



## **Protect Rural Patients and Providers**

### ***Stop Rural Health Care Cuts to Hit October 1, 2017***

Several critically important rural Medicare “extenders” will expire on October 1, 2017 unless Congress intervenes. If Congress doesn’t act, rural health providers across the nation will be hit with hundreds of millions of dollars in reimbursement cuts. If Congress allows this, many rural facilities will close, exacerbating the current rural hospital closure crisis. (Already 80 rural hospitals have closed since 2010 and 673 rural hospitals are in severe financial crisis.)

Rural health care delivery is challenging. Workforce shortages, older and poorer patient populations, geographic barriers, low patient volumes and high uninsured and under-insured populations are just a few of the barriers. Congress created unique payment structures for certain rural providers to enable them to keep their doors open, which are collectively known as the “Rural Extenders.”

- **Extension of the Low-Volume Hospital adjustment**  
This payment adjustment, based on mileage and the number of discharges, sustains providers in rural America by taking into account factors unique to rural America. These facilities face higher prices due to an inability to achieve savings through economies of scale (such as physical isolation and low patient volumes) that are beyond the control of the provider. This important payment keeps hospital doors open and protects access to care.
- **Extension of the Medicare Dependent Hospital (MDH) program**  
The MDH program was created in 1987 to ensure that small rural hospitals which provide care for a significant number of seniors can remain open. (To be classified as an MDH, a rural hospital must have at least 60% of its days or discharges covered by Medicare Part A.) Even with this enhanced payment, most of the 200 MDH hospitals are financially vulnerable. In fact, if this program is cut, an MDH hospital would need an 18% increase from private payers to make up the loss – which is an impossible task - - meaning most will close. The MDH program keeps hospital doors open and protects seniors’ access to their local hospital.
- **Extension of the work geographic index floor under the Medicare physician fee schedule.**  
This provision provides an extension of the floor on geographic adjustments to the work portion of the fee schedule, with the effect of increasing practitioner fees in rural areas.
- **Extension of current rural ambulance payments.**  
This payment provides equity to rural EMS providers who travel greater distances in rural and remote service areas. The loss of this payment is equivalent to a 22.6% Medicare cut and would mean many EMS services would close.
- **Extension of exceptions process for Medicare therapy caps.**  
This provision extended the process allowing exceptions to limitations on medically necessary therapy.