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Forum Highlights Urgent Challenges and Opportunities in Rural Health

More than 60 million Americans live in rural areas, many older and facing greater health challenges than their urban counterparts. On March 25, 2025, the Northern Virginia Health Policy Forum convened three leading voices in rural health to examine what it will take to improve health outcomes for rural Americans and strengthen the policies that support them. Our panelists were Bill Finerfrock, co-founder and former executive director of the National Association of Rural Health Clinics (NARHC); Sarah Hohman, MPH, Director of Government Affairs at NARHC; and Amy Elizondo, Chief Strategy Officer at the National Rural Health Association (NRHA). Linda O'Neill, Vice President of Health Policy at Applied Policy, moderated the discussion.

WORKFORCE SHORTAGES AND POLICY BLIND SPOTS

The panel opened by discussing persistent workforce issues in rural communities. Elizondo emphasized that rural areas face significant recruitment and retention challenges, particularly as older physicians retire, pandemic-related burnout drives others out of practice, and higher-paying travel positions entice nurses to leave. She added that community health workers have become a vital bridge between patients and providers in communities facing significant gaps in care delivery.

Finerfrock called attention to a potential oversight in federal workforce data: the exclusion of nurse practitioners (NPs) and PAs (physician assistants/physician associates) in official designations of Health Professional Shortage Areas. "We have almost a million PAs and nurse practitioners. There are over 600 PA and NP programs today. It's time we counted them," he said. He noted that each Medicare-certified rural health clinic (RHC) is required to employ at least one NP or PA—yet those roles are not reflected in official counts used to determine resource allocation. He referred attendees to *Where Are Provider Shortages? Reassessing Outdated Methodologies*, in which he explores this issue in greater depth.

Hohman expanded on the topic of NPs and PAs, saying that mismatches between federal regulations and state licensure can restrict their scope of practice. She noted that while some states allow NPs to practice independently, federal regulations require that they work under physician supervision in RHCs.

TELEHEALTH: PROGRESS AND POLICY LIMITATIONS

O'Neill asked the panel about the role and value of telehealth in rural healthcare. She noted that in passing the continuing resolution to fund the government through the end of the fiscal year, Congress also extended pandemic-era Medicare telehealth flexibilities through September 30, 2025.

Finerfrock welcomed the extension but described telehealth payment policies as "archaic" and rooted in outdated assumptions that all care occurs face-to-face. He observed that telehealth is especially valuable in mental health. Still, he cautioned that it should not be considered a complete substitute for in-person care, particularly in emergency and maternity services.

Hohman noted that, unlike Medicare fee-for-service providers, Rural Health Clinics (and federally qualified health centers (FQHCs)), do not receive reimbursement parity for telehealth services. Not only do they receive lower reimbursement for telehealth visits, but their billing mechanism means they can collect less data on utilization. She added that Congress' repeated short-term extensions have created uncertainty and limited providers' ability to plan long-term.

Finerfrock underscored concerns about Medicare reimbursement for telehealth, emphasizing the need to revisit current payment structures. "It's like paying the same for takeout as for a restaurant meal. You still need the infrastructure," he said. He noted that providers must maintain their facilities regardless of how care is delivered.

Hohman also observed that “as rurality increases, telehealth utilization decreases.” She attributed this counterintuitive trend to various factors, including broadband limitations and reimbursement policies.

Elizondo called for reforms including permanent reimbursement parity, extended broadband funding through the Affordable Connectivity Program, and cross-state licensure reform.

MEDICARE REIMBURSEMENT AND THE SHIFT TO MEDICARE ADVANTAGE

The panel discussed how the shift from traditional Medicare to Medicare Advantage (MA) affects rural providers. Hohman noted that while RHCs receive enhanced reimbursement under traditional Medicare, those protections don’t extend to MA contracts. Lacking negotiating leverage, most RHCs are reimbursed at lower rates under MA.

Hohman noted that FQHCs receive quarterly "wrap payments" to compensate for MA shortfalls and suggested extending similar protections to RHCs.

Elizondo offered additional recommendations to support rural providers, including eliminating Medicare sequestration, preserving disproportionate share hospital payments, and revising wage index policies. She also highlighted newer models like the Rural Emergency Hospital

designation and the importance of protecting rural participation in the 340B drug discount program.

TOWARD PRACTICAL SOLUTIONS

All three panelists offered ideas to address rural health disparities. Elizondo advocated for investments in graduate medical education, community health worker programs, and initiatives to reverse medical deserts.

Hohman expressed optimism about new CMS rules allowing RHCs to expand the specialty care they offer.

Finerfrock highlighted the value of programs supporting NP and PA students doing rural clinical rotations. By covering housing and travel costs, such programs can remove barriers that often prevent students from gaining rural experience.

MOVING BEYOND RHETORIC

The session closed with reflections on the need to sustain rural communities through meaningful action. Hohman cautioned against using "rural" as a buzzword, saying policymakers' "words must be backed by action." Finerfrock echoed this sentiment, warning against selective reference to rural communities to support political agendas while ignoring their real needs.

Ultimately, as Elizondo observed, rural communities are defined not only by their challenges but also by their opportunity, resilience, innovation, and potential—especially when adequately supported.