

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

- Chip Khan: [00:11](#) Hello and welcome to Hospitals in Focus. I'm your host, Chip Kahn. Today we're speaking with Alan Morgan, CEO of the National Rural Health Association. NRHA is one of the most important organizations addressing health policy issues facing the 60 million Americans who call rural America home. Thanks for joining us today, Alan, for this special episode celebrating national rural hospital week. To get started, could you tell us a little bit about yourself and the NRHA?
- Alan Morgan: [00:46](#) Absolutely Chip, appreciate the opportunity to join you for this conversation today. I'm originally from a small town in Northeast Kansas and had the opportunity to work for the governor of Kansas and work on Capitol Hill. Lobbied for health organizations and health entities for about 10 years, but for the past 20 years I've worked for the National Rural Health Association. I have to tell you, it feels like I'm at home when I'm working with the organization.
- There's more than 24,000 members are within the National Rural Health Association and it represents the gambit of health care professionals. We have CEOs of rural hospitals, system administrators, we have rural clinicians, rural researchers. If you work in rural America or you care about rural America, there's a home for you in the National Rural Health Association. And if it benefits rural, we support it. So it's a pretty easy path forward for us.
- Chip Khan: [01:42](#) That's great. Let's get into some questions to start our conversation this afternoon. 60 million Americans live in rural America. That's about one in five Americans. What are the unique challenges rural Americans face in meeting their healthcare needs?
- Alan Morgan: [01:57](#) Well, rural America, to begin with, is not a small version of urban. It's really a unique healthcare delivery environment. It's a place where those in most in need of healthcare services oftentimes have the fewest options available. And by that I mean, currently we're seeing a decline of life expectancy among rural populations.
- It's not unusual to find a rural community where life expectancy is 20 years less than a suburban counterpart. And at a time where we have these great health disparities Chip, we're also in the middle of a rural hospital closure crisis. Since 2010, 119 rural hospitals have closed their doors, which is a lot. But what's more troubling is the projection going ahead. By estimates anywhere from 400 to 700 rural hospitals are at risk for closure over the next decade. And just it struggles the imagination to

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

figure out what rural health care will look like if we are faced with such an enormous decrease in access to emergency room care.

Chip Khan: [03:02](#) Beyond just the healthcare, what are the economic implications for rural communities of potentially losing the hospital?

Alan Morgan: [03:11](#) It's appropriate to refer to rural hospitals as anchor institutions within these communities. You're talking for most of the smaller rural hospitals, a 6 million a year budget for salaries and you're talking 150 employees. And that's the direct impact Chip. But you take it back to an indirect impact on food service within the town construction within the town, even the florist shop, that's a indirect impact that these hospitals have and the closures have on the community.

What's more difficult but more important though, I think, is the downstream effect, Chip. When you have a rural hospital close, you have young families that are not going to be moving into your town and you have seniors that are going to be moving out of your town. It's just simply isn't safe to live in a community where you're not within 30 minutes of an emergency room services.

Chip Khan: [04:05](#) Alan, despite some of these issues, some of the most creative innovations in healthcare are happening today in rural America, whether it be the use of telehealth or digital solutions. Can you speak to these innovations and what are the most beneficial changes you are seeing in rural America today?

Alan Morgan: [04:25](#) Oh, thanks Chip for bringing this up. Here in Washington DC, we tend to focus on everything that's wrong with rural America and it's important to note that innovation begins in rural America.

I have a hard time imagining any major health system innovation has happened over the last 30 years, that doesn't have its roots in a rural community. I mean, just for example, patient navigators began in Hazard Kentucky and now most health systems or hospitals employ patient navigators. Dental health aids, that says you're well aware, tried and tested in rural Alaska and now that's spread without the lower 48. Community health workers, again, here's a concept that was first codified by the National Rural Health Association in the early 80s, a rural innovation that now is spread throughout our healthcare system. And what you led with, you can't talk about innovation without talking about telehealth. Rural America has driven the innovation that we see in telehealth with the exception of NASA

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

of course. But let's be honest Chip, what's more rural than space?

Chip Khan: [05:31](#) It's not just the innovation. It's also, from what I understand, the partnerships. When it comes to rural health care, can you describe how people get together in rural communities and really, frankly, do more with less?

Alan Morgan: [05:45](#) Yeah, absolutely. I go back now to our opening of this discussion. When I talked about how painfully diverse our membership is. Back in the late 70s, the founders of our organization recognize that health care expands with beyond the hospital walls. And you know this Chip, now the move from volume to value. There is a realization that healthcare needs partnerships outside of the hospital and that's what we focus in on at our organization. I do want to highlight one particular hospital, Hancock County hospital in rural Tennessee in the Western part. It's recognized as one of the CAHs critical access hospitals to know by Becker's. And I was there a couple months ago and they bring this concept of partnership to a whole new level where they're engaging school health clinic, a local faith based group, the town elected officials all to finally implement what we've all been talking about and truly implementing population health.

Chip, I think this is a good example of what can be, and I think this is a good example of the importance of the partnership between the Federation and the National Rural Health Association and supporting Senate Bill 2648, the Rural ACO Improvement Act. Chip, We've got to find a way to foster this move from volume to value and make sure most importantly, the payment tracks with it as well, right? Lots of times in rural communities, they do what's right for the community, but the payment isn't there yet. We need to support their efforts and make sure that they have the proper financial environment to move ahead.

Chip Khan: [07:25](#) We're with you on that legislation, Alan, and really hope you can push it through over time. Let's talk about another aspect of the challenges though. As you mentioned earlier, Alan, rural America is proportionally older than urban America. Those people living in rural communities and their healthcare providers depend more heavily on the Medicare program. What do we need to do to shore up Medicare to be able to meet the promise for those seniors in those communities, the promise of access to care?

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

Alan Morgan: [08:03](#) In a rural context, it is not unusual to see the inpatient volume for a rural hospital be as high as 70% Medicare, Medicaid. And when you've got that type of environment, you have to have a good relationship and partnership with the federal government and the state government across the board. Now we've seen the critical access hospital program has succeeded for the smaller rural hospitals. Now I think we need to focus in on where the real danger is and that is DSH payment hospitals, low volume hospitals and Medicare dependent hospitals.

All the current data from Medicare and MedPAC show that this is unfortunately that area of where rural hospitals are at most risk for closure. Chip, we've been working on this a long time and we've got to make sure that Congress and the administration fully understand that these are targeted payments, necessary targeted payments to maintain access going ahead. So we really need to focus on that while determining how we best redesign the system for the future.

Chip Khan: [09:08](#) Thank you, Alan. We really do need to sustain the low volume hospital and Medicare dependent hospital programs. And frankly, Congress needs to act to give rural hospitals access to Medicare disproportionate share payments, those important payments that they don't get now. So Alan, let's drill down a bit on one topic that we've touched on and that's telehealth. Can you tell us specifically the areas that you think are going to be most productive for rural patients with the expansion and development of meaningful telehealth? And what are the obstacles to that expansion taking place?

Alan Morgan: [09:52](#) Well, thank you. The obstacles include reimbursement, licensure, and broadband. And let's be honest, the access to high quality, high speed broadband, you just can't move forward without that, that's a necessity. Unfortunately, that's a necessity that's recognized by the white house Senate and Republican leaders and Democrats in the house as well. It is a bipartisan understanding that you can't move forward without broadband access.

But I got to tell you, when I go out and visit rural hospitals, very rarely do I see a rural hospital that is not already engaged in telehealth in some form or fashion. Almost all of them are utilizing teleradiology. Teleconsultation is fairly commonplace now. It allows those rural clinicians not to feel alone out there and to be able to have a peer there with their room. Obviously telepharmacy is expanding very rapidly and has tremendous promise. But I think the one that everyone's talking about is a tele behavioral health and currently with the opioid crisis that

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

we're experiencing, the ability to bring in specialists that you simply are never going to have moved to flesh Kansas, be there in flesh Kansas to be able to provide that necessary consultation and clinical expertise. Telehealth has the option to transform how we deliver health care in a rural context. It's a tool. It's not a provider, but it's a tool, but it's a useful tool that we have to put as a primary focus as we move ahead.

Chip Khan: [11:28](#) That's really encouraging, Allen. Let me hit on one area though that you just brought up. In terms of the opioid crisis, which is particularly compelling in many parts of the country, in many rural areas of the country. Do you think we're turning the corner on that crisis now with the resources we brought to bear?

Alan Morgan: [11:49](#) I certainly hope so. It's my expectation, over the next year, we're going to begin to see the results of the significant financial investment that both federal and state governments have put into this issue in a rural context. Because simply stated, the solutions for dealing with this in an urban area can't be replicated in a rural context, you're never going to have the providers. You can't set aside a separate emergency room, a wing just to deal with this. It's going to take collaboration, coordination and telehealth going ahead.

Now I have to be up front with this. My members constantly share this with me. I do think that we have made significant headway on the opioid crisis. However, in many rural communities, now that crisis has shift to other substance abuse avenues, whether it be meth or any other type. And so I want to make sure that as they're creating these new models of care, that they're really focused in on substance abuse treatment and recovery and not exclusively on opioid crisis and the prescription problems that come as a result of that.

Chip Khan: [13:03](#) Alan, in many rural communities that HHS designates as underserved areas, newly graduated nurses can qualify for grants or educational loan repayment when they go to work at nonprofit hospitals. Unfortunately, the nurses we hire at for-profit rural hospitals don't qualify. Is there something that we can do to assure our patients the same access to the care givers they need?

Alan Morgan: [13:32](#) Right. I completely agree with you on this. The National Rural Health Association has had consistent policy over the last 20 years that it makes no sense at all to prohibit access to grants or loans based on ownership status. If you're the only provider in a rural community, you are that community safety net provider. It makes no sense for the federal government to be establishing

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

barriers to increasing access. Looking ahead, Chip, I'd really like to see this as one of the policy areas that the Federation and the National Rural Health Association joins forces on in a more substantial way to make sure we have this fixed. We've got to find a way to remove barriers to access to care. That has to be the guiding force going ahead.

Chip Khan: [14:21](#) It is so important to accomplish this, Alan, and we look forward to working with you to make sure that we have sufficient nurses. And in doing that, we've got to provide incentives for those nurses to come to our hospitals.

Alan Morgan: [14:36](#) Absolutely.

Chip Khan: [14:37](#) Alan, what opportunities are there for stakeholders in rural America to come together and address these issues we've been raising and find the solutions for their communities?

Alan Morgan: [14:51](#) Well, as we're closing out this legislative calendar year, we're already looking towards the next year here at NRHA. It's a great opportunity for me, at this point, to mention that we're having our 31st annual Rural Health Policy Institute in Washington DC, February 11th through 13th. Now, this is a great opportunity for us to bring our advocates to DC and link them up with the top administration officials from the White House, HHS, CDC, and Capitol Hill leaders as well too. This is a great event to be able to see exactly what your elected officials intend to do to help support rural America.

And as you know, next year is an election year and if there's one thing that's more popular among politicians than a bake sale in a small town, it's the National Rural Health Associations policy conference. I can guarantee you we'll have some big names there for it.

Chip Khan: [15:45](#) Thanks for telling us about that Alan. And where can people go to learn more about the National Rural Health Association?

Alan Morgan: [15:53](#) Well, that's the easy question that you've asked so far. Go online, any search engine, Google, Yahoo, Bing, type in the words rural health, the National Rural Health Association is always the first thing that pops up. Usually it's the first three things that pops up. On our website, you can learn more about policy, legislation, educational opportunities and grant opportunities. We are the voice for rural health and Chip, I cannot thank you and the Federation enough for the past 20 years. Your organization has been a strong supporter of us in

Rescuing Rural Health Care with Alan Morgan – Hospitals In Focus Transcript

rural. We partnered together on multiple health activities over that time and we've been successful with the partnership that we've had with Federation.

Chip Khan: [16:34](#) Alan, thank you so much for joining us today during this national rural hospital week.

Alan Morgan: [16:40](#) Thank you, Chip.

Chip Khan: [16:41](#) Join us next time as we speak with experienced leaders on new ideas about healthcare delivery and financing. Please listen, rate and subscribe wherever you get your podcasts. And if you haven't already, you can follow the Federation on social media at FAH hospitals, and me at Chip Kahn. This was Hospitals in Focus. I'm Chip Kahn. Thanks again for listening.