Florida Rural Health Association
One Voice for Florida. Louder.

2015 Florida Rural Health Association

LEGISLATIVE AGENDA

- Expanding Medicaid coverage to poor adults up to 138% federal poverty level—

Expanding health care coverage to rural Floridians up to 138% of the federal poverty level will provide health insurance for over 50,000 rural uninsured. Without an expansion, the cost of health insurance will be prohibitive for poor rural Floridians, particularly those above the state Medicaid eligibility level and 100% of the federal poverty level for whom there are no subsidies.

- Cleaning up problems associated with Medicaid Managed Care Managed Medical Assistance Program—

Require managed care organizations (MCOs) to pay bills within 20 days. The Florida Office of Insurance Regulation and the Agency for Health Care Administration shall audit and insure that Florida Managed Medical Assistance Plans meet the 20 day prompt payment requirements as provided in Chapter 641.3155. Our experience has shown that under Fee For Service Medicaid claims were paid within 7-14 days, today rural providers across the state are experiencing payment delays in excess of 60 days.

Changing the way wrap-around payments are paid to rural hospitals. The delay in these payments has slowed cash flow for a rural hospitals. This is an AHCA issue that may require legislative action.

Requiring Managed care companies to use local hospital providers for lab and radiology services, e.g., a requirement that rural hospitals be allowed to provide these services at the same rate as a subcontracted provider if the provider is not on-site.

- Revised payment methodology to adequately fund mandated programs—

To assure that rural providers are reimbursed adequately to deliver mandated programs such as public health, behavioral health, and acute care services, payment methodologies need to be based on the cost of providing the services versus the units of services provided.

- Supplemental Funding ---

The potential loss of one billion dollars can create a destabilizing force on rural communities across Florida. Florida needs to develop a supplemental funding plan that replaces the Low Income Pool (LIP) that is balanced and does not disrupt our rural communities or the communities that provide the intergovernmental transfers that fund the majority of the state match. These funds not only impact the health care of area residents, they impact the economic engine of the entire community.

- Reimbursement for telemedicine services to address access to health care for rural residents---

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Telehealth provides patients and rural facilities access to primary and specialty care. The care delivered over videoconferencing equipment, aided by special stethoscopes, otoscopes and examination cameras, allows physicians and nurses to see patients almost as if they were directly in the room. Telemedicine has proven to be an effective method of delivering mental health consults and follow-up treatment. These telemedicine sessions allow psychiatrists and psychologists to test and observe behavioral disorders almost as effectively as a face-to-face consultation. Telehealth is considered to be a cost-effective alternative to the more traditional face-to-face way of providing medical care.3 Telehealth lowers the cost of care by providing early and timely diagnosis, improving triage, reducing unnecessary transfers and improving management of chronic diseases. More than 85 percent of patients seen via telemedicine remain in the local community, resulting in lower costs of care, and further enhancing the financial viability of the community hospital.

Reimbursement limitations prevent widespread adoption of telehealth. Telehealth reimbursement policies at the federal and state levels pose significant barriers in the efforts to increase health care access for patients.

- Funding Florida's loan repayment and scholarship programs for physicians, nurses, dentists, etc. who work in rural health professional shortage areas (HPSA)---

Florida has an acute shortage of primary care health professionals to deliver needed primary care services to Florida's residents and visitors. There are currently 216 federally designated HPSAs, 36 medically underserved areas, and 91 medically underserved populations located throughout Florida's 67 counties. The problem is particularly acute in rural areas where 27 of 30 rural counties have been entirely designated as a HPSA. In order to improve access to primary care health services, reduce workforce shortages, and improve the geographic distribution of the professional health care workforce, funding is required to implement a health professional loan repayment program for primary care providers under the Medical Education Reimbursement and Loan Repayment Program (section 1009.65 Florida Statutes). This program will encourage those qualified health professionals (physicians, physician assistants, nurse practitioners, mental health providers) interested in locating in Florida to practice in underserved areas of Florida in return for grants to assist with repayment of educational loans. Health professional loan repayment was previously funded under the Florida Health Service Corps which ended in 1998. The Department is authorized to conduct loan repayment for health professionals pursuant to paragraph 20.43(7) (c), Florida Statutes. The use of loan repayment has been demonstrated by the National Health Service Corps and other states to be an effective strategy for programs for attracting health professionals to practice in underserved areas.

- Alternative to Medicaid expansion---

"Of those implementing or pursuing expansions, four states—Arkansas, Iowa, Pennsylvania and Michigan—have bypassed the Affordable Care Act's (ACA) expansion pathway and are pursuing alternative models. These states are using authority granted by the Centers for Medicare & Medicaid

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Services (CMS) via Medicaid state plan amendments (SPA) or 1115 waivers to pay for health insurance outside the traditional Medicaid program.

Arkansas and Iowa received CMS approval in 2013 to create premium assistance programs that use Medicaid funds to purchase private coverage for newly eligible Medicaid beneficiaries. Pennsylvania is also seeking to implement a premium assistance program; it is currently in negotiation with CMS about its proposed design. Michigan's waiver to expand its traditional Medicaid program, but incorporate new and unconventional features—like using health savings-like accounts and tying cost-sharing to healthy behaviors—was approved by CMS in December 2013.

- Rural hospital capital improvement program funding ---

Rural hospitals are a vital component of the health services infrastructure and safety net in rural communities being the only available 24/7 source of inpatient and outpatient care. In addition, rural hospitals are a major source of revenues and high paying employment in rural communities that support the development of healthy, livable communities. In 2012, Florida's rural hospitals generated $925.9 million in net revenues, employed 5,890.9 full time equivalent staff, and provided $95.7 million in charity care. Florida's rural hospitals are in need of renovation, replacement, and equipment upgrades. Reductions and changes in hospital Medicare and Medicaid reimbursement, new requirements for implementation of health information technology, and the increased burden of charity care and bad debt have severely limited the ability of rural hospitals to meet basic operating needs, much less ongoing facility maintenance and capital improvement. Eighteen of 28 rural hospitals had a negative operating margin in 2012 with a median operating margin of negative 3.6%. Florida's Rural Hospital Capital Improvement Program (section 395.6061, Florida Statutes) was established in 1999 to provide capital funding support for rural hospitals, but has not been funded since fiscal year 2008-2009. Restoration of state funding for this program is needed to ensure the continued survival of rural hospitals, the development of healthy rural communities, and the continuation of the health safety net for Florida's rural citizens.

- Funding for AHEC ---

Since FY 2007-08, The Florida AHEC Network which is comprised of five AHEC Program Offices at Florida State University, Nova Southeastern University, University of Florida, University of South Florida, and University of Miami and 10 affiliated not-for-profit AHEC Centers has been a leader in the Florida Comprehensive Statewide Tobacco Education and Use Prevention Program (F.S. 381.84) by strengthening the capacity of Florida's healthcare system to deliver effective tobacco treatment services and providing community-based tobacco cessation services that are accessible to all Floridians free of charge.

For FY 2015-16, the Florida AHEC Network is requesting funding in the amount of $12,987,631. This amount represents level funding from FY 2014-15. Level funding of least $12,987,631 million for FY

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2015-16 will support the effective treatment of tobacco-use dependency by health care professionals; ensure access to cessation services in Florida's 67 counties; provide training to Florida's healthcare workforce; and support organizational changes which formalize the treatment of tobacco dependency in a wide variety of health and community organizations throughout the state.

- Incentives for Behavioral Health Practitioners to serve in HPSA's ---

About 4 million Floridians have behavioral health issues. There are 143 Mental Health Shortage Areas in the state and we serve only 49% of the need for mental health services. 83 psychiatrists would be needed to remove the MHSA designation

The themes of rural behavioral health have remained constant over the past 20 years and more. Mounting needs, a lack of available behavioral health providers, and restricted/limited resources strain existing services and limit access to rural residents in need.

There are several proven programs that can improve the recruitment and retention of healthcare professionals in rural areas. Some items suggested for Incentives include:

1. Promote financial incentives for intern and scholarship opportunities to participate at rural designated locations with added reimbursement such as a 5% differential in pay and/or payment of full scholarship cost for placement at rural locations as related to the course cost for the internship.

2. Promote use of remote of tele-medicine and e-therapy with reimbursement to the provider. Especially important for Psychiatry, ARNP, Licensed Clinical Social Work, Licensed Mental Health, Licensed Family Therapists paid by Medicaid, Department of Children and Families, as appropriate with ((Medicare (Promote further use of LCSW in rural communities))

3. Promote opportunities for Primary Care Providers to obtain the "benefit of using Behavioral Health" via education and feedback re: improved outcomes when serving individuals with chronic disease improvement such as counseling support for diabetes, depression, eating disorders etc.

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