

June 8, 2022

Dear House and Senate Democrats,

NRHA urges Congressional Democrats to use the opportunity presented to them through the reconciliation process to close the Medicaid coverage gap once and for all to ensure critical access to health care for millions of rural Americans.

NRHA is a non-profit membership organization with more than 21,000 members nationwide that provides leadership on rural health issues. Our membership includes nearly every component of rural America's health care, including rural community hospitals, critical access hospitals, doctors, nurses, and patients. We work to improve rural America's health needs through government advocacy, communications, education, and research.

At present, 12 states have not expanded Medicaid<sup>1</sup>, leaving the 2.2 million adults who would be eligible for Medicaid under expansion uninsured and vulnerable. These 2.2 million uninsured adults are in a coverage gap: they are above the Medicaid income eligibility level for their state, but below the threshold for Affordable Care Act (ACA) Marketplace subsidies for health insurance premiums. Since the enactment of the ACA, we have seen the benefits of Americans with low incomes obtaining access to health insurance in reducing health disparities. However, with so many Americans remaining in the coverage gap, the benefits of Medicaid expansion are not felt equally throughout our country. Compounding on this issue, in our rural communities we are seeing the closure of rural hospitals at a higher rate in states that have chosen not to expand Medicaid coverage, further impacting access for rural residents.

Rural hospitals have been hit the hardest in states that have not expanded Medicaid. Since 2010, 138 rural hospitals across America have closed, leaving communities with limited access to healthcare services. When breaking these closures down by state, non-expansion states have the highest rates of closures. Many rural hospitals are currently considered "vulnerable" or "the most vulnerable" to closure based on current operations and performance levels. Of the most vulnerable rural hospitals to closure, 75 percent are also located in states that have not expanded Medicaid. The current and future loss of rural hospitals is detrimental to the communities they serve. Rural hospitals are often the only facilities in close proximity. Hospital closure forces residents to travel, sometimes for hours, to the next closest hospital to seek care. Action must be taken to prevent additional vulnerable rural hospitals from closing.

In our rural communities we have also seen the shockwaves from the COVID-19 pandemic, highlighting the inequalities and structural challenges rural areas are facing. For residents of rural communities where hospitals were recently closed, accessing care in the COVID-19 era became even more complex as additional hospitals shuttered or were at full capacity. Residents of some rural areas delayed care due to the closure of a nearby trusted rural hospital and limited access to other healthcare resources. Both before the pandemic and during, rural hospitals have shown their critically important roles in contributing to the wellbeing of the communities they serve. Often, rural hospitals serve as an

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<sup>1</sup> AL, FL, GA, KS, MS, NC, SC, TN, TX, SD, WI, WY



important economic driver in a rural community and they have long-standing relationships with the community, including local businesses and emergency services. Federal funding as a result of the pandemic, such as the CARES Act, has helped some vulnerable rural hospitals remain afloat for the time being. However, when the federal funding related to COVID-19 ends, rural hospitals may soon be in jeopardy again. Sustainable funding approaches, such as Medicaid expansion, are necessary to keep our rural hospitals operating.

The NRHA urges members of congress to close the Medicaid coverage gap in the reconciliation package. The creation of a federal Medicaid look-alike program, as proposed in [S.2315 Medicaid Saves Lives Act](#), would allow more equitable access to Medicaid coverage for rural Americans. Expanding Medicaid coverage would improve access to health care and help to ensure that vulnerable rural health care facilities can continue to operate, serve their communities, and save lives.

Thank you for your consideration of these requests. If you have questions on the health care needs of rural communities, please contact Josh Jorgensen ([jjorgensen@ruralhealth.us](mailto:jjorgensen@ruralhealth.us)).

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Morgan", written in a cursive style.

Alan Morgan  
Chief Executive Officer  
National Rural Health Association