Rural Health at a Crossroads: Issues and Trends

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Focused on Access, Financing and Quality Through:
- Health services research
- Health policy
- Education
- State and community health services development
- Information Resource

How: Through partnerships
Change in the Rural Environment

Environmental Impacts
- Demographics
- Economic Conditions
- Political Process
- Workforce
- Health Organizations
- Culture and Attitude

Community and Hospital
- Take Action
- No Action

Action
- Planning and Assessment
- Education
- Community Forums
- Task Force Development
- Collaboration
- Advocacy, Progressive

Change Isn’t Easy

“Everything that can be invented, has been invented”

“Who the hell wants to hear actors talk”
~ Harry Warner of Warner Brothers

“That little black box will never amount to anything”
~ Louie B. Meyer, MGM

“Americans can always be relied upon to do the right thing, after they have exhausted all the other possibilities”
~ Sir Winston Churchill
Jonathan Swift once said:

“Vision is the art of seeing things invisible”

Demographic Issues

- 1990-2000 47 of 53 counties lost population
- 1990-2000 48 of 53 counties saw a decline in number of youth
- Median age 1960 was 26.2 and in 2000 it was 36.2
Demographic Issues

- People 65 and older accounted for 12.3% of ND population in 1980 but 14.7% in 2000

- Elderly growth is not ubiquitous
  - 1990-2000, 39 counties saw a decline in the number of county residents 65 and older
  - Counties that equal or exceed state average (14.7%), 35 experienced a decline in the number of people 65 and older

- The state's birth rate has declined every year since 1982
Combined Rural Counties that Equal Cass County
1990-2000

The combined population of the 35 pink counties (122,096) approximately equals the population of Cass County (123,136)

Non-Governmental General/Acute Care Hospitals
With Closures and Hill-Burton Funding

○ Received Hill-Burton Funds - 41  ✗ Closed - 26  ✓ Open - 43

Bruce Briggs, December 1990
Health Professions

- 89% of ND counties are entirely or partially a HPSA/MUA for physicians
- NDHA (2000) projected 3 year need of 120 full-time and 34 part-time registered nurses and 44 full-time and 17 part-time LPN
- Average age of RN – 43 years
- Only 15% of ND’s RNs are 30 or younger
- 93% of EMTs are volunteers
- 63% of statewide EMS survey (2000) said recruitment and retention of EMTs was a serious problem

North Dakota Rural Hospitals
Organizational Structure - 1998

Source: 1999 Rural Hospital Survey, UND Center for Rural Health
North Dakota Rural Hospitals
Payer Mix - 1998

Source: 1999 Rural Hospital Survey, UND Center for Rural Health

North Dakota Rural Hospitals
Source of Revenue - 1998

Source: 1999 Rural Hospital Survey, UND Center for Rural Health
North Dakota Rural Hospital

North Dakota Rural Hospitals
If We Do Not Link With Another Health Care System, It Will Jeopardize Our Survival

Source: 1999 Rural Hospital Survey, UND Center for Rural Health
Rural Hospital Capital Issues

- 2001 national survey of rural hospitals (Project Hope)
  - 38% reported having deficiencies “that, by law, require renovation or remodeling”
    - Roofs
    - ADA compliance
    - Heating
    - Ventilation/air conditioning
    - Sprinkler systems
  - Median cost of correcting the deficiencies $1 million

Rural Hospital Capital Issues

- Most hospitals will need to borrow funds to fix these deficiencies (55%)
- Most hospitals have the ability to borrow funds (81%)
- Hospitals with most difficulty in obtaining loans tend to be:
  - Older (15.1 yr vs. 10.2 yr)
  - Operating losses (90% vs. 29%)
  - Small revenues ($4m/yr vs. $20m/yr)
  - Low volume (0-499 admissions vs. 2,000 +)
Rural Hospital Capital Issues

• HUD 242 Loan Guarantee Program
  ➢ Mortgage insurance for new construction, modernization, and equipment
  ➢ Reorganized for Critical Access Hospitals

• USDA Community Facilities Program
  ➢ Direct loans, loan guarantees, and some grants
  ➢ Provide essential services to rural populations
  ➢ Public, non-profit and tribal government

Economic and Demographic Impacts

A population that is:
  – Smaller
  – Older
  – Poorer

Rural Health Impacts:
  – Smaller markets
  – Greater dependence on Medicare population
  – Greater difficulty in recruiting and retaining health professionals
  – Smaller tax base
  – Greater number of people without health insurance or with limited insurance
  – More chronic health conditions
Strategies for Rural Health System Survival

1. Community Involvement and Support
2. Strategic Planning and Marketing
3. Diversification and Redefinition of Services
4. Progressive Healthcare Leadership
5. Collaboration – Provider to Provider, Community to Community
6. Emphasis on Quality
7. Advocacy and Involvement