

## The Issue

Every day, roughly 57 million rural Americans depend on their hospital as an important source of care as well as a critical component of their area's economic and social fabric. Rural hospitals and health systems have been on the front lines of the COVID-19 pandemic, and have remained committed to ensuring local access to high-quality, affordable health care, including assisting with testing, contact tracing and vaccine deployment. Yet, rural hospitals face unprecedented financial and health care challenges. This includes severely deteriorated hospital finances, aging physical plants, and lack of broadband and high-speed internet; an aging and burnt-out workforce; and a patient population that is increasingly older, poorer and sicker than other parts of the country. We cannot leave our rural communities behind. Federal investment is necessary to ensure that rural communities are able to preserve access to essential health care services. New infrastructure investments must be made to ensure rural communities can thrive in the health care system of the 21st century.

## AHA Take

**The AHA urges Congress and the Biden Administration to prioritize funding for the infrastructure that supports rural hospitals and the communities they serve. Key areas of investment include physical infrastructure and “right-sizing,” capacity to enable digital health, workforce support and access to behavioral health services.**

## Why?

**Rural Hospitals Need Support for Physical Infrastructure Upgrades and “Right-Sizing.”** Many rural hospitals need funding support so they can maintain, update and transform their physical plant to serve the current and future needs of their communities. For example, if a rural hospital chooses to convert to the newly created Rural Emergency Hospital provider type or strategically shift their focus to outpatient services, facility renovations or improvements would be necessary to restructure how and where the hospital offers its services. Additionally, rural hospitals need funding to “right-size” or reconfigure their services beyond their “four walls” to better help parts of their community with limited access to health care, such as mobile screening clinics and temporary care sites, among others. Moreover, many rural hospitals are shut out of traditional capital markets and often operate in the red – meaning they have little to no margins to finance large infrastructure improvement projects.

**Expanded Broadband Access will Improve the Health of Rural Americans.** According to the Federal Communications Commission's (FCC) 2019 Broadband Deployment Report, 26.4% of rural residents did not have access to minimum broadband speeds, compared to 1.7% in urban areas. Lack of affordable, high-capacity broadband impedes routine health care operations for rural hospitals (such as widespread use of electronic health records and imaging tools) and severely limits their availability to provide telehealth services. Access to broadband also is essential to reducing health disparities by connecting patients in rural and underserved areas with the full spectrum of caregivers, including behavioral health providers. While the FCC Rural Health Care Program has been an important funding stream to help rural providers obtain telecommunications and broadband services, significant additional investment is required to increase the level of subsidies and make other program changes to meet increased demand. Rural hospitals also need support to offset the high upfront costs related to construction for “last mile” broadband connectivity, which affects their ability to provide care using digital health technologies.

**Rural Hospitals Need Support to Build Telehealth Capacity.** The COVID-19 public health emergency has illustrated how effective and critical telehealth services are to ensuring access to care in rural communities. However, rural hospitals continue to face challenges that can impede their efforts in providing access to care.

- The substantial upfront and ongoing costs of establishing and maintaining telehealth infrastructure can be a significant barrier for rural hospitals. Continued funding is needed for programs to offset infrastructure costs related to

telecommunications services, information services, and devices necessary to provide telehealth to patients at their homes or mobile locations, especially those patients who are unable to secure other points of access to the health care system. It is crucial that all rural hospitals, regardless of ownership status, be eligible for funding to support telehealth in their communities.

- Removing certain policy barriers is critical to enabling telehealth in rural communities as well as expanding access to health care services that may not otherwise be sustained locally. This includes eliminating geographic and setting requirements, ensuring adequate reimbursement for originating sites, and allowing Medicare coverage and payment for audio-only communication, as clinically appropriate. Rural health clinics and federally qualified health centers also should be allowed to serve as distant sites for the provision of telehealth services, and licensure requirements should be coordinated across state lines.

**Federal Investment is Needed to Bolster the Rural Health Care Workforce.** Recruitment and retention of health care professionals is an ongoing challenge and expense for rural hospitals. According to the Health Resources and Services Administration, more than 60% of the health professional shortage areas (HPSAs) are located in rural areas. Targeted programs that can help address workforce shortages in rural communities should be supported and expanded, including:

- Increasing the number of residency slots eligible for Medicare funding;
- Funding educational loan pay-downs and vouchers for clinicians and other front-line workers;
- Providing grants to expand, modernize and support schools of medicine and schools of nursing in rural, underserved areas or minority-serving organizations; and
- Bolstering the capacity of schools of nursing and allied health professionals, and increasing the number of faculty.

**Rural Communities Need More Access Points for Behavioral Health Care.** Rural communities face significant barriers to accessing behavioral health services. According to Centers for Medicare & Medicaid Services' [data](#), of the 595 psychiatric hospitals operating in the U.S., only 73 (12%) are located in rural areas. Some of the most difficult-to-access services are among the most needed in rural areas, including mental health and substance use disorder services to address high rates of suicide and opioid overdose. To address these shortages, it is essential that hospitals are able to serve patients experiencing mental illness and/or substance use disorders both in-person and remotely. To enable this, funding should be provided for end-user devices to upgrade audio-video technology to support telehealth in the location where patients are receiving behavioral health care, which may include the patient's home for certain psychotherapy and addiction recovery services. It also is critical that funding be provided for the construction of new sites of care to improve access to behavioral health services.