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# Rural Health Planning and Community Development in Kewanna, Indiana

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# Rural Health Planning and Community Development in Kewanna, Indiana

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# Population

- The estimated population according to the US Census in 2006 is 615 people made up of 310 males and 305 females.
- In 2000, the population was 614 people
- In 1990 the population was 542 people.

# Income

- In 1999, the median household income
  - Kewanna: \$22,292
  - National level: \$41,994.
- At the time of the 2000 census, the per capita income
  - Kewanna was \$15,718
  - National level: \$21,587

# Current Access to Hospitals or Health Clinics in Kewanna

- No federally funded health programs/clinics since 1992.
- Currently, there is no hospital or health clinic in the town.
- The closest hospital is Woodlan Hospital in the city of Rochester, which is located 15.1 miles away from Kewanna. On average it takes Kewanna residents fifteen minutes to travel from their home to Woodlan Hospital.

# Recommendations

- Based on the needs of the community, residents may chose to put effort into further development of the following recommendations.
  - Federally-Certified Rural Health Clinic
  - Federally Qualified Health Clinic

Recommendation #1:

Federally-Certified  
Rural Health Clinic

# Overview of Federally- Certified Rural Health Clinic

- In 1977, Congress passed the Rural Health Clinic Services Act (PL 95-210). The two goals of the legislation were
  - To improve access to primary health care in rural, underserved communities
  - Promote a collaborative model of health care delivery using physicians, nurse practitioners and physician assistants.

Consequently, Congress added nurse midwives to this foundation of primary care professionals and included mental health services provided by psychologists and clinical social workers as part of the Rural Health Clinic (RHC) benefit.
- RHC may be a public or private, for-profit or not for-profit entity. The two types of RHCs are provider-based and independent.
  - Provider based clinics are those clinics owned and operated as an “integral part” of a hospital, nursing home or home health agency.
  - Independent RHCs are those facilities owned by an entity other than a “provider” or a clinic owned by a provider that fails to meet the “integral part” criteria.

# Success of Federally- Certified Rural Health Clinic

- RHC community is almost evenly split between independent clinics (52 percent) and provider-based clinics (48 percent).
- According to a national RHC survey conducted by the University of Southern Maine (USM), independent clinics are most commonly owned by physicians (49 percent) and provider-based clinics are most commonly owned by hospitals (51 percent).
- Approximately 43 percent of RHCs are located in Health Professional Shortage Areas and 40 percent are located in Medically Underserved Areas.
- Also according to the University of Southern Maine, 69 percent of all RHCs are located in ZIP codes classified by the Department of Agriculture as small towns or isolated areas. A small town or isolated area is a community with fewer than 2,500 people. Another 17 percent of clinics are located in so-called “large towns”. These are communities with populations between 10,000 and 49,999. The majority of the remaining clinics are located in areas defined as suburban.

# Location of Federally-Certified Rural Health Clinics

- Rural Health Clinics must be located in communities that are both "rural" and "underserved". For purposes of the Rural Health Clinics Act, the following definitions apply to these terms:
  - **Rural Area** - Census Bureau designation as "non-urbanized"
  - **Shortage Area** - A Federally-designated Health Professional Shortage Area, a Federally-designated Medically Underserved Area or an Area designated by the State's Governor as underserved.

# Physical Plant of Federally-Certified Rural Health Clinic

- The Rural Health Clinic program does not place any restrictions on the type of facility that can be designated as an RHC.
- A Rural Health Clinic may be either a permanent location that is a stand alone building or a designated space within a larger facility.
- The clinic can also be a mobile facility that moves from one community to another community.

# Staffing of Federally-Certified Rural Health Clinic

- The Rural Health Clinic program was the first Federal initiative to mandate the utilization of a team approach to health care delivery. Each Federally-certified Rural Health Clinic must have:
  - One or more physicians; and
  - One or more Physician Assistants (PA), Nurse Practitioner (NPs) or CNMs; and,
- The PA, NP or CNM **must** be on-site and available to see patients 50 percent of the time the clinic is open for patients.

# Emergency Services of Federally-Certified Rural Health Clinic

- Rural Health Clinics must be able to provide “first response” services to common life-threatening injuries and acute illnesses. In addition, the clinic must have access to those drugs used commonly in life-saving procedures.

# Services Provided through Arrangement

- In addition to the services that clinic staff must provide directly, the Rural Health Clinic may provide other services utilizing individuals other than clinic staff. Those services that a clinic may offer that can be provided by non-RHC staff are:
  - In-patient hospital care
  - Specialized physician services
  - Specialized diagnostic and laboratory services
  - Interpreter for foreign language if indicated
  - Interpreter for deaf and devices to assist communication with blind patients

# Qualifications of Implementing a Federally-Certified Rural Health Clinic

- The facility must be located in an area that is
  - (1) Not an urbanized area (as defined by the Bureau of the Census)
    - “An area consisting of a central place(s) and adjacent territory with a general population density of at least 1,000 people per square mile of land area that together have a minimum residential population of at least 50,000 people. The Census Bureau uses published criteria to determine the qualification and boundaries of UAs”
  - (2) That, within the previous 3-year period
    - Has been designated by the chief executive officer of the State and certified by the secretary as an area with a shortage of personal health services; or,
    - Designated by the U.S. Secretary of Health and Human services as either:
      - An area with a shortage of personal health services under section 330(b)(3) or 1302(7) of the Public Health Service Act; **or**
      - A health professional shortage area described in section 332(a)(1)(A) of the Act because of its shortage of primary medical care manpower **or**
      - a high impact area described in section 329(a)(5) of that Act **or,**
      - an area which includes a population group which the Secretary determines has a health manpower shortage

# Benefits of Implementing a Federally-Certified Rural Health Clinic

- Receive special Medicare and Medicaid reimbursement
- Medicare visits are reimbursed based on allowable costs
- Medicaid visits are reimbursed under the cost-based Prospective Payment System (PPS). This will usually result in an increase in reimbursement.
- May see improved patient flow through the utilization of NP's, PA's and CNM's, as well as more efficient clinic operations

# Contacts/Information for Federally-Certified Rural Health Clinics in Indiana

- **Contacts:**

- Terry Whitson (Health Care Regulatory Services Commission, Indiana State Dept. of Health)  
2 North Meridian Street, Section 5A, Indianapolis, IN 46204  
317-233-7022  
317-233-7053  
twhitson@isdh.in.gov
- Suzanne Hornstein ( Division of Long Term Care, Section 4B)  
317-233-7289  
312-233-7322  
shornste@isdh.in.gov
- Kim Rhoades (Division of Long Term Care)  
317-233-7497  
317-233-7322  
krhoades@isdh.in.gov
- Mary Azbill (Division of Acute Care, Section 4A)  
317-233-1286  
317-233-7157  
mazbill@isdh.in.gov
- A 164 page “Starting a Rural Health Clinic- a how-to manual” can be found at <http://ftp/hrsa.gov/ruralhealth/RHCmanual1.pdf>

# Recommendation #2:

## Federally Qualified Health Clinic



# Overview of Federally Qualified Health Clinic

- A federally qualified health center (FQHC) is a type of provider defined by the Medicare and Medicaid statutes. FQHCs include all organizations receiving grants under Section 330 of the Public Health Service Act and certain tribal organizations.
- Section 330 of the Public Health Service Act defines federal grant funding opportunities for organizations to provide care to underserved populations. Types of organizations that may receive 330 grants include: *Community Health Centers, Migrant Health Centers, Health Care for the Homeless Programs, and Public Housing Primary Care Programs.*
- The Public Health Service Act is part of the U.S. Code. Section 330 was the numbering for the health centers section when the Public Health Services Act was a stand-alone document. The term "Section 330" is still used today. However, as part of the U.S. Code, it has been renumbered. **Title 42 of the U.S. Code**, Chapter 6A is the Public Health Service Act, and section 254b is the equivalent of Section 330.
  - It is available online at <http://www4.law.cornell.edu/uscode/42/254b.html>.
- An FQHC must be a public entity or a private non-profit.

# Location of Federally Qualified Health Clinic

- Each FQHC that receives PHS 330 grant funding must meet the requirements of that grant. Community Health Centers must serve a Medically Underserved Area (MUA) or Medically Underserved Population (MUP). To determine if your area qualifies, you can search the MUA/MUP database. Migrant Health Centers, Health Care for the Homeless and Public Housing Primary Care Programs do not need to meet the MUA/MUP restriction. FQHCs may be located in rural and urban areas.

# Staffing of Federally Qualified Health Clinic

- There are no specific requirements for staffing mix at FQHCs.
- FQHCs are required to have a core staff of full time providers but there is no specific definition of core staff. It is recommended that they maintain a staffing level that allows for between 4,200-6,000 visits per year for each full-time equivalent health care provider. Another guide to the appropriate number of providers is described in the Requirements of Fiscal Year 2005 Funding Opportunity for Health Center New Access Point Grant Applications (PIN 2005-01) as a physician to patient ratio of 1:1,500 and a midlevel practitioner to patient ratio of 1:750.
- Additional information about staffing and other requirements is available in Health Center Program Expectations (PIN 98-23).

# Emergency Services/ Service provided through arrangement at Federally Qualified Health Clinics

- FQHCs must provide primary care services for all age groups.
- FQHCs must provide preventive health services on site or by arrangement with another provider.
- Other requirements that must be provided directly by an FQHC or by arrangement with another provider include: dental services, mental health and substance abuse services, transportation services necessary for adequate patient care, hospital and specialty care.

# Qualifications for Federally Qualified Health Clinics

- First and foremost, a FQRC must be a public entity or a private non-profit entity.
- A FQRC must be open on a minimum of 32 hours per week.
- FQHCs must also have professional call coverage when the practice is closed, directly or through an after hours care system.
- Must apply for this program by completing an application with the following:
  - **(1) Submission**
    - No grant may be made under this section unless an application therefore is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe.
  - **(2) Description of need**

An application for a grant for a health center shall include—

    - **(a)** Description of the need for health services in the area of the center;
    - **(b)** Demonstration by the applicant that the area or the population group to be served by the applicant has a shortage of personal health services; and
    - **(c)** Demonstration that the center will be located so that it will provide services to the greatest number of individuals residing in the area or included in such population group.

# Benefits of implementing this program

- FQHCs must use a sliding fee scale with discounts based on patient family size and income in accordance with federal poverty guidelines.
- FQHCs must be open to all, regardless of their ability to pay.
- For FQHCs that are PHS 330 grant recipients, the biggest benefit is the grant funding
  - For new starts, funding up to \$650,000 can be requested
- Enhanced Medicare and Medicaid reimbursement
- Medical malpractice coverage through the Federal Tort Claims Act
- Eligibility to purchase prescription and non-prescription medications for outpatients at reduced cost through the 340B Drug Pricing Program
- Access to the Vaccine for Children program

# Contact Information for Federally Qualified Health Clinics

- Indiana State Department of Health  
Indiana State Office of Rural Health
- State Contact: Elizabeth Morgan  
Phone Number: (317) 233-7829  
Email: [elimorgan@isdh.in.gov](mailto:elimorgan@isdh.in.gov)
- Flex Program Contact: Jessica Granger  
Phone Number: (317) 233-7830  
Email: [jgranger@isdh.in.gov](mailto:jgranger@isdh.in.gov)

Questions?