September 23, 2013 Letter on Affordable Care Act Outreach, Education and Enrollment Efforts

September 10, 2013

The Honorable Kathleen Sebelius, Secretary
U.S. Department of Health and Human Services
200 Independence Ave, SW
Washington, D.C. 20201

Dear Secretary Sebelius,

The Department will soon prepare for the opening of the Health Insurance Marketplaces, which has the potential to bring health insurance coverage to more than 40 million uninsured Americans, including the 7.8 million who reside in rural communities. This is a tremendous opportunity to improve the health of rural Americans. The National Advisory Committee on Rural Health and Human Services, however, has concerns that a significant portion of rural America may not be reached by the Affordable Care Act (ACA) Outreach, Education and Enrollment (OE&E) efforts.

The scope of the challenge became readily apparent to the Committee at a recent meeting in Bozeman, MT. The Committee members shared their experiences on OE&E and also held stakeholder meetings in several communities to get a broader perspective. The Committee believes there is a lack of familiarity with the new coverage options and the benefits available to many rural residents. Addressing this is made even more difficult by the limitations on OE&E activities in states that elected not to operate their own Marketplace nor participate in Medicaid Expansion. Most of these states are predominantly rural. While some of these factors are beyond your control, the challenge of making sure rural Americans eligible for coverage are aware of and able to take advantage of the new options will require a concerted effort on the part of HHS and other partners.

The potential benefits of the ACA's coverage expansion for rural residents are significant. In the Marketplace, a greater per capita of rural than urban population will be eligible for subsidized insurance coverage and reduced cost-sharing through the Marketplace due to lower income levels and current lack of insurance (10.7 percent of the rural population versus 9.6 percent of the urban population).

The ACA's coverage expansion is especially important for rural families, who currently pay for nearly half of their health care costs out of pocket, as well as farmers, one in five of whom is in medical debt.

Non-metro residents are generally older, sicker, and poorer than their metro counterparts and health care providers in non-metro areas often have more fragile financial margins than their metro counterpart. In this context, covering more rural patients could significantly strengthen the health care system in rural areas for both patients and providers.

While there is greater opportunity to perform OE&E for individuals newly eligible for health insurance in rural areas, there are also unique challenges to reaching these residents. More than half of rural residents live in states that have not yet committed to expand Medicaid meaning more uninsured individuals may be unable to enroll in affordable health coverage.

Additionally more than 80 percent of the eligible uninsured in non-metro areas will be covered by a Marketplace controlled by HHS. Based on the structure of ACA funding, these states in which the federal government has the lead role in establishing the Marketplace will have more limited financial resources to plan, establish, and provide consumer assistance on that Marketplace. Though HHS has made notable commitments to consumer assistance such as Navigator grants to Federally-Facilitated and State Partnership marketplaces and OE&E funding to Community Health Centers, we remain concerned that it will not be enough to meet the need.

The Committee will explore the issue of rural OE&E in more detail in a forthcoming policy brief but in the interim we have identified several actions HHS could take during the initial enrollment period.

Confirm that Outreach, Education, and Enrollment Efforts Qualify Under the 990 Community Benefit Reporting.

The IRS proposed regulation[1] implies that helping uninsured individuals and families learn about and enroll in sources of insurance, including Qualified Health Plans on the Marketplaces, could be reported under the 990 Community Benefit. Speaking to rural hospital administrators in Montana it was clear that they are ready and willing to participate in OE&E efforts but are reluctant to do so without assurance that it will meet the Community Benefit requirements. Rural hospitals can be key partners in addressing the concern for rural OE&E. If the IRS, through its regulation, is allowing hospitals to claim this option to their advantage, it is critical that HHS make hospitals aware of this opportunity.

Key Statements from the Community Health Needs Assessment for Charitable Hospitals Federal Regulation

As you are aware, the ACA has imposed new Community Health Needs Assessment (CHNA) requirements on 501(c)3 hospitals. The IRS released a proposed regulation on April 5, 2013 that elaborates on these requirements. Specifically, it would require a hospital facility's CHNA implementation strategy to describe "in addition to the actions the hospital facility intends to take to address the health need identified through the CHNA, *the anticipated impact of these actions and the plan to evaluate such impact* (emphasis added)."

The proposed regulation indicates OE&E efforts as an illustration of this requirement:

> For example, a hospital facility's CHNA may identify as significant health needs financial or other barriers to care in the community, such as high rates of financial need or large numbers of uninsured individuals and families. Its implementation strategy could describe a program to decrease the impact of these barriers, *such as by expanding its financial assistance program or helping uninsured individuals and families learn about and enroll in sources of insurance such as Medicare, Medicaid, Children's Health Insurance Program (CHIP), and the* ***new Health Insurance Marketplaces (also known as the Exchanges)*** (emphasis added).

Leverage the Rural Human Service Network to Reach Rural Communities.
Rural Human Services agencies, such as Community Action Agencies (CAAs), work with many of the low-income rural populations that will be eligible for the Medicaid expansion and subsidies for health insurance coverage. The Committee met with several CAAs in Montana and heard that they are eager to help with OE&E but lack resources and information around the topic. The Community Services Block Grant Network, which the CAAs are a part of, reported in 2011 that they served 3.6 million uninsured Americans. Insurance coverage affordability and access to care are issues that cut across health and human services. To strengthen the "No Wrong Door" approach to health care coverage, rural human service agencies should be fully engaged as another entrance point to enrollment. Increased training and information for CAAs around outreach and enrollment could yield a strengthened support network for consumer assistance on the Marketplaces.

Recognize That Enrollment Efforts to Reach Urban Residents May Not Fit the Needs of Rural Areas and Ensure That Any National Marketing Campaign Includes a Rural Focus.
We are aware that HHS will launch large, widespread marketing campaign for the Marketplace in the coming weeks. We request that this campaign have a defined rural component with resources and methods geared towards rural populations.

Access to broadband Internet in rural areas continues to be a concern with respect to emphasis on web-based Marketplace enrollment portals. In 2011, the Department of Commerce reported

that only 60 percent of households in rural America used broadband Internet Service. For areas with a lack of Internet access in parts of rural America, there will be greater need to engage other forms of media and physical OE&E strategies to supplement web-based efforts. At our meeting, the Committee heard from rural residents and providers in Montana about their ongoing efforts towards OE&E and shared their own best practices. The following strategies for reaching rural America were suggested:

- Radio spots
- Local newspapers
- Leveraging family members and respected members of the community
- Town-hall meetings
- Community dinners
- Community health enrollment fairs
- School-based campaigns
- Local branding
- TV ads
- Working with Chambers of Commerce, rotary clubs, and other civic groups
- Training retirees as volunteers
- Working with USDA extension centers

We urge you to consider these ideas for the Department's campaign.

Ultimately, the Committee believes the current OE&E strategy runs the risk of an enrollment that is largely urban and may miss enrollment targets for rural uninsured. Changes to rural health care infrastructure through the ACA could also put hospitals, and more broadly, access, at risk as many rural hospitals are already at financial risk and facing a situation where Medicare Disproportionate Share Hospital payments are being reduced while rural providers may still be taking care of a significant population of the uninsured.

The Committee knows you are likely aware of these issues and offer these suggestions as part of our charge to advise HHS on key rural challenges. Our goal is to ensure that rural America is able to take advantage of the benefits of the ACA's coverage options to improve health in their communities. As always, please let us know if we can assist you in any way.

Sincerely,

The Honorable Ronnie Musgrove
Chair

1. “Community Health Needs Assessments for Charitable Hospitals.” 78 Federal Register 66. 5 April 2013. Pp. 20534. Retrieved 12 September 2013 from: http://www.gpo.gov/fdsys/pkg/FR-2013-04-05/pdf/2013-07959.pdf