

September 12-14, 2007, Madison, Wisconsin

Health Resources and Services Administration
Office of Rural Health Policy

Madison, Wisconsin
September 12-14, 2007

Meeting Summary

The 57th meeting of the National Advisory Committee on Rural Health and Human Services was held on September 12-14, 2007 in Madison, Wisconsin.

Wednesday, September 12, 2007

The meeting was convened by Vice Chairman Larry Otis. The Chairman, Governor David Beasley, was unable to attend. Mr. Otis reviewed the agenda for the meeting and announced that it would be the last meeting for several members whose terms have expired. These members are Susan Birch, Arlene Jackson Montgomery, Heather Reed, Tim Size, Lenard Kaye, Ron Nelson, Bessie Freeman, Sister Janis Otis, and Joseph Gallegos.

The Committee members present at the meeting were: Susan Birch, RN, MBA; Paul Craig, PhD, A.B.P.P.; Bessie Freeman-Watson; Joseph Gallegos, M.B.A.; Sharon Hanson; David Hewett; Thomas Hoyer, MBA; Lenard Kaye, D.S.W.; Clint Mackinney, MD, MS; Arlene Jackson Montgomery, Ph.D.; Michael Meit, MPH; Ron Nelson, P.A.; Larry K. Otis; Patti Patterson, M.D.; Heather Reed; Tom Ricketts, Ph.D.; Tim Size, MBA; and Julia Sosa. Mr. Dennis Dudley attended representing the U.S. Administration on Aging.

The members unable to attend were: Karen Perdue; Sister Janice Otis; and Governor David Beasley.

Present from the Office of Rural Health Policy were: Tom Morris, Erica Molliver, Carrie Cochran, Jennifer Chang, Judy Herbstman, and Nina Meigs.

Setting the Context for Rural Wisconsin

Dennis Winters, Director, Office of Economic Advisors, Department of Workforce Development, Wisconsin
John Eich, Director, Wisconsin Office of Rural Health

Mr. Winters presented information on the demographics of Wisconsin and significant population and workforce issues. He emphasized that the workforce in Wisconsin will be declining while the total population is growing. The major ramification of these trends is slower economic growth. The labor force participation rate is still among the highest in the country and the unemployment rate still remains low relative to the U.S. average. Most industries are growing except for manufacturing. Industry wage rates are low relative to the U.S. averages. Nevertheless, there have been significant gains in wages for health care workers. The stagnant population in Wisconsin coupled with a declining workforce poses a major challenge for the State.

Larry Otis asked about the percentage of the workforce employed in manufacturing jobs. The speaker replied that the high percentage of manufacturing jobs in Wisconsin is both a blessing and a threat given a national trend in manufacturing decline.

Dave Hewett asked about the role of technology in replacing workers and trends in employment for the elderly. Mr. Winters responded that technology always plays a role and that more output does not necessarily result in higher wages. He also noted that labor participation by the elderly was increasing somewhat, but not enough to compensate for labor shortages.

Mr. Eich presented maps and data to highlight some of the major rural health care issues in Wisconsin. Population growth is less rapid in Wisconsin's rural areas than in urban areas of the State. Some rural areas are losing population. Retirees are placing increased demands on scarce health services in Northern parts of the State. Poor health outcomes are much more prevalent in rural areas of the State than in urban communities. Issues facing rural hospitals include costly regulatory oversight, workforce shortages, shortening hospital stays, increased costs, and potential negative effects from the Medicare Advantage Program. There are 59 Critical Access Hospitals, the 6th largest group in the nation. There are 16 Community Health Centers operating at 85 sites. A shortage of dental providers is a significant problem in rural areas and the number of dentists is in decline. Only a small percentage of Medicaid recipients are able to access dental services. Mr. Eich discussed ongoing efforts in dental recruitment, including proposals for a new dental school, for loan repayment and new community-based incentives. Other issues include shortages of mental health workers, declining numbers of volunteers for emergency medical services, and poor health status indicators for the ten registered Tribal Nations in Wisconsin.

Susan Birch inquired about the public health system in Wisconsin. Mr. Eich replied that the system draws funds and mandates from both state and local, and there can be strained relations between agencies at the two levels. The State has been cutting back on public health resources.

A Collaborative Approach to Increase the Supply of Physicians for Rural Wisconsin

Robert Golden, Dean, University of Wisconsin School of Medicine and Public Health

Dr. Golden provided an overview of the University of Wisconsin School of Medicine and Public Health (SMPH) and described how the Wisconsin Academy for Rural Medicine (WARM) is addressing geographic shortages and the maldistribution of physicians in rural Wisconsin. Twenty-five percent of Wisconsin residents live in rural areas, but only 11% of physicians practice at rural sites. WARM is a program within SMPH dedicated to encouraging more students to practice in rural areas. They will increase the size of WARM student classes to 25 students over the next five years. The admissions process will be structured to identify students with an affinity for rural practice. WARM students will spend their third and fourth years of medical school in regional and rural learning communities. The first group will be hosted by the Marshfield Clinic and future groups will be hosted in other rural settings. The Institute for Clinical and Translational Research, a partnership between the University of Wisconsin, the Marshfield Clinic, and other entities will offer students the opportunity to participate in research activities and is designed to rapidly move research from the laboratory to clinical care. Dr. Golden also talked about the Wisconsin Medical Scholars' Program, which is transitioning from a scholarship for rural High School students to a scholarship for students attending rural UW campuses.

Tim Size asked if Dr. Golden had any thoughts that the Committee should transmit to the Secretary, Department of Health and Human Services (DHHS). Dr. Golden responded that the Department should foster an approach to the recruitment and retention of rural providers that covers a continuum of activities, not just recruitment and training. Examples are loan forgiveness programs and team-building programs for physicians and nurses, as well as programs for the allied health workforce.

Welfare Reform

Roberta Gassman, Secretary, Wisconsin Department of Workforce Development, and Bill Clingan, Administrator, Division of Family Supports.

Secretary Gassman spoke about the Wisconsin Works (W-2) welfare program and the Governor's new directions for Wisconsin health policy. She stated that Governor Jim Doyle inherited a record state deficit in 2003, and has sought to address a deteriorating economy and high unemployment. The Governor has resolved the deficit without raising taxes and unemployment is down. Workforce development has been at the heart of the Governor's agenda for addressing economic issues. Secretary Gassman briefly described the workforce development programs in her Department. These programs emphasize training and placement services, support for working families, greater opportunities for real work experiences, agency accountability, and improved customer services. Caseloads for the W-2 program have declined dramatically since 1997. Major reasons for the decline are a growing economy, more employment opportunities, and improvements to the W-2 program. Rural caseloads are the lowest in seven years. Last year there were 5,133 job placements in rural areas and the pay for these jobs is going up. The rural poor face substantial barriers in the fight against poverty, including limited child care services, little or no public transportation, and fewer job opportunities. Secretary Gassman spoke about local rural transportation initiatives that are helping poor families finance the purchase of cars. She closed her presentation by reviewing some of the Governor's other initiatives to create new jobs, increase the minimum wage, and improve access to health care in rural areas.

Dave Hewett asked about health insurance for W-2 clients. Secretary Gassman said that the State is trying to get most clients into jobs that include health insurance coverage. Local agencies and employers have been pushed in this direction.

Lenard Kaye asked about civic engagement and creative workforce opportunities for seniors. The speaker answered that labor shortages in the State call for as much senior participation in the workforce as possible. Flexible hours and other incentives are encouraged to attract seniors. There is a focus to retain the disabled population in the workforce and there are efforts to retain health care workers in their jobs beyond retirement age.

Larry Otis asked if Secretary Gassman had any recommendation for the Secretary, DHHS. She replied by expressing concern for the decrease in federal funds for employment training programs. She also called for closer integration of programs at the Department of Labor and DHHS, stating that program integration is an important issue for policy makers at all levels. She called for greater flexibility in the use of federal funds and program waivers.

State Medicaid Waivers that Improve Access to Healthcare

Kevin Hayden, Secretary of the Wisconsin Department of Health and Family Services

Mr. Hayden presented on Wisconsin's plans for improving access to health care. He began with a message to the Secretary, DHHS urging support of state plans to become active purchasers of health care. He also called for federal funds to support electronic health care records and telehealth. In Wisconsin the Governor's vision is for universal access, lower health care costs, and higher quality care. Under a Federally approved program entitled SeniorCare, the State negotiates directly with drug manufacturers and gives more than 102,000 seniors access to prescription drugs. A family care program gives seniors and the disabled more choices on where to live by providing the support services they need to stay at home. The program has created cost savings and has ended waiting lists for community services. The Governor plans to expand Aging and Disability Resource Centers to cover 75% of the population by 2009. Changes have been made to the Food Stamp Program to streamline eligibility requirements and make it easier for families to qualify. In health care the biggest rural concerns include access to dental and mental health services, as well as stable financing for the Medicaid program. The goal is to ensure that 98% of Wisconsin residents have access to affordable health insurance – including all children. The State plans to implement Medicaid expansion for low-income adults in January 2009. Mr. Hayden expanded on the details of Wisconsin's BadgerCare Plus plan and specific features of the plan that will address rural health care issues. An important feature of the plan is to expand non-traditional points of entry for Medicaid such as Boys/Girls Clubs, WIC, Head Start, and faith-based organizations. The new Medicaid program will also have a vastly streamlined eligibility process. He talked about efforts to reduce the cost of health insurance through tax deductions and other measures. Other initiatives include a raise in taxes on cigarettes; increased provider payment rates under Medicaid; establishment of a Healthy Wisconsin Authority to develop reinsurance programs for small businesses and explore other ways to reduce costs; programs to strengthen cooperatives to help farmers and small business purchase health care; improvements in the quality of care, including investment in electronic records; and a closer alignment of Wisconsin's programs with federal partners.

Clint MacKinney raised the question of defining problem access areas when setting higher Medicaid payment rates. Mr. Hayden noted that half of the Wisconsin Medicaid population resides in five counties. He said that complaints about access are considered along with longer waiting periods for services and other problems with the delivery system.

Susan Birch asked about integration of health and social services. The speaker replied that the State is looking at the role of schools in health education, including immunizations in day-care, and that health literacy is high on the agenda.

Tim Size asked for the speaker's ideas on the Committee's topic of integration. Mr. Hayden stated that health literacy has to become integrated with the educational system. He also said

that health practitioners must have a higher awareness that they are in the public health business.

Dave Hewett asked how the State was dealing with the tendency of private employers to pull back on health insurance when state programs are expanded. Mr. Hayden replied that the State was very much aware of the “crowd out” phenomena and was creating strategies through its Medicaid waiver provisions to avoid it. One such strategy is subsidized premiums for private insurance.

Toyota Motor Company Health Initiatives – Tulepo, MS

Ford Brewer, MD, MPH; Medical Advisor, Toyota North America.

Dr. Brewer presented health care initiatives of the Toyota Motor Company at its manufacturing centers in North America. The company plans to establish a family health center at its new plant in Tupelo, Mississippi and at other locations throughout the country. Dr. Brewer began with a critique of health care issues related to the high cost of insurance premiums, growing numbers of the uninsured, global competitiveness, and rising health care costs experienced by the big three automobile producers-General Motors, Ford, and Chrysler. He described Toyota’s strategy for dealing with increased costs through enhanced quality of care, improved access to quality facilities, appropriate access to health care data, and a focus on wellness and prevention. Employees at the Tupelo plant will have immediate access to a family health center located at the plant and staffed by primary care providers. The center will establish a network of care with local hospitals and specialty care providers. An integrated data system will track patients through the system and collect information for quality improvement initiatives. The integrated service model will facilitate and simplify patient flow through the health care system. The integrated strategy includes primary care education from physicians, a disease management model, direct provider contracting between Toyota and high quality local providers, and a consumer driven benefit plan design. He also talked about Toyota’s strategy for purchasing pharmaceuticals and their plans for an on-site pharmacy delivery system at Toyota plants.

Clint MacKinney asked about the quality measures that will be used to build the Toyota specialty care network. Dr. Brewer said that price was not a consideration in building the network of specialty care providers. Instead, quality parameters were used to screen the network candidates. Price was used to select the network hospitals.

Susan Birch asked if Toyota contracted with Community Health Centers. The speaker replied that some mental health programs are with the Centers.

Tim Size asked about the implication of Toyota initiatives for smaller rural areas. Dr. Brewer noted that smaller companies have tried similar approaches with less elaborate clinics and pharmacies.

Several members commented on how the model might apply to less controlled environments with a less captive group of people. Dr. Brewer acknowledged problems in finding lessons that might be applied to other rural environments. However, he noted the trend among employers toward direct contracting with health care providers and said that much can be learned from the management approach taken by Toyota.

Call for Public Comment

In response to the call for public comments, Mr. John Eich from the Wisconsin State Office of Rural Health encouraged the Committee to talk with the Secretary, DHHS about the need for additional funds to support health information technologies (HIT) in rural areas. He said that costs do not stop with the initial purchase of computers and that small rural hospitals will continue to need support in the HIT area for system maintenance.

Subcommittee Meetings

The three Subcommittees met on Wednesday afternoon to continue their work on the annual report to the Secretary.

Thursday, September 13, 2007

On Thursday morning the Committee departed for a site visit to the Rural Wisconsin Health Cooperative Office and Training Center in Sauk City, WI. The Committee divided into two groups to hear subject-related presentations.

On Thursday afternoon, the Full Committee reconvened for additional presentations.

Campaign to End Wisconsin Child Poverty: Vision 2020

Charity Eleson, Executive Director, Wisconsin Council on Children and Families

Ms. Eleson spoke about the economic case for eliminating poverty, noting that childhood poverty reduces productivity, leads to poor health, and reduces economic growth in this country by about \$500 billion each year. She said that about 192,000 Wisconsin Children live below the Federal Poverty Level and the number has been growing steadily since 2000. The number of Wisconsin children living in extreme poverty (50% of the federal poverty and less) has risen to

80,000 since 2000. There is a partnership between The Wisconsin Head Start Association, the Wisconsin Community Action Program Association, and The Wisconsin Council on Children and families that is working to address child poverty. The partnership has set measurable goals that include providing health insurance to all Wisconsin children by 2020. A second goal is to build a universally accessible system of childhood education in the State. Other goals are to expand affordable housing and increase access to quality jobs. The Partnership asks people to sign pledge cards supporting its goals and has developed a range of campaign tools to garner public support and produce policy changes.

Health and Human Services for Minority Peoples in Rural Wisconsin

Jean-Ann Day, Ho-Chunk Social Services Director

Ms. Day spoke about the Ho-Chunk people and how the Nation is organized to provide health and social services. The Nation has over 3000 employees supported by grants, small business revenues, gaming facilities, and textile production. It differs from other Tribal Nations in Wisconsin by serving all members no matter where they live. The speaker described the Nation's youth services programs, programs for the aged, and activities to address domestic violence. She also mentioned a child care voucher program, emergency financial assistance programs, and other social services provided by the Nation. Ms. Day discussed several measures that can be taken to assist the Nation. She called for collaboration between State, Tribal and Federal programs to accomplish these goals.

Scenic Bluffs Community Health Centers

Mari Freiberg, Executive Director

Ms. Freiberg said that the Center was founded in 1994 to serve isolated populations in three rural counties of Wisconsin, including Amish people, Medicaid recipients, and Hispanic populations. The Center offers a dental program and operates on a sliding fee scale, which Ms Freiberg believes strongly promotes health care access among the Amish and other uninsured populations without diminishing their dignity. With a budget of \$4 million it is one of the biggest businesses in its community. She described the demographics of the community and some of the prevalent barriers to health care. Language and cultural barriers are always an issue and there are creative outreach programs directed at Hispanics and at the Amish. Ms. Freiberg offered policy considerations for the Committee in the following areas: access to oral health, the need for electronic medical records, prenatal care for undocumented women, confusing and conflicting federal definitions for migrant seasonal workers used by different federal programs, HPSA designations for pockets of rural isolated population, and workforce shortages.

Subcommittee Reports and Site Visit Debriefing – Full Committee

Vice Chairman Larry Otis led a discussion of the site visit presentations and the Subcommittee reports.

Several members said they were impressed by the quality of leadership development programs in Wisconsin and the work of the Wisconsin Leadership Institute. The presentations were extremely provocative and helpful.

Susan Birch commented that the presentation on long-term care described a dramatic change toward family-based care.

Ron Nelson commented that the presentation on regulation of the Medicare Advantage Program highlighted the need for more Federal accountability. He said that the Committee should address this in the Report to the Secretary. Tim Size agreed to the need for greater State regulation and Tom Hoyer commented that the job has been too big for the Centers for Medicaid and Medicare (CMS). State regulators must be given a role. Tom Hoyer added that the Committee should say in its report that it is aware of enforcement difficulties and that it supports proposed legislation to strengthen the role of State Insurance Commissioners.

Jennifer Chang summarized discussions by the Subcommittees during their meetings the previous day. Some of the common themes to emerge involve workforce issues, the higher initial and continued costs of health information technologies in rural areas, the need to support local leadership training programs for rural areas, and data collection issues for rural human services programs. Her summary prompted a discussion of “silo funding” issues and how to define and address their impact in rural areas.

Tom Hoyer suggested that the National Governors’ Association would be a likely place for information and a possible study of regulatory barriers to the integration of health and human services in rural areas. This sparked a more general discussion around the theme of integrated services and it became apparent that most members were uncomfortable with the term “integration” because it carries some negative connotations and is not inherently population focused. The Committee agreed that a more useful term for addressing issues of program coordination and collaboration would be “community development” and this will become the chapter heading in the Committee’s annual report.

Tom Ricketts said that there are some good examples of coordination and collaboration that the Committee should cite in the report and suggested that the Department’s evaluation funds could be used to study these models and perhaps fund demonstration programs.

Tim Size recommended that program guidances are just as important as regulation in the identification of barriers to collaborative efforts in rural areas.

Following this discussion, it was agreed that staff would draft the chapter on community development and circulate it for comment by the members.

Friday, September 14, 2007

Vice Chairman Otis opened the meeting with a call for recommendations from the Committee for inclusion in the Annual Report.

Tom Morris raised the issue of where to place the chapter on “A Retrospective on Rural Health” in the Annual Report. Some members advocated for this to be the lead chapter while others had thought it should be at the end of the report. A motion was approved to place it in the front of the report with careful editing to avoid redundancy with the other chapters.

Tim Size supported a recommendation for studies of where government funding agencies have erected barriers to collaboration among federal, state, and local programs. Tom Hoyer cautioned that funding silos are inevitable and even necessary, and that any recommendation must acknowledge the interests of funding agencies and their needs for accountability. Tom Ricketts agreed to draft some specific language for a recommendation that would call for a study to be conducted or sponsored by the National Governors’ Association (NGA). Tim Size warned that the NGA might not be able to speak to the challenges to integration experienced by the non-profit organizations.

Arlene Jackson Montgomery stressed the need for a recommendation on community leadership development, particularly in the area of public health. Larry Otis and others agreed with the need for strong leadership training programs. There will be recommendations to the Secretary in this area.

Dave Hewett recommended that the preamble to the report should highlight the fragility of rural health care providers and state that the special protections for these providers already in place will need to be sustained. More specifically, the report should stress the importance of rural Critical Access Hospitals. This theme is already in the draft recommendations and will be included in the final report.

Tom Hoyer said that human services organizations have not done as well with special protections because they do not have the same “business” infrastructure as health providers. The report needs to make this point.

Tim Size discussed disturbing trends in the workforces for health and human services. Funding has been reduced for workforce programs and the issue of access to dental services comes up in every discussion. There is a need to support dental schools that will actually produce dentists willing to serve underserved populations. Tom Ricketts agreed, and added that we need to support new well targeted dental programs, not the existing ones.

Clint MacKinney said that Senator Harkin has language in a farm bill that would support rural economic development. The staff will draft language for the Committee report that supports rural economic development.

Tim Size and Tom Hoyer commented that Wisconsin has been highly successful in obtaining Medicaid Waivers and that other states need to recognize that there is more flexibility available. There is an opportunity for the federal government to make more information available to the states. Tom Hoyer will draft a recommendation on states becoming more proactive with waivers. David Hewett warned that these waivers should not be approached or marketed as a solution for every state.

Tom Ricketts recommended amending the recommendation on program data collection to add a focus on state actions to review the Medicare Advantage program and its impact in rural areas.

Clint MacKinney advocated a recommendation to study the impact of the Toyota model on rural communities. The study would look at the broader issue of business involvement with health care in rural communities. Staff will draft a recommendation in this area.

Tim Size and Tom Ricketts recommended that the Department should study the emergence of free clinics in rural areas to determine if they reflect a failure of the federal safety net programs.

Larry Otis recommended that the preamble to the report describe problems that arise from different federal definitions for undocumented workers. The report should comment on the need to clarify these definitions.

Sharon Hansen called for a recommendation supporting rural initiatives on Head Start and child poverty. The staff will review a previous recommendation in this area.

Tom Morris said that the staff would also draft a recommendation on rural transportation issues.

Letter to the Secretary

Tom Ricketts asked for a sentence or two on the role of States in the enforcement of regulations for the Medicare Advantage program. The staff will draft this language.

COMMITTEE BUSINESS

The next meeting will be held on February 20-22, 2008 in Washington D.C. Tom Morris and Committee members suggested some possible topics for the meeting, including medication management, health and human services workforce issue, Native American health issues, transportation, and community organization issues.

It was announced that the June 2008 meeting may be held in North Carolina.

Public Comment

Mr. Rick Walker from the Office of Performance Review Chicago Regional Office strongly urged the need to establish Community Health Centers in areas with the greatest need. He said that this topic would make a good future agenda item for the Committee. He also asked the Committee to lend its voice to the call for health care for all Americans.

The meeting was adjourned.