Rural Residents Have a More Difficult Time Accessing Healthcare than Urban Residents

On average, rural residents have poorer access to jobs that offer employer-sponsored coverage. Particularly in states that haven’t expanded Medicaid, these residents are more likely to be uninsured. In addition, rural areas generally struggle to attract and retain physicians, resulting in provider shortages that restrict residents’ access to care. The trend of rural hospital and pharmacy closures also limits access to healthcare services, causing residents to delay or forgo needed medical care and contributing to poorer health outcomes in rural areas.

About one-quarter (27 percent) of Pennsylvania’s population lives in rural areas. Urban and suburban areas have one physician for every 382 residents compared to rural Pennsylvania, which has one primary care physician for every 663 residents. Moreover, about 22 percent of Pennsylvanians live in places deemed a shortage or medically underserved area. The federal government estimates that one of Pennsylvania’s most acute health professional shortages is for dental providers, with 166 areas (both urban and rural) designated as dental care “Health Professional Shortage Areas.” More than 2 million residents live in these areas and the state would have to increase dental providers by 295 in order to meet residents’ needs.

These data also find less acute shortages of primary care professionals and mental health providers.

Rural Hospital Closures: A Threat to Local Economies

As state residents move from rural to urban areas, and as medical practice patterns change, many rural areas find themselves with excess hospital beds. Unable to make enough money, rural hospitals are closing at alarming rates, which harms local economies.

Two rural hospitals in Pennsylvania have closed since 2010. Moreover, nine of Pennsylvania’s 41 remaining rural hospitals are at risk for closure, and 13 hospitals are in moderately high to high financial distress. National studies have shown that per person income falls and unemployment rates rise after a rural hospital closes, however, the magnitude of this effect on Pennsylvania’s rural communities is unclear.

Improving Rural Healthcare Access

The economic, cultural, social, geographic and demographic characteristics of rural communities are sufficiently different from those of urban and suburban communities and require special consideration in state planning and legislation. Around the country, states are exploring a wide variety of strategies to improve healthcare access for rural residents.

State Solution 1: Close coverage gaps

The evidence is clear that people without coverage get less needed health care, have greater medical bill debt and have worse health outcomes. Ensuring that all residents in the state have access to an affordable coverage option is a key component of improving rural healthcare access.

Pennsylvania expanded Medicaid to all adults with household incomes up to 138 percent of the Federal Poverty Level (FPL) effective Jan. 1, 2015. Medicaid expansion is credited for significantly lowering the state’s uninsured rate, from 9.7 percent in 2013 to 5.5 percent in 2017. A key population that still needs coverage is immigrants. Excluding immigrants from healthcare is not only bad for immigrants, but it also threatens public health more generally. In addition to coverage options, this population needs an environment that allows them to exercise their rights.

See the companion glossary for help with this complex policy topic.
State Solution 2: Increase the Number of Physicians and Other Practitioners Working in Rural Areas

The federal and state governments have a number of strategies to address the mal-distribution of healthcare providers across the U.S. At the federal level, the National Health Service Corps, a subsidiary of the Health Resources and Services Administration, offers scholarships and loan repayment for primary care professionals—including physicians, dentists, nurse practitioners and physician assistants—to practice in underserved regions. The Corps also grants funding for states to administer their own loan repayment programs. In Pennsylvania, this program is administered by the state’s Department of Health.

Pennsylvania’s 2015-2020 State Health Improvement Plan has a multi-part strategy for increasing primary care and dental health professions students from underserved areas. Other strategies the PA Department of Health is using to expand the healthcare workforce include:

- advocating for advanced practitioners to practice to the fullest extent of their licensure and education;
- promoting the use of community health workers (CHWs) to improve access to and coordination of healthcare; and
- identifying and standardizing training and certification programs for CHWs.

Pennsylvania has scope of practice laws for many types of mid-level practitioners: dental hygienists, licensed professional counselors, nurse practitioners and physician assistants. The state does not allow the licensing of dental therapists and there are currently no statutory or regulatory standards for certifying peer support specialists, recovery specialists or family recovery specialists.

State Solution 3: Global Budgets for Rural Hospitals

Pennsylvania recently launched a global budget payment system for five rural hospitals in the state. The program pays the hospitals a fixed monthly total and allows them to use the money flexibly, in ways they think best serve their communities. This experiment, called Pennsylvania Rural Health Model, aims to transform rural hospitals into more financially viable organizations that focus on keeping their communities healthy, as opposed to solely treating people when they are sick. This new mission could lead some rural hospitals to discontinue services that do not meet community needs (for example, inpatient units) and focus on needed services such as outpatient, emergency and behavioral care. The program also encourages hospitals to collaborate with social service agencies, businesses and local government officials to establish a wide range of services to improve the social determinants of health.

Unlike Maryland—the only other state to do this—Pennsylvania will not set uniform hospital payment rates across public and private payers. It’s too soon to know if this ambitious program will achieve its goals of better meeting the needs of rural residents while improving the viability of rural hospitals.

State Solution 4: Invest in Strategies to Support Telehealth

In light of rural healthcare provider shortages, many patients and doctors are turning to telehealth. Telehealth has four main types of technology: live video, store-and-forward, remote patient monitoring and mobile health. Studies show that these technologies can improve patient care; support provider-to-provider training; enhance service capacity and quality; manage patients with multiple chronic conditions from a distance; and remotely monitor patient health and activities. Despite these benefits, barriers like inadequate reimbursement structures, lack of broadband capability and licensure requirements inhibit the widespread use of telehealth in rural settings.

Inadequate reimbursement

Inadequate reimbursement for telehealth services takes many forms, including lower payments for services delivered electronically as opposed to in-person; inconsistent private payer reimbursement policies; and limits on the types of services public and private payers will reimburse. According to Milbank Memorial Fund,
31 states and the District of Columbia had passed some form of law requiring payers to treat telehealth-delivered care the same way as in-person care as of 2017. However, only three states required private payers to reimburse providers the same for telehealth-delivered care as services provided face-to-face. Pennsylvania had not passed either type of law as of 2017, although telehealth bills have been introduced. 23, 24

**Broadband capability**

Broadband access is a persistent issue in many parts of rural America, with 21 percent of rural U.S. residents reporting that accessing high-speed internet is a problem for their family. In 2018, Governor Wolf launched the Broadband Investment Incentive Program, which allocated $35 million to help deliver “high-speed and high-quality broadband service to [Pennsylvania’s] unserved residents, businesses and farmers.” 25 The newly established Office of Broadband Initiatives is charged with overseeing the program.

**Licensure requirements**

Licensure requirements also prevent providers from electronically treating patients in states where they are not licensed, undermining the goal of increasing access to providers regardless of geographic location. Pennsylvania passed legislation to join the Interstate Medical Licensure Compact—a legal agreement among states that increases access to healthcare in rural and underserved areas by allowing eligible physicians to provide telemedicine services across state lines—in 2016, however, implementation has since been delayed. 26 Two bills authorizing Pennsylvania to join the Nurse Licensure Compact and Physical Therapy Compact were introduced in 2019. 27, 28

A summary of Pennsylvania’s current state laws and reimbursement policies related to telehealth can be found here.

**Notes**

1. [http://www.paruralhealth.org/post/_docs/Status-Check-VI.Final.pdf](http://www.paruralhealth.org/post/_docs/Status-Check-VI.Final.pdf)
3. According to the U.S. Department of Health and Human Services’ Health Resources and Services Administration, a medically underserved community is one that has too few primary care providers, high infant mortality rates, a high poverty level or a large elderly population.
4. [https://www.kff.org/other/state-indicator/dental-care-health-professional-shortage-areas-hpsas/?curren tTimeframe=0&selectedRows=%7B%22states%22:%7B%22pennsylvania%22:%7B%7D%7D%7D&sortMode=l=%7B%22cold%22:%7B%22Location%22:%7B%22sort%22:%7B%22asc%22:%7D](https://www.kff.org/other/state-indicator/dental-care-health-professional-shortage-areas-hpsas/?curren tTimeframe=0&selectedRows=%7B%22states%22:%7B%22pennsylvania%22:%7B%7D%7D%7D&sortMode=l=%7B%22cold%22:%7B%22Location%22:%7B%22sort%22:%7B%22asc%22:%7D)
5. [The University of North Carolina’s Sheps Center for Health Services Research](https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospital-closures/)

**Find people also concerned about this issue:**

(to be filled in by local engagement partner/backbone organization)

**Take an action/contact your state representative:**

(to be filled in by local engagement partner/backbone organization)

These materials were created by Altarum, a nonprofit health solutions company, working in partnership with Public Agenda, and supported by the Robert Wood Johnson Foundation. Please send any corrections or suggestions for improvement to Sabah at [Sabah.bhatnagar@altarum.org](mailto:Sabah.bhatnagar@altarum.org).
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