

## Colorado Rural Health Center 2025 Policy Priorities

The 2025 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 2025.

### **Background:**

The 2025 Colorado Legislative Session will be greatly impacted by an estimated \$900 million state budget shortfall. The budget hole comes as inflation has softened and costs for healthcare and education have risen. As a result, state department and program budgets are expected to experience cuts, and there will be little to no funds to create or expand initiatives. Since healthcare makes up such a large portion of the state budget and healthcare costs are increasing for consumers, it is often a target for cuts in limited budget cycles.

At the same time, rural Colorado healthcare providers are facing continued sustainability challenges, impacted by inadequate reimbursement rates, workforce shortages, an increase in the uninsured population, and mounting regulatory burdens. CRHC will be strategic in 2025 to defend members from legislative threats, proactively engage in policies that will impact their facilities and communities, and foster strong relationships with legislators as a voice for rural hospitals and clinics.

### **2025 CRHC Policy Priorities**

1. Facility Reimbursement
2. Healthcare Workforce
3. Healthcare Access
4. Administrative & Regulatory Burden
5. Rural Health Investments & Sustainability
6. Behavioral Health
7. Consumer Affordability
8. Primary Care
9. HIT & Telehealth
10. Social Determinants of Health & Health Equity

## 1. Reimbursement

**Priority Goal:** Increase Medicare, Medicaid and Private Insurance reimbursement rates and covered services.

**Context:** National industry forecasts have indicated rural hospital closures may significantly increase in the immediate coming years. Twenty-two rural hospitals in Colorado are at risk of closure by currently operating with negative profit margins, up over 35% from sixteen hospitals in 2023. To avoid closures and the catastrophic impacts they have on access to care and rural economies, decision makers must address underlying financial problems in rural healthcare delivery. Unfortunately, efforts to increase provider rates will be halted by budget constraints. CRHC will defend members from reimbursement cuts and protect patient covered services in 2025.

### 2025 State Reimbursement Policy Priorities:

1. Protect rural healthcare providers from Medicaid rate cuts.
2. Optimize the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE).
3. Address Medicaid reenrollment challenges impacted by the public health emergency unwind.
4. Support carrier accountability measures for payment disputes, delays and inadequate rates for rural providers.
5. Proactively engage in Accountable Care Collaborative Phase III development to ensure the program will work for rural providers and patients.

### 2025 Federal Reimbursement Policy Priorities:

1. Remove Medicare sequestration.
2. Increase bad debt allowance.
3. Promote cost-based reimbursement for Medicare Advantage Plans.
4. Support payment parity for RHCs between Medicare Advantage and traditional Medicare through a wrap-around payment or equivalent like supplemental payments made to FQHCs.

## 2. Workforce

**Priority Goal:** Increase recruitment and retention of providers and facility staff.

**Context:** A strong healthcare workforce is fundamental to providing quality, timely care in rural Colorado. It also plays a critical role in rural economic development. Rural healthcare facilities must have sufficient providers, administrators, and support staff to operate sustainably and meet the care needs of their communities. Unfortunately, workforce shortages across care and administrative settings continue to be a challenge, impacted by rising employment costs, increased staff burnout, limited housing and childcare options, and difficulty recruiting to rural settings.

The state of Colorado has invested significantly in supporting the healthcare workforce pipeline, leveraging millions of federal relief funds following the pandemic. And while the relief dollars have dried up, the need for continued investment in the rural healthcare workforce persists. In 2025, there is expected to be a continued policy debate about how to curb violence in healthcare settings, likely including proposals to mandate staffing ratios, which present a challenge to rural facilities already facing shortages. Efforts to increase the rural workforce pipeline will likely be curbed due to budget limitations, and current rural workforce funds must be defended from cuts. CRHC will support creative, budget-friendly solutions to recruitment and retention barriers, and defend members from policies that will place greater regulatory stress on providers and administrators.

### **2025 Workforce Policy Priorities:**

1. Support utilization of advanced practice providers.
2. Support providers working at the top of their scope.
3. Support “grow your own” health professional initiatives.
4. Address burnout related to administrative burden and workplace violence.
5. Leverage partnerships with educational institutions to increase exposure of rural healthcare careers to build a pipeline of healthcare professionals.
6. Support affordability measures for housing and childcare.
7. Defend members from policies that will place further regulatory stress on the rural healthcare workforce.
8. Support utilization of international medical graduates.
9. Defend members from policies that may increase the costs of employment.

## **3. Healthcare Access**

**Priority Goal:** Ensure rural Coloradans have timely access to prevention, diagnosis, testing, treatment, and management of healthcare conditions.

**Context:** Rural Coloradans face less access to healthcare than urban residents for a variety of reasons, including geography, transportation, workforce shortages, insurance coverage, technology and broadband. While some factors like Colorado's vast geography cannot be legislated, the state has made some strides towards increasing access, especially by leveraging technology. Efforts in the 2025 legislative session to continue the momentum of telehealth adoption and digital equity through new benefits or programs will be curbed by the limited state budget, and CRHC will defend members from cuts to programs and reimbursement.

Public awareness and media coverage about healthcare deserts is growing, especially maternity and long-term care deserts in rural Colorado. Legislation to address these access disparities is expected, and considering the restricted state budget, will likely be limited to measures without a fiscal impact, including state-supported information gathering, quality, or regulatory changes.

Efforts to increase access to care by limiting or banning care team fees such as facility fees may be revisited in 2025. A report directed by the state legislature in 2023 about the impact of facility fees in Colorado was completed in October 2024. The report was not intended to articulate any policy recommendations, but the findings of the report may inform future legislation regarding the fees.

In addition to regulatory burden from state and federal programs, rural healthcare facilities face challenges from payers, including Medicare, Medicaid, and private payers. These challenges include delays for prior-authorizations, delays for payments, and audits to payments. These delays present barriers to access to care and cost healthcare facilities valuable staff resources. CRHC will continue to support policies that hold carriers accountable for their practices that decrease access to care.

With all of these healthcare access policy priorities, CRHC must balance the push to increase access to care with recognition of rural healthcare provider's limited capacity for restrictions on payments to providers, unfunded mandates or additional regulatory burden.

### **2025 Healthcare Access Policy Priorities:**

1. Increase transportation options for rural communities and healthcare facilities to provide non-emergency medical transportation services.
2. Address healthcare deserts, including long-term care and nursing homes, maternity care, oral health, and specialty care deserts. Support policies that will increase access to care for these services without increasing burden to providers.
3. Support holding insurance carriers accountable for delays in care related to prior authorization, provider credentialing, and network adequacy issues.

4. Support the implementation of more stringent Medicare Advantage plan network adequacy standards for rural counties to ensure access to necessary services and competition.
5. Support continued adoption of telehealth in rural Colorado in a way that leverages local providers. Protect members from cuts to telehealth reimbursement.
6. Expand and improve access to affordable and reliable broadband access in rural areas.
7. Defend members from policies that will decrease access to care, including limitations on facility fees.

## **4. Administrative & Regulatory Burden**

**Priority Goal:** Streamline healthcare compliance and administrative processes.

**Context:**

Since 2019, 442 new laws impacting healthcare providers in Colorado have been adopted. While many of these changes are aimed at increasing transparency and accountability for healthcare providers, the burden often outweighs the benefits. 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 rules and regulations. Additionally, many quality and reporting requirements conflict with or duplicate one another. Without thoughtful consideration of limitations and unique circumstances of rural healthcare delivery, many of these proposals are diminishing the access they seek to create.

In 2025, there will be continued efforts to reform the Medicaid RAC program audits to ensure audits are warranted, effective, and efficient. CRHC will continue to engage in this work to reduce the regulatory stress and associated costs of the current RAC program. More broadly, CRHC will prioritize educating policymakers about potential unintended consequences associated with changes to regulatory frameworks that do not consider the unique circumstances of rural providers.

**2025 Compliance & Administrative Burden Policy Priorities:**

1. Support the alignment of program measures and reporting requirements for any existing or new quality or delivery programs.
2. Support efforts to improve efficiency and decrease provider burden of Medicaid RAC audits.
3. Defend members from policies that will increase administrative burden. Whenever possible, advocate for funding and/or technical support to rural providers for reporting mandates.

4. Modernize state and federal regulations for Rural Health Clinics (RHCs).

## 5. Rural Health Investments & Sustainability

**Priority Goal:** Support state and federal investments in the sustainability of rural healthcare providers.

**Context:** Support for rural hospitals is an priority for the state and federal government and many philanthropic organizations. Unfortunately, many of these piecemeal programs are not keeping pace with the need for robust investment in the sustainability of rural healthcare. Colorado's rural hospitals have hundreds of millions of dollars in deferred maintenance and other projects, and in many cases, very limited capacity to obtain loans to fund the projects. Many rural health facilities have outdated infrastructure and technology that is not keeping pace with the changes in healthcare delivery. While there are some federal programs that can help aging facilities obtain financing, there has been no significant state or federal rural health infrastructure support since the Hill Burton Act in 1946, which helped to build many hospitals on the eastern plains that are still operating today.

To protect Colorado's rural healthcare facilities from the growing trends of closures and consolidation there must be significant investment in rural Colorado's healthcare infrastructure, including workforce, technical assistance programs, and access to capital. This will be a heavy lift in 2025 on both the state and federal level, with a limited state budget and a changing federal administration. CRHC will prioritize identifying evidence-based solutions to these needs in rural areas, developing and communicating an advocacy strategy with key decision makers, and ultimately laying the groundwork for investment when the political climate is ripe. CRHC will also protect existing programs that impact rural health sustainability and communicate their value to decision-makers.

### 2025 Rural Health Investments & Sustainability Policy Priorities:

1. Ensure the sustainability of clinics in rural Colorado through funding and/or technical assistance.
2. Support efforts to increase access to capital for rural healthcare facilities.
3. Support changes to county hospital statutes that provide flexibility for rural county hospitals.
4. Support the evidence-based policy solutions identified by the Colorado Rural Futures program.

5. Defend federal rural sustainability programs such as FLEX, SHIP and SORH from cuts or program minimization threats.

## 6. Behavioral Health

**Priority Goal:** Improve behavioral health outcomes for rural Coloradans.

**Context:** Rural Coloradans continue to have worse behavioral health outcomes and lower access to behavioral healthcare than urban residents. Rural residents often travel long distances to receive services, are less likely to be insured for behavioral health services, and providers are less likely to recognize a mental illness. Stigma related to needing or receiving behavioral healthcare in small communities persists and can make the already small pool of providers even smaller.

Youth behavioral health is another ongoing concern in rural Colorado. Rural youth are twice as likely than urban youth to attempt suicide. Rural adults have higher rates of alcohol abuse, tobacco use, and methamphetamine use, while prescription drug abuse and heroin use has grown in communities 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.

Cuts to behavioral healthcare services and reimbursement have been proposed by Governor Polis to help manage the state budget deficit. CRHC will defend members from these cuts and work creatively to increase behavioral healthcare outcomes. Colorado's Behavioral Health Administration (BHA) has undergone another leadership change, which presents CRHC with an opportunity to communicate and leverage the behavioral health programming we support, including behavioral health integration and support for developing a culturally competent behavioral health workforce in rural Colorado. Further, CRHC will support measures to increase the behavioral health workforce, such as addressing administrative barriers to care, leveraging telehealth, and supporting behavioral health providers at all levels.

### 2025 Behavioral Health Policy Priorities:

1. Defend members from cuts to behavioral health services and reimbursement.
2. Reduce licensure and credentialing delays for behavioral health providers.
3. Proactively work with the Colorado Behavioral Health Administration to address crisis response in rural healthcare settings.
4. Support efforts to increase the rural behavioral healthcare workforce.
5. Support ongoing funding for state behavioral health integration programs.

6. Support efforts to increase discharge resources and support services.

## 7. Consumer Healthcare Affordability

**Priority Goal:** Ensure rural Coloradans have access to affordable healthcare coverage and services.

**Context:** Rural Coloradans face some of the highest healthcare costs in the state, due in large part to higher insurance premiums and less options for coverage. At the same time, prices for necessary expenses such as food, housing and transportation are also increasing, exacerbating an already significant disparity in healthcare affordability for people of color, low-income individuals, and rural Coloradans. Policymakers have pursued a wide variety of legislative strategies to reduce the cost of healthcare, with many policies aimed at increasing regulations and cutting costs at healthcare facilities. Unfortunately, many of these policy strategies have painted all healthcare providers with the same brush, rather than recognizing the distinct differences among diverse types of healthcare providers and the communities they serve. As a result, rural healthcare providers are often unfairly targeted and over-regulated, which may have the inverse impact of driving up the cost of providing care and reducing access. CRHC will support policy strategies to control patient healthcare costs in a way that targets both reducing healthcare facility regulatory burdens and increasing competition with carriers.

The 340B drug program is expected to be debated in the 2025 legislative session. The 340B program provides discounts on approved outpatient drugs to safety net providers, and in exchange, providers are expected to improve access for eligible patients and support the delivery of more comprehensive services. Participation in the 340B program has increased substantially over the past two decades, and critics have argued that hospitals have not expanded access and/or provided more services in response to 340B savings. State legislation to address these concerns may be coming in 2025, with policy options that may include greater oversight of how 340B savings are utilized, limiting 340B participation to medically underserved areas, and directing 340B savings to charity care. For more than 25 years, the 340B program has been helping rural providers stretch scarce federal resources to meet the needs of low-income citizens and improve and expand rural healthcare services. CRHC will defend members from any threats to 340B participation.

There is also expected to be legislation introduced to address Medicaid disenrollment following the public health emergency unwind and the corresponding increase in uninsured patients. Colorado's Medicaid enrollment is down 33%, which is the highest decline in the country. CRHC currently engages in the Health Policy Coalition, a health advocacy group that is working to address the loss of Medicaid coverage and the corresponding negative impacts on patient access and provider financial sustainability. While the state budget limitations will impact the strategies pursued by the coalition, CRHC will support efforts to improve coverage and secure the safety net.



CRHC will also prioritize communicating the unique challenges rural healthcare providers face and the invaluable role they play in providing access to care in some of the state's most challenging communities.

### **2025 Consumer Healthcare Affordability Policy Priorities:**

1. Support policies that strengthen and expand health insurance coverage in Colorado.
2. Address Medicaid enrollment challenges to stabilize the rural healthcare safety net.
3. Defend any cuts or restrictions to the 340B drug program for rural healthcare providers.
4. Support policies that will lower costs for prescription drugs.
5. Support efforts to increase leverage for rural providers to negotiate better rates from private insurers.
6. Support initiatives to educate consumers and policymakers about the negative impact of Medicare Advantage plans on rural health access and sustainability.

## **8. Primary Care**

**Priority Goal:** Increase utilization and investment in whole-person primary care access and delivery in clinical outpatient settings.

**Context:** The definition and practice of primary care is evolving across Colorado and the US. Once limited to only physical health and independent organ systems, Colorado now defines primary care as a practice that deals with the individual rather than an organ system or an abnormal physiology and provides an array of services covering the preventive, diagnostic, and therapeutic needs of patients, including referral and coordination of care to the services. The new integrated approach to primary care presents an exciting frontier for whole-person care, however, funding and regulations for primary care in rural areas have not evolved at the same pace.

Sustainable funding, regulations that support integration, transportation options, and unique workforce solutions are needed to address primary care access and affordability disparities in rural Colorado. Proactive measures to increase primary care access and delivery in rural Colorado will be stifled by the state budget, and CRHC will work to defend members from cuts to primary care services and reimbursement, including cuts to oral health providers that have been proposed in the 2025 Governor's budget.

There is an opportunity to support and engage in the Colorado Primary Care Payment Reform Collaborative. The collaborative was developed in 2019 with support from CRHC and focuses on developing strategies for increased investments in primary care and advises in the development of affordability standards and targets for carrier investments in primary care. The program must be reauthorized by the legislature in 2025, and CRHC will be at the table to ensure the reauthorized program includes the voice of rural healthcare providers and patients.

### **2025 Primary Care Policy Priorities**

1. Support reauthorization of the Colorado Primary Care Payment Reform Collaborative.
2. Protect rural providers and patients from threats to primary care reimbursement and coverage.
3. Support rural primary care training programs.
4. Support investment in sustainable wellness-centered delivery models.
5. Ensure value-based payment models are informed by and flexible to rural healthcare providers.
6. Defend members from cuts to oral health services and reimbursement.

## **9. HIT & Telehealth**

**Priority Goal:** Continue adoption of healthcare technology and telehealth in a way that leverages patient data and connection to local providers.

**Context:** Rural healthcare providers have continued to increase utilization of technology and data collection to serve their patients. CRHC has played a significant role in leading rural hospitals and clinics toward data collection and utilization through the Colorado Rural Connectivity Program (RCP). The program establishes a sustainable model for rural connectivity by connecting providers to Colorado's Health Information Exchanges (HIE) and helping providers leverage the data to better serve the unique needs of their rural communities. CRHC will prioritize ongoing support for RCP and sharing the value of the program to policymakers.

Telehealth can be a valuable tool for rural healthcare providers in expanding access to care. State policies to increase access and delivery of telehealth services have increased over the years, including legislation to establish reimbursement for remote patient monitoring services championed by CRHC in 2024. CRHC will support legislation that will continue the momentum of telehealth utilization in rural healthcare settings.

Both telehealth 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. CRHC will support policies that will increase access and affordability for technology and broadband in rural healthcare facilities and communities.

#### **2025 HIT & Telehealth Policy Priorities:**

1. Support the R7 payments through the Rural Connectivity Program. Continue to support free Health Information Exchange access for CAHs and rural health clinics.
2. Proactively engage in Colorado's Digital Equity, Literacy, and Inclusion Initiative.
3. Protect telehealth reimbursement, including audio-only visits.
4. Support broadband expansion and access.
5. Support the establishment of interoperability standards for EHR vendors.

## **10. Social Determinants of Health & Health Equity**

**Priority Goal:** Address barriers related to where rural Coloradans live, learn, work, and age that impact a wide range of health outcomes and quality of life.

**Context:** Where you live should not determine if you live, and addressing the conditions in which we live, work, and play is foundational to fostering healthy, equitable communities. Unfortunately, rural Colorado has suffered from a lack of underinvestment in healthcare, education and diverse, sustainable economies. At the same time, demographics across the US and Colorado are shifting and communities are becoming more diverse. CRHC has made a deliberate effort to ensure our work addresses and increases health equity for rural communities. Through our policy work, CRHC will engage in policy and advocacy that will continue this momentum toward increased health equity.

CRHC will engage authentically and proactively in policies that will increase health equity and culturally competent care. Budget limitations within the state budget in 2025 will curtail significant economic investments to address the social determinants of health in rural areas, but CRHC can continue to lay the groundwork to meet the goals of our organizational equity statement by including diverse opinions and perspectives in our decision-making and advocacy work, and supporting legislation that improves the upstream factors impacting health equity.

#### **2025 Social Determinants of Health & Health Equity Policy Priorities:**

1. Support policies that will reduce structural barriers to timely, affordable, culturally competent access to care.
2. Support policies that will increase the socioeconomic status of rural Coloradans.

3. Support policies that improve equity, foster diversity, and encourage a rural healthcare workforce that is representative of the populations it serves.
4. Support policies that increase the capacity of community partners, such as public health, county social services, food banks, churches and local schools to partner with rural healthcare providers to address and improve the social determinants of health in their communities.
5. Increase and incentivize rural healthcare providers for screenings and data collection related to social determinants of health. Support alignment across programs collecting patient information related to patient demographics and the social determinants of health.