



National Rural Health Association

California Hospital Association

The Rural Landscape

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#ruralhealth
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Destination NRHA
Plan now to attend these 2025-26 events.



Annual Conference	May 20-23, 2025	Atlanta, GA
Rural Hospital Innovation Summit	May 20-23, 2025	Atlanta, GA
Rural Health Clinic Conference	Sept. 23-24, 2025	Kansas City, MO
Critical Access Hospital Conference	Sept. 24-26, 2025	Kansas City, MO
Policy Institute	Feb. 10-12, 2026	Washington, DC

Visit ruralhealth.us for details and discounts.

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The Rural Context




- Rural areas make up 80% of the land mass in USA.
- Rural areas have roughly 17% of the US Population.
- Rural areas provide the food, fuel, and fiber to power our nation.
- Access to high-quality health services is a requirement to keep these important resources available.
- Historically, public policy has disadvantaged public health and health care in rural communities.
- In the last two decades, our capacity to see problems has sharpened while our collective ability to solve them has diminished.

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Transforming Rural Health: Advocacy Message to the Trump Administration

- Reduce regulatory burden on small rural providers
 - CMS LTC Staffing Ratios
- Secure key rural health programs
 - MDH, LVH, Rural Ambulance Add-ons, etc.
- Make Medicare Advantage work for rural health care
 - Low reimbursement
 - Administrative burden (Prior authorizations and denials)
 - Loss of PAC benefits
- Stop implementation of payment policies harmful to rural providers
 - No Medicaid Cuts
- Sustain rural health infrastructure
 - Access to capital

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Rural Context

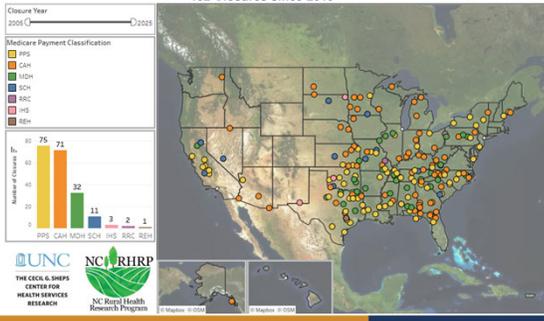
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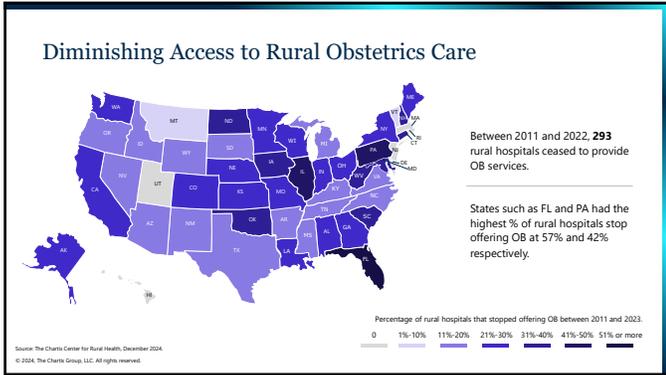
Rural Hospital Closures

152 Closures since 2010

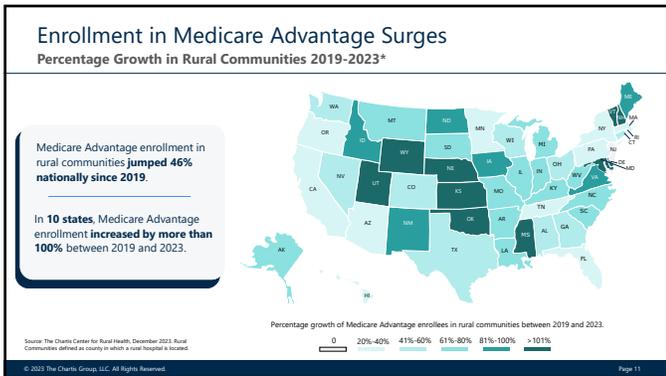
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Updates from Congress

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Funding the Government

- Continuing resolution in place through March 14, 2025.
- Certain designations and programs expiring March 31, 2025:
 - Medicare-Dependent Hospital designation
 - Medicare Low-Volume hospital adjustment
 - Medicare add-on payments for rural Ambulance services
 - Medicare Telehealth flexibilities, including geographic requirements, in-person requirements for behavioral health services, allowance of audio-only services
 - Mandatory funding for Community Health Centers, National Health Service Corps, and Teaching Health Center GME
 - Acute Hospital at Home waiver authorities
 - State Health Insurance Assistance programs for Medicare enrollment support.
- President's budget released in March following SOU (March 4)

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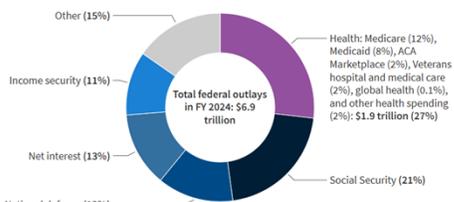
Reconciliation Package Potential Reconciliation Health Care Offsets



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A Math Problem

Total federal outlays on health programs and services amounted to \$1.9 trillion in FY 2024



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Budget Reconciliation

- House passed FY25 on budget resolution on Feb. 25 which calls for
 - \$2T in spending cuts
 - \$4.5T in tax cuts
- Senate passed its budget resolution in two parts:
 - Border policy
 - Tax Cuts/Spending Cuts
- Trump prefers the House version with just one Bill

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Budget Reconciliation

Concerning Proposals

- Medicare Reforms
 - Medicare Site Neutrality
 - Elimination of Medicare Coverage for Bad Debt
 - Uncompensated Care Payment Reforms
- Medicaid Reforms
 - \$880B to Medicaid, ½ of overall spending cuts
 - Per-Capita Caps
 - Ending FMAP and/or Lowering FMAP Floor For Expansion Population
 - Work Requirements
 - Repeal of Medicaid/CHIP ACCESS Rule
 - Repeal of ACA Marketplace Subsidies
- Elimination of Non-Profit Status for Hospitals
- SNAP reductions

Beneficial Proposals

- Repeal long-term care staffing rule
- Second Chances for Rural Hospitals Act: expands eligibility for REH designation
- Rural Extenders: telehealth flexibilities, rural ambulance add-ons, and MDH and LVH designations
- Reform of Medicare Physician Payment
- Proposals to Reform CMMI

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Impact of Medicaid Cuts

- Potential cuts:
 - E&C \$880B in cuts
 - Education and workforce \$330B cuts
 - Agriculture: \$230B (SNAP)
- Ending enhanced Federal Medical Assistance Percentage, or enhanced FMAP, a possible solution: \$44.3B cut in FY 2025
- Potential single largest cut to Medicaid in history
- W&Ms can increase deficit up to \$4.5T
- States would have two choices:
 - Decrease payment to providers and/or cut recipients/benefits
 - State increasing spending to cover the gap
- California would have to fund a 29.4% gap* OR,
- 74.5% increase in California's uninsurance rate*
- Disproportionate impact on rural communities/providers

*Urban Institute, Feb. 24, 2025

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Key Bill Introductions

- **Infrastructure:**
 - S. 335: Rural Hospital Support Act (Sens. Grassley/Welch)
 - S. 502: Rural Hospital Closure Relief Act (Sens. Durbin/Lankford)
- **Workforce**
 - H.R. 1153: Rural Physician Workforce Production Act (Reps. Harshbarger, Schrier, Bacon)
 - S. 575/H.R. 1317 ICAN Act (Sens. Merkley, Lummis/Reps. Joyce, Bonamici)
- **Rural opportunity**
 - S. 403: CDC Office of Rural Health Authorization (Sens. Hyde-Smith/Merkley)
 - S. 46/H.R. 247: Health Care Affordability Act (Sen. Shaheen/Rep. Underwood)
 - S. 380/H.R. 1254: Rural Obstetrics Readiness Act (Sens. Hassan, Britt, Smith, Collins/Reps. Kelly, Schrier, Kim, Meuser)
 - HR 1417 Rural Health Care Technical Assistance Program Act, Reps. Ronny Jackson R-TX and Jill Tokuda, D-HI. Authorize and expand the Rural Hospital Technical Assistance (TA) program at USDA/NRHA

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Focus on Rural Health Clinics

- **RHC Modernization Policies**
 - Worked with the National Association of Rural Health Clinics to support S. 198/H.R. 3730: Rural Health Clinic Burden Reduction Act.
 - This includes removing laboratory requirements, modernizing physician, PA and NP utilization requirements, and a fix for the "urbanized area" term that Census Bureau removed last year.
- **RHC Telehealth**
 - S. 3967/ H.R. 7623: Telehealth Modernization Act includes RHCs as permanent distant site providers and payment parity.
- **Provider-Based RHCs**
 - NRHA is working to find a long-term fix to address challenges that came about through passage of Section 130 of the Consolidated Appropriations Act, 2021.

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Rural Emergency Hospital 2.0

- S. 4322 Rural Emergency Hospital Improvement Act
 - Allowing of swing beds to retain access to post-acute care
 - Authorizing psychiatric, rehabilitation distinct part units, new OB DPU
 - 5% add on to services paid under the Clinical Laboratory Fee Schedule
 - Hospitals that closed between 1/2015 and 12/27/20, eligible to convert
 - National Health Service Corps eligible site
 - Small Hospital Improvement Program grant eligibility
 - Ability to revert back to NP CAH status
 - HHS authority to create waiver program for different facility types to convert
- 340B eligibility addressed in S.8144/ HR8144 Rural 340B Access Act

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NRHA Endorsed Legislation

- To keep track of recently introduced legislation, and for a full list of NRHA-endorsed legislation, visit our [legislative tracker](#).

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Updates from the Administration



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Cabinet Nominees



Susan Summerall Wiles	Chief of Staff	Sworn in 1/20
Robert F. Kennedy Jr.	HHS Secretary	Sworn in 2/13
Dr. Mehmet Oz	CMS Administrator	Pending Senate Confirmation
(Acting Administrator Jeff Wu)		
Tom Engels	HRSA Administrator	Sworn in 2/14
Marty Makary	FDA Commissioner	Confirmation hearing March 6
(Acting Commissioner Sara Brenner)		
Dave Weldon	CDC Director	Pending Senate Confirmation
(Acting Director Susan Monarez)		
Dr. Jay Bhattacharya	NIH Director-	Confirmation hearing March 5
(Acting Director Matthew Memoli)		
Dr. Janette Nesheiwat	Surgeon General	Pending Senate Confirmation
Doug Collins	VA Secretary	Sworn in 2/5
Brooke Rollins	USDA Secretary	Sworn in 2/13
Russell Vought	OMB Director	Sworn in 2/6

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Current Activities



Executive Order: Making America Healthy by Empowering Patients with Clear, Accurate, and Actionable Healthcare Pricing

- Directs HHS, Treasury Department, and Labor Department to “rapidly implement and enforce” price transparency regulations.
- Within 90 days, agencies must:
 - Require disclosure of **actual prices, not estimates**.
 - Issue updated guidance or proposed regs ensuring price information is standardized and easily comparable across hospitals and plans.
 - Issue guidance or proposed regs updating enforcement policies designed to ensure compliance with transparent reporting of complete, accurate, and meaningful data.
- HHS watchdog groups have found that [many hospitals aren't complying](#).

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Current Activities



Expansion of Buprenorphine Treatment via Telemedicine Encounter

- Final rule from DEA and HHS effective Feb. 18, 2025.
- Applies to practitioner prescribing Schedule III-V controlled substances for opioid use disorder without in-person exam.
- Practitioners may prescribe 6-month supply of buprenorphine via telemedicine, including audio-only
- Update: Last week, the effective date was **delayed until March 21, 2025**.

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DEA Telemedicine Prescribing Rule



- DEA put forth a [proposed rule](#) to allow certain practitioners to prescribe controlled substances via telemedicine
- Ryan Haight Act of 2008 restricts scripts w/o in-person evaluation
- DEA is proposing a “special registration” process
- Comments are due March 18, 2025, via [regulations.gov](#)
- Please forward your comments to NRHA for our comment letter

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Future of Rural Health

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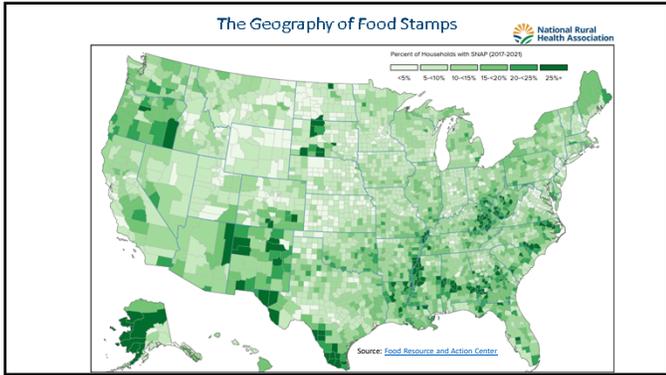
End-stage Poverty

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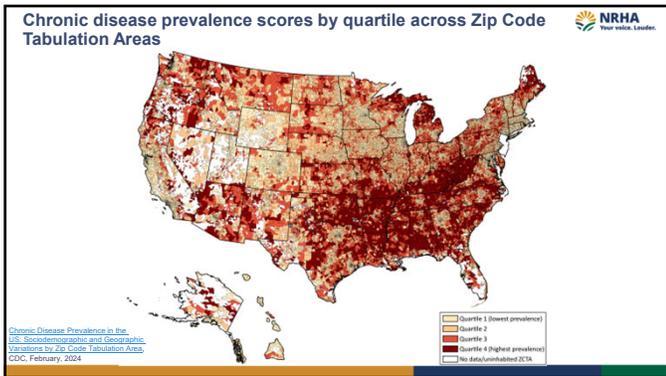
If health care is interpreted in the truest sense of caring for people's health, it must be a practice that extends well beyond the boundaries of hospitals and clinics.

Source: [Many Patients Don't Survive End-Stage Poverty](#), NY Times, May 2024

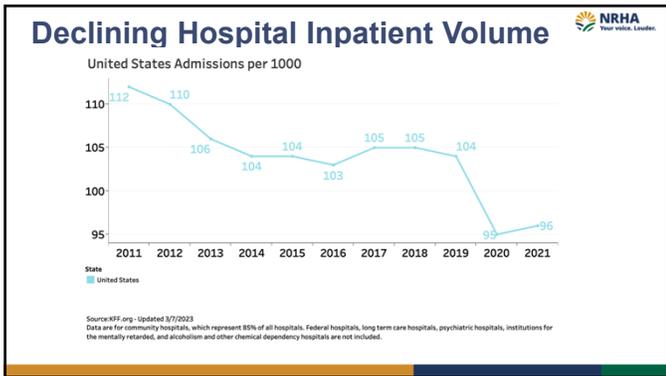
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Directives for the “North Star”

- Support economically viable and thriving rural communities
- Community development policy and health policy should have a symbiotic relationship
- A rural health system should be designed to promote health and well-being
- Preserving what we have to assure access to affordable, high-quality services

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Elements of a Framework for the Future

- Address full continuum of care with essential local services
 - Primary care, oral health care, behavioral health services, chronic disease management
 - Select specialty care – a minimum access via telehealth
 - Basic obstetric care
 - Emergency medical services, including ambulance & emergency rooms
 - Long term services and supports
 - Public health
 - In-home care
- White-paper being developed and released in Spring, 2025

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Vision for a Transformation Plan



- Adopt a more patient-centric model, transition to a major focus on:
 - Access
 - Navigation
 - Care Management
- Expand Outpatient Footprint
 - Strategically grow outpatient and home health services...touching lives through enhanced primary care, rather than inpatient discharges
- Enhance Virtual Care Access
 - Increase access to virtual care tools and access points for your network, optimizing primary and specialty coverage
- Regionalizing In-Patient Services
 - Centers of excellence around specialties shared in a geographic area
- Partnering for High-Value Payer Contracts Through CINS
- Develop Partnership with Tertiary/Quaternary Care Services
 - Network connects rural residents to a “specialty care center” leveraging volume to achieve efficiencies for patients and primary care providers

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Thank you.

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Advocacy and Funding Opportunities



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MAHA Commission Established



- President Trump signed an [executive order](#) to establish the Make America Healthy Again Commission
- Four policy directives to reverse chronic disease
 - Empower Americans through transparency and open-source data and avoid conflicts of interest in all federally funded health research.
 - Prioritize gold-standard research on why Americans are getting sick in all health-related research funded by the federal government.
 - Work with farmers to ensure that U.S. food is the healthy, abundant and affordable.
 - Ensure expanded treatment options and health coverage flexibility for beneficial lifestyle changes and disease prevention.
- White House [fact sheet](#) on the Commission

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RRPD Program is Accepting Applications

- The Rural Residency Planning and Development (RRPD) Program [is open and accepting applications](#).
- Program period of performance starting Aug. 1, 2025 to July 31, 2028
- Startup funding to develop new sustainable rural residency program
- To date, RRPD has launched 48 new accredited rural residency programs, 587 ACGME-approved rural resident positions
- 15 awards will be made for up to \$750,000 each
- Applications due April 10, 2025

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Rural PACE Planning & Development

- Rural Program of All-Inclusive for the Elderly (PACE) Planning and Development Grant Program by FORHP
- [Accepting applications](#) through April 17, 2025
- 4 awards for up to \$500,000 per year between 9/30/2025 to 9/29/2029
- Aim to improve access to, and delivery of, comprehensive and sustainable medical and social services for adults 55 and older living in rural areas.

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RMOMS Program Accepting Applications

- Rural Maternity and Obstetrics Management Strategies (Rural MOMS) is [accepting applications](#)
- 3 cooperative agreements up to \$1M per year over a 4-year period
- Provide support to establish innovative, collaborative rural OB networks
- Applications due April 22, 2025

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NRHA "Hot Topics" Fact Sheet
Talking Points

• NRHA has created "hot topic" fact sheets to help guide your advocacy. These are high relevance topics in the rural health care space that can be difficult to navigate when advocating. We have provided a general background, impact on rural, and NRHA's overall stance on each matter to help you!

• These are meant to be used internally and not as leave behinds.

Rural Advocacy Materials
These are to be used as references and not leave-behinds.

- Rural Medicare Advantage
- MOH/LWH extension
- Medicare Sequestration pay-for
- Rural Immigration Policy
- Rural 340B
- Site Neutrality and Rural
- Artificial Intelligence and Rural
- Medicaid Cuts on Rural
- RHC telehealth payments

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Advocacy Resources

- [NRHA 2025 Legislative Agenda](#)
- [NRHA 2026 Appropriation Priorities](#)
- [NRHA Rural Health Extenders Priorities](#)
- [NRHA Rural Health 101](#)

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