

Addressing the Healthcare Crisis in Rural America

By Curt Whelan

Accessing healthcare in rural America has been compared to finding healthy food in food deserts and the situation is only getting worse. Over 600 rural hospitals are vulnerable to closure, leaving rural Americans, who are sicker, poorer and older than the rest of the country, with fewer options for care.

Rural hospitals that plan for the future by developing new models for care delivery and creating innovative partnerships will not just keep their doors open, but improve the health of rural America.

Rural hospitals are closing due to financial pressures from decreases in Disproportionate Share Hospital payments, increases in uncompensated care, inconsistencies in Medicaid expansion across states, challenges in provider recruitment, the need to operate multiple service lines despite inconsistent utilization and increases in the demand

for infrastructure investments. To keep their doors open, rural hospitals must redefine the way they deliver care, no longer operating as independent entities, but instead as hubs of healthcare resources transforming the health of communities.

Develop Innovative Partnerships

Affiliations and partnerships allow rural hospitals to tap into resources that increase access, improve care delivery and potentially lower costs. As rural hospitals rethink their strategy they should consider a diverse set of partnerships with large health systems, technology firms, community organizations and other rural health systems.

- **Affiliate with large health systems.** Large health systems have extensive infrastructures that could extend the reach of a rural hospital to address diverse health concerns and complex medical conditions. This infrastructure often includes tools such as virtual consults that allow care to occur closer to home at the consumer's convenience. By affiliating with these systems, rural hospitals gain access to larger clinician and care team networks, increased access to specialists, and additional clinical and operational resources. These are all resources they cannot afford on their own. Affiliations also benefit large health systems with increased referrals from primary care physicians at the rural hospitals. Finally, these

affiliations benefit the consumer with improved access to care services, a better experience overall at lower costs, and in a more timely manner.

- **Explore new technology partnerships.** These partnerships can address the problem of lack of care access in rural areas. They can provide virtual care around the clock regardless of a consumer's location similar to other industries like banking and retail. Teledoc, MDLive, Doctor on Demand, Sherpaa and Hale all use technology to instantaneously connect patients with providers.
- **Partner with community organizations.** Collaborating with community groups gives rural hospitals access to community members many of whom delay care until it's an emergency. By taking a proactive approach through community health fairs, preventive screenings and outreach, rural hospitals can work with individuals to manage their health and reduce the number of preventable hospital admissions. For example, Fairview Health Services operates a clinic at the local YMCA to improve access to care in rural Minnesota. University of Texas System's Project Diabetes and Obesity Control has created a partnership between the system and local churches in South Texas to train Spanish speaking promotoras on outreach into the underserved Hispanic populations and promote preventive care.
- **Create rural hospital hubs.** Through partnerships, rural hospitals can share the financial burden of administrative services and infrastructure investments and create new care delivery models. In Ontario, Canada, 1,800 organizations created ONThub, a telemedicine hub offering video conferencing with specialists, direct-to-home clinical video visits, primary care text enabled provider-to-consumer consults and remote monitoring for chronic diseases.

Implement Telemedicine

Moving from traditional care delivery models to models that incorporate telemedicine help rural

hospitals reach more patients. Today, specialists often travel to rural areas a few times a month to see patients which limit consumers' access to services. Rural areas also lack mental health services. There are no licensed psychologists in [94 percent of the 734 entirely rural counties](#).



Telemedicine solves these problems by allowing consumers to schedule virtual appointments with clinicians during their regular office hours and helps patients manage chronic conditions.

Telemedicine also lowers the cost of Emergency Department visits at rural hospitals by [\\$5,600 a year for each patient](#). These cost savings come from expenses related to transportation, missed time at work, lodging and expenses for family members who accompany patients, as well as savings from not needing to transfer patients to larger hospitals. At Lost Rivers Medical Center in Butte County Idaho, telemedicine is used to connect patients to remote trauma providers and pharmacies while tests like CT scans and X-rays and minor procedures including stitches are performed by an on-site clinician.

Develop New Payment Models

While healthcare delivery needs to change, so do payment models — especially as insurers continue to pull out of the healthcare insurance exchanges

set up by the Affordable Care Act. In 2019, [35% of counties in the United States are expected to have just one insurance carrier on the exchange](#). Many of these counties are in rural areas and individuals in these counties will not have an option for insurance in the future which will further strain rural health systems' finances.

The Pennsylvania Health Transformation is an innovative collaboration to improve community health. Under this model, the state pays hospitals and health systems a fixed amount to cover care for a defined population instead of paying for individual services. The organization is then fully responsible for managing care for these individuals. The health systems are also redesigning care delivery and investing in quality and preventive care. [Six organizations are piloting this model with the goal of expanding to 30 health systems by 2020](#).

Alternative payment models are being tested in Maryland and Vermont. Maryland's All-Payer Model shifts hospital payment to global budgets that reward value over volume. The Vermont All-Payer Accountable Care Organization Model expands on Maryland's model making Vermont the first state to move to a voluntary all-payer accountable care organization model.

It's not only health systems that are feeling the pressure of delivering higher value care. In areas deemed "Transportation Deserts," Blue Cross Blue Shield (BCBS) has partnered with Lyft to bring commercially insured patients to their appointments at no cost. For BCBS, this shifts their focus from fee-for-service to value-driven growth and health outcomes. Lyft has also collaborated with Ascension to provide rides for patients and with Logisticare, a medical transportation manager, to provide rides for Medicare Advantage and Medicaid beneficiaries.

Key Takeaways

Rural hospitals must plan for the future, not just to keep their doors open, but also to improve the health of rural America. To do so, rural hospital leaders must:

Think differently.

Collaborate with large health systems, technology firms and local organizations to enhance and diversify care offerings.

Plan differently.

Meet patients where they're at with a telemedicine strategy that increases access to care.

Act differently.

Develop and implement payment models that prioritize value over volume.



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