



RURAL HEALTH STATE INVESTMENT IN HEALTHCARE INFRASTRUCTURE



LEGISLATIVE OVERVIEW SERIES: 2022 PUBLIC HEALTH SPOTLIGHT

INTRODUCTION

Approximately 15% of Americans live in rural areas, but these Americans often experience poorer health outcomes as compared to Americans in urban areas. According to CDC, rural Americans are more likely to die from heart disease, cancer, unintentional injury, chronic lower respiratory disease, and stroke than urban Americans.¹ Characteristics of rural living contribute to some of these poor health outcomes, such as longer distances to travel to access emergency or specialty care, as well as higher rates of poverty and lower rates of health insurance.¹

Difficulty accessing healthcare in rural areas is also a result of workforce shortages within rural care centers. Recent studies show a lower number of physicians (both in primary care and specialties) per 100,000 people in rural areas than in urban areas.² Lower numbers of behavioral health providers in rural areas make it difficult for rural Americans to access needed behavioral health and mental health care.³

Rural hospitals are essential to their communities because they offer trauma centers, provide services to vulnerable populations, and positively impact their region's economy. When rural hospitals close,

There is significant vaccine hesitancy in rural communities, with one study finding only 31% of rural respondents saying they will "definitely get" vaccinated against COVID-19.⁶

residents must travel farther to receive the same health care services.⁴ Rural hospitals closing from financial hardship has been a persistent trend in recent years. The COVID-19 pandemic forced hospitals to suspend elective procedures and reduce non-urgent services, which resulted in revenue loss and furloughed healthcare staff.⁵

While there are a multitude of issues facing rural hospitals, states and territories have used policy to improve access to rural health services by incentivizing providers to practice in rural areas through loan repayment, improving behavioral health services, expanding telehealth options, and supporting broadband infrastructure.

LEGISLATIVE TRENDS

LOAN REPAYMENT SUPPORT FOR MEDICAL PROVIDERS

States have developed several financial incentives to recruit providers to serve in underserved—and rural—communities. During the 2021 sessions, at least two states enacted laws to support physicians practicing in rural communities. Hawaii's new law provides loan repayment for medical professionals committed to working in underserved areas of the state and Iowa's new law expands the definition of an underserved, rural area that qualifies for the loan repayment program. Arizona enacted a new law that allows providers working at an Indian health service or tribal facility to qualify for the program, regardless of whether the facility uses a sliding fee scale.

IMPROVING BEHAVIORAL HEALTH CARE

Integrating behavioral health services into primary and acute care settings or expanding telehealth options reduces stigma and improves access.³ In 2021, at least four states enacted laws expanding behavioral health care access in rural communities. For example, Nevada enacted a law enabling rural hospitals—not only psychiatric hospitals—to be endorsed as crisis stabilization centers. As a result, those rural hospitals will be better positioned to de-escalate and stabilize a behavioral health crisis and avoid admission to an in-patient mental health facility. Oregon created a new transportation grant to support rural veterans traveling to receive physical, mental, or behavioral healthcare services.

Tennessee expanded its state supported medical residency program to include behavioral health residency placements in rural and medically underserved counties. Colorado expanded Colorado State University's *AgrAbility* project, which supports farmers, ranchers, and farmworkers with

disabilities, enabling its rural rehabilitation specialists to provide information, services, and referrals to behavioral health-care services.

EXPANDING TELEHEALTH OPTIONS

Expanding telehealth options for an array of care options—including behavioral health and primary care services—can increase access for rural Americans. For example, a new Arizona law allows hospitals with fewer than 50 beds in a county with less than 500,000 people to operate an on-site dispensing pharmacy under the remote supervision of a pharmacist.

Many states enacted new laws or codified COVID-19 emergency actions expanding telehealth access last year. For example, West Virginia's new law requires health insurers to cover telehealth services in all plans at a reimbursement rate negotiated between the provider and insurance company. Utah's 2021 appropriations bill created the Utah Education and Telehealth Network to advise the governor and legislature on the role and changing needs of telehealth in the state, in consultation with the Department of Health, with an emphasis on assisting rural health care providers.

Both Maryland and Vermont codified their COVID-19 telehealth expansions for behavioral health care access. Maryland enacted a law permanently expanding telehealth options for Medicaid recipients, which requires the program to provide the same coverage of behavioral health telehealth and substance abuse disorder telehealth treatment for rural recipients as urban recipients. Vermont expanded its requirement that Medicaid and private health insurance cover audio-only healthcare services, as clinically appropriate, equal to in-person consultation.

SUPPORTING RURAL BROADBAND INFRASTRUCTURE

States are investing in broadband infrastructure projects to close the digital divide between rural and urban communities. At least nine states enacted legislation relating to rural broadband infrastructure or planning in 2021. For example, Indiana's new law specifies rural health clinics as an eligible location for a broadband infrastructure project. Iowa enacted a law clarifying the minimum broadband download and upload speeds to qualify for its rural broadband grant program.

LOOKING AHEAD

In 2022, ASTHO expects states to continue their efforts to improve rural health services by:

- Further expanding rural broadband infrastructure, assisted by recent federal infrastructure spending.
- Making COVID-19 emergency expansions of telehealth permanent.
- Incentivizing providers to serve rural communities through loan repayment programs.
- Reducing barriers to behavioral health access.



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