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NATIONAL RURAL HEALTH ASSOCIATION

June 8, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

RE: FY 2022 appropriations for rural health programs

Dear Speaker Pelosi and Minority Leader McCarthy, Majority Leader Schumer and Minority Leader McConnell:

On behalf of the National Rural Health Association (NRHA), we ask that you continue to support critically important rural health programs as you move forward with Fiscal Year 2022 funding measures. We thank you for your leadership for rural health and hope you will continue these important efforts.

NRHA is a national nonprofit membership organization with more than 21,000 members whose mission is to improve the health and health care of rural Americans and to provide leadership on rural issues through advocacy, communications, education, and research. NRHA's membership is a diverse collection of individuals and organizations that share a common interest in ensuring all rural communities have access to quality, affordable health care.

Now, more than ever before, it is crucial that Congress support programs that seek to address the severe health care crises in rural America. Rural health care providers, who were struggling to keep their doors open prior to COVID-19, have been hit hard by the pandemic. Continued relief is needed for rural health care providers to address the unique needs of rural America.

While current spending for all rural health discretionary programs is relatively small, it plays a critical role in solidifying the fragile health care infrastructure in rural communities. NRHA urges Congress to support the following FY 2022 priority requests to significantly improve rural health care access and affordability:

Increase funding for the United States Department of Agriculture (USDA) Rural Hospital Technical Assistance (TA) program to \$5 million for fiscal year (FY) 2022. The USDA Rural

Hospital TA program was developed as a pilot technical assistance program for rural hospitals that was designed to assist rural residents, businesses, and professionals in the health sector by providing affordable, effective, and educated support to help rural hospitals better manage their financial and business strategies. Over 135 rural hospitals have closed since 2010, and this program is a proven solution that is enabling rural hospitals to avoid closure and maintain local access to high-quality healthcare services. This request was developed by calculating the number of rural hospitals currently in financial trouble and estimating the impact of the ongoing pandemic.

Build into Health Resources and Services Administration (HRSA) Rural Health Outreach budget an additional \$10 million to support the Rural Maternal and Obstetric Management Strategies (RMOMS) program. RMOMS aims to develop financially sustainable and integrated network models to increase access to maternal care in rural communities and ultimately improve maternal and neonatal outcomes. We also recommend Congress include report language that includes RMOMS as a program within the outreach grant line to protect the funds.

Establish an Office of Rural Health within the Centers for Disease Control and Prevention (CDC), with \$1 million appropriated annually to establish and operate the office. Given known rural health disparities, coupled with the devastation created by the COVID-19 pandemic, it is critical for CDC to facilitate coordination with rural communities directly and serve as a direct resource for rural providers. To improve CDC oversight and influence in rural America, this office will conduct and coordinate activities designed to improve the health of rural populations. As such, the Office will direct and support research, conduct educational outreach, and disseminate evidence-based interventions to prevent death, disease, injury, and disability in and promote healthy behaviors among rural populations.

Expand the Rural Residency Planning and Development Program by providing \$12.7 million in FY 2022 appropriations to expand the number of rural residency training programs and subsequently increase the number of physicians choosing to practice in rural areas. Residency in rural allopathic and osteopathic programs will increase the volume of healthcare professionals training, and subsequently practicing, in rural areas.

Reauthorize and modernize the Medicare Rural Hospital Flexibility (Flex) Program at \$92.2 million. Flex grants are used by each state to implement specific rural strategies to ensure access to primary care in rural communities. Utilization of these grants is the most effective way to provide relief and resources to rural areas that have been severely impacted by COVID-19. This extraordinarily successful grant program can be used by hospitals to procure needed equipment, expand telehealth, and establish rural-specific pandemic recovery plans. In addition to increasing the Flex program's base funding to \$61.2 million, we urge Congress to add the following new elements to the program:

- Provide \$10 million in new funding to support for the Rural Emergency Hospital (REH) Technical Assistance Program to ensure the implementation of the new REH model with aid from existing State Flex Programs and other stakeholders to assist facilities in the transition of PPS and Critical Access Hospitals (CAH) to a REH model.
- Provide \$8 million in new funding in Rural Provider Modernization Technical Assistance to expand current Flex technical assistance program to support hospitals, clinics, and communities in implementing new sustainable models of care. These models of care will address health equity, social determinants of health, and build collaborative approaches to improve health.
- Provide \$13 million in new Rural Provider Modernization Grants to support hospitals, public health departments, clinics, and community-based organizations to plan and implement emerging, sustainable models of care.

Expand the authority of the Office for the Advancement of Telehealth (OAT) within the Department of Health and Human Services (HHS) to include the ability to:

- Advise the Secretary on telehealth issues including the effects of current policies and proposed statutory, regulatory, administrative, and budgetary changes in the programs established under titles XVIII and XIX that affect the appropriate use of telehealth and telehealth-related technologies to improve access to high-quality healthcare services and help to broaden the use of the health care workforce.
- Create and staff an HHS Telehealth Advisory Committee to make recommendations to the HHS Secretary related to telehealth policy and program efforts across the Department.
- Administer grants, cooperative agreements, and contracts to provide technical assistance and other activities as necessary to support activities related to advance the use of telehealth broadly.

In addition to these priority requests, we urge Congress to support a 10 percent increase in funding for the rural health programs below, which improve rural health outcomes and strengthen care delivery:

Rural Health Research and Policy Development (\$12.2m): These funds support academic-based rural health research centers that study rural health issues, including work on rural hospitals, health professionals, delivery of mental health services and the functioning of managed care systems in rural areas. This work is used to support the Federal Office of Rural Health Policy (FORHP) as they advise the Secretary on rural health issues, provide support for grants that enhance health care delivery in rural communities, and provides data and policy on rural access to care, the viability of rural hospitals, and availability of the rural health workforce. We ask your support for this program to build upon the important work of the rural health research centers that assist federal legislators in crafting national rural health policies.

Rural Health Care Services Outreach, Network & Quality Improvement Grant Programs (\$90.8m): These three-year grants fund community-based projects to increase access to care and improve rural community health by focusing on quality improvement, increasing health care access, coordination of care, and integration of services. Typical projects include efforts to address diabetes, obesity, health promotion, health screening and mental health. Programs have brought care that would not otherwise have been available to more than 2 million rural citizens across the country. In fact, this is the only federal health care program that allows rural communities to expand access, coordinate services, and improve the quality of health care services based on individual community need. We urge continued support for this essential grant program.

Rural Hospital Flexibility Grants (\$61.2m): These grants are used by states to implement new technologies, strategies and plans in Critical Access Hospitals (CAHs). CAHs provide essential services to communities and essential jobs to the rural economy. These grants provide crucial funding for updating equipment, implementing new sustainable care delivery models, and enhancing the quality of care provided. We ask that Congress recognize the necessity of these grants and continue to support this important program, while extending the program authority and appropriation as mentioned above.

State Offices of Rural Health (\$15m): State offices of rural health exist in all 50 states and help rural communities build and maintain health care delivery systems. They accomplish this mission by collecting and disseminating information, providing technical assistance, helping to coordinate rural

health interests state-wide and by supporting efforts to improve recruitment and retention of health professionals. We urge your continued support for this program.

Office for the Advancement of Telehealth (\$37.4m): Telemedicine technologies are vitally important to the delivery of care in remote rural and frontier areas. The OAT promotes the use of telehealth technologies by fostering partnerships among federal agencies, states, and private sector groups to create telehealth projects; administering telehealth grant programs; providing technical assistance; and promoting best practices. We request the enhancement of the authority of OAT to provide a more significant leadership role in telehealth within the Department of Health and Human Services as noted above. We urge Congress to continue to support this program.

Rural Communities Opioid Response Program (RCORP) (\$165m): This initiative aims to reduce the morbidity and mortality associated with substance use disorder (SUD), including opioid use disorder (OUD), in high-risk rural communities by providing funding and technical assistance to multi-sector consortia to enable them to identify and address OUD prevention, treatment, and recovery needs at the community, county, state, and/or regional levels.

National Health Service Corps (NHSC) (\$185m): The NHSC plays a critical role in maintaining the health care safety net by placing primary health care providers in our nation's most underserved rural communities. Today, more than 13,000 NHSC clinicians are practicing in underserved communities, including rural communities. However, the demand for primary care providers far exceeds the supply, and the needs of our rural communities continue to grow. Rural communities must have the resources necessary to hire primary care, dental and mental health practitioners, and NHSC is an efficient and effective way to support these efforts. We urge Congress to recognize the importance of the NHSC program in eliminating provider shortages across the country.

Area Health Education Center (AHEC) (\$47.6m): HRSA's AHEC Programs and Centers play a critical national role in addressing health care workforce shortages, particularly those in primary care. The AHEC Program grantees support the recruitment and retention of physicians, students, faculty, and other primary care providers in rural and medically underserved areas by providing local, community-based, interdisciplinary primary care training.

Geriatrics Workforce Enhancement Program (GWEP) (\$46.5m): HRSA's Geriatrics Workforce Enhancement Program improves health care for older adults by developing a health care workforce to provide value-based care that improves health outcomes for older adults by integrating geriatrics and primary care delivery sites/systems.

Community Facilities Programs (\$3.3b): The Community Facilities Direct Loan (\$2.75b), Guaranteed Loan (\$550m), and Grant (\$44m) Programs provide affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial, or business undertakings. Funds can be used to purchase, construct, and/or improve essential community facilities, purchase equipment, and pay related project expenses.

ReConnect Broadband Program (\$700m): The ReConnect Program offers unique federal financing and funding options in the form of loans, grants, and loan/grant combinations to facilitate broadband deployment in areas of rural America that do not currently have sufficient access to broadband. This program generates private sector investment to deploy broadband infrastructure that provides high-speed internet e-Connectivity to as many rural premises as possible, including homes, community

facilities for healthcare and public safety, schools, libraries, farms, ranches, factories, and other production sites.

We believe maintaining fiscal responsibility is a top priority. Consistent with that priority, we hope you will recognize the important role these programs play in ensuring that Americans living in rural communities can access quality, cost-effective health care. Please consider this as Congress prepares to markup FY 2022 funding measures. Thank you for your consideration of these requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Morgan". The signature is fluid and cursive, with the first name "Alan" and the last name "Morgan" clearly distinguishable.

Alan Morgan
Chief Executive Officer
National Rural Health Association

NRHA FY 2022 Requests (dollars in millions)			
Discretionary Funding Program	FY 2021 Omnibus	FY 2022 Budget Request	FY2022 NRHA Request
<i>Federal Office of Rural Health Policy Programs</i>			
Rural Health Research & Policy Development	11.1	11.1	12.2
Rural Health Care Services Outreach, Network & Quality Improvement Grants	82.5	90	90.8
Rural Hospital Flexibility Grants*	55.6	57.5	92.2
State Offices of Rural Health	12.5	12.5	15
Telehealth*	34	36.5	37.4
Rural Maternity & Obstetrics Management Strategies Program*	5.4	10.4	15.4
Rural Residency Planning & Development*	10.5	12.7	12.7
Rural Communities Opioid Response	110	165	165
<i>HRSA Health Workforce Programs</i>			
National Health Service Corps	120	185	185
Area Health Education Centers	43.3	47.6	47.6
Geriatric Workforce Enhancement	42.7	46.5	46.5
<i>Centers of Disease Control and Prevention</i>			
Office of Rural Health*	-	0	1
<i>USDA Rural Development Programs</i>			
Rural Hospital Technical Assistance*	2	0	5
Communities Facilities	3.0b	3.3b	3.3b
ReConnect Broadband	635	700	700

* NRHA FY 2022 priority requests