Historic rural spending in stimulus heads to the President’s desk

WASHINGTON, DC (February 13, 2009) – Both the United States Senate and the House of Representatives passed a final agreement on a massive stimulus package that contains historic levels of spending for rural America. The conference agreement passed the House by a vote of 246 to 183 and the Senate by a vote of 60 to 38. Previously, both the House and Senate had passed stimulus packages that were combined in the conference agreement. The bill will now go to President Obama’s desk for his signature.

The NRHA won a large victory for rural health with the inclusion of $500 million for health workforce training and $1 billion for prevention services within appropriations or funding programs. “Rural America is facing a health workforce crisis. We salute champions in the House and Senate who made this investment in health workforce training. This training will create necessary short-term jobs and, in the long-term, help bring the health professionals we need to underserved communities,” said Alan Morgan, NRHA CEO.

Highlighted rural health appropriated funding includes:

- $2 billion to the Office of the National Coordinator of HIT to make sure that providers, especially in underserved communities, have money to invest and implement HIT in their facilities
- $500 million for health workforce programs
- $1 billion to fund prevention and wellness programs
- $500 million for the Indian Health Services medical facilities
- $1 billion for the Veterans Administration construction, including medical facilities
- $2 billion for Section 330 facilities, including Community Health Centers
- At least $3.5 billion for rural broadband implementation programs (half of the overall pot) to develop the next generation broadband networks in rural America through a series of programs
- $130 million for rural community facility development, which will translate to well over $1 billion in guaranteed loans for rural facilities, including health care facilities
- $1.1 billion for health care comparative effectiveness research
- $1.38 billion for waste and waste water programs for rural

In addition, the stimulus package includes numerous tax and entitlement programs, including $87 billion for Medicaid to assure needed health care coverage and incentive payments for meaningful adopters of health information technology and electronic health records. Most rural providers that become meaningful adopters by 2015 will have access to incentive payments.
Alan Morgan said “While we still have some concerns about the effectiveness of some of the final incentive payments, the inclusion of rural providers, such as Critical Access Hospitals and Rural Health Clinics, was a must. With these investments, rural health providers can begin to move forward and invest in the reforms that information technology promises.”

Though the American Recovery and Reinvestment Act does not meet all of rural America’s health needs, it is a historic investment in rural America that will help rural providers to modernize as they continue to provide high quality care.

The NRHA is a nonprofit organization working to improve the health and well-being of rural Americans and providing leadership on rural health issues through advocacy, communications, education and research. The NRHA membership is made up of 18,000 diverse individuals and organizations, all of whom share the common bond of an interest in rural health.

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