May 19, 2021

Comments on Proposed Criteria for Defining Urban Areas

Thank you for the opportunity for the National Advisory Committee on Rural Health and Human Services (NACRHHS) to comment on the proposed criteria for defining urban areas. The proposed changes would have a significant impact on how much of the territory and population of the United States is classified as urban and rural. There are many aspects to the proposals in the February 19, 2021 Federal Register Notice (FRN), including a shift from population density to housing unit density as an underlying measure, but we will limit our comment to the aspects that could impact delivery of health care services in the rural United States – the change of the population floor for urban areas, and the elimination of the distinction between "urban cluster" and "urbanized areas."

In the FRN, the Census Bureau acknowledges that the urban area classification is used for non-statistical purposes and that the changes to the urban area criteria also might affect the implementation of a number of federal programs. For more than 60 years, the Census Bureau has differentiated between urban clusters (UC with core population 2,500-49,999) and urbanized areas (UA with core population 50,000 and up). Prior to 1950, the Census Bureau simply designated any incorporated place with a population of 2,500 or more as urban.

The distinction between UCs and UAs was useful because it recognized that there is a fundamental difference between places with as few as 2,500 people and places with populations over 50,000. However, the current use of urbanized areas does not recognize that there are also distinctions between places with 50,000 people and places with far larger populations. The Bureau's proposal is to change the minimum population floor for urban areas to 10,000 people and eliminate the distinction between UCs and UAs so that all urban areas, without any regard to their total population, will be classed the same.

We believe that the Census Bureau should reconsider the elimination of the UC designation for urban areas with population of 10,000 to 49,999. Our concerns are centered on how this proposed change could affect accessibility of health care services for the rural population. If small towns,

with populations from 10,000-49,999 are not distinguished from urbanized areas with populations in the hundreds of thousands or even many millions, it will make it more difficult to target federal resources. The Centers for Medicare & Medicaid Services (CMS) certifies Rural Health Clinics (RHCs) which receive enhanced reimbursement rates for providing Medicare and Medicaid services in order to incentivize providers to practice in rural areas. The statutory authority for the RHC program specifies that RHCs must be located in a Census Bureau-defined "non-urbanized area" and, since urban clusters are not "urbanized area," towns from 2,500-49,999 have been able to have certified RHCs serve their needs and the needs of the rural population in the area. There are more than 4,600 RHCs providing care to the rural population of the country.

The proposal to "to cease distinguishing different types of urban areas" would endanger future certification of RHCs in towns of fewer than 50,000 people. It would also endanger re-certification of RHCs that may move, or ones who construct a new facility.

While the FRN notes that "the Census Bureau is not responsible for the use of its urban area classification in nonstatistical programs" and goes on to suggest that "[i]f a federal, tribal, state, or local agency uses the urban area classification for nonstatistical purposes, it is that agency's responsibility to ensure that the classification is appropriate for such use," CMS cannot change their use of the Census Bureau's designation since it has been written into the statute by Congress. The kinds of health care services that can be supported by small populations, as opposed to large populations is not being reflected in this proposal. We ask that the Census Bureau reconsider the elimination of the UC designation for urban areas with population of 10,000 to 49,999.

Beyond the uncertainty created in the RHC program, there should be recognition of the immense changes in settlement patterns in the US since the Census Bureau originally began designating urban areas. Currently, suburbs are connected with urban areas as long as the population density doesn't fall below 500 people per sq. mile while suburban areas with low population density are classed as "rural," even though they are not rural and the people living in these low density areas have access to the health services in the adjacent high density areas.

A classification system that recognizes the difference between suburbs, small towns, large towns, small cities, large cities, and major urban centers would serve the country better than grouping all population cores of 10,000 or more people together into one category. It would allow federal grant programs to more precisely target funding. We urge the Bureau to consider expanding the range of classifications beyond the dichotomy of urban and rural.

Thank you for your consideration of the issues we have raised.

Sincerely,

The Honorable Jeff Colyer
Chair