

## Colorado Rural Health Center 2023 Policy Priorities

*The 2023 CRHC policy priorities were developed through feedback from CRHC members and Board of Directors. Along with the CRHC Mission & Vision, these priorities will serve as a foundation for the CRHC Policy Program and are intended to guide lobbying and advocacy efforts throughout 2023. The following ranked priorities were determined by CRHC members during the annual policy priorities meeting and are discussed in greater detail with policy strategies below.*

### 2023 CRHC Policy Priorities

1. Reimbursement
2. Workforce
3. Regulatory Impediments
4. Consumer Healthcare Costs & Affordability
5. Primary Care
6. Telehealth
7. Substance Use Disorders
8. HIT & Broadband
9. Quality Programs & Reporting
10. Social Determinants of Health

**1. Reimbursement-** Rural healthcare facilities across Colorado serve as economic engines in their communities. However, their sustainability is threatened by low reimbursement rates that do not always cover the costs of care, or certain services that are not covered at all. Rural hospitals traditionally operate on thinner profit margins than their urban counterparts and have been hit especially hard by patient volume declines and increased staffing costs spurred by the pandemic. Additionally, rural hospitals serve higher rates of patients with public insurance, with some areas of rural Colorado at over 90% combined Medicare and Medicaid. The reimbursement rates for these plans often do not cover the cost of care, disproportionately impacting the rural providers who care for these vulnerable populations.

Even before the pandemic, rural hospitals struggled with inadequate reimbursement, low patient volumes and high operating costs. In fact, as of 2022, twenty-two rural hospitals in Colorado were at risk of closure and operating with negative profit margins. Unlike large urban hospitals, small rural hospitals do not have financial reserves to cover higher costs and revenue losses. Temporary federal assistance during the pandemic helped many rural facilities avoid closure, but the underlying financial problems have not been addressed, which may cause an increase in rural facility closures after the public health emergency ends. Rural healthcare facilities must be paid adequately to support the costs of delivering essential

services, and they should have the flexibility to tailor available services to the needs of their local populations.

- **Ensure Medicare reimbursement structures for CAHs adequately cover the cost of care.**
- **Address reimbursement models in the fee-for-service environment to accommodate rural low-volume facilities.**
- **Ensure the all-inclusive rate (AIR) paid to RHCs adequately covers the cost of care. Services currently provided outside the AIR must be carved out of traditional RHC billing or are not reimbursed at all, presenting sustainability challenges and an inability to enhance services.**
- **Ensure Medicaid reimbursement rates for all rural healthcare facilities are at parity with Medicare rates. The high rate of Medicaid patients in rural requires greater investment to ensure this low-income, high-acuity population can receive timely care locally.**
- **Establish reimbursement for additional services will help stabilize vulnerable rural healthcare facilities and allow providers the flexibility to provide more innovative services with an emphasis placed the transition to value-based care. Examples of these services include chronic care management and remote patient monitoring.**
- **Encourage and promote investments in infrastructure, especially for aging facilities and/or facilities with little technology infrastructure.**
- **Increase bad debt reimbursement rates and permanently halt sequestration.**
- **Continue to promote and support the adoption of telehealth programs and technologies. Specifically, protect reimbursement rates for rural healthcare facilities offering these services and ensure the rates fully cover the cost of care, technology infrastructure and workforce needs.**
- **Streamline and standardize Medicaid pre-authorizations.**

**2. Workforce Recruitment & Retention-** A strong healthcare workforce is fundamental to providing quality, timely care in rural Colorado. Rural healthcare facilities must have sufficient providers, administrators and support staff to operate sustainably and meet the care needs of their communities. Access to rural healthcare is dependent on the availability of healthcare professionals, but unfortunately the ongoing healthcare workforce shortage continues to be challenging for rural communities across Colorado.

The pandemic and subsequent economic crisis have caused significant challenges for Colorado's healthcare system and exacerbated the workforce shortage across multiple disciplines and sectors of the healthcare industry. While the pandemic has had lasting impacts

on the healthcare system across the state, rural Colorado is experiencing the most severe workforce turnover and shortages. Even before the pandemic, rural communities faced challenges in recruiting an adequate workforce, facing an aging healthcare workforce and population, and the challenges presented by constantly changing state and federal healthcare reforms. As a result, these communities experience reduced access to primary care services and exhibit poorer health outcomes, and facilities struggle to meet staffing state and federal-mandated requirements. Rural healthcare facilities have been forced to face these challenges by employing cost-prohibitive traveling providers, cutting services, requiring patients to travel long distances for care outside of their facility, and relying more heavily on costly air and ambulance services.

To combat these challenges, rural healthcare facilities must be proactive and strategic about recruiting and retaining primary care personnel, which is a challenge considering current financial instability and competition from urban facilities. Therefore, state and federal support is necessary to make a substantial, statewide impact on healthcare workforce shortages.

- **Establish dedicated, ongoing funding to offset facility costs of recruitment and retention. A priority should be placed on initiatives that leverage educational opportunities for developing a “homegrown” workforce and practice-based educational opportunities that facilitate learning opportunities in rural hospitals and clinics.**
- **Support funding for educational opportunities that leverage partnerships between rural healthcare facilities and local health education institutions.**
- **Advocate streamlining the process of becoming a Medical Assistant (MA). Advocate for alternative learning and training options for potential MAs, including the utilization of remote learning and using rural health facilities as training sites.**
- **Invest in rural healthcare provider retention by obtaining public funding for Community Apgar Program (CAP) assessments for rural healthcare facilities.**
- **Support policies that fund rural track medical education programs and expand rural residency slots.**
- **Advocate for policies that promote affordable housing in rural Colorado, including to tax credits for housing or high-cost area living, public/private partnerships for housing development, and investments in rural infrastructure that will increase opportunities for development.**
- **Support the regulation of locums and travel provider businesses to increase the affordability of these providers.**

**3. Regulatory Impediments-** There are many contradictory and constantly changing state and federal regulations that complicate healthcare administration in rural areas. Regulations

around staffing, billing and use of clinical space are intended to bring order and efficiency to larger, high-volume healthcare facilities, but are not always relevant or realistic for rural healthcare settings. Many rural healthcare facilities struggle to keep their doors open with current funding and staffing, which leaves few resources to address and comply with constantly changing quality and payment programs. Policymakers must consider unintended consequences and the capacity of rural healthcare facilities when creating changes to rules and regulations.

- **Support a permanent waiver of the 96-hour CAH payment rule to ensure rural patients can effectively be treated by their local provider and facility. The rule was particularly problematic for CAHs prior to the COVID-related waiver, resulting in CAHs either refusing care, forgoing payment, or being forced into an unnecessary and expensive transfer of a patient to an urban facility.**
- **Continue improving regulations around co-mingling. These regulations are barriers to integrated care in rural communities and require the facilities to put money into creating infrastructure and workflows that don't need to exist.**
- **Advocate for changes to Colorado HB21-1198, particularly the 36-month collection period, which will increase bad debt and create challenges for financial sustainability.**
- **Support legislation that increases the utilization advanced practice providers.**

**4. Consumer Healthcare Costs & Affordability** -Rural Coloradans face some of the highest healthcare costs in the state. In fact, rural Coloradans experience health insurance premiums 32% higher on average than urban Coloradans. Even with public insurance, rural patients face access barriers due to cost and narrow networks. For example, patients enrolled in Medicare Advantage plans in rural areas often cannot even use the coverage due to limited benefits and restrictive provider networks.

Unfortunately, legislative remedies to these issues have painted all healthcare providers with the same brush, rather than recognizing the distinct differences among different types of healthcare providers and the communities they serve. As a result, rural healthcare providers are being unfairly targeted and regulated, which may have the inverse impact of increasing consumer healthcare costs and reducing access.

Rural Colorado healthcare providers serve patients with higher rates of Medicaid and Medicare, which have subpar reimbursement rates, and as a result many of these facilities are dependent on private coverage to remain solvent. Unfortunately, lower volumes in CAHs and RHCs lead to less leverage to negotiate with private carriers, resulting in rural healthcare providers being paid lower rates and longer wait times for approvals and credentialing.

CRHC can support a variety of policy strategies to control patient healthcare costs, from promoting competition, reducing prices through carrier regulation, and advocating for

incentives to reduce the utilization of high-cost healthcare such as unnecessary ED utilization and readmissions.

- **Support legislation that promotes high-value health insurance. High-deductible plans may be initially attractive to rural Coloradans due to the lower premiums; however, these plans do not promote regular primary care and can lead to higher-cost, higher-acuity care on top of unaffordable deductibles.**
- **Allow for contracting with payers by healthcare consortiums to increase their cumulative leverage in reimbursement negotiations.**
- **Encourage competition amongst private insurance carriers.**
- **Support policies that increase utilization of cost-saving primary care delivery models, such as chronic care management and remote patient monitoring.**

**5. Primary Care-** Patients with affordable, continuous access to primary care services have better health outcomes and reduce healthcare spending across payers. Unfortunately, primary care in rural Colorado is impacted by barriers related to workforce shortages, affordability, transportation, health literacy and language barriers. Sustainable funding, transportation options, and unique workforce solutions are needed to address primary care access and affordability disparities in rural Colorado.

- **Invest in capital improvements and expansion of rural healthcare facilities to accommodate additional primary care services.**
- **Support policies and investments in transportation solutions for rural Coloradans, including public transportation and coverage for healthcare transportation benefits.**
- **Ensure reimbursement for mental health services is equitable across payers and settings.**
- **Support greater utilization of Licensed Professional Counselors (LPCs) in rural health settings. Currently, Medicare does not reimburse for LPC services. Additionally, RHCs cannot bill for LPC services.**
- **Support collaboration between primary care providers and local mental health centers by removing regulatory burdens, advocating for equitable funding, and increasing accountability.**
- **Ensure rural Coloradans have access to both in-person and telehealth mental health services to meet their needs and preferences.**
- **Address barriers preventing dentists from accepting Medicaid, including reimbursement, transportation and enrollment delays.**
- **Support reimbursement for fluoride varnish in rural healthcare facilities.**
- **Enable easier collaboration between dental hygienists and dentists, especially in settings where the dentist is a traveling provider.**
- **Address the rural primary care shortage by supporting recruitment and retention strategies as outlined in the Workforce section of this report.**

- **Support adequate reimbursement for rural primary care services as outlined in the Reimbursement section of this report.**
- **Support policies to increase the affordability of healthcare as outlined in the Consumer Healthcare Costs & Affordability section of this report.**

**6. Telehealth-** Telehealth can be a valuable tool for rural healthcare providers in expanding access to care. Telehealth can drive volume, increase access to a variety of services, and reduce overall costs by reducing readmissions and avoidable emergency department visits. Telehealth has many applications in rural health delivery, including mental health, specialty care, chronic care management, emergency assessments, telepharmacy and language interpretation services, among others.

Rural healthcare facilities quickly stood up telehealth platforms in the wake of public health emergency to ensure patient access and counteract revenue losses. In order to expand access to telehealth from patients' homes and increase provider flexibility, laws, reimbursement policies, and regulations were temporarily changed through emergency public health orders. To continue the momentum of telehealth utilization in rural healthcare settings, many of the emergency changes should be made permanent. Additionally, barriers such as equipment and licensing costs and access to broadband must be addressed.

- **Protect telehealth reimbursement rates and ensure providers are paid at parity with in-person visits. While telehealth visits may save patients money and time, it costs providers more upfront to provide virtual visits due to technology and licensing costs, and workflow changes for staff.**
- **Support the permanent continuation of COVID-era telehealth regulations for CAHs and RHCs, namely the ability for these facilities to serve as the originating site for telehealth visits.**
- **Protect recognition of and reimbursement for audio-only visits. Barriers related to broadband access, digital literacy and device affordability require the use of audio-only visits for some patients or care locations.**
- **Advocate for funds to offset telehealth equipment and licensing costs.**

**7. Substance Use Disorders (SUD)-** Substance abuse has long been prevalent in rural areas, with a renewed focus on the issue in the wake of the COVID pandemic. Isolation and economic strife related to the pandemic disproportionately impacted rural Coloradans, resulting in increased use of substances. As a result, rural adults have higher rates of alcohol abuse, tobacco use, and methamphetamine use, while prescription drug abuse and heroin use has grown in towns of every size. Substance abuse can be especially hard to combat in rural communities due to limited resources for prevention, treatment, recovery, and stigma related to the issue.

- **Support innovative SUD delivery models that have been proven successful but require sustainable funding, including the Alternatives to Opioids (ALTO) Program, Medicated Assisted Treatment (MAT) services, including mobile MAT services, and telehealth applications for SUD.**
- **Support opioid addiction treatment with grants for holistic medicine and alternative non- medicinal pain management methods.**
- **Increase bed capacity for rural inpatient treatment, especially capacity for youth.**
- **Ensure reimbursement for treatment options, including crisis stabilization, adequately covers the full cost of care. Many patients in need of these services are enrolled in Medicaid or are uninsured. Considering this payer mix, reimbursement must be enhanced for rural healthcare facilities to sustainably provide these services locally.**
- **Support expanded telehealth applications for treatment and follow-up.**
- **Establish a carve-out of inpatient beds for Medicaid or uninsured patients to mitigate long wait times for the most under-resourced patients.**
- **Ensure funds for substance use disorder treatment are flexible enough to meet the unique needs of rural patients and communities. For example, opioid funds have been substantial, however the narrow funding guidelines do not allow the funds to be used for co-occurring addictions or mental health disorders.**
- **Ensure all SUD resources are available in multiple languages.**

**8. HIT & Broadband-** Health information technology (HIT) can improve the quality, safety, effectiveness and delivery of healthcare services in rural communities. However, implementing, maintaining, updating, and optimizing HIT can be an ongoing challenge for rural facilities with limited resources and expertise.

As healthcare information systems continue to advance, rural healthcare facilities will need to share data and patient information by connecting to a health information exchange (HIE). Full access to relevant health information leads to better outcomes for patients through better access to their health information, improved care team communication and coordination, and reduced health care costs. Ongoing technical and funding support for rural healthcare facilities to utilize HIEs is necessary to establish a sustainable model for rural connectivity.

Both HIT and HIE utilization are dependent on reliable, affordable broadband connectivity. Rural Coloradans have disparate access to broadband compared to urban Coloradans due to a lack of investment in many geographically isolated areas of the state. It is very cost-prohibitive for internet service providers to make some of the investments necessary to expand access, so state and federal support are necessary.

- **Provide technical support and funding for rural healthcare facilities to adopt and maintain Electronic Health Records (EHR).**
- **Continue advocacy for rural HIE connectivity, including funding and technical support.**
- **Support policies that create greater access and utilization of tele-ICU.**
- **Encourage public-private partnerships to establish, update and maintain broadband connectivity infrastructure in rural Colorado.**
- **Support broadband grants for rural areas to provide fiber connectivity directly to rural healthcare facilities.**
- **Advocate for subsidizing broadband connectivity for low-income and/or geographically isolated rural communities.**

**9. Quality Programs & Reporting-** Rural hospitals are willing to participate in the collection and submission of data to showcase the quality of care being provided at their facilities. However, rural healthcare facilities face challenges to participating in these programs, including workforce shortages for both providers and administrative staff, lack of information technology resources, limited resources available for quality improvement, and serving a more vulnerable population. Considering these barriers, rural healthcare facilities must receive incentives, funding, and technical support to meet the requirements of mandated quality programs.

- **Encourage state and federal support for the cost and staff time associated with quality programs, including billing and coding audits, leadership training, development and coaching, financial consulting, planning and creation of new service lines, and facilitation and/or convening of community and partner meetings with key stakeholders in community.**
- **Create greater financial incentives for facilities and providers who achieve established metrics.**
- **Utilize equitable data and submission requirements. Streamline the process and utilize nationally recognized metrics.**
- **Advocate for the creation of a single repository for data that the state and federal agencies may access for data requests.**
- **Support CRHC to provide outreach, communication and marketing for the above-mentioned activities as well as facilitate/coordinate them for the hospitals.**

**10. Social Determinants of Health-** Rural Coloradans experience many inequities compared urban residents. Often rural residents have fewer resources and, on average, are poorer and less educated. Additionally, many rural residents face barriers related to access to housing, transportation, food, and water that are safe, healthy, and affordable. These barriers can impact all residents, though they are particularly problematic for those already struggling financially.



Rural Coloradans also face many environmental challenges. Rural Colorado has many rugged, isolated areas that present travel challenges, and rural industries like mining and farming present their own dangers and environmental impacts. To address these challenges, the unique social determinants of health in rural areas should receive dedicated, ongoing state and federal support.

- **Advocate for funding to support social determinants of health trainings for healthcare providers and community leaders.**
- **Support policies that address education gaps in rural Colorado, including support for school funding, teacher salaries, and opportunities for vocational training.**
- **Address income inequalities by supporting policies that fuel rural economic development and increase the availability of jobs that pay living wages.**
- **Address rural food insecurity by supporting SNAP benefits and school lunch programs.**
- **Address environmental inequities by supporting policies that address water quality, air quality, and other environmental challenges.**
- **Address the rural housing crisis by supporting the development of affordable housing and incentives, such as tax credits for essential rural employees, including healthcare workers and educators.**
- **Support policies and investments in transportation solutions for rural Coloradans, including public transportation and coverage for healthcare transportation benefits.**
- **Address racial inequities in rural communities by incentivizing culturally competent care and subsidizing the cost of language services.**
- **Support policies that ensure all rural residents have access to healthcare coverage, regardless of immigration status.**
- **Advocate for sustainable funding and reimbursement for community health workers and patient navigators who can help patients navigate resources for social determinants of health.**