

Letter to the Secretary: March 3-5, 2002, Washington, D.C.

May 6, 2002

The Honorable Tommy G. Thompson
Secretary
Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Thompson,

The National Advisory Committee on Rural Health conducted a successful meeting March 3-5, 2002, in Washington, D.C. This was my first meeting with the Committee as the new Chairman and I would like to thank you for the opportunity to work with such a committed group.

The Committee spent the past year focused on the rural health care safety net and has prepared a Report on the issues. The Report is attached, along with recommendations we would like for you to consider. This Report considers ways to "mend the rural health safety net," and extend it by ensuring access to primary care and hospital services and maintaining an adequate workforce. On behalf of the Committee, I would like to share with you some of the highlights of our discussions and the report.

- The rural health care safety net plays a critical role in ensuring access to care for the poor and uninsured, however this loose network of providers is in a vulnerable state due to financial and workforce limitations.
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- Hospitals play an important role in the economic viability of rural communities and Medicare and Medicaid disproportionate share hospital (DSH) policies could be strengthened to better support them.
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- Several programs operated by HHS ensure access to primary care, such as Federally Qualified Health Centers and Rural Health Clinics. Payment caps and reimbursement methodologies should be reexamined and assessed for equity of requirements related to "charity care."
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- It is critical that HHS work with State and local partners to ensure an adequate rural health workforce. The National Health Service Corps offers one important mechanism for supplying physicians to rural areas and should be strongly supported. In addition, the importance of Medicare Incentive Payments to rural physicians deserves attention and support.

These and other issues are addressed in the report you have before you. In looking ahead to next year, the Committee has decided to focus on two important topics for rural health: workforce and quality. We would be pleased to discuss with you how these two reports might be focused to best meet the priorities of the Department.

During the March meeting, two workforce-related issues of concern were raised. The first was the decline in the number of primary care physicians in rural areas and the serious access problems this creates for rural residents. Family physicians provide 90 percent of primary health care in rural communities. Although the national supply of physicians is increasing overall, the number of family practitioners has remained stable and the match, or fill rate, for family practice residencies has declined. Also, even though 20 percent of the country is rural, only 10 percent of all physicians practice in rural areas. The Committee is concerned that this decline in the workforce could put many rural communities at risk of not having access to a primary care physician. While no formal recommendations were developed, the Committee believes this situation warrants further study.

The second issue related to the rural workforce that was brought up during the March meeting was the USDA's recent decision to terminate its J1 visa waiver program allegedly because of national security concerns. J1 visa waiver physicians are currently providing medical care to more than four million people living in underserved areas of rural America. They are an essential part of the rural health safety net. The Committee is supportive of this program, however, the group understands that there are certain national security concerns that need to be addressed.

At its upcoming June meeting in Arizona, the Committee will be discussing border health issues, including the impact of uncompensated care, the trend toward closure of obstetric and long term care units in rural areas and the need for an integrated emergency medical services system. We look forward to sharing with you the results of that meeting.

Again, thank you for your continued support and your commitment to rural health.

Sincerely,

The Honorable David M. Beasley