

02/26/2003 Moran Works to Assist Rural Hospitals

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Introduces Legislation to Improve Medicare Reimbursements

WASHINGTON, D.C. - Congressman Jerry Moran today introduced the Rural Community Hospital Assistance Act to improve patients' access to health care services by enhancing Medicare reimbursements for America's small, rural hospitals.

"Inadequate Medicare funding has left our doctors, nurses, hospitals and other health care providers struggling to meet the needs of their patients," Moran said. "Neither our seniors, who rely on these rural hospitals, nor our younger families will be able to remain in communities that lack adequate health care services. Hospitals and health care providers are important for our quality of life, and they are also essential to the survival of our communities."

The bill would allow Critical Access Hospitals - those with 15 or fewer beds - to receive cost-based reimbursements for ambulance and psychiatric services as well as follow-up care services, such as skilled nursing, rehabilitation and home health care.

The bill would also allow hospitals with 50 or fewer beds to receive Medicare payments based on actual costs. Both Critical Access Hospitals and hospitals with fewer than 50 beds would also receive additional reimbursements for technology and infrastructure needs in order to expand services such as telemedicine.

Of the 70 hospitals in the First District of Kansas in 2000, only 24 were able to break even treating Medicare patients. Nearly half of the Critical Access Hospitals were operating in negative Medicare margins, while only two were operating in positive Medicare margins. Operating hospitals under these conditions forces Kansans and Kansas businesses to subsidize health care where Medicare falls short. Over the last decade, 186 rural hospitals have closed their doors nationwide.

"Medicare must recognize that rural hospitals simply cannot maintain financial viability under the present payment system," National Rural Health Care Association President Wayne Myers, M.D. said. "We commend Representative Moran for his continued leadership on rural health issues and look forward to working with him again on this important step to make Medicare more workable for rural hospitals."

Moran is Chairman of the Rural Health Care Coalition - a group of 173 Members of Congress committed to strengthening and improving health care delivery in rural America.

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