# Rural Health Clinic Legislation Introduced in the Senate

## RHC MODERNIZATION ACT

WASHINGTON, DC - On April 4th, Senator John Barrasso (R-WY) and Senator Tina Smith (D-MN) introduced The Rural Health Clinics Modernization Act (S. 1037). The legislation provides important regulatory relief, aligns federal and state scope of practice rules for Physician Assistants and Nurse Practitioners in rural health clinics, and improves Medicare reimbursement for rural health clinics subject to the upper limit.

"As a doctor from a rural state, I want all patients to have access to high-quality care wherever they live," Sen. Barrasso said. "Rural health clinics have a long record of making sure that folks in rural communities receive primary care close to home. I am proud to help lead this bipartisan effort to strengthen rural health clinics so they will continue to serve patients in Wyoming and across rural America."

"We need to do everything we can to make sure that people in rural areas are able to get healthcare," Sen. Smith said. "While there have been significant changes in the health care system, many of the laws focusing on Rural Health Clinics haven't been updated in over 40 years. Our bipartisan bill would fix some of the old rules that are in need of these upgrades. For example, it expands the ability of physician assistants and nurse practitioners to provide care in these clinics. This legislation is really about making sure at the end of the day people are going to be able to get the vital care Rural Health Clinics provide in underserved, rural areas."

The National Association of Rural Health Clinics (NARHC) had been working with the offices of Senator Smith and Senator Barrasso for over a year to get this legislation introduced. During that period, NARHC hosted two Washington D.C. "Fly-Ins" wherein members of the RHC community dedicated their own time and money to fly to D.C. and advocate for this legislation.

"Without the help of the RHC community, particularly those individuals who flew in to Washington, this legislation would have never been introduced," Bill Finerfrock, the Executive Director of NARHC, said. "This legislation represents the best opportunity we have to address the key problems in the RHC program, but we need strong grassroots support for the RHC Modernization Act if we want the bill to be passed and signed into law."

As many of you know, one of the most pressing issues facing the RHC program is the upper limit, or cap, on Medicare reimbursement which Congress set into law in the 1980s. Set at $84.70 for 2019, this cap results in many RHCs receiving reimbursement far below their actual costs to deliver care. This cap on reimbursement is the key reason that rural health clinics have had to close or sell their practice. In a recent study, The National Center for Rural Health Works found that since 2012, 388 rural health clinics have closed, and another 310 independent rural health clinics have converted to provider-based rural health clinics.

The RHC Modernization Act raises this cap to $115 per visit by 2022.

Another major provision in this legislation allows RHCs to better participate in telehealth. Current Medicare law arbitrarily prohibits rural health clinics from providing telehealth services a distant site (i.e. where the provider is located). As a result, rural health clinics, are disincentivized from investing in and providing telehealth services. Section 5 of this legislation corrects this policy and would allow RHCs to provide and bill telehealth services as a distant site provider for Medicare patients.

If you wish to learn more about the RHC Modernization Act, check out the Section by Section Synopsis on page 2.

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# Rural Health Clinics Modernization Act Section-by-Section

**Sec. 2 Modernizing Physician, Physician Assistant, and Nurse Practitioner Utilization Requirements**
Modernizes physician supervision requirements in RHCs by aligning scope of practice laws with state law. Allows PAs and NPs to practice up to the top of their license without unnecessary federal supervision requirements that apply only because the PA or NP is practicing in a RHC.

**Sec. 3 Removing Outdated Laboratory Requirements**
Removes a requirement that RHCs maintain certain lab equipment on site and allows RHCs to satisfy this certification requirement if they have *prompt access* to lab services.

**Sec. 4 Allowing RHCs to Determine the Drugs and Biologicals Necessary for Emergency Cases**
Allows the professional personnel responsible for the RHCs policies and procedures, instead of the Secretary of Health and Humans Services, to determine the drugs and biologicals necessary for emergency cases in each specific RHC.

**Sec. 5 Allowing RHCs Clinics the Flexibility to Contract with Physician Assistants and Nurse Practitioners**
Removes a redundant requirement that RHCs employ a PA or NP (as evidenced by a W2) & allows RHCs to satisfy the PA, NP, or CNM utilization requirements through a contractual agreement if they chose to do so.

**Sec. 6 Allowing Rural Health Clinics to be the Distant Site for a Telehealth Visit**
Allows RHCs to offer telehealth services as the distant site (where the provider is located) and bill for such telehealth services as RHC visits.

**Sec. 7 Creating a State Option for Rural Designation**
Gives new authority to States to define areas as rural for the purposes of establishing a RHC.

**Sec. 8 Raising the Cap on Rural Health Clinic Payments**
Increase the upper limit (or cap) on RHC reimbursement incrementally to $105, $110, and $115 over 3 years with an adjustment for MEI thereafter.

*To see the complete bill or learn more about the RHC Modernization Act including a sample letter you can send to your Senator, please visit NARHC's webpage*: CLICK HERE