

Working with Unique Rural Populations



THE UNIVERSITY OF ARIZONA
MEL & ENID ZUCKERMAN COLLEGE OF PUBLIC HEALTH

Center for Rural Health

Daniel Derksen MD

Director of the Arizona Center for Rural Health

1:45 to 2:30 PM | September 1, 2015

Did you know?

Arizona's
114,000 sq. mi.
would encompass
NY, CT, DE, ME,
MA, NH, RI, VT, DC



Arizona vs New
England



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Pre-ACA AZ, NM Health Coverage 2012

Payer Source	 # AZ	#NM 
Medicaid	1,200,000	550,000
Uninsured	1,200,000	450,000
Medicare	800,000	300,000
Private Insurance	3,300,000	900,000
Total Pop. AZ	6,500,000	2,200,000

**Medicaid + Uninsured Comprised
40-45% AZ and NM Population**

<http://quickfacts.census.gov>; www.statehealthfacts.org

<http://www.azgovernor.gov/hix/documents/Grants/UpdatedBackgroundResearchReport.pdf>



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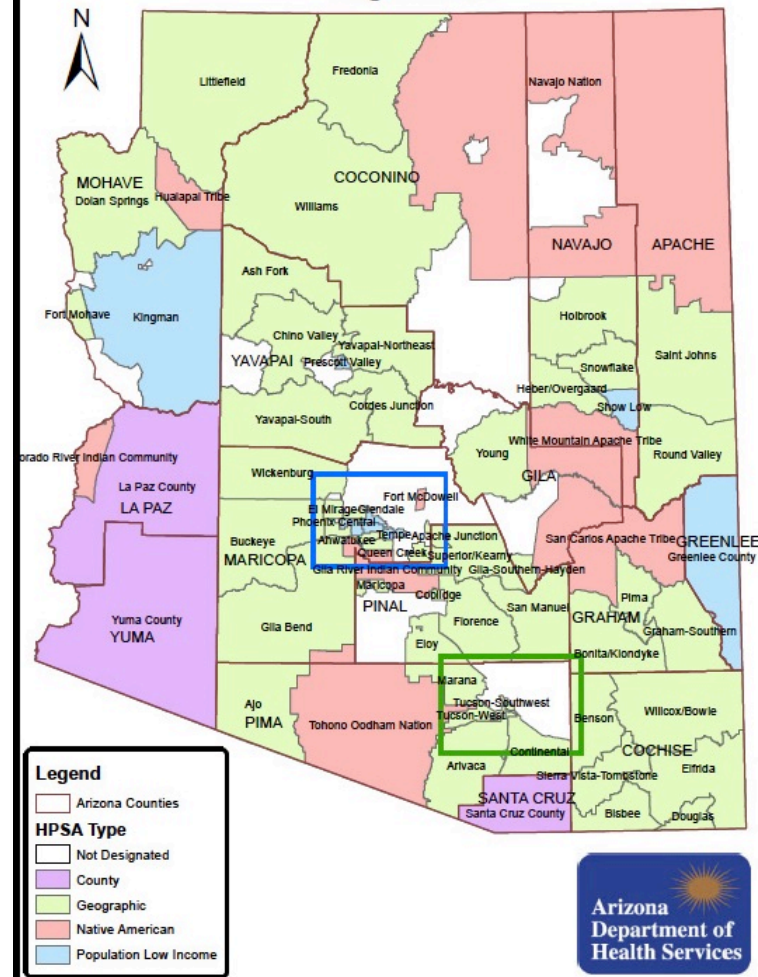
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Access to Care

- 75% Pop. live in Phoenix, Tucson
- 86% Physicians - Phoenix, Tucson

CHALLENGE:
Distributing the
health workforce to
the areas of high need

Primary Care HPSAs
August 2014



HPSA = federally designated health professions shortage areas



Arizona Medicaid & Marketplace Update



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Canyon de Chelly
Photo: Ken Miller

THE WALL STREET JOURNAL.

FRIDAY, JUNE 26, 2015 ~ VOL. CCLXV NO. 148

WSJ.com

★★★★ \$3.00

SDAQ 5112.19 ▼ 0.2% NIKKEI 20771.40 ▼ 0.5% STOXX 600 396.39 ▼ 0.2% 10-YR. TREAS. ▼ 6/32, yield 2.392% OIL \$59.70 ▼ \$0.57 GOLD \$1,171.50 ▼ \$1.10 EURO \$1.1207 YEN 123.63

High Court Saves Health Law

Justices in 6-3 ruling uphold key provision of Obama's signature program; Republicans vow to continue fight



Roberts



Ginsburg



Sotomayor



Kennedy



Kagan



Breyer



Scalia



Thomas



Alito

'Congress passed the Affordable Care Act to improve health insurance markets, not to destroy them'

CHIEF JUSTICE JOHN ROBERTS, MAJORITY

'Wonderfully convenient... interpretative jiggery-pokery'

JUSTICE ANTONIN SCALIA, DISSENTERS

BREAKING NEWS: THIS JUST IN...



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Demand: Medicaid + Round 2 Marketplace Gain

U.S. / AZ Enrollment Jan 2014-Mar 2015

Income < 138%

Medicaid
+12.3 Million

UNITED STATES



Age <26 Parents' Plan
+2.3 Million

Income 138% to 400%

Marketplace
+11.7 Million
8.7M Subsidized

ARIZONA ACA ENROLLMENT



AHCCCS – AZ Medicaid

<138% FPL (\$32,500 Family of 4)

Dec 2013-May 2015 Net Gain

+365,129

AZ <26 Parents' Plan

+70,000

AZ MARKETPLACE

138-400% FPL (\$32,500-\$94,200)

Round 2 Enrollment thru Mar 2015

+205,000

<http://www.medicaid.gov/medicaid-chip-program-information/program-information/downloads/april-2015-enrollment-report.pdf>
http://aspe.hhs.gov/health/reports/2015/MarketPlaceEnrollment/Mar2015/ib_2015mar_enrollment.pdf
<http://kff.org/health-reform/state-indicator/marketplace-enrollment-as-a-share-of-the-potential-marketplace-population-2015/>
<http://kff.org/medicaid/issue-brief/recent-trends-in-medicaid-and-chip-enrollment-as-of-january-2015-early-findings-from-the-cms-performance-indicator-project/>



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 Critical Access Hospitals
  Federally Qualified Health Centers in rural areas
  Rural Health Clinics
  AHEC Regional Office

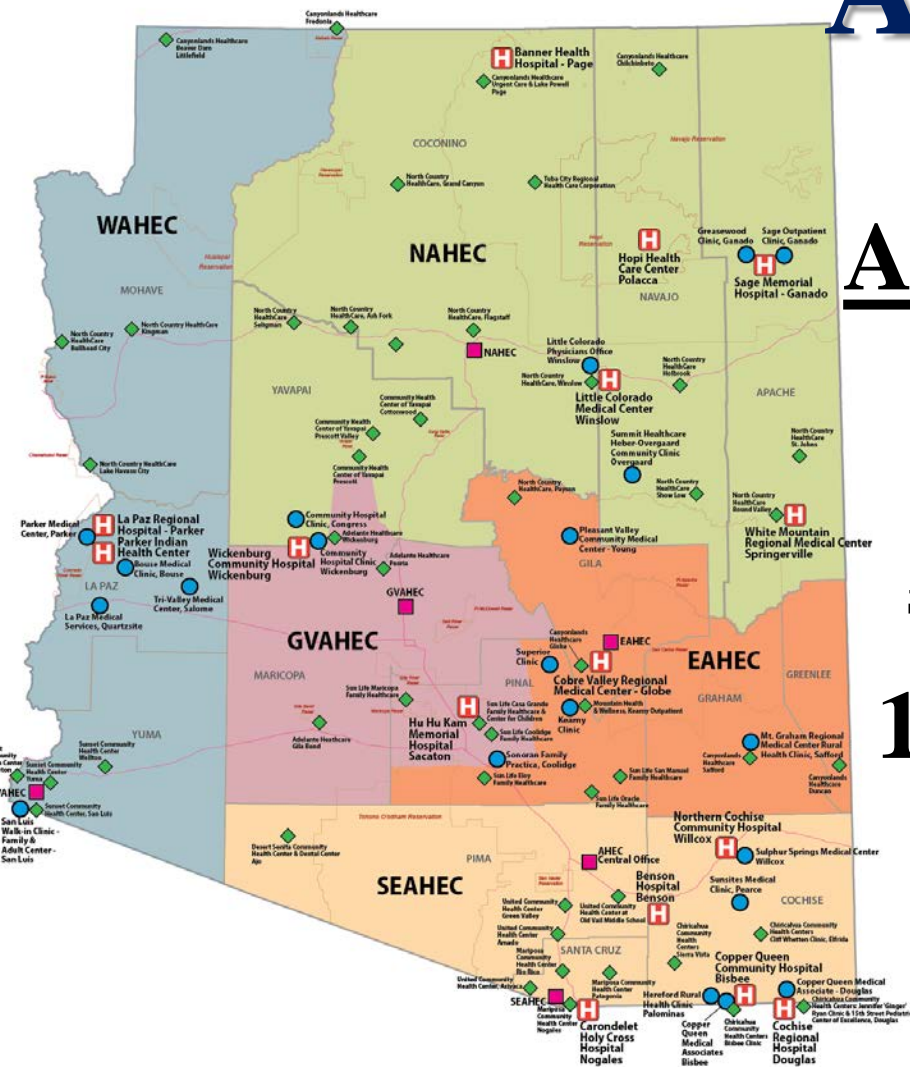
ACA Enrollment (Participation Rate)

AHCCCS – AZ Medicaid +365,129 (74%)

AZ MARKETPLACE

Enrollees with subsidy / # Eligible for subsidy

126,506 / 335,000 (38%)



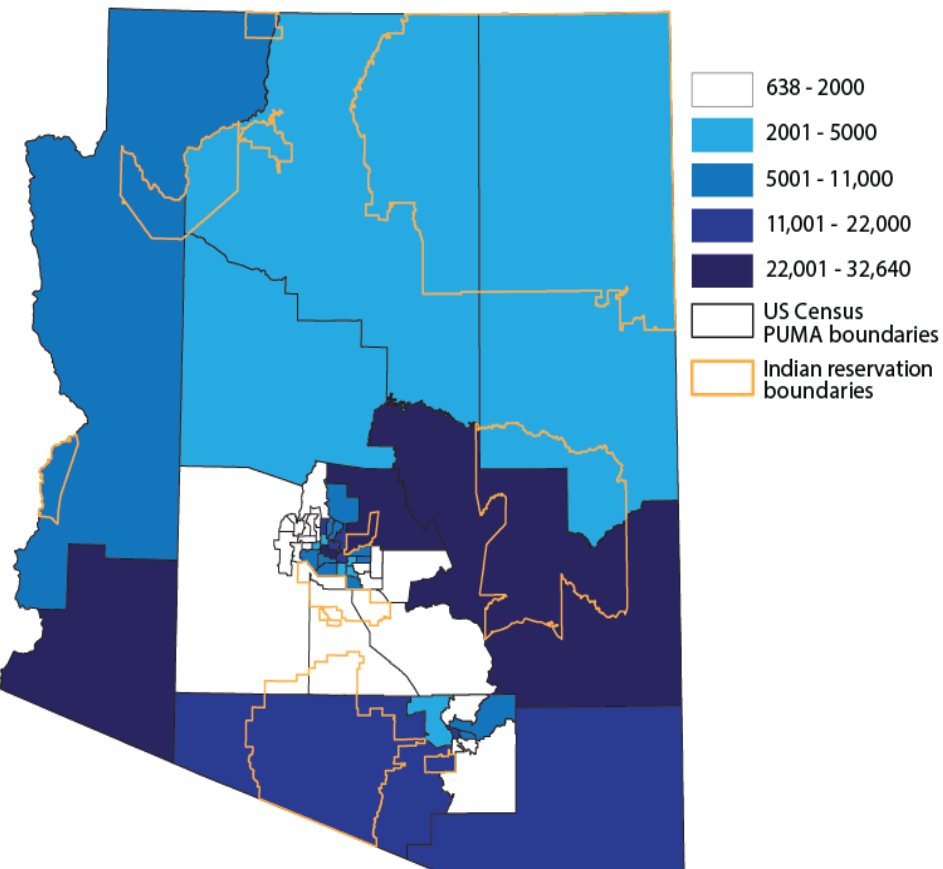
<http://kff.org/health-reform/state-indicator/marketplace-enrollees-eligible-for-financial-assistance-as-a-share-of-subsidy-eligible-population/>



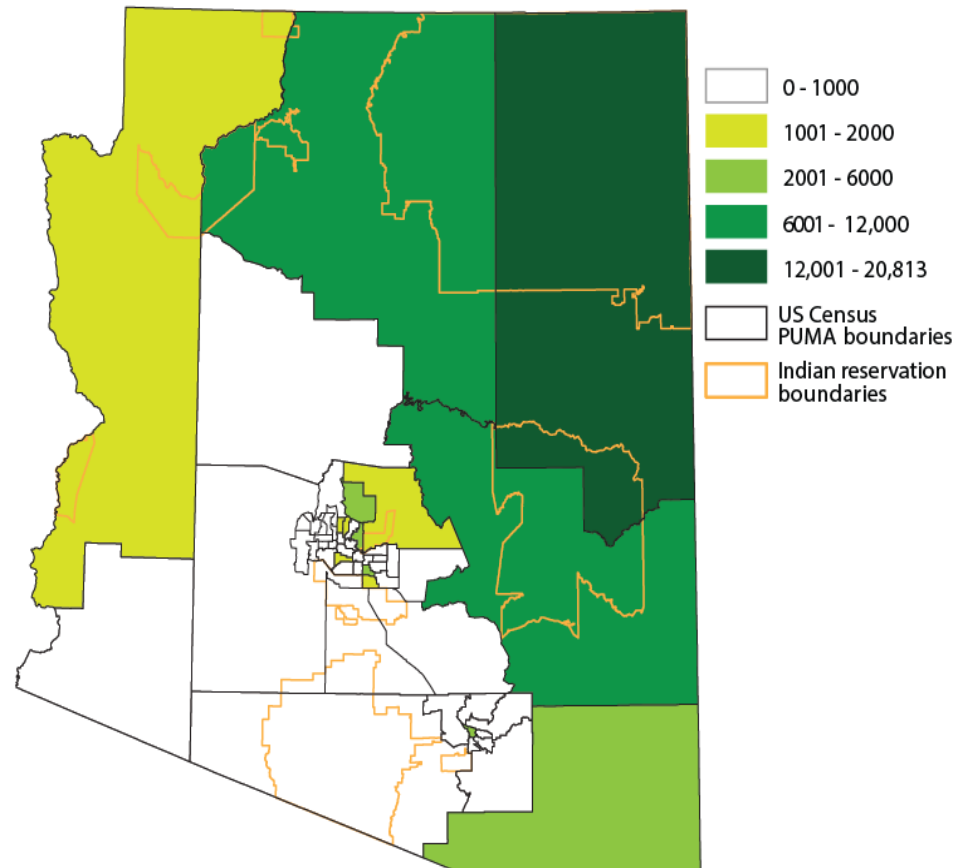
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Number of Eligible Uninsured Hispanics



Number of Eligible Uninsured Native Americans

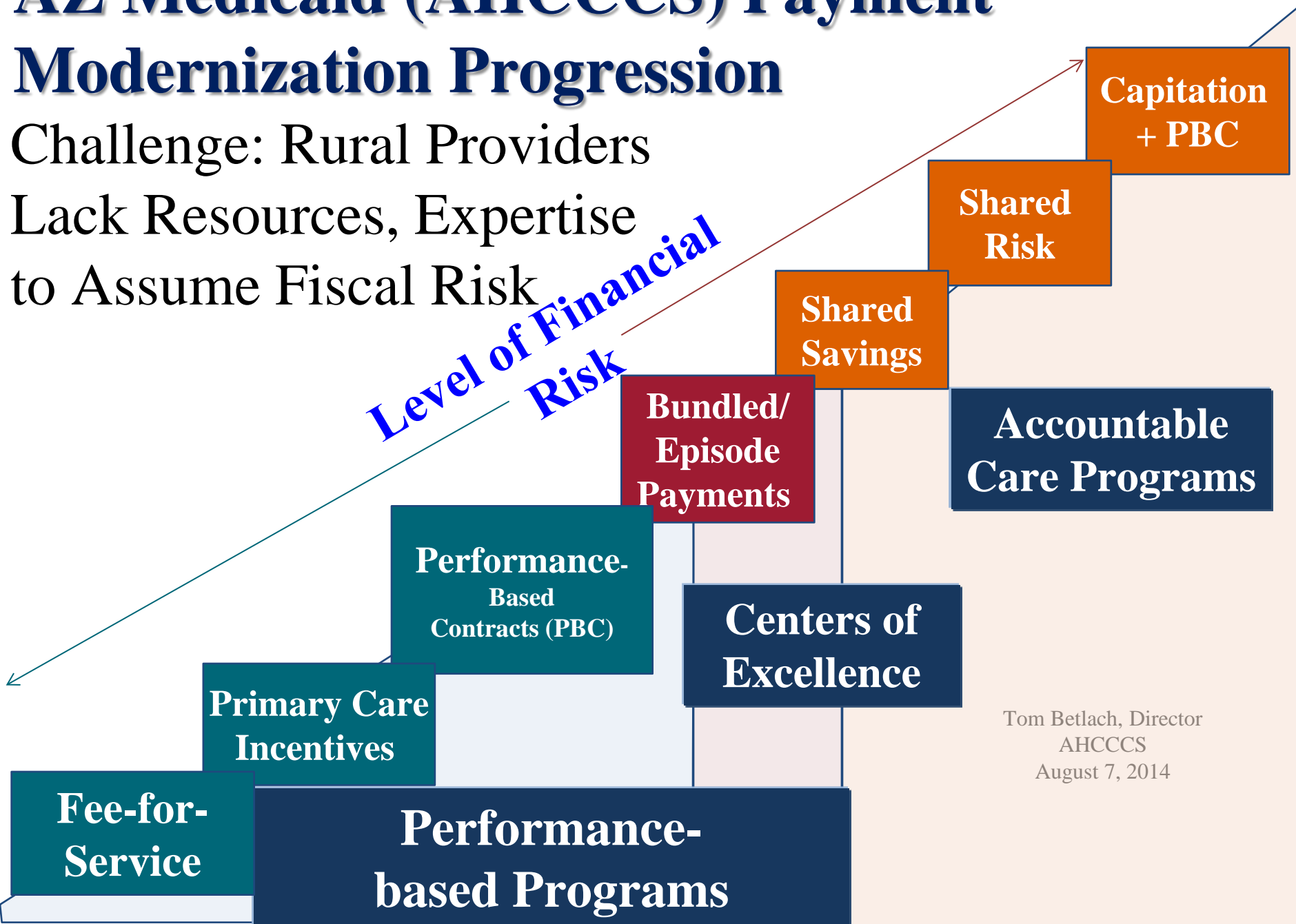


Low Participation Rates - Rural, Latino, American Indian



AZ Medicaid (AHCCCS) Payment Modernization Progression

Challenge: Rural Providers
Lack Resources, Expertise
to Assume Fiscal Risk



Ex: AZ 15 Critical Access Hospitals

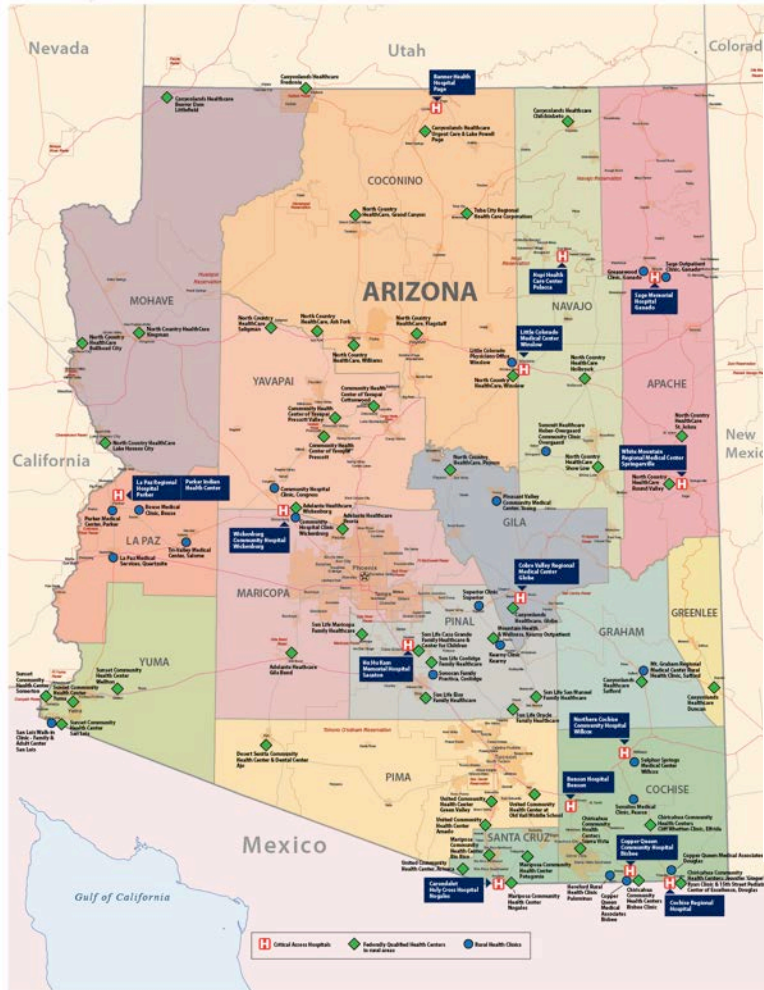
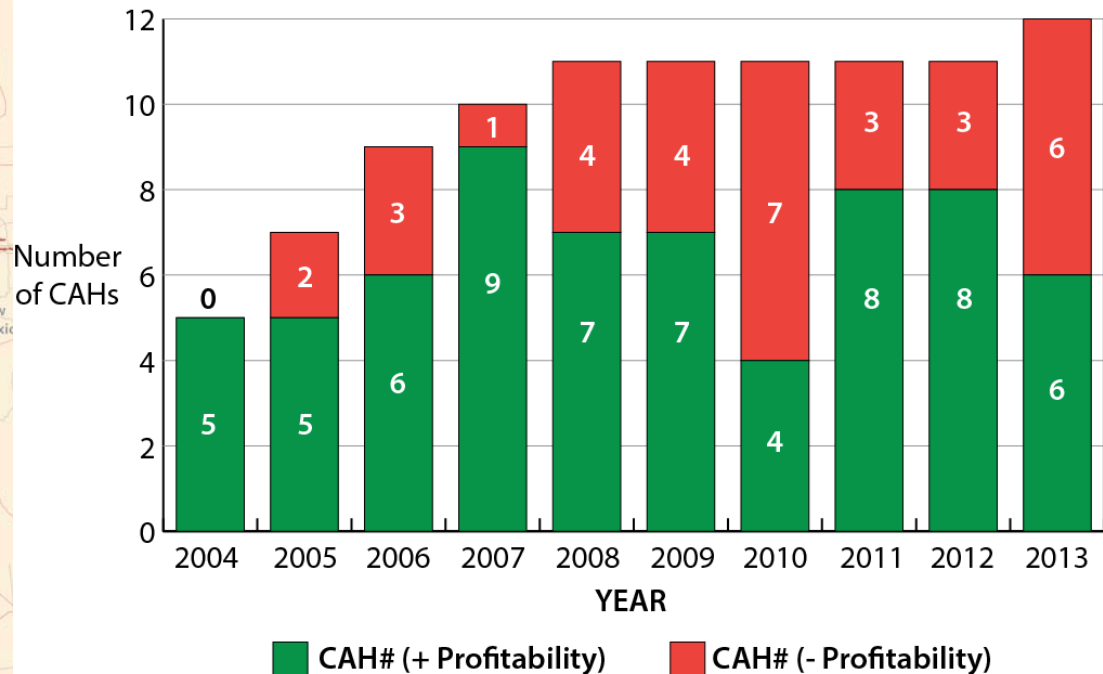


Figure 1: Arizona CAHs' Profitability Summary
2004-2013



Source – Arizona Dept. of Health Services: Hospital Cost Reports (2004-2013)

Living on the Edge of Fiscal Solvency



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Policy Intervention: CAH Rural Medicaid Quality Pool (RQP) - Draft

- ✓ Must be rural, < 25 beds, >35 mi. CAH
- ✓ Sign Participation & Data Use Agreements
- ✓ Pool up to 5% previous fiscal year payment
- ✓ Submit Inpatient, Outpatient Medicaid data –
Hospital Compare, HCAHPS Patient Satisfaction
- ✓ Reimburse Based on Quality Performance





azdailysun.com
Serving Flagstaff and northern Arizona

Rural Hospital Margins Improved, but Thin

Cochise Regional Hospital set to close, after Medicare cut off funding

July 28, 2015 6:54 pm • By NICK WICKSMAN Cronkite News | AP Content

http://azdailysun.com/news/local/cochise-regional-hospital-set-to-close-after-medicare-cut-off/article_8a34f3a3-db78-5a7f-93c4-ae381af41aba.html

WASHINGTON – Medicare restrictions are crippling rural healthcare centers like Cochise Regional Hospital, which is set to close Friday after a funding dispute with the federal agency, an Arizona health expert testified Tuesday.



Dr. Daniel Derksen, the director of the University of Arizona's Center for Rural Health, was one of several health care experts testifying before a House subcommittee on "rural health disparities created by Medicare."

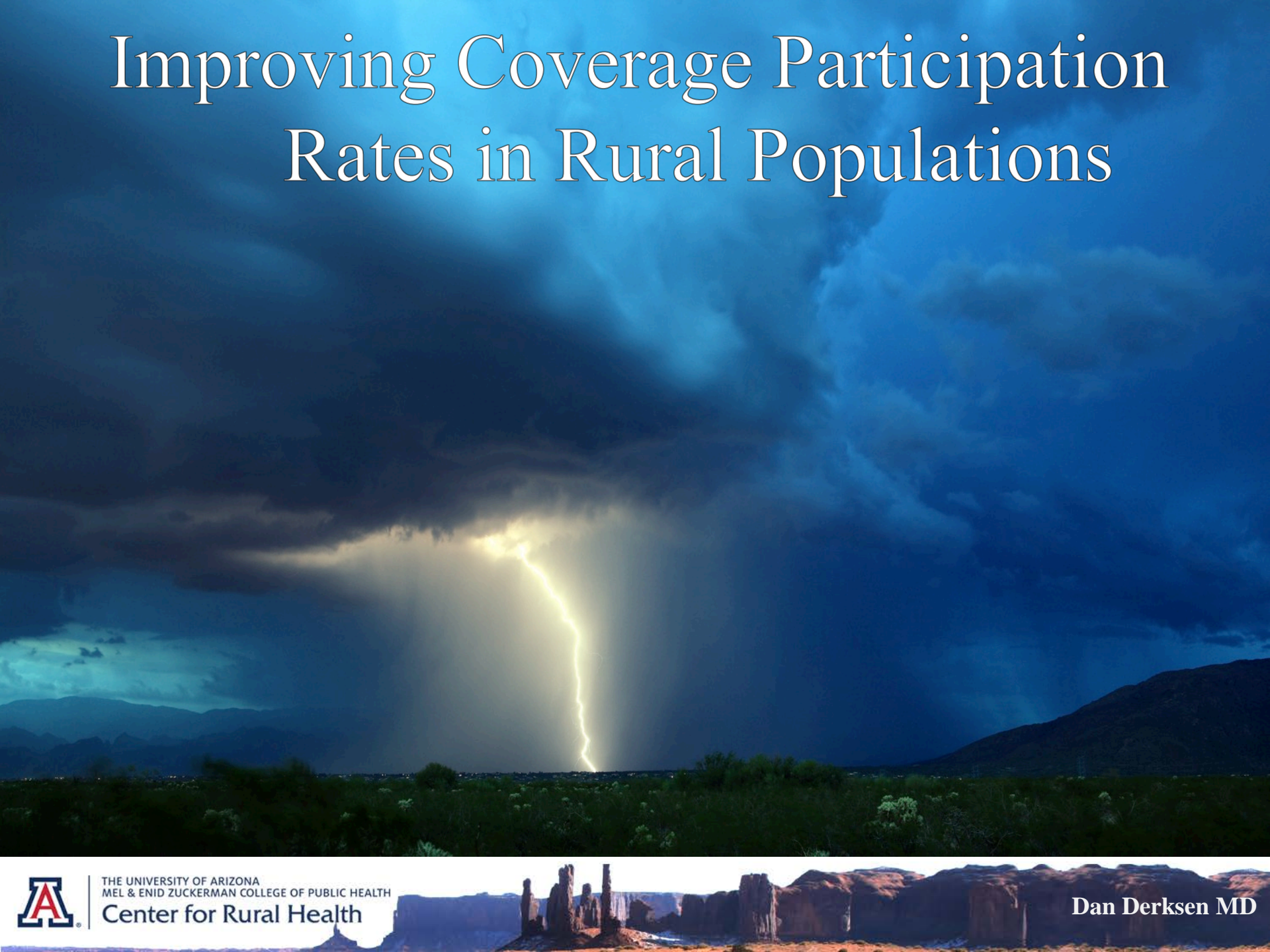
They told a House Ways and Means subcommittee that rural facilities operate on such thin margins that any change in policy or delay in payment can "push them over the brink."



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Improving Coverage Participation Rates in Rural Populations



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ACA Marketplace: Oct 2013 - Mar 2015

#Enrollees receiving subsidy / # Eligible for subsidy

US **50%** Participation Rate

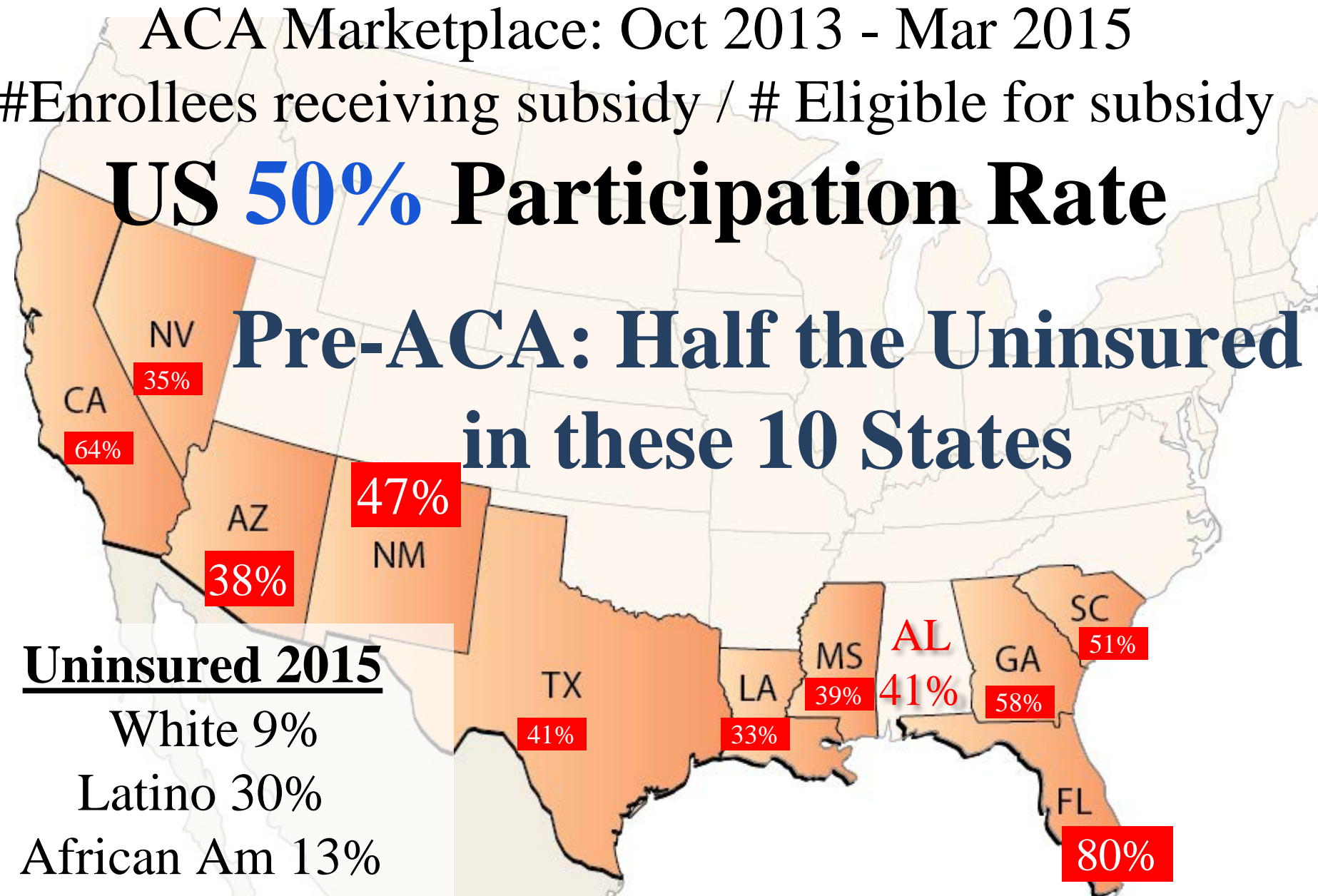
Pre-ACA: Half the Uninsured in these 10 States

Uninsured 2015

White 9%

Latino 30%

African Am 13%



Accessed 7/6/15 at: <http://obamacarefacts.com/2015/03/16/obamacare-enrollment-numbers-as-of-march-2015/>

<http://kff.org/health-reform/state-indicator/marketplace-enrollees-eligible-for-financial-assistance-as-a-share-of-subsidy-eligible-population/>



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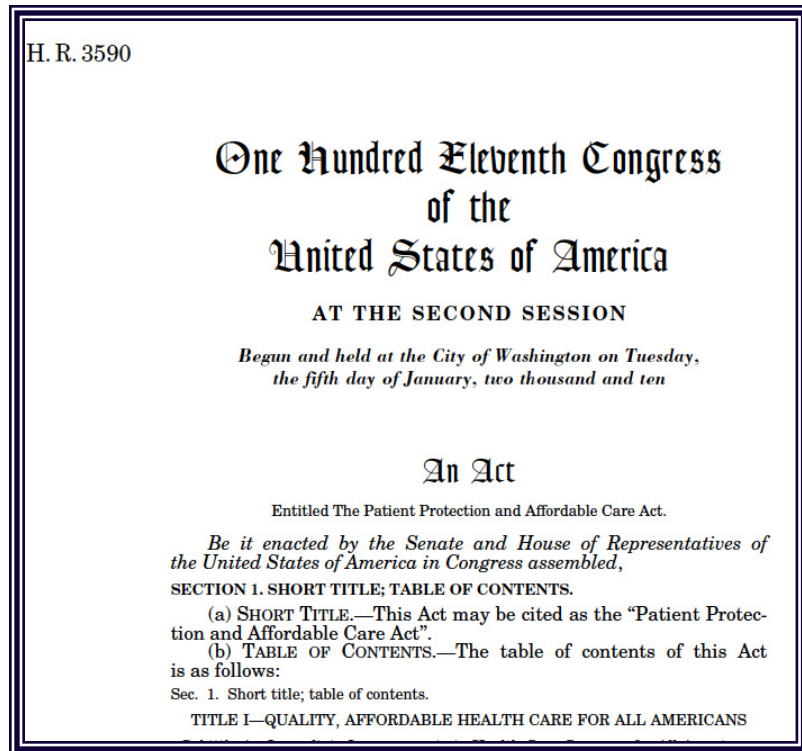
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Affordable Care Act Titles

TITLE V – HEALTH CARE WORKFORCE

Subtitle B – Innovations in the Health Care Workforce

Sec. 5508. Increasing Teaching Capacity-Teaching Health Centers



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Senator Jeff Bingaman

Full Disclosure: I researched, drafted health workforce provisions that ended up in Title V of the ACA – including Teaching Health Centers



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\$2.8 Trillion on Health 34% Wasted Spending



Best Care at Lower Cost. IOM Consensus Report. 9/6/12.

Accessed 6/5/13 at <http://iom.edu/Reports/2012/Best-Care-at-Lower-Cost-The-Path-to-Continuously-Learning-Health-Care-in-America.aspx>



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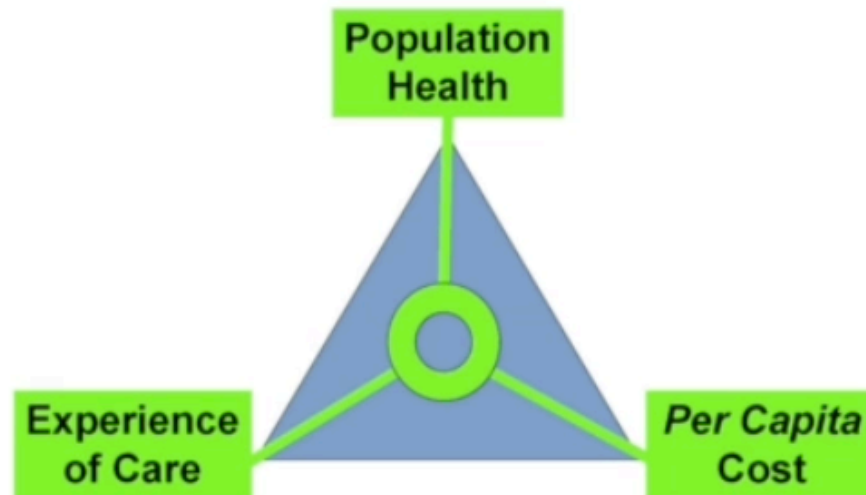
34% Waste \$2.9 Trillion US Health Spending Confiscates Resources for Other Spending

Keynote Address– The Challenge of Change

Donald Berwick

“Quality Equals
Meeting Health
Needs – We Must
Reinvent Medical
Education to Meet
Our Nation’s
Health Needs”

The Triple Aim



Accessed 08/02/15 at: <http://beyondflexner.org/conferences/bf2015/presentations/>



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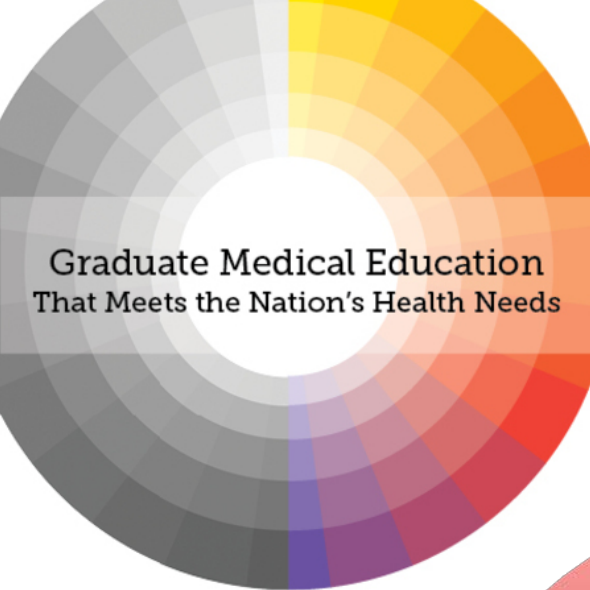
Prickly Provider Issues



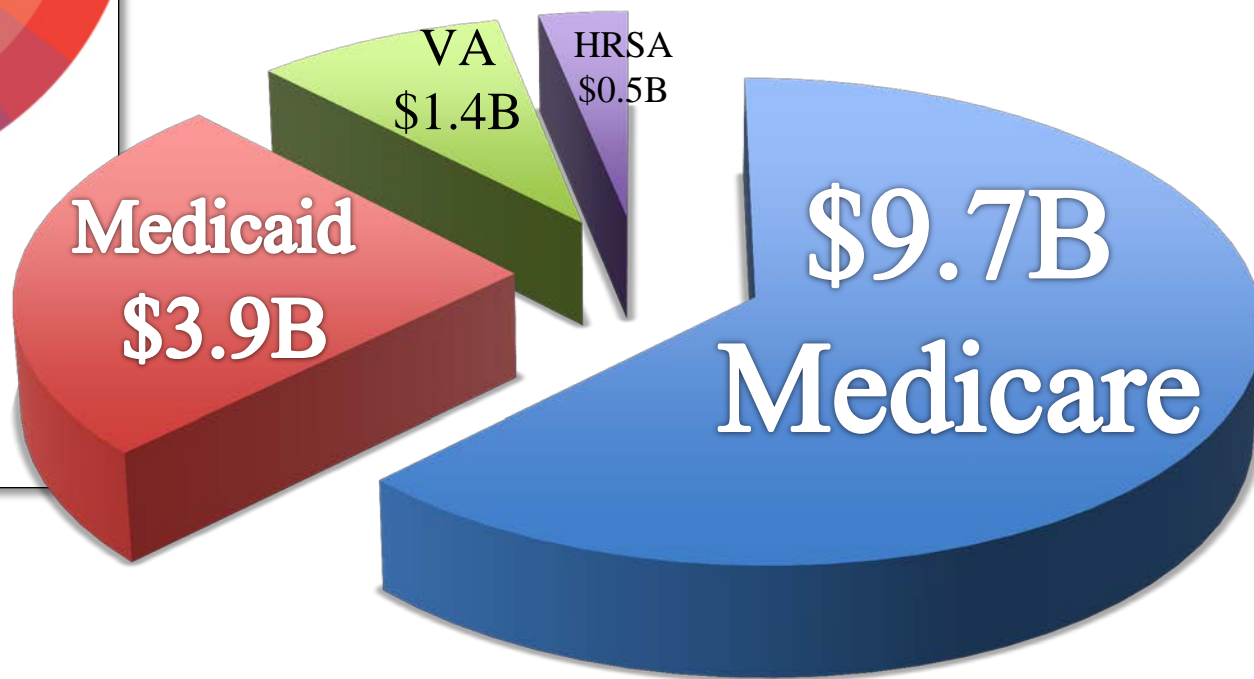
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GME Public Funding in Billions = \$15.5 B/Yr



INSTITUTE OF MEDICINE
OF THE NATIONAL ACADEMIES

Released 7/29/14: <http://www.iom.edu/Activities/Workforce/GMEGovFinance.aspx>



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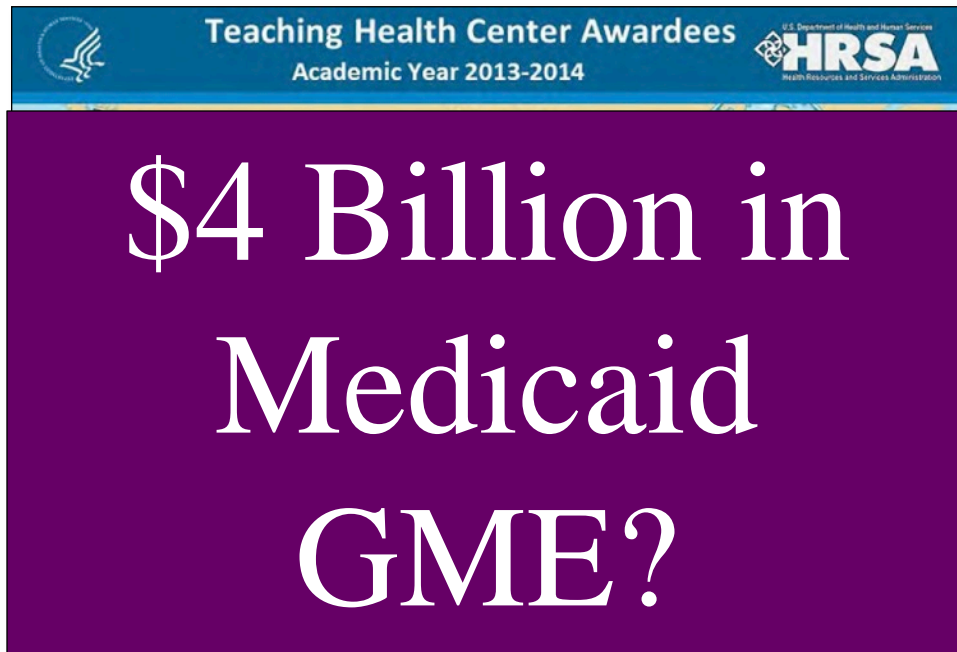
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Teaching Health Centers

State Pacesetters

Teaching Health Centers – move the primary care training pipeline to areas of need. Grads have higher rates of practicing in rural and medically underserved areas.



Teaching Health Center Awardees
Academic Year 2013-2014

**\$4 Billion in
Medicaid
GME?**

The banner features a blue header with the HRSA logo and the text "Teaching Health Center Awardees Academic Year 2013-2014". The main body is a large purple rectangle with the text "\$4 Billion in Medicaid GME?" in white.

States: AL, AK, AZ,
CA, CT, ID, IL, IA,
KY, ME, MA, MI, MO,
MT, NM, NY, NC, OK,
PA, TX, WA, WV



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Rural Health Professions Tax Credit



State Pacesetters

Retains health professionals in rural areas.
Licensed physicians, dentists, psychologists,
nurse practitioners, and others are eligible for a
tax credit up to \$5,000

States: Oregon, New Mexico

NM: <https://rhcptc.health.state.nm.us/faq.aspx>;

OR: <http://www.ohsu.edu/xd/outreach/oregon-rural-health/providers/provider-tax-credits/provider-faq.cfm>



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Rural Health Has Strong Support

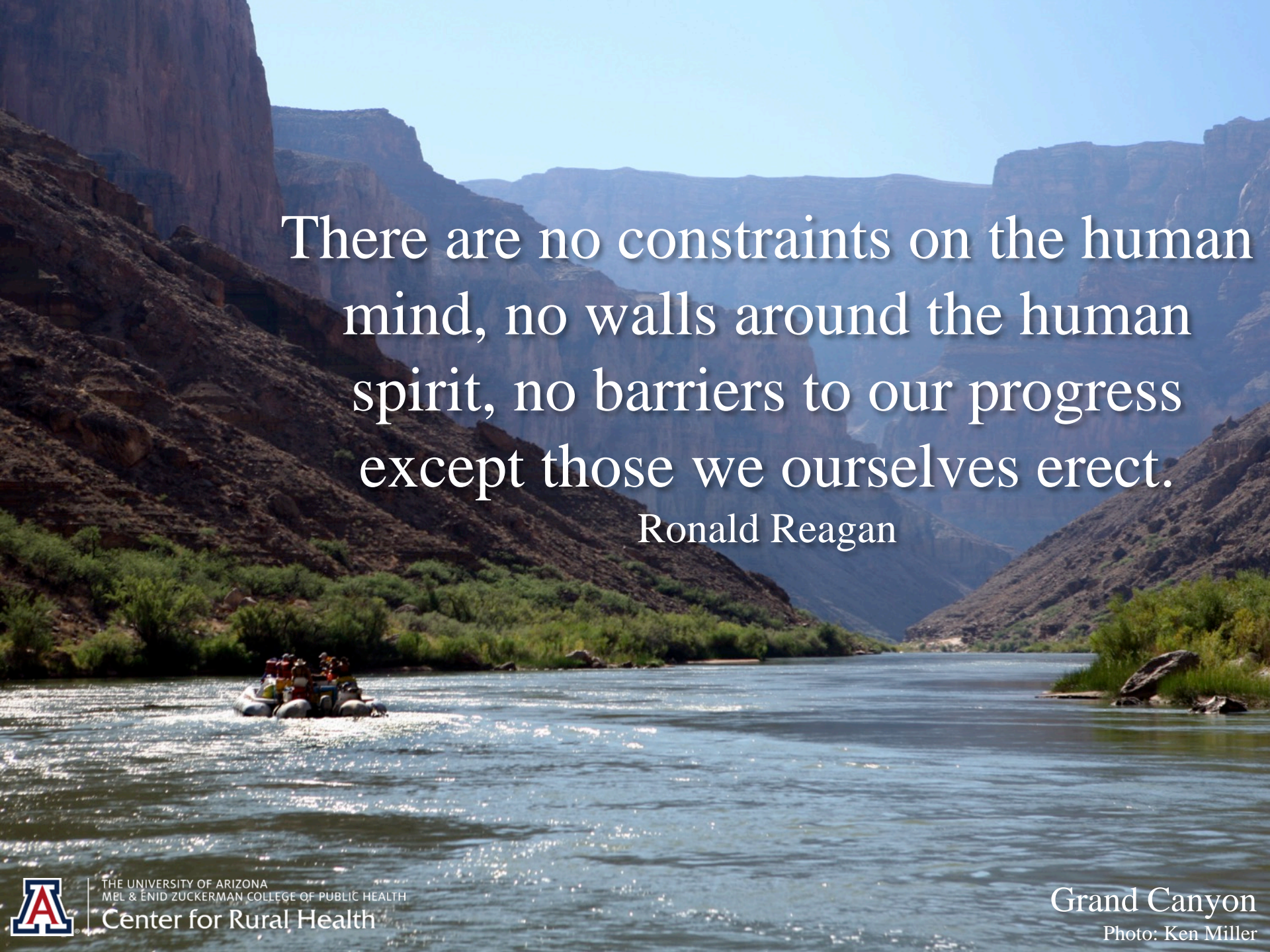


We Support Rural Health!



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A scenic view of the Grand Canyon. In the foreground, a river flows through the canyon, with a small raft carrying several people visible on the left. The canyon walls are steep and rugged, with some green vegetation along the riverbanks. The sky is clear and blue.

There are no constraints on the human
mind, no walls around the human
spirit, no barriers to our progress
except those we ourselves erect.

Ronald Reagan

