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NATIONAL RURAL HEALTH ASSOCIATION

The National Rural Health Association is thrilled about the Biden administration fiscal year (FY) 2022 appropriations proposal to help build a strong rural health infrastructure across the country. The COVID-19 pandemic put a spotlight on the challenges faced by rural Americans. NRHA applauds the administration for including critical investments to increase rural health care access and workforce recruitment, address rural health disparities, and expand broadband in rural areas in the FY 2022 Budget Request.

Biden's FY 2022 Budget Request

President Biden's [FY 2022 Budget Request](#) combines the \$2.3 trillion American Jobs Plan, the \$1.8 trillion American Families Plan, and \$1.5 trillion in other discretionary spending to fund federal agencies in fiscal year 2022. The three major components would provide:

- \$2.3 trillion for infrastructure, for roads and bridges, electric vehicles, transit, drinking water infrastructure and high-speed broadband access
- \$1.8 trillion for public benefit programs including universal free pre-K, free community college, Pell Grants, childcare and national paid family medical leave program
- \$1.5 trillion in discretionary spending, including increases for the Department of Education, Department of Health and Human Services, Department of Veterans Affairs, and Department of Housing and Urban Development

NRHA's FY 2022 Appropriations Priorities

NRHA urges Congress to include funding for certain rural health programs, such as USDA's Rural Hospital Technical Assistance Program and creation of a CDC Office of Rural Health. The National Rural Health Association is ready to work with the Biden administration and Congress to ensure that our rural health system receives the necessary investments for years to come.

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	61.2
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	43.3	47.6
Geriatric Workforce Enhancement	42.7	46.5	46.5
<i>Centers for 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	3.04b	3.3b	3.3b
ReConnect Broadband	635	700	700

* NRHA FY 2022 priority requests

Rural Elements of FY 2022 Proposal

Below is a summary of rural health funding included in President Biden's FY 2022 budget request:

[Federal Office of Rural Health Policy Programs](#) (Overall increase of \$70.7m, \$400.2m total)

Rural Health Outreach (+\$7.5 million; total program \$90.0 million): The request includes \$10.4 million, an increase of \$5.0 million to support Rural Maternity and Obstetrics Management Strategies (RMOMS) grants to expand access and improve maternal health in rural communities. The additional \$2.5 million provides funding for new awards to fund emerging public health needs.

Rural Hospital Flexibility Grants (+\$1.9 million; total program \$57.5 million): The Budget will expand activities for the state support of hospitals.

Rural Communities Opioid Response (+\$55.0 million; total program \$165 million): The Budget supports grants to provide substance use/opioid use disorder prevention, treatment, and recovery services to rural residents.

Telehealth (+\$2.5 million; total program \$36.5 million): The Budget supports the expansion of the Evidence-Based Telehealth Network Program with seven new awards in support of increasing access to healthcare services and improving health outcomes by using direct-to-consumer technologies.

Rural Residency Planning and Development (+\$2.2 million; total program \$12.7 million): The request supports approximately 14 new Rural Residency Planning and Development awards to expand the number of rural residency training programs with the goal of increasing the number of physicians choosing to practice in rural areas.

[HRSA Health Workforce Programs](#) (Overall increase of \$131.5 million, \$1.8 billion total)

National Health Service Corps (NHSC) (+\$47.3 million; total program \$477.3 million): The Budget supports scholarships and loan repayment to improve access to quality primary care, dental, and behavioral health in underserved urban, rural, and tribal areas. The request includes \$180.0 million specifically for loan repayment for clinicians to provide opioid and substance use disorder treatment, and \$5.0 million for Maternity Care Target areas to implement requirements contained in the Improving Access to Maternity Care Act. NHSC funding also reflects a \$17.7 million reduction through sequestration direct spending pursuant to Balanced Budget and Emergency Deficit Control Act (BBEDCA).

Behavioral Health Training Programs (+\$75.0 million; total program \$224.9 million): The Budget prioritizes investments in the behavioral health workforce to expand integrated behavioral health care and treatment services in underserved communities. This investment will expand the number of behavioral professionals and paraprofessionals entering the health workforce, advancing the goal of ending the opioid crisis.

Public Health and Preventative Medicine (+\$1.0 million; total program \$18.0 million): The request provides additional supplemental awards to Public Health and Preventive Medicine Training programs to address public health needs with a focus on increasing outreach to the underserved through rotations in rural health departments and Federally Qualified Health Centers in rural areas.

Geriatric program (+\$3.8 million; total program \$46.5 million): The Budget includes an increase of \$3.8 million to award supplemental grants to nursing homes to assist with the recovery phase of the COVID-19 epidemic.

Area Health Education Centers (AHEC) (+\$0, \$43.2 million): The FY 2022 Budget Request for the Area Health Education Centers program of \$43.3 million is the same as the FY 2021 Enacted level. In FY 2021 and FY 2022, the AHEC Program plans to maintain funding for 48 awards to continue to increase the number of students in the health professions who will pursue careers in primary care and are prepared to practice in rural and underserved areas and populations.

[HRSA 340B Drug Pricing Program](#)

340B Drug Pricing Program/Office of Pharmacy Affairs (+\$7.0 million; total program \$17.2 million): The Budget includes an increase of \$7.0 million to expand HRSA's program integrity efforts within the 340B Drug Pricing Program. The additional funding provides increase audit and oversight of the program including regulation support and systems support. The Budget also includes broad regulatory authority to support the 340B Drug Pricing Program, which requires drug manufacturers to provide discounts on outpatient prescription drugs to certain safety net providers.

[USDA Rural Development Programs](#) (Overall increase \$2.6 billion, \$29.9 billion total)

Community Infrastructure: The Budget supports \$2.8 billion in Community Facilities Direct Loans and \$500 million in Community Facilities Guaranteed Loans.

- The Budget requests \$58 million in budget authority to support in Community Facilities grants, which will be targeted towards underserved communities.
- The Budget also requests \$6 million for Rural Community Development Initiative grants to provide financial and technical assistance to low-income communities, nonprofit organizations, and tribes.
- Also provided is \$10 million for Tribal College grants to improve education and career-building opportunities, specifically for STEM (science, technology, engineering, and math) programs.

Broadband, Distance Learning and Telemedicine Programs: In addition to \$690 million for the telecommunication infrastructure program which supports communities with population of under 5,000, the Budget provides \$700 million, a \$65 million increase over the 2021 enacted level, to support broadband loans, grants, and loan/grant combinations that will provide high speed broadband services to communities with populations under 20,000. The ReConnect Program provides grants, loans, and combinations of loans and grants to deploy broadband to tribal lands

and unserved areas, particularly in communities of color. High-speed internet would serve as an economic equalizer for rural America, while the work of installing broadband would create high-paying union jobs with benefits in rural communities. This investment would build on the funding provided in the American Rescue Plan Act of 2021. The budget also provides \$35 million for broadband grants to rural Americans who currently do not receive any broadband service. In addition, the Budget includes \$60 million for distance learning and telemedicine grants.

Summary of HHS FY 2022 Proposal

The funding outlined in this budget proposal for HHS represents a necessary 23 percent increase over FY 2021.

Administration for Community Living: (Overall increase of \$768 million, \$3.1 billion total)

Primary investments for programs that provide the critical direct services that people need to live in the community. The budget recognizes the significantly increased demand for these core services because of the COVID-19 pandemic which may persist long after the pandemic has ended.

Administration for Children and Families: (Overall increase of \$5.9 billion, \$83.1 billion total (\$30.6 billion for discretionary ACF programs)) The budget invests in children by providing high-quality early learning opportunities and by providing more families with the support they need to remain safely together.

Agency for Healthcare Research and Quality: (\$489 million: \$353 million in budget authority, \$27 million in PHS evaluation funds, and \$109 million in mandatory transfers from the Patient Centered Outcomes Research Trust Fund) The budget supports new health services research, data and analytics, primary care research, and activities to address the opioid epidemic, health equity, and maternal health.

Centers for Disease Control and Prevention: The Budget requests \$15.4 billion for CDC and the Agency for Toxic Substances and Disease Registry (ATSDR), including \$8.7 billion in discretionary funding. In addition, the budget includes \$903 million from the Prevention and Public Health Fund.

Health Resources and Services Administration: (\$497 million increase, \$12.6 billion total (\$7.8 billion discretionary and \$4.7 billion in mandatory funding). Investments aim to advance the President's goal of doubling the Federal investment in community health centers, which would help reduce health disparities by expanding access to care.

Indian Health Service: (\$2.2 billion (or 36%) increase, \$8.5 billion total) The proposal aims to begin redressing long-standing, stark health inequities experienced by American Indians and Alaska Natives.

National Institutes of Health: (Overall increase of \$9 billion, \$52 billion total) \$6.5 billion will support the establishment of the Advanced Research Projects Agency for Health (ARPA-H), a bold new entity within NIH that will speed transformational innovation in health research. The remaining \$2.5 billion will continue NIH's long-standing commitment to investing in basic research and translating it into clinical practice to address the most urgent challenges, which include ending the opioids crisis, climate change, and gun violence.

Substance Abuse and Mental Health Services Administration: (Overall increase of \$3.7 billion, \$9.7 billion total) With these critical investments, SAMHSA is poised to respond to the opioid and substance use epidemic by expanding programs targeting prevention and treatment; increasing access to mental health services to protect the health of children and communities; and growing SAMHSA's capacity to support the nation's behavioral health programs.

