Understanding Rural Health in a Time of Policy and Health System Change and Reform

Common and Chronic Health Care Management 589
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• Established in 1980, at The University of North Dakota (UND) School of Medicine and Health Sciences in Grand Forks, ND
• One of the country’s most experienced state rural health offices
• UND Center of Excellence in Research, Scholarship, and Creative Activity
• Home to seven national programs
• Recipient of the UND Award for Departmental Excellence in Research

Focus on
– Educating and Informing
– Policy
– Research and Evaluation
– Working with Communities
– American Indians
– Health Workforce
– Hospitals and Facilities

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**Today’s Objectives/Questions**

- How do Values play a Role?
- How do we define “rural health”?
- What are the Cultural, Social, Economic, and Demographic Differences between Rural and Urban Communities
- What is Rural Health Equity? Disparity?
- What is the Relationship between the “Rural” Community and “Rural” Health?
- What are the Primary Rural Health Issues and Needs?
- What are Barriers and Facilitators to Access in Rural Health?
- What is the environment for Rural Hospitals?
- What are some Options or Models for Positive Change?

**Ultimately Our Values Guide Our Perceptions Toward Health, Health Care, and Public Policy**

“It is not what we have that will make us a great nation. It is how we decide to use it.”

Theodore Roosevelt

“Vision is the art of seeing things invisible”

Jonathan Swift?

“Americans can always be relied upon to do the right thing...after they have exhausted all the other possibilities”

Sir Winston Churchill
How Do We Define Rural Health

What is Rural Health

- **Rural health focuses on population health and improving health status**
  - “Health outcomes of a group of individuals, including the distribution of such outcomes within the group” Dr. David Kindig, *What is Population Health?*
  - Rely on **social determinants of health** and their impact on the population (Health care system, Health Behaviors, Socio-Economic factors, Physical Environment) – “**drivers** of health policy” (Better Health, Better Care, and Lowered Cost – Three Aims)

- **Historically, rural health has focused more on infrastructure:** facilities, providers, services, and programs available to the public (all with quality, access, and cost implications) – **In the ACA world more emphasis on population health, but infrastructure is still critical as it is the pathway to achieve better population health.**
  - HRSA (ORHP, SORH, Flex, NHSC) – Federal bureaucracy orientation
  - Infrastructure improvement- health orgs, systems, payment structures
  - More and more health networks – independence with collaboration
  - Delivery systems: CAH, clinics, public health, EMS, nursing homes/aging services, home health, mental health, dental, pharmacy, and others
What is Rural Health?

- **Rural health is not urban health in a rural or frontier area**
  - Social determinants of health vary between urban and rural (economics/income, education, health systems, environmental conditions)
  - Rural is older, poorer, less insured, and has a higher level of morbidity for a number of conditions
  - Rural culture, relationships, how we do things are distinct

- **Rural health needs effective health policy, and health policy needs to rely on competent research**
  - Policy process that is reflective of rural health needs
  - Policy advocacy that tends to be bipartisan
  - Variety of advocacy groups
  - Rural health research community

### Philosophy: rural people have the same right to expect healthy lives and access to care as do urban people – *fairness frame*

- Access essential services locally or regionally
- Access to specialty services through network arrangements
- Health outcomes should be comparable
- Quality of care on par with urban
- Availability of technology

### Rural health is very community focused – *interdependence frame*

- Integral part of what a community is and how people see themselves
- Community engagement – public input is fundamental
- Sectors: Economic/business, public/government, education, faith/church, and health/human services
- Direct services provided to the public and secondary impact for other sectors
- Major employer
What are the Cultural, Social, Economic, Demographic Differences between Rural and Urban Communities?

Rural and Urban Strengths and Weaknesses

**Rural**
- **Strengths**
  - Strong informal support network
  - Fundraising
  - Cohesive
  - Established interdependence
  - Collaboration
- **Weaknesses**
  - Skewed population demographics
  - Fluctuating economy
  - Resistance to change
  - Shortage of professionals
  - Lack of resources
  - Over-tapped staff

**Urban**
- **Strengths**
  - More stable/diversified economy
  - Availability of resources
  - Availability of professionals
  - Growing and diverse population
  - Change is natural
- **Weaknesses**
  - Lack of cohesiveness
  - Limited informal support
  - Competition among providers
  - Competition for fundraising
  - More contentious fractions
  - Less sense of "community"
What is Rural Health Equity?

Rural Community Health Equity Model

Environmental Conditions
- Demographics
- Economics
- Policy
- Health Status
- Workforce
- Finance
- Technology
- Health System Change
- Rural Community Culture & Dynamics

Impact on Community or Health Organization
- Threat to survival
- Growth/Decline
- Identity
- Perception toward change
- Perception toward opportunity
- How we respond

Community Action
- What do people think, want, or need?
  - Assessments
  - Forums-Discussions
  - Interviews
- Community Ownership (not health system ownership)
  - Collaboration
  - Inclusion
  - Participation
  - Interdependence
- Community Capacity
  - Skills and knowledge
  - Leadership development
  - Planning and advocacy
  - Manage change – non reactive

Source: Brad Gibbens, Deputy Director
UND Center for Rural Health
Population Health

“Health outcomes of a group of individuals, including the distribution of such outcomes within the group.” (Kindig, What is Population Health?)

• Groups can be based on geography, race, ethnicity, age, language, or other arrangements of people
• Focus – Health Outcomes (what is changed, what are the impacts, what results?)
• What determines the outcomes (determinants of health)?
• What are the public policies and the interventions that can improve the outcomes?

Social Determinants

World Health Organization definition:

"the circumstances in which people are born, grow up, live, work and age, and the systems put in place to deal with illness. These circumstances are in turn shaped by a wider set of forces: economics, social policies, and politics."
What is the relationship between the “rural” community and “rural” health?
Rural Community and Rural Health

- Communities are comprised of key sectors that have economic, social, and cultural components – together they comprise the town
  - Health (with human services)
  - Business (can have one or two dominant business types – ag, oil – economic impact of health and health care)
  - Education (school consolidation and sport coop changing some of the community identity)
  - Government – city, county, special districts – role of park board with health care
  - Faith (social and cultural connections – access to health)

- Viable health systems need viable communities – strong education, business, faith, government and business, like those sectors need a strong health system (e.g. health access for employees, general health improvement, health care is large employer adding to business and schools)

Why is Community Engagement Important to Rural Health

- Health care providers and organizations cannot operate in isolation.

- Even more important as we implement health reform – new payment models – movement from volume payments to value based payments as more and more providers are assessed and reimbursed on outcomes and patient satisfaction.

- Community members input on needs, issues, and solutions more critical than ever – community involvement in finding solutions (CHNA) that reflect their needs – community ownership not just the health providers – hospitals must address “community benefit”

- Building local leadership and local capacity – think of the next generation of community leadership.

- Communication – listening to the community – educating the community.

- Simple answer: You need to be engaged because you need to survive.
What are the Primary Rural Health Issues and Needs?

What are Some Important Rural Health Issues?

- Access to and availability of care
- Financial concerns facing rural hospitals and health systems
- Health workforce
- Quality of Care
- Health Information Technology
- Networks – rural hospitals, urban hospitals, clinics, others
- Emergency Medical Services – EMS, ambulance, quick response units
- Community and Economic Development
- Health System Reform

Sources: 2008 Flex Rural Health Plan, 2009 Environmental Scan, and community presentation feedback surveys 2008-2016
Preliminary CHNA Issues (2014-2016)

- 41 CHNA analyzed out of 45
- 182 ranked needs (range 2 to 9 ranked needs per CHNA, most 4-5)
- Issues
  - Behavioral Health: 23 out of 41
  - Mental Health: 20
  - Health Workforce (physician/provider R&R, specialists): 17
  - Obesity and Overweight: 13
  - Elderly Services (availability of resources): 10
  - Wellness (Lifestyle, exercise, physical activity): 10
  - Costs (healthcare, insurance, prescriptions): 9
  - Childcare/daycare: 9
  - Jobs with Living Wages: 8
  - Ability to Recruit and Retain Young Families: 8
  - Illness and disease (heart disease, cancer, diabetes): 6
  - Housing: 4
  - Poverty: 2

What are Some Important Rural Health Issues? (CHNA)

- Health care workforce shortages: (28 of 39)
- Obesity and physical inactivity: (16 of 39)
- Mental health (inc. substance abuse): (15)
- Chronic disease management: (12)
- Higher costs of health care for consumers: (11)
- Financial viability of the hospital: (10)
- Aging population services: (9)
- Excessive drinking: (7)
- Uninsured adults: (6)
- Maintaining EMS: (6)
- Emphasis on wellness, education, & prevention: (6)
- Access to needed equipment/facility update: (6)
- Marketing and promotion of hospital services: (5)
- Violence, traffic safety, elevated rate of adult smoking, lack of community collaboration, and cancer tied with: (3)
- Lack of day care/housing: (2)

Source: CHNA conducted 2011-2013 (39 of 41 ND hospitals)
What act as Barriers or Facilitators
to Rural Health Access

Common Access Barriers and Facilitators in Rural Health

- Financial
- Availability of facilities and providers
- Demographics
- Community viability – (e.g., economics, community identity, community engagement)
- Geography, distance, and transportation
- Population health – health status
- Caregivers (e.g. family)
- Communication (e.g. health care literacy, translation, and more)
- Quality of care
- Privacy and/or social stigma
What is the Environment for Rural Hospitals?

Rural Hospital Environmental Considerations

- ND CAHs are complex and serve as a “Hub” service system for health and some human service functions for rural communities

- ND CAHs serve a more vulnerable population – population health is a major concern for rural North Dakota

- ND CAHs make a significant economic contribution to their communities and service areas

- ND CAHs face many financial concerns
CAHs are Service “Hub” providers

- 35 of 36 CAHs (97%) own and/or operate another health business
  - 87% (32 CAHs) operate 57 primary care clinics (42 RHCs)
  - One CAH shares an administrator with the FQHC
  - 36% (13 CAHs) own/operate a nursing home
  - 31% (11 CAHs) have both a clinic and nursing home
  - 28% (10 CAHs) own senior apartments
  - 25% (9) own/operate ambulances
  - 22% (8) operate assisted living
  - 19% (7) operate basic care
  - 6% (2) offer home care services

- Policy makers – stress the equity frame and the interdependence frame

CAHs Serve a More Vulnerable Population

- 63% of people 65 and older live in rural ND (about 42% of CAH inpatient base is Medicare)
- About 368,000 ND are rural (outside the MSAs) – about 356,000 are urban – (USDA Economic Research Service, September 2014)
- 46% of ND veterans are rural compared to about 30% nationwide
- 11.1% of rural ND live in poverty; 11.2% of urban ND (rural much higher in 1999, 1989, and 1979)
- Health disparities
  - Rural ND higher rates for health behaviors: smoking, binge drinking, drinking and driving, not wearing a seat belt, not exercising
  - Rural ND higher rates for general health conditions: disability, overweight/obesity, having only fair or poor health, and number of days with poor health
  - Rural ND higher rates for specific health conditions: high cholesterol, high blood pressure, arthritis, cardiovascular disease, and diabetes (2010 CDC BRFSS)

- Policy makers – stress the equity frame
CAH CEOs Perceptions of Issues – 2014 Survey

• 34 Issues, Top 10
  - Access to mental or behavioral health services for inpatient and outpatient (Mean = 4.1 on 5.0 scale)
  - Access to mental or behavioral health services for substance abuse
  - Hospital reimbursement – 3rd party payer
  - Hospital reimbursement – Medicaid
  - Impact of the uninsured
  - Impact of the underinsured
  - Primary care workforce supply
  - Hospital reimbursement – Medicare
  - Nursing workforce supply
  - Ancillary workforce supply

ND CAHs Make a Significant Economic Impact

• 50% of CAHs have local tax support (2014 survey) – 36% in 2011 and 11% in 2005 - $30,000 to $550,000/yr (10 over 100,000 a year)
• 9 sales tax and 5 mill levy (4 did not identify)
• 85% have a hospital foundation (Source 2014 CRH CAH/PPS Hospital Survey)
• ND CAHs have, on average, about a $6.4 million (wage and benefits) impact on their community – primary/direct and secondary/indirect) – 1.5% multiplier
• ND CAHs produce, on average, about 224 jobs (direct/indirect) to local economy
• Statewide CAHs contribute about $230 million to economy and 8,000 rural jobs (Source: CRH Rural Hospital Flexibility Program, CAH Four Key Factors)
• 1 rural physician can have an impact of about $2.4 million ($1.5 million revenues and about $900,000 in payroll for clinic and hospital)
• 1 rural physician can generate about 4 clinic jobs and 13 hospital jobs (Source: Rural Health Works)
CAHs Face Many Financial Concerns

- Nationally, from 2010 thru January 2017, 70 rural hospitals closed
- ND CAHs operating margins (-1.67); nationally +0.68 (2011 data)
- ND CAHs Operating Margins were (-0.67)
- SD CAHs operating margins (+2.76)
- MN CAHs operating margins (+2.88)
- ND CAHs total margins (-0.02); nationally +2.33
- ND CAHs Total Margins were (+0.15)
- SD CAHs total margin (+3.17)
- MN CAHs total margin (+3.45)
- ND CAHs ranks 4th in oldest physical plant
- ND CAHs ranks 20th in days cash on hand
- CAHs in ND increasing local tax support and hospital foundations
- (source: Flex Monitoring Team Data Summary Report No. 13, 2014)

What Does the Center for Rural Health do to Assist Rural Communities?
CRH Assistance to Rural Communities

• Community Engagement Tool Kit
• Community Assessments
  o Community Health Needs Assessment
  o Special Focus (e.g., assisted living, wellness centers, other)
• Focus groups
• Key informant interviews (one-on-one)
• Strategic planning (organizational planning and community health planning)
• Grant writing workshops
• Grant proposal critiques and background searches
  o Rural Assistance Center (www.raonline.org)
• Community forum and/or meeting facilitation
• Program Evaluation
• Speakers Bureau – annual meetings or special presentations (rural health, health policy, Native American, aging, community development/engagement, evaluation/program sustainability, HIT, quality improvement, TBI, network and system development, veterans, and other subjects – just ask!)
• CAH Quality Network
• Internal Personnel Audit (staff satisfaction with work environment)
• Education – statewide assessments (hospital and public health), presentations, research

What are Some Options for Positive Change? Rural Communities and Vision is the Art of Seeing Things Invisible
Rural Health Options

- **Capacity Building – equity and interdependence**
  - Community Engagement Tool Kit (January 2015)
    - Skill development to build local coalitions to address local health issues
    - Building partnerships and networks
    - Assessment and planning
    - Resource identification
    - How to write a grant
    - Evaluation and sustainability

- **Grant Development – equity and interdependence**
  - Grant writing workshops and proposal critiques
  - Medicare Rural Hospital Flexibility Grants and SHIP grants
  - Rural Health Outreach grants
  - Rural Network Development grants
  - Rural Network Planning grants

- **Community Health Needs Assessment – equity and interdependence**
  - NEW instrument – address hospital and public health needs

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Rural Health Options

- **Medicare Rural Hospital Flexibility Program**
  - Since 1999, Flex has provided over $5 million in direct grants to ND CAHs (and another $3.5 million in Small Hospital Improvement Program-SHIP grants)
  - Impacted over 125 communities
  - 348 separate subcontracts with hospitals (about 9.6 contracts per CAH)
  - Help CAHs develop services, networks, staff and community education and/or training, board education, improve financial viability (Charge master review), quality improvement
  - Created CAH Quality Network – all 36 CAHs are members and work with the big 6 (regional CAH meetings)
  - Direct assistance:
    - 267 community and/or hospital meetings
    - 58 community needs assessments
    - 30 strategic planning sessions
    - 16 economic impact assessments
    - 11 Internal Personnel Audits
    - 34 Statewide workshops
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Rural Health Options

- Outreach Grants
  - $200,000 a year for 3 years
  - 3 separate legal entities working together – MOU
  - Applicant rural and non profit but can have urban and/or for-profit partner
  - Every other year
  - 23 grants funded in ND since 1991
  - 18 of 23 grants involved a rural hospital (78%)
  - 11 of 23 grants involved a collaboration of a rural hospital and rural public health (48%)
  - Other partners: 4 grants had ambulances, 3 grants community action agencies, 3 academic units, 2 tribal colleges, 2 economic/job development, 2 tertiary hospitals, 2 public schools, 1 pharmacy
  - Dickinson – 4 separate Outreach grants, Wishek 2
  - Subjects addressed – chronic disease, disease prevention, mental and/or behavioral health, EMS, community wellness, health insurance access, community health education, dementia, mobile health clinic, primary care clinic expansion, nursing education, public school nurse development, and other
  - 2014 applicants – advanced care planning, substance abuse, community access to Marketplace/Medicaid Expansion, care coordination for elderly

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Conclusions

- Rural health is a significant sector in rural communities
- Rural health is unique or different from urban-based health
- Rural health organizations, including rural hospitals, are complex organizations
- ND recognize a wide variety of community health needs, some related to population health, and some more organizational and structural
- Center for Rural Health works closely with rural communities, particularly to build local capacity
- Rural health providers have used a number of grants to start local/regional initiatives
- Health workforce is a significant issue
Questions??

Contact us for more information!

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