

Rural Hospitals



Approximately 57 million Americans live in rural areas and depend on the hospital serving their community as an important source of care. These hospitals face a unique set of challenges because of their remote geographic location, small size, limited workforce, physician shortages and constrained financial resources with limited access to capital. The American Hospital Association's (AHA) nearly 5,000 member hospitals, health systems and other health organizations – includes 2,000 rural hospital

members. The AHA works on behalf of rural hospitals to ensure that their unique needs are a national priority.

Working for Rural Hospitals

As the president-elect's administration and the 115th U.S. Congress take shape, AHA will continue to advocate on behalf of all health care providers, including rural hospitals, for high-quality, affordable and accessible health care for all Americans. Recent key rural health advocacy and policy initiatives AHA worked on are highlighted below.

- **Protecting Access in Rural Settings.** The 21st Century Cures Act, which was signed into law by President Obama, includes prohibitions on enforcement of the “direct supervision” regulations for 2016 for outpatient therapeutic services provided in critical access hospitals and certain small, rural hospitals. In addition, the legislation extends the Rural Community Hospital Demonstration Program for five years.
- **Extending Access to Outpatient Therapeutic Services.** AHA worked closely with members of Congress to introduce the Rural Hospital Regulatory Relief Act of 2017 (S. 243/H.R. 741), which would permanently extend the enforcement moratorium on direct supervision requirements for outpatient therapeutic services provided in critical access hospitals and small, rural hospitals.
- **Improving ‘Two-midnight’ Policy.** AHA helped persuade CMS to finalize several positive changes to its burdensome two-midnight policy. In addition, AHA successfully challenged through the courts CMS’s interpretation of its 0.2% payment reduction for inpatient services, convincing the agency to restore the resources that hospitals are lawfully due, restoring \$3.1 billion in unjustified cuts.
- **Shaping MACRA Implementation.** The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 created a new physician payment and performance measurement system, and AHA is working with CMS to shape implementation by ensuring the regulations make sense, are aligned with other Medicare programs and do not overburden providers. Opportunities remain to further align hospital and clinician performance measurement, and we will work to make that happen. Resources can be found at www.aha.org/macra.
- **Fighting Escalating Drug Prices.** As a member of the steering committee of the Campaign for Sustainable RX Pricing, AHA has raised awareness with legislators, policymakers and the media of how rising prescription drug prices are putting a strain on the entire health care system. These efforts have included briefings on Capitol Hill and for the media.
- **Combating the Opioid Epidemic.** The 21st Century Cures Act provides \$1 billion in grants to states to help address the opioid epidemic. AHA also worked with the Centers for Disease Control and Prevention to develop and distribute a new patient education resource on prescription opioids that outlines evidence-based information about the risks and side effects of the powerful painkillers. Resources are available at www.aha.org/opioidepidemic.

- **Expanding Access to Medicaid.** AHA continues to support state hospital associations in non-expansion states to make the case for Medicaid expansion. Montana and Louisiana expanded their Medicaid programs in 2016.
- **Protecting Consumers from Insurer Consolidation.** At the urging of AHA and others, the Department of Justice (DOJ) took action to stop the mergers of four of the five largest health insurers. AHA worked to ensure that the proposed acquisitions received the highest level of scrutiny from regulators and Congress and both mergers were successfully stopped although one insurer is still considering an appeal.

Engaging Rural Hospital Leaders

AHA fosters dialogue among rural hospital leaders and offers many opportunities to take an active role in shaping AHA policies and setting direction for the association and the field. They may have a formal role in association governance and/or policy formation by serving on AHA's Board of Trustees, Committee on Health Strategy and Innovation, Regional Policy Boards, or Councils and Committees. In addition, rural hospital leaders can participate on/in:

- **AHA Small or Rural Hospitals Council** that leads the [Section for Small or Rural Hospitals](#) and advises AHA on policy and advocacy activities of great importance to rural hospitals and the field as a whole.
- **AHA Rural Health Care Leadership Conference** that annually brings together leaders in the field and offers members strategies for accelerating performance excellence and improving the sustainability of rural hospitals.
- **Advocacy Alliances** including the [Advocacy Alliance for Rural Hospitals](#), [Advocacy Alliance for Coordinated Care](#) and the [Advocacy Alliance for the 340B Drug Pricing Program](#).
- **Leadership Briefings** for small groups of executives to discuss rural health care approaches, pilots, demonstrations and initiatives. In addition, rural CEOs are individually contacted to share their views with AHA several times a year.

Providing Key Resources for Rural Hospitals

Based on member input, AHA, often in partnership with others, develops and offers resources to support rural hospital leaders. Examples include:

- **Task Force on Ensuring Access in Vulnerable Communities.** This November 2016 AHA taskforce report outlines nine emerging strategies that can help preserve access to health care services in vulnerable communities. 
- **Trends in Hospital Inpatient Drug Costs: Issues and Challenges.** This October 2016 study was commissioned by the AHA and the Federation of American Hospitals to better understand how drug prices are changing in the inpatient hospital setting and to inform policymakers and stakeholders.
- **Telehealth Resource.** AHA offers a web resource with comprehensive information on telehealth. The site includes information on federal and state telehealth initiatives, research documenting telehealth value, AHA-member case studies showing telehealth in action and AHA *TrendWatch* reports on telehealth benefits to patients. For more, visit www.aha.org/telehealth.
- **Rural Advocacy Action Center.** This web-based kit provides a set of resources and materials tailored to help hospital executives effectively communicate key messages and explain concerns to legislators, the hospital family and the community at large. 

For information about the overall value of membership at AHA, please see <http://www.aha.org/about/membership/value.shtml>. AHA rural hospital resources can be found at <http://www.aha.org/about/membership/constituency/smallrural/index.shtml>.