Every American deserves affordable coverage and high-quality care. That is why America’s Health Insurance Plans (AHIP)\(^1\) appreciates the focus by the Special Committee on Aging focus on the important issue of improving access to health care in rural parts of the country. With approximately 20 percent of the total U.S. population living in rural communities, we must work together to ensure that they can receive the care they need when they need it.

Rural populations have different health care needs and face different challenges in getting care than those in urban and suburban areas. People living in rural communities have higher mortality rates from heart disease, cancer, unintentional injury, chronic lower respiratory disease, and stroke, for example.\(^2\) Doctors and other health care providers in these rural communities often face higher rates of ”burn out” and are in short supply, and rural hospitals are closing at unprecedented rates.\(^3\)

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\(^1\) America’s Health Insurance Plans (AHIP) is the national association whose members provide coverage for health care and related services to hundreds of millions of Americans every day. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.

\(^2\) https://www.census.gov/library/stories/2017/08/rural-america.html

\(^3\) https://www.gao.gov/assets/700/694125.pdf; and https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospitalclosures/
As part of their continued commitment to helping people get better when they are sick and to stay healthy when they are well, health insurance providers have developed innovative solutions to improve access to care in rural America. In this statement, we focus on the challenges with providing and delivering health care in rural communities, strategies that health insurance providers are employing to ensure rural populations have access to the care they need, and policy recommendations to ensure that Americans in rural communities have access to high-quality health care moving forward.

**The Challenges with Rural Health Care**

Serving remote regions with small and geographically dispersed populations poses unique challenges. In rural areas, individuals are often required to travel long distances to access care. Depending on where one lives, an individual may also face challenging environmental factors, such as extreme weather and poor driving conditions when accessing this care.4

These geographic challenges are often exacerbated by shortages of doctors and providers. Fewer doctors mean that fewer patients are able to promptly get essential care, including preventive care services. As a result, rural populations have lower rates of cancer screenings, immunizations, blood pressure checks, and diabetes screenings; higher rates of chronic conditions, including diabetes and obesity; higher rates of mental and behavioral health disorders; and, higher risk of injury.5

While these barriers may pose challenges for rural Americans of all ages, they can be particularly detrimental to older Americans. Increased age is often accompanied by a variety of health care challenges, including a greater prevalence of multiple and co-morbid conditions, which requires care from coordinated teams of physicians, nurses, social workers, family caregivers, and long-term care providers.6

Like hospitals, nursing homes in rural communities face financial instability and are increasingly shutting their doors or merging, often leaving some of the sickest and most frail seniors without a

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5 [https://www.cdc.gov/ruralhealth/about.html](https://www.cdc.gov/ruralhealth/about.html)
safe place to live long-term.\textsuperscript{7} Small numbers of people and vast distances between homes also makes the delivery of home-based, long-term services and supports significantly more challenging. With one-quarter of all adults aged 65 and older living in rural communities, it is critical that we address these challenges.\textsuperscript{8}

Other factors contributing to poorer health in rural communities include:

- Social barriers, such as a lack of access to healthy foods, housing insecurity, poverty, and a lack of access to education or employment;
- Structural barriers, such as insufficient public transportation,\textsuperscript{9} poor availability of broadband internet services,\textsuperscript{10} and a lack of available childcare;
- Greater prevalence of physically demanding and dangerous jobs in the agricultural sector;
- Greater likelihood of being uninsured;\textsuperscript{11} and,
- High speed limits and poor-quality roads, which together contribute to higher rates of automobile accidents, the largest cause of unintentional injuries in rural America.

**The Role of Health Insurance Providers in Addressing these Challenges**

Health insurance providers are committed to ensuring that Americans living in rural communities have greater opportunities to experience better health outcomes. Solutions include investments in telehealth and remote patient monitoring, incentives to encourage more doctors to practice in rural and underserved areas, and innovative payment models to make care more efficient, affordable and sustainable.

**Telehealth and Remote Patient Monitoring.** With fewer doctors practicing in rural communities compared to suburban and urban communities, telehealth and remote patient monitoring play a critical role in ensuring that patients get the care they need, when they need it. Many health insurance providers partner with telehealth companies to connect patients with

\textsuperscript{7} https://www.nytimes.com/2019/03/04/us/rural-nursing-homes-closure.html
\textsuperscript{8} https://www.census.gov/newsroom/blogs/randomsamplings/2016/12/a_glance_at_the_age.html
\textsuperscript{9} https://www.ncbi.nlm.nih.gov/pubmed/26025176
\textsuperscript{10} https://annals.org/aim/article-abstract/2734029/limitations-poorbroadband-internet-access-telemedicine-use-rural-americaobservational
\textsuperscript{11} https://www.census.gov/library/video/2019/rural-urban-uninsured.html
providers based on their needs. Other health insurance providers have relationships with their existing networks of providers to provide virtual access to care. Telehealth is often used to provide primary care, substance use disorder treatment, dermatology, medication management, radiology, and behavioral health care, among other specialties. Additionally, remote patient monitoring helps patients and their health care providers manage their chronic conditions, improve personalized care, expedite diagnoses, and reduce unnecessary emergency room visits. All of these services ultimately help to lower overall health care costs.

Examples of health insurance provider engagement in this area include:

- Anthem awarded a grant of $250,000 to the University of Virginia to expand specialty care to rural parts of Virginia via telehealth.
- Capital District Physician’s Health Plans is expanding telehealth offerings to the underserved counties in New York.
- Blue Shield of California partners with telehealth companies and providers to increase access to specialty care in rural areas. This includes access to specialists in cardiology, dermatology, endocrinology, and rheumatology, among other specialties.
- Centene participates in the Global Partnership for Telehealth which links all of the counties in Georgia via a telehealth network, ensuring access to care throughout the state.

Telehealth and remote patient monitoring provide rural patients with access to care, but also allows patients the ability to remain at home and in their communities while receiving this care.

**Motivating Providers to Practice in Rural Communities.** Health insurance providers are also working to encourage more doctors to practice in rural communities. Many health insurance providers offer scholarships and financial incentives for providers to practice in rural and underserved areas. Examples include:

- Blue Cross Blue Shield of North Carolina awarded $800,000 to increase patient-centered primary care and recruit more providers to rural parts of North Carolina.
- Blue Cross Blue Shield of Oklahoma, a division of Health Care Service Corporation, contributed funds to the Oklahoma Medical Loan Repayment program, which helps repay medical student loans of physicians in rural areas.
• Centene awarded twenty 1-year scholarships of $5,000 each to medical students at the University of Kentucky’s Medical School and ten $8,000 per-semester scholarships to the University of Kentucky College of Nursing to encourage providers to practice in rural parts of the state.

**Building Innovative Payment Models.** Innovative payment models are another powerful tool that health insurance providers use to encourage providers to practice in rural communities. These payment models align payments to doctors with high-quality outcomes for patients while lowering the overall costs of care for everyone. Examples of such models include:

• Kaiser Permanente and CareFirst participate in the Maryland All-Payer Model Agreement, which uses value-based agreements to finance the state’s hospitals. In a pilot program conducted in rural parts of Maryland, the state saw lower hospital readmissions, more resources for community supports, and general financial viability.

• Gateway Health, Geisinger Health Plan, Highmark, and UPMC Health Plan are working with the Department of Health and five hospital systems in Pennsylvania to create a global budget model and address economic challenges in rural communities. The aim of this model is to create more economic stability for rural providers while shifting to value-based care.

• Blue Cross Blue Shield of Michigan is designating small, rural acute care facilities eligible for Hospital Pay-for-Performance incentives. This program provides these hospitals an opportunity to demonstrate their value by meeting access, effectiveness, and quality of care goals. For 2019-2020, incentives can comprise up to 6 percent of a hospital’s payment.

**Next Steps: Policy Recommendations to Improve Access to Care in Rural America**

Health insurance providers and the private market are developing real solutions that address the specific health care needs of rural Americans. Policymakers can further advance this work by embracing additional comprehensive, multi-stakeholder approaches:

1) Offer additional programs and incentives to encourage providers to practice in rural and underserved communities.
The federal government can build on the foundation established by health insurance providers to authorize loan repayment and other incentive programs for physician assistants and nurse practitioners who agree to practice and deliver care in rural communities. The federal government also could establish grants for providers to practice in rural communities on a volunteer basis, either through the expansion of the National Health Service Corps or through the creation of new programs. Another way to address provider shortages would be to remove the caps on the number of residents funded by Medicare and increase Medicare-funded residency positions. By removing these caps, rural hospitals could use Medicare payments to offset costs associated with training physicians during residency.12

2) Expand access to care through telehealth.

Policymakers can increase the availability of telehealth by establishing multi-state licensure compacts. This would expedite licensure for physicians and/or grant reciprocity for certain providers across multiple states, increase the types of specialists offering services, and expand provider networks available to consumers.

Policymakers could also enhance innovation and flexibility by avoiding state mandates related to reimbursement and/or payment parity, site-specific use, prior visit requirements, or specific technology use. Inconsistent state laws and mandates can hinder access to telehealth services limiting flexibility to design benefits that meet the needs of consumers.

Telehealth could also be designated as a means of satisfying health insurance network adequacy requirements. Under 45 CFR 156.230, the Department of Health and Human Services (HHS) could establish telemedicine as an option to meet federal requirements for network adequacy standards. In a 2016 revised model law, the National Association of Insurance Commissioners included the use of telemedicine as an option to meet network adequacy standards.

Additionally, federal legislation should permit first-dollar coverage of telehealth services in health savings account (HSA)-eligible health insurance providers. Permitting health insurance

12 https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/DGME.html
providers to cover telehealth services with first-dollar coverage reduces overall costs to the system and allows greater flexibility and affordability for Americans.

3) Make insurance coverage more affordable in rural communities.

Many Americans living in rural communities do not have access to employer-provided coverage and do not qualify for Medicaid or Medicare, leaving the individual insurance market as their only option for coverage. In 2019, nearly one-in-five HealthCare.gov consumers lived in a rural area. Unfortunately, for Americans who don’t qualify for financial assistance with individual market premiums and/or cost sharing, individual market coverage may be unaffordable. States could implement reinsurance programs for the individual market to reduce premiums. Moreover, if Congress enacted a permanent federal reinsurance program, it would provide the benefits of reinsurance nationwide without the need for each state to seek a federal 1332 waiver.

4) Promote good health practices for people and communities.

Policymakers at both the federal and state levels should work with stakeholders to promote community-based efforts to address underlying issues that contribute to health, education, and income disparities in rural areas. Virtual prevention and public health initiatives have been proven effective in addressing issues faced by underserved rural communities, including American Indian and Alaska Native populations. Existing virtual prevention and public health programs that demonstrate effectiveness should be expanded to other high-risk rural populations and to other rural regions to further promote healthy living. In addition, public education programs should be provided for patients, families, communities, and providers to better understand pain management options, the benefits and potential risks of prescription opioids, and potential risk factors for addiction.

14 https://www.ihs.gov/hpd
**Conclusion**

Every American deserves to have access to the care they need when they need it—regardless to where they live. Effectively policy solutions exist, but implementation will require collaboration among a number of stakeholders at the federal, state, and local levels and with the private sector. Health insurance providers understand the importance of ensuring Americans in rural communities have access to care, particularly given the unique challenges they face. By working together, we can ensure that everyone in our communities can get the care they need at a cost they can afford, leading to improved health and well-being and enhanced financial security. AHIP thanks the Committee for focusing on this important issue, and we look forward to working together on initiatives to improve health care in our rural communities.