Puerto Rico)



Map Courtesy of
Oklahoma State University
Center for Rural Health
<http://rhrh.ohsu.edu>
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Destination NRHA

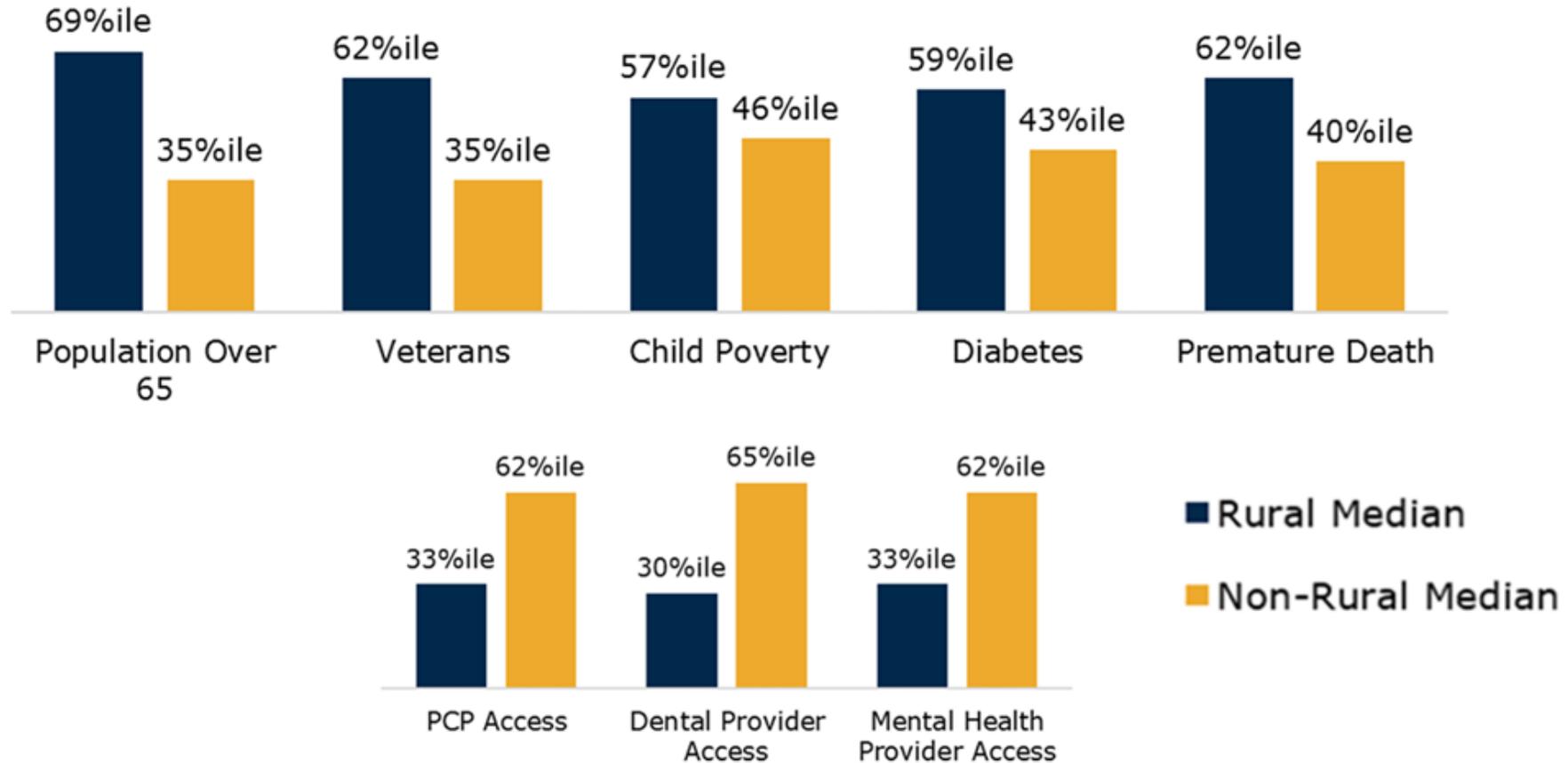
Plan now to attend these 2021 events.



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

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

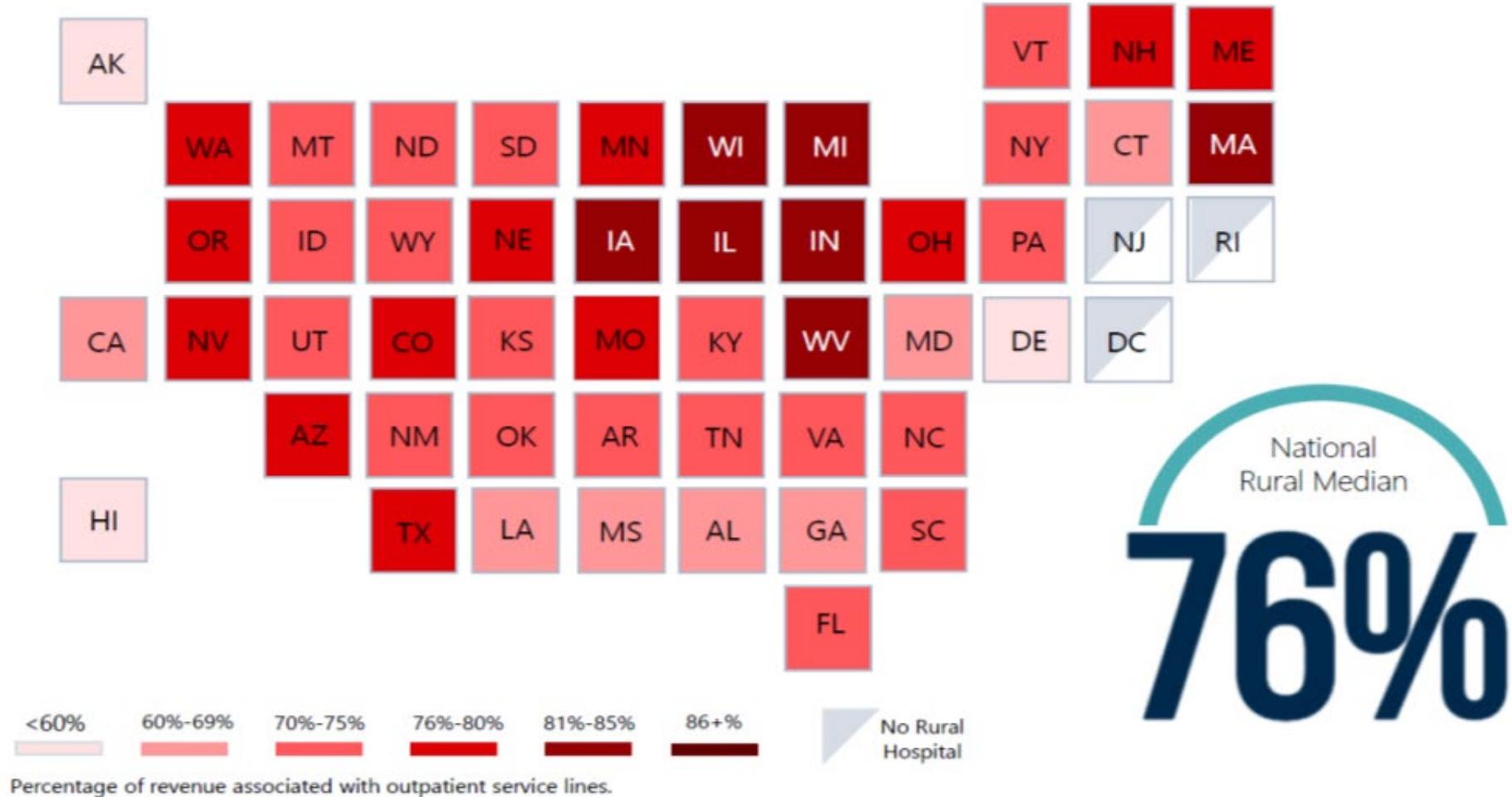
Summary: rural populations are older, less healthy, less affluent and have more limited access to multiple types of care than non-rural populations.



Source: iVantage Chartis Health Analytics

Rural Hospitals' % Revenue Associated with Outpatient Services

(January, 2020)



Rural Hospitals' Days Cash on Hand

(January, 2020)



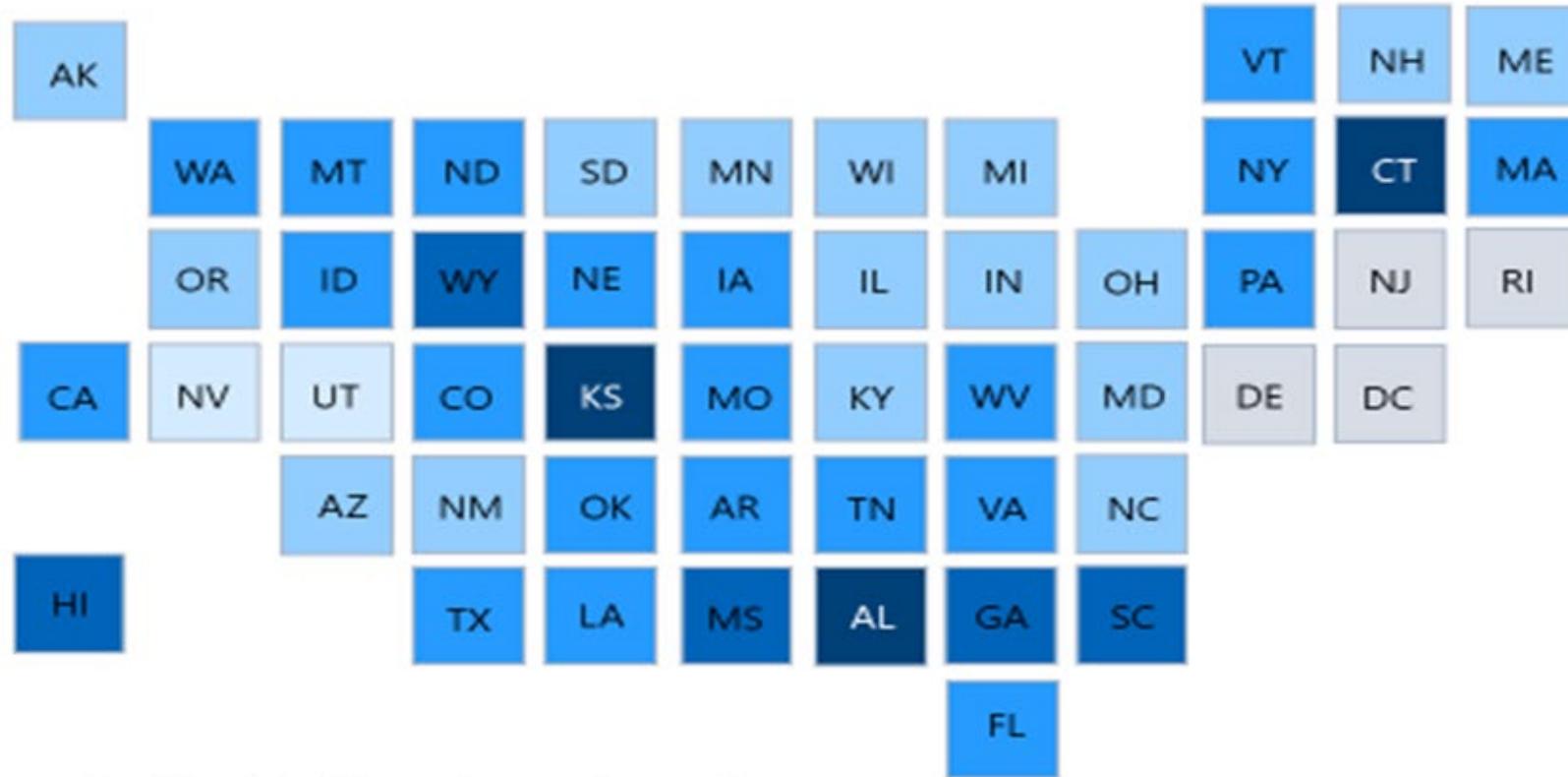
National Rural Median
33DAYS

0-19 Days 20-39 Days 40-59 Days 60-79 Days 80-99 Days 100+ Days No Rural Hospital

Median Days Cash on Hand for All Rural Hospitals within a State.

48% of All Rural Hospitals Have Negative Operating Margins

(January, 2020)



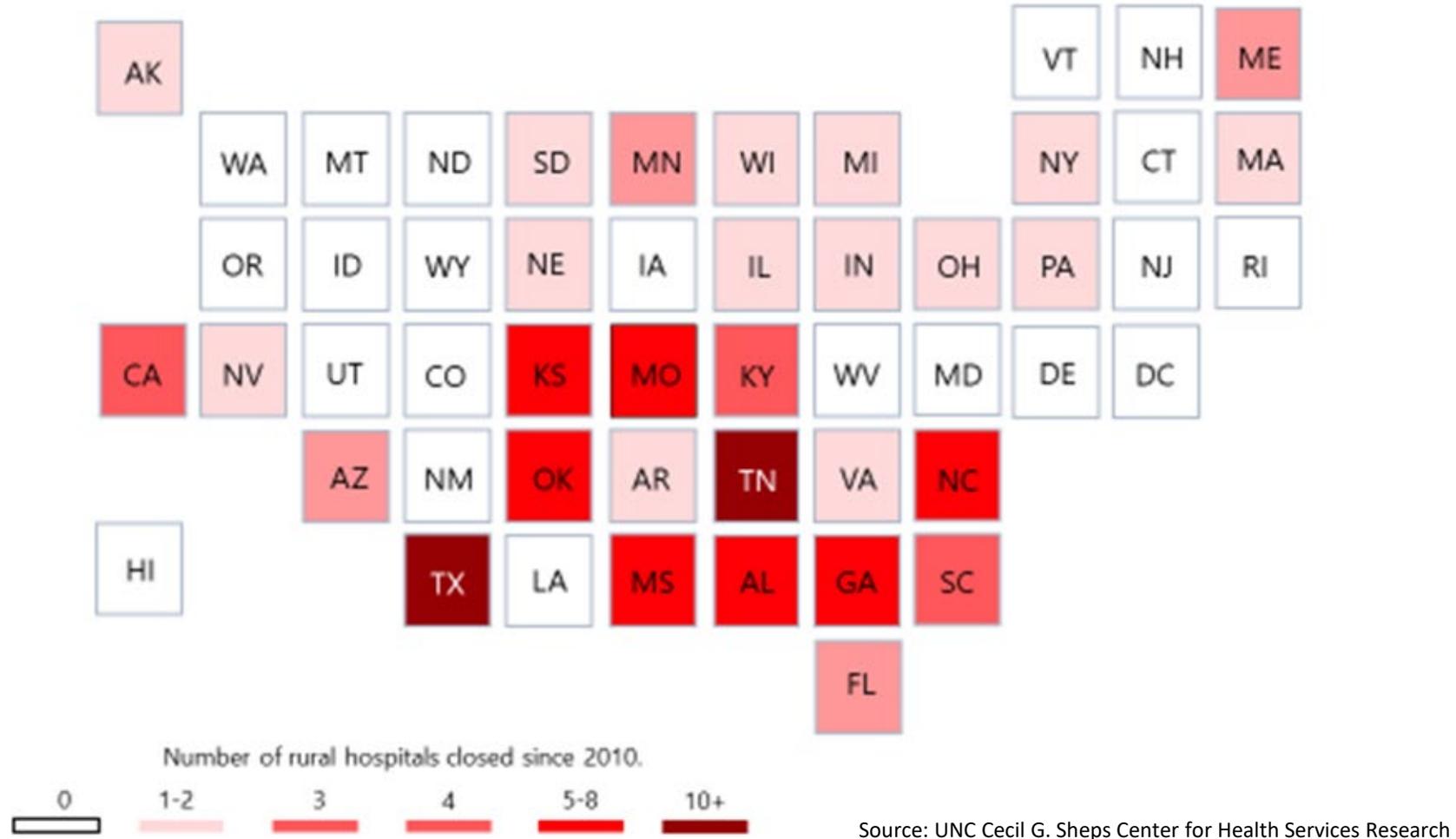
State-level percentage of rural hospitals with negative operating margin.



Source: The Chartis Center for Rural Health, 2019.

132 Rural Hospitals Have Closed Since 2010

(September, 2020)

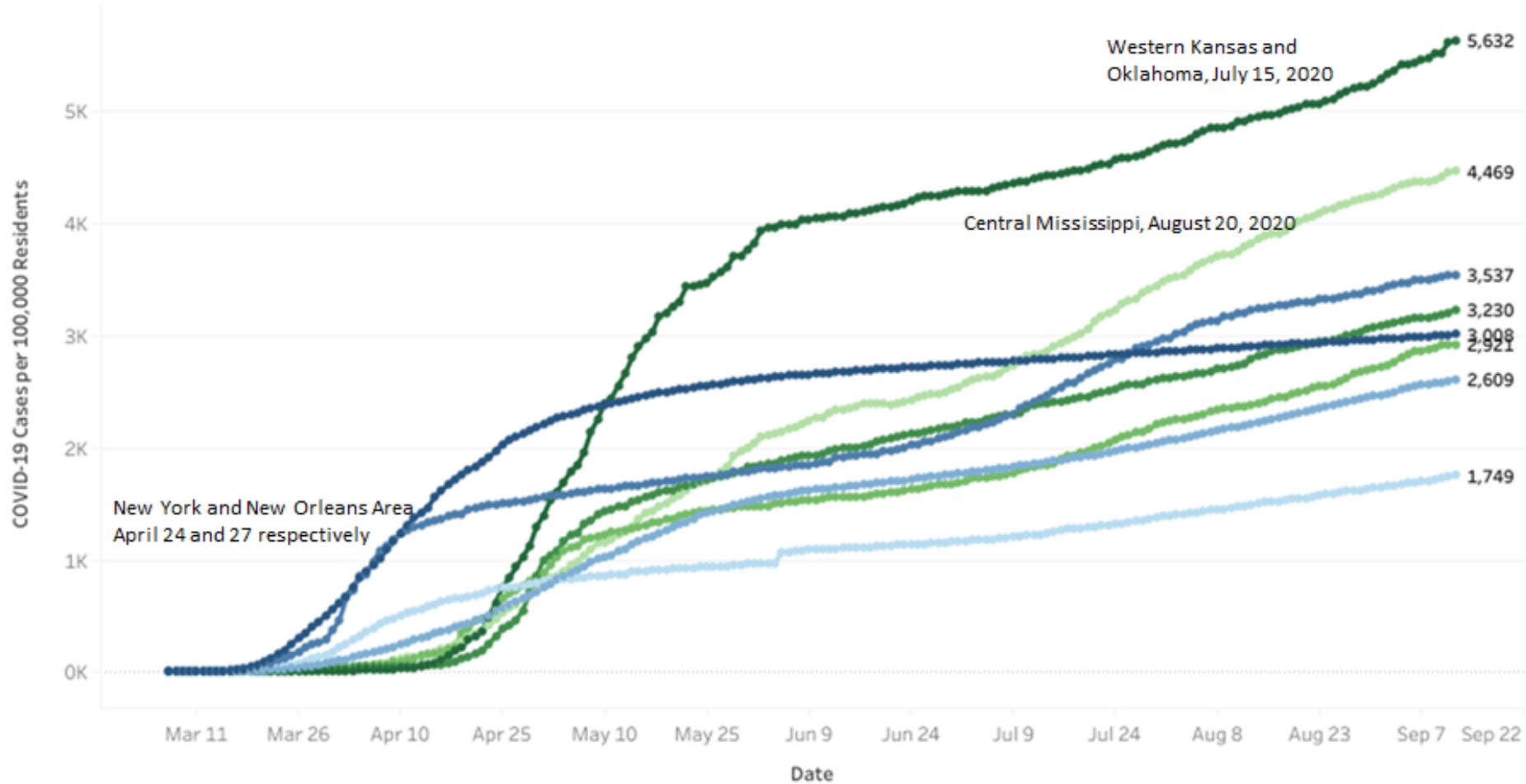


Source: UNC Cecil G. Sheps Center for Health Services Research

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

Date
September 12, 2020
 Show history

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



New York and New Orleans Area
April 24 and 27 respectively

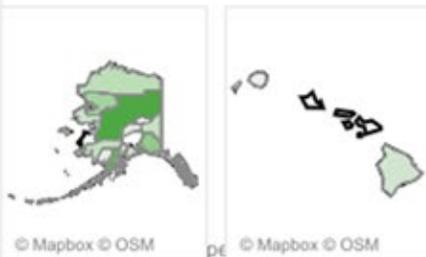
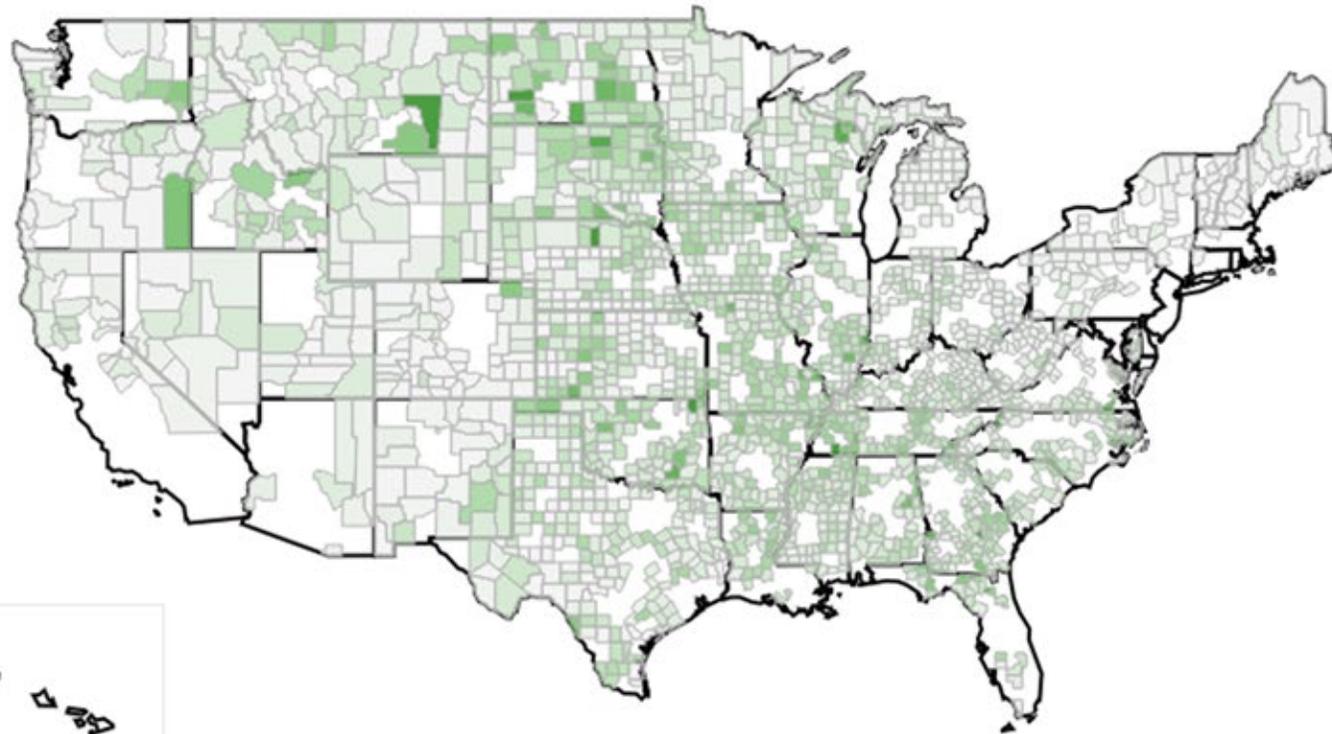
Western Kansas and
Oklahoma, July 15, 2020

Central Mississippi, August 20, 2020

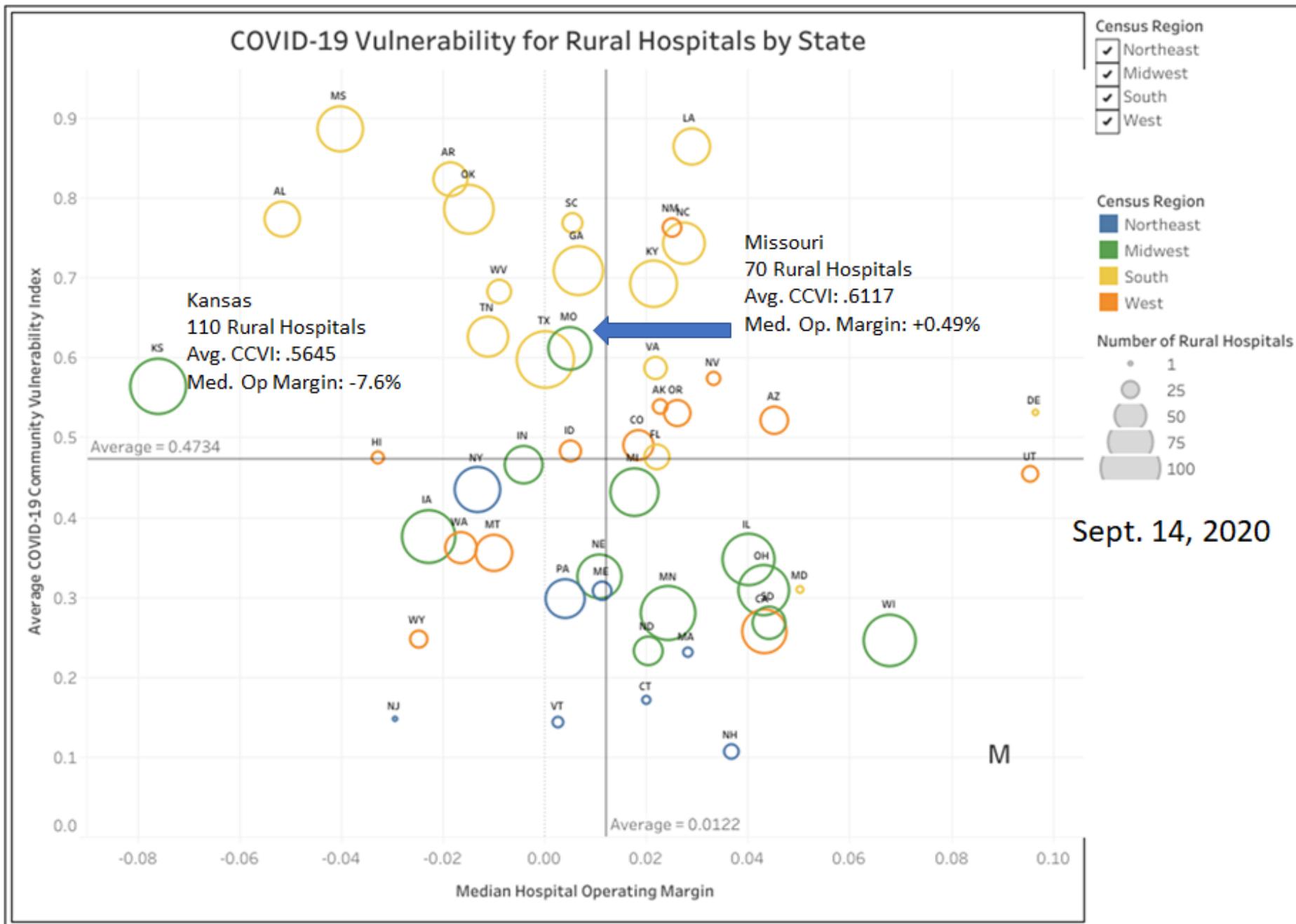
Average Daily Increase in COVID Cases Per 100,000 Residents in the Last Week for US Rural Counties



9/14/2020



Source: [UNC Cecil G. Sheps Center for Health Services Research](#)



Sources: [UNC Cecil G. Sheps Center for Health Services Research](#), [Surgo Foundation](#)

“Rural Hospitals Teeter on Financial Cliff as COVID Medicare Loans Come Due”

- Kaiser Health News -



Help NRHA Advocate for Rural Health

- Send an email or letter (provided by NRHA staff) to your Members of Congress.
 - These are made available via [NRHA Connect](#).
 - Get other advocates you know to do the same!
- Send advocacy alerts in your organization's newsletter.
- Attend a [local town-hall](#) to speak with your Members of Congress.
- Sign up to receive [NRHA's Rural Roundup](#) & [NRHA Today](#).
- Engage with NRHA Advocacy online!
 - NRHA GA on Social Media: [Twitter](#), [Facebook](#), [LinkedIn](#)
 - Emails: [Josh Jorgensen](#), [Mason Zeagler](#)



NRHA Advocacy Agenda

NRHA is advocating on behalf of the following legislation to protect and promote rural health:

- *Rural Hospital Closure Relief Act of 2019* ([H.R. 5481](#) & [S. 3103](#)): allows a limited number of rural PPS hospitals vulnerable to closure to convert to CAH designation.
- *Critical Access Hospital Relief Act*, ([H.R. 1041](#) & [S. 586](#)): repeals the 96-hour physician-certification requirement for inpatient critical access hospital services under Medicare.
- *Rural Health Clinic Modernization Act of 2019* ([H.R. 2788](#) & [S. 1037](#)): makes a series of changes to criteria, requirements, and payments for rural health clinics under Medicare.
- *FCHIP Extension Act* ([S. 3399](#)): reauthorizes the Frontier Community Health Integration Project (FCHIP) through August 1, 2024.
- *Conrad State 30 and Physician Access Reauthorization Act* ([H.R. 2895](#) & [S. 948](#)): modifies the Conrad 30 Waiver program, which incentivizes qualified foreign physicians to serve in underserved communities. It also extends statutory authority for the program through FY2021.
- *Healthcare Workforce Resilience Act* ([H.R. 6788](#) & [S. 3599](#)): makes previously unused immigrant visas available to nurses and physicians who petition for such a visa before the date that is 90 days after the end of the declared national emergency relating to the COVID-19 outbreak.
- *Seeding Rural Resilience Act* ([H.R. 4820](#) & [S. 2599](#)): directs the Department of Agriculture (USDA) to implement a public service announcement campaign to address the mental health of farmers and ranchers, including television, radio, print, outdoor, and digital public service announcements.
- *Healthcare Broadband Expansion During COVID-19 Act* ([H.R. 6474](#) & [S. 3838](#)): provides for the expansion of the Rural Health Care Program of the Federal Communications Commission in response to COVID-19, and for other purposes.

NRHA's Letter to Congressional Leadership

Headquarters
4501 College Blvd. #225
Leewood, KS 66211-1921
816-756-3140
Fax: 816-756-3144



Government Affairs Office
50 F Street NW #520
Washington, D.C. 20001
202-639-0550
Fax: 202-639-0559

September 16th, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

Rural health care provider relief is needed in the next COVID-19 relief package.

Hundreds of rural hospitals are still on the brink of closure as COVID-19 relief funds have dwindled. As COVID-19 outbreaks continue to spread like wildfire in rural communities, the rural health care safety net remains highly vulnerable as providers continue to lose revenue. Prior to the pandemic, rural hospital closures were at crisis levels, with last year setting a closure record. Unfortunately, the COVID-19 pandemic has caused closures to escalate. Thus far this year, 15 rural hospitals have already closed, eight during the pandemic. When rural hospitals close, the mortality rate in the rural community increases, nearly a quarter of the local economy vanishes, and disinvestment in the community ensues.

The National Rural Health Association (NRHA) calls for the following actions to ensure stabilization:

- I. Provide relief payment equity to support rural providers.**
 - A. Include S. 3823/H.R. 7004, the *Save Our Rural Health Providers Act*.** Rural providers care for 20 percent of the population. This bill establishes a 20 percent rural carveout of funds in the Provider Relief Fund. Priority would be granted to rural facilities who provide care for patient populations especially vulnerable to COVID-19.
 - B. Include S. 3559/H.R. 6365, the *Immediate Relief for Rural Facilities and Providers Act of 2020*,** which establishes an emergency loan and grant program for rural health providers.



COVID-19 Relief Package Update

Congress will likely not pass another COVID-19 relief package prior to the presidential election:

- Coronavirus relief packages enacted to date: emergency appropriations supplemental (Mar. 6), *Families First Coronavirus Response Act* (Mar. 14), *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Mar. 27), *Paycheck Protection Program and Health Care Enhancement (PPPCHE) Act* (Apr. 24), *Paycheck Protection Program Flexibility Act of 2020* (Jun. 5)
- Coronavirus relief packages that were introduced but not passed: *Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act* (passed by the House of Representatives on May 15), *Health, Economic Assistance, Liability Protection, and Schools (HEALS) Act* (was not formally introduced), *Delivering Immediate Relief to America's Families, Schools and Small Businesses Act* (did not pass the Senate on Sept. 10)
- Negotiations over the next COVID-19 are continuing, albeit slowly. Speaker Pelosi and Treasury Secretary Mnuchin reported met last Thursday, but they remain about \$800B-1T apart.

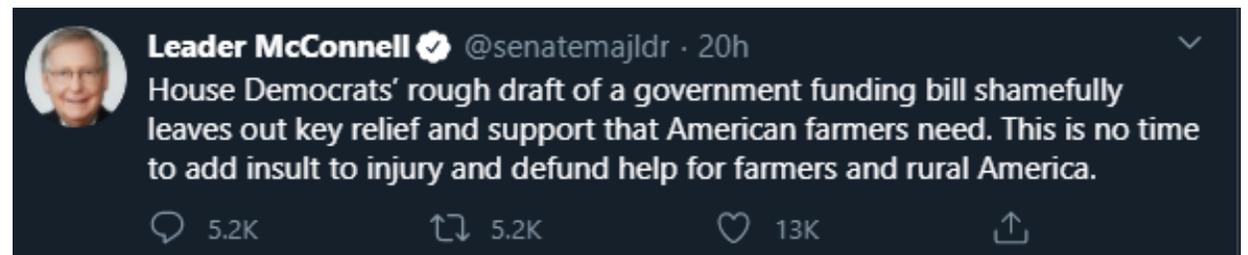
"The House will continue to push towards a deal and will be ready to vote up until Election Day...the House does not plan on passing any "messaging" bills, but if a deal does not materialize by then, the House will vote on a \$2.2 trillion package that would tap into unobligated CARES money, as well as include state and local aid and relief for the airline and restaurant industries."

- *The Coalition for Health Funding* (Sept. 21, 2020)

Appropriations Update

It is unclear whether Congress will pass a Continuing Resolution (CR) to fund the federal government before the end of FY 2020 (Sept. 30, 2020).

- On March 6, 2020, Congress passed an \$8.3B emergency coronavirus supplemental budget package to extend federal funding until Sept. 30.
- The House of Representatives passed 10 out of 12 of their FY 2021 appropriations bills in July 2020, including the Labor-HHS-Education bill ([H.R. 7614](#)).
- The Senate has passed 0 out of 12 of their FY 2021 appropriations bill, and they will likely not post or mark up these bills until October, potentially not until after the election.
- This week, the House of Representatives will vote to pass a CR, to provide level funding for programs until December 11, 2020. However, Senate Majority Leader Mitch McConnell has expressed that Senate Republicans will not support the bill because it does not include aid to farmers.



Regulatory Update: CMS Price Transparency Rule

CMS's Price Transparency rule is slated to go into effect on January 1st, 2021.

- CMS has issued price transparency regulations with an effective date of January 1, 2021, for all hospitals, including Critical Access Hospitals (CAH). Rural hospitals have not had time to address the price transparency requirements during the PHE.
- Essentially, CMS is requiring hospitals to develop a list of shoppable services to help patients better understand the cost of care for non-emergent services. Largely speaking, NRHA and by extension rural hospitals are supportive of price transparency. But these overarching regulations will prove devastating.
- At a time when rural health is struggling during COVID-19, it is not the time to require rural hospitals to find a solution for this burdensome regulation. There may be third party entities willing to assist rural hospitals, but their solutions are expensive and will only be as good as the data a facility provides. The burden will still fall on the rural facility.
- CMS Administrator Verma has said CMS is evaluating the impact this regulation will have on rural providers. During a call last week with Administrator Verma, she made no concessions to indicate a delay or removal, but we continue to push forward.

Regulatory Update: Attacks on 340B

Drug Manufacturers Attack 340B Program:

- Five large pharmaceutical manufacturers, Eli Lilly and Co., Merck, Sanofi, AstraZeneca, and Novartis, [have taken disturbing actions threatening the longevity and integrity of the 340B Drug Pricing Program](#):
 - Eli Lilly has filed a notification limiting the distribution of certain 340B drugs with the Office of Pharmacy Affairs within in the Health Resources and Services Administration (HRSA).
 - Merck, Sanofi, and Novartis have communicated with several providers the desire to utilize a new contracted database, 340BESP, to provide detailed information about 340B drugs distributed through the hospital's contract pharmacy arrangements.
 - Further, AstraZeneca has indicated that beginning October 1, 2020, it will only process 340B pricing through a single Contract Pharmacy site for those Covered Entities that do not maintain their own on-site dispensing pharmacy. Eli Lilly has also moved in a similar direction regarding Contract Pharmacies.
- NRHA is deeply concerned by these attacks to the 340B Drug Pricing Program, a lifeline for many providers in rural America. We stand committed to working with Congress and the Administration to see that this lifeline remains viable.
- Recently, the Outpatient Prospective Payment System proposed regulations for CY 2021 were released. Included in the proposal were cuts to Medicare Part B payments to hospitals for 340B-purchased drugs. However, as in the past, CAHs and rural Sole Community Hospitals were exempted from the cuts. NRHA continues to advocate for all rural providers to be exempted from these cuts.
- Rural Health Voices blog: [NRHA Continues to Win Fight to Protect 340B Drugs for Rural Providers](#)
- [NRHA 340B Drug Pricing Program Advisory](#)

Regulatory Update: 1135 Waivers

CMS is deciding which 1135 waivers to extend beyond the PHE, particularly those related to telehealth.

- The President's "Executive Order to Improve Rural Health and Telehealth Access" included direction for CMS to consider extending waivers beyond the duration of the pandemic. These include telehealth and others.
- One of these 1135 waivers included the 96-hour condition of payment requirement for CAHs. NRHA has told Administrator Verma this should be extended past the PHE.
- Additionally, at the beginning of the PHE, CMS waived several telehealth provisions allowing Medicare beneficiaries to utilize telehealth services. The result has been largescale utilization by this population. There are several provisions being considered for continuation, within the Physician Fee Schedule (PFS) and other avenues, to improve access to telehealth services.
- NRHA continues to work with the Administration, as well as mentioned, Congress, to improve access to telehealth services.

Administration Update: Rural Telehealth Initiative

HHS, USDA, and FCC signed a Memorandum of Understanding to improve rural telehealth access.

- Earlier this month, the Trump Administration [announced a partnership between](#) the FCC, USDA and HHS to improve rural broadband in relation to telehealth. The advent of telehealth has been the true silver lining of the PHE. However, the only way for some rural Americans and providers to really take advantage of the enhanced flexibility is to improve the broadband capabilities in rural America.

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](#)

More News from of Washington

More news from Washington:

- At the end of August, CMS released a new COVID-19 testing and reporting requirement regulation. The goal is to reduce viral transmission and reduce risk of COVID complications in nursing home residents. However, NRHA believes this regulation is extremely heavy handed and unprecedented.
- Last week, the Department of Defense and HHS released their joint vaccination plan, '[From the Factories to the Frontline.](#)' On rural, the release said: "HHS is also committed to ensuring rural populations receive the vaccine and has decades of experience working with public health partners addressing the needs of hard-to-reach populations."
- On November 10, a week after the election, the Supreme Court will be hearing *California v. Texas* challenging the Affordable Care Act's constitutionality. This comes after the individual mandate was set to \$0 following the passage of the 2017 Tax Cuts and Jobs Act. The argument is based on the 2012 case that upheld the Affordable Care Act which found at the time that the law was an appropriate use of Congress' power to tax because of the individual mandate. It is worth noting that the ACA expanded the 340B Drug Pricing Program to include CAHs.

NRHA's RHC & CAH Conferences Advocacy Request

[Send this letter](#) to *your* Members of Congress and urge them to support NRHA's rural health requests.

Also, join NRHA's monthly Grassroots Calls!





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