

# 2024 Rural Health Agenda



## Protect the Rural Safety Net

Rural hospitals operate on thin or negative margins, facing constant economic, financial, and operational challenges in delivering high-quality, comprehensive care to rural communities, including unique patient mixes, a growing workforce crisis, and funding shortfalls.



**Permanently extend Medicare payment adjustments** that ensure stability for Low-Volume Hospitals (LVH) and Medicare Dependent Hospitals (MDH) that serve a high proportion of older, sicker patients on Medicare in rural communities.



**Support a national wage index floor** to ensure rural hospital payments cover the cost of providing care — without unfairly penalizing hospitals in other parts of the country.



**1 in 3**  
adults who live in rural areas  
is enrolled in Medicare

*U.S. Department of Health &  
Human Services, July 2021*

## Leverage Technology to Improve Access to Care

In rural communities, many patients travel over an hour for a routine doctor's appointment and often much further to seek specialty care. Telehealth services provide an important lifeline to patients in rural communities who otherwise face geographic, transportation, and other hurdles in accessing care.



**Support the extension of pandemic era telehealth policies** that increase access to care by removing geographic and originating site restrictions.



**Support access to remote technologies** that help rural hospitals increase access, improve care, and address staffing shortfalls.



**855,500**

or 17% of eligible rural  
Medicare beneficiaries  
used a telehealth  
service in 2023

*Centers for Medicare & Medicaid Services*

## Protect the Viability of Rural Hospitals by Ensuring Fair Competition

Full-service rural hospitals, with fragile finances, are a critical lifeline for patients living in rural communities. Yet these rural hospitals are at risk of closing and eliminating service lines in areas where certain facilities compete unfairly by “cherry picking” patients and profitable services.



**Oppose any expansion of the Rural Emergency Hospital (REH) designation** that opens up a back door to physician ownership of hospitals or otherwise undermines the viability of full-service hospitals in rural communities.



**Oppose any statutory changes** that permit Medicare recognition of free-standing emergency departments (FSEDs) or free-standing emergency centers (FECs) not affiliated with a full-service hospital license offering comprehensive, 24/7 care.



**Preserve the prohibition on physician-owned hospitals** to protect against “cherry-picking” and “lemon dropping” patients, which threatens patient access to full-service rural hospitals.



Nearly  
**150**  
rural hospitals have  
closed or converted  
since 2010.

*Sheps Center for Health Services Research*

## Strengthen the Rural Health Care Workforce

Hospitals in rural and underserved communities are experiencing a combination of provider burnout, physician and staff shortages, and difficulty attracting workers to these areas. Workforce challenges have a direct effect on the ability of hospitals to meet the needs of the patients in rural communities.



**Extend and expand the Conrad 30 program**, allowing international doctors trained in the U.S. to remain in the country if they practice in underserved areas.



**Support legislation** that provides federal protections for health care workers who are victims of violence in the workplace.



**Support recapturing unused immigrant visas** and reallocating them to increase the number of nurses and doctors, providing medical facilities with the resources they need.

# 20% vs 10%

Percentage of Americans living in rural areas vs physicians who practice in rural areas.

*EJ Emanuel, JAMA, 2017*



# 20,000

Shortage of primary care physicians in rural areas by 2025.

*GAO, 2017*

## Stop Managed Care Abuse

Managed care companies are profiting from excessively denying and delaying care. In rural communities already facing worker shortages and hospital closures, these delays and denials further threaten access to needed health care services, increase costs for patients, and contribute to health care worker burnout.



**Support legislation** to crack down on prior authorization abuse and speed up the timeline for prior authorization requests.



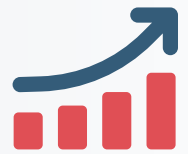
**Support efforts** to establish "Gold Card" and similar programs that reduce the administrative burden on providers fighting prior authorization denials.



**Support policies** that prevent Medicare Advantage plans from inappropriately delaying and denying payment.

# 6.3M → 9.2M

Increase in rural Medicare Advantage enrollees, 2019-2023



# 43% → 50%

Increase in rural hospitals with negative operating margins, 2022-2023



*Chartis Center for Rural Health, February 2024*



## Support legislation that strengthens rural communities' access to high-quality hospital care.

The Federation of American Hospitals (FAH) is the national representative of more than 1,000 tax-paying community hospitals and health systems throughout the United States, including many rural and critical access hospitals. Rural hospitals serve more than 60 million Americans, and these critical facilities are often the sole provider of comprehensive medical care in their communities - but since 2010, nearly 150 rural hospitals have closed or converted and many more are at risk. FAH supports long-term health care solutions to support and strengthen access to high-quality health care in rural communities.