

CMS WEBINAR

Rural Health Sustainability

RHRC Programs
and Approach

Presenter:

Janice Walters, MS

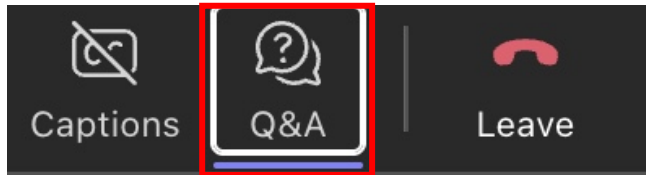


Want to Ask a Question?

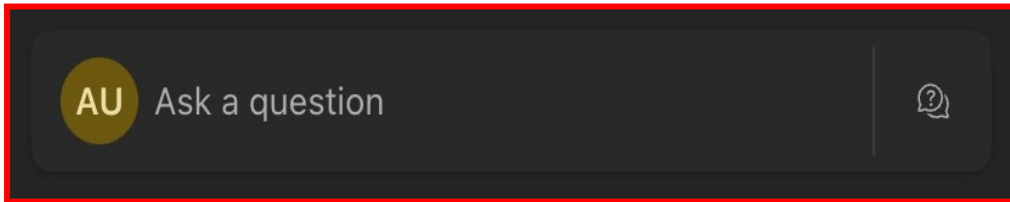
- Audience questions will be answered during the Q&A session at the end of the presentation.
- Instructions on how to submit questions:
 - Teams Q&A Function
 - Please feel free to submit questions throughout the presentation.
- Note: We will publish a Q&A document on the MMS Hub Educational Resources webpage.
 - [Educational Resources | The Measures Management System](#)

How to ask Questions

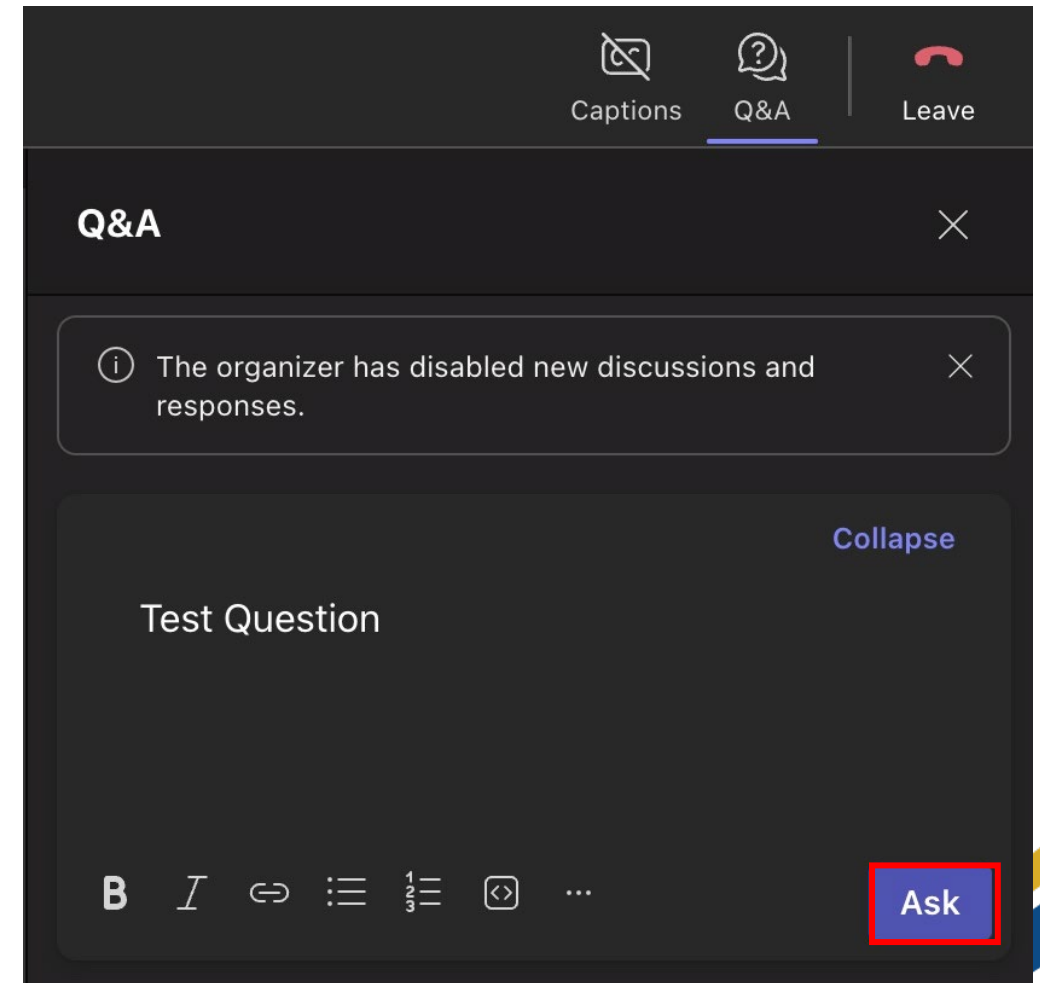
1. Open the Q&A Function located at the top of your screen



2. Type your question in the “Ask a question” field



3. Once your question has been inputted, press “Ask”



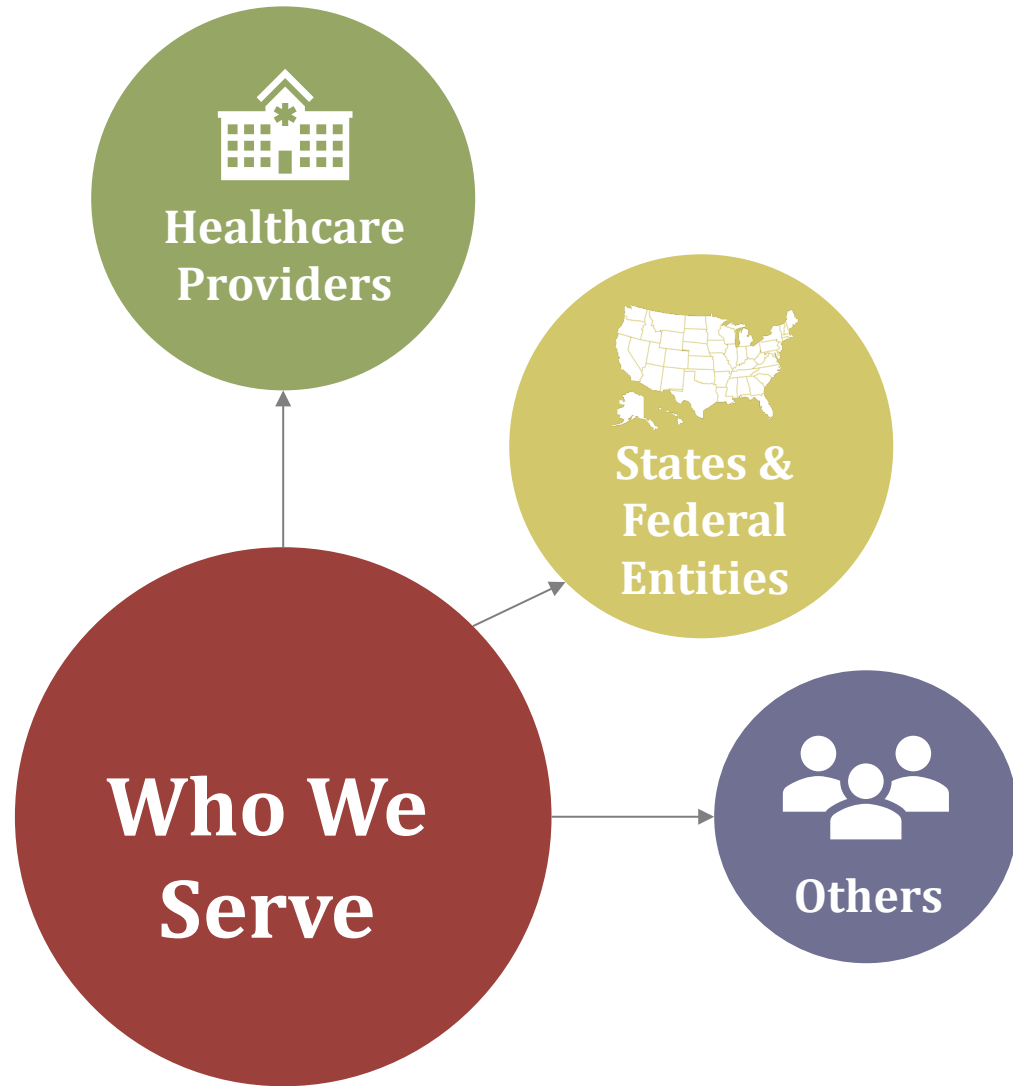


Rural Health Sustainability

RHRC Programs and Approach

Janice Walters, CEO, Rural Health Redesign Center

RHRC is a 501c3 non-profit



MISSION

To protect and promote access to high quality health care in rural Pennsylvania and the nation.

VISION

Through partnership, improve the health and wellness of rural communities.

OUR TEAM

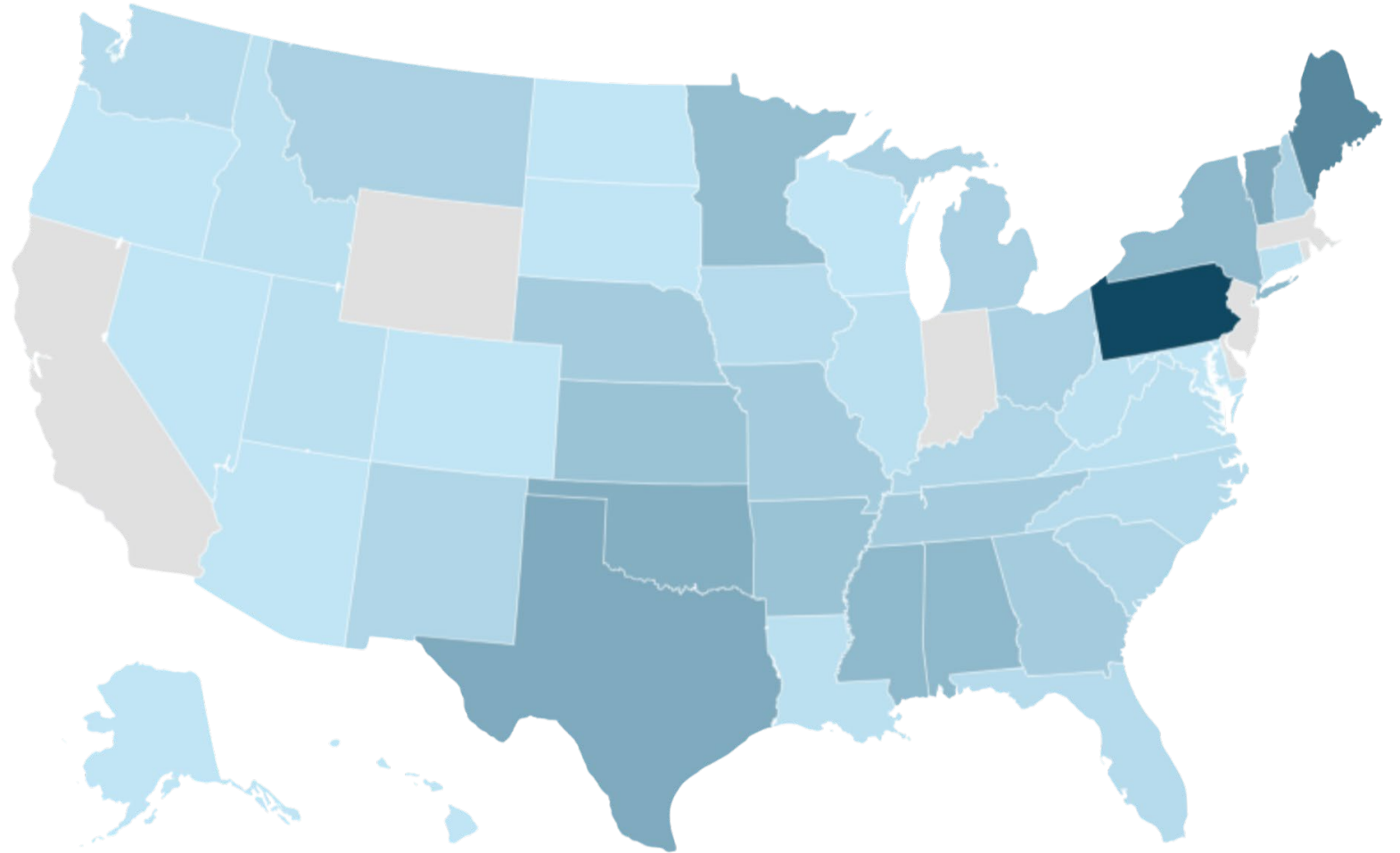
Our 40-person team is composed of former rural residents and healthcare leaders, with over 500 years of combined rural-relevant expertise.

To Date, Our Work Has:

IMPACTED
250+
COMMUNITIES

ACROSS
44
STATES

REACHING
7M
LIVES





What We Do

- Offer operational and strategic support to rural healthcare organizations.
- Implement scalable, innovative solutions to address rural issues across the country.
- Develop alternative payment models to transform healthcare delivery and shift from fee-for-service to value-based care.

Our Focus Areas





Access to Care

Population Health

Economic Development

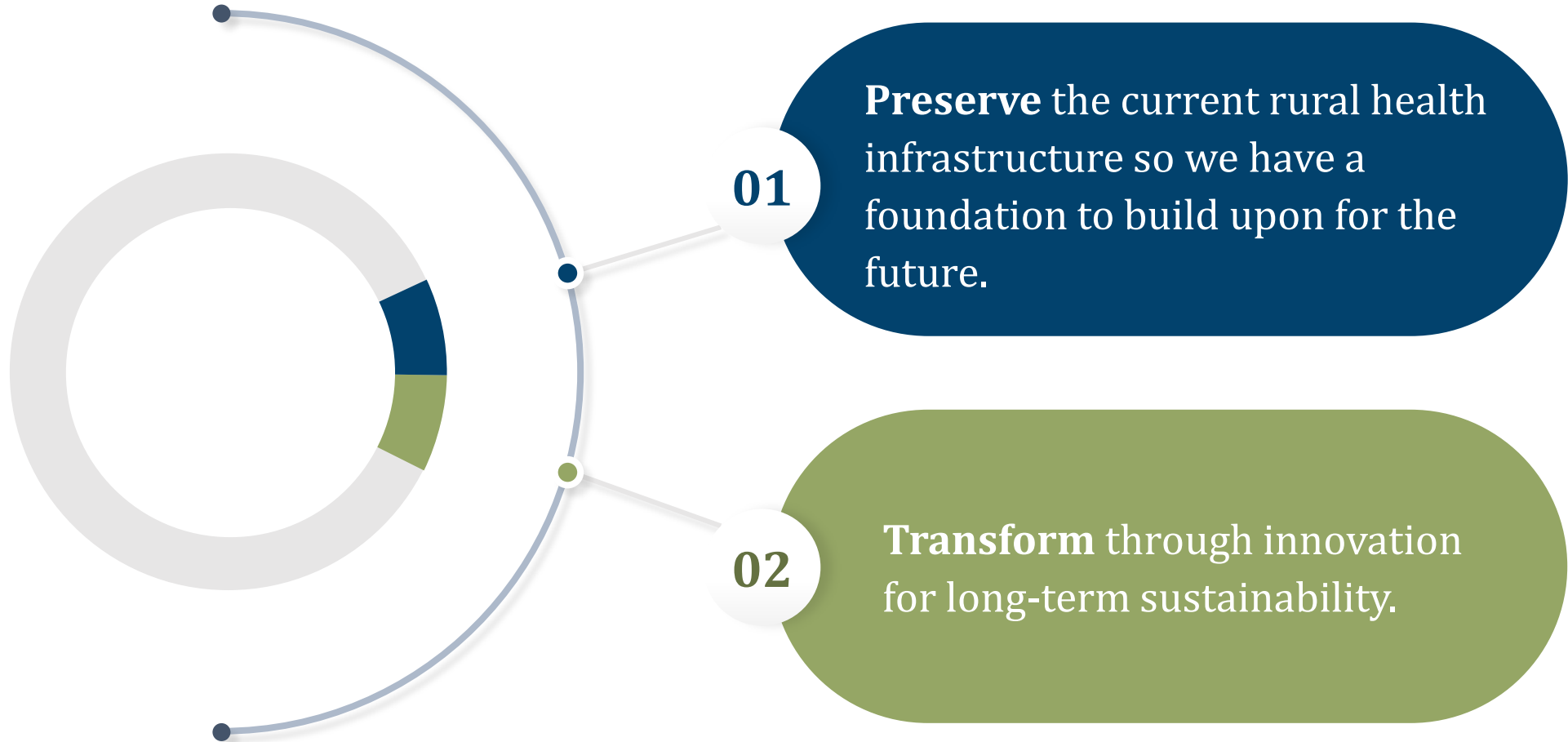
Alternative Payment Reform

We Offer Tailored, Rural-Relevant Services to States, Rural Communities, and Healthcare Organizations:

 Value-Based Care and Alternative Payment Models	 Clinical Transformation & Population Health	 Facilitation & Stakeholder Engagement
 Organizational Culture Development	 Hospital Financial Analysis	 Strategic Planning
 Service Line and Outmigration Analysis	 Leadership and Team Development	 Regulatory and Compliance Support
 Legal Support	 Quality Performance Management	 Data Analytics and Dashboards



Our Approach is Twofold:



Preserving the Current Through Technical Assistance



Rural Emergency Hospital Technical Assistance Center

Helping rural hospitals across the country assess feasibility of the Rural Emergency Hospital provider type. Also, supporting converted REHs to be successful under the designation. Funded by HRSA.



Appalachian Region Healthcare Technical Assistance Center

Providing TA to help healthcare organizations in the Appalachian Region improve operations and expand services. Funded by HRSA.



Appalachian Region Initiative for Stronger Economies Technical Assistance Center – NY/PA

Providing TA to healthcare organizations in the Appalachian Region of NY and PA to address healthcare workforce development and develop next generation alternative payment strategies. Funded by ARC.



Peer Recovery Expansion Project

Enhancing access to behavioral health and substance use disorder services in rural communities. Funded by HRSA.

Financial & Community Health Impact (REH-TAC)

Helping Improve Hospital Sustainability

Fixed-facility payment offers predictable revenue for operations with 5% Medicare add-on for emergency and outpatient services.

Average pre-conversion operating margin was (- 18%).

Average post-conversion operating margin increased to break even.

Average days-cash-on-hand improved by 20 days for same REHs.

Service Line Expansion to Meet Community Needs

Harper County, OK

Cardiac & Pulmonary Rehabilitation
Diabetic Education
Evaluating Pain Management Services

Mercy Hospital, KS

Walk-in Clinic
General Surgeon
Mental Health Counseling
Evaluating Pain Management Services

START



Initiation

Program-specific outreach and enrollment to begin onboarding.



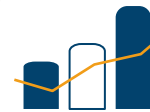
Education

Education is provided to discover challenges and foster best practices.



Planning

For areas of ROI, planning TA is provided to create a roadmap for implementation.



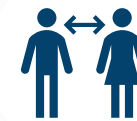
Assessment

Data, organization, and community assessments are conducted to identify TA opportunities and service line expansion



Seed Funding

Program-specific seed funding to support implementation.



Implementation

Coaching, guidance, and monitoring is provided to assist in a smooth implementation.

FINISH

Pursuing Long-Term Sustainability & Transformation

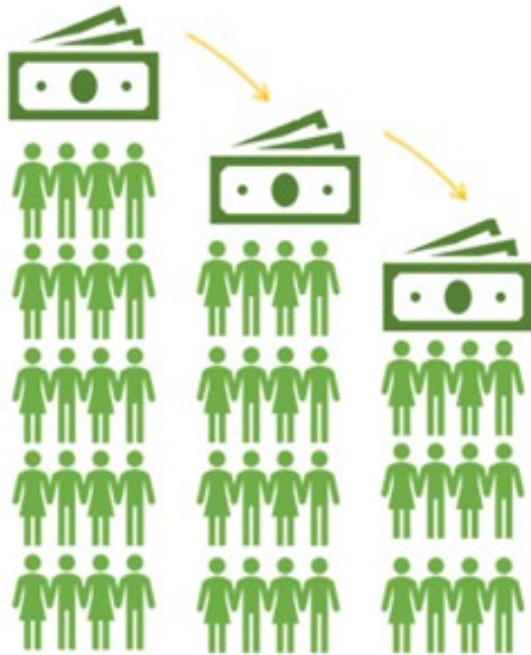
- Systematic change to the healthcare ecosystem is needed to truly preserve and revive rural health.
- In leading programs such as the Pennsylvania Rural Health Model (PARHM) and running various Technical Assistance Centers including the Rural Emergency Hospital Technical Assistance Center, our team has been on the frontlines of innovation since the organization's inception.
- We serve as a central convenor of hospitals, payors, state and federal officials, contractors, and other relevant partners to drive stakeholder engagement that delivers transformative solutions.
- Our work continues to serve as a learning lab, influencing national policy across industries.



What We Mean By Alternative Payment

Fee for Service

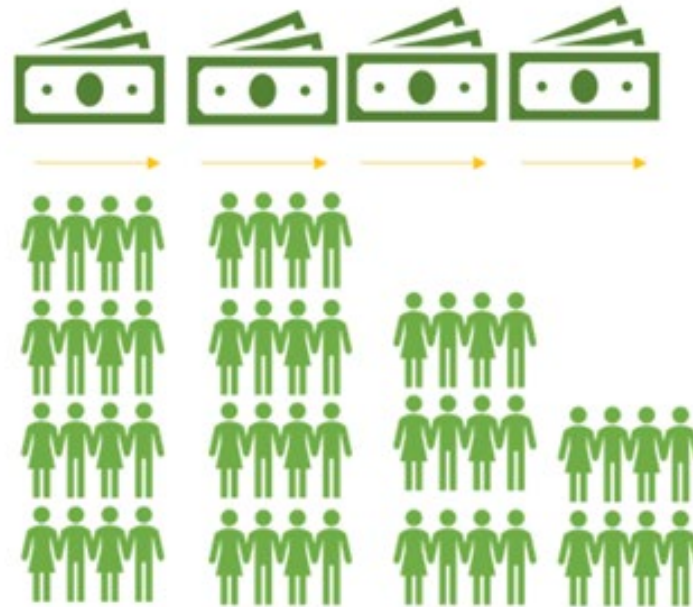
Hospital is paid for the # of services provided, but as the community getting smaller, so is revenue



Current
Standard

Alternative Payment

Hospital is paid predictable revenue in exchange for keeping people healthy



Alternative payment and value-based care provide predictable revenue while realigning incentives for hospitals to provide services that the community actually needs – not just ones that generate profit.

What Does Transformation Mean Within Alt. Payment?



Shift toward value-based care and population health.



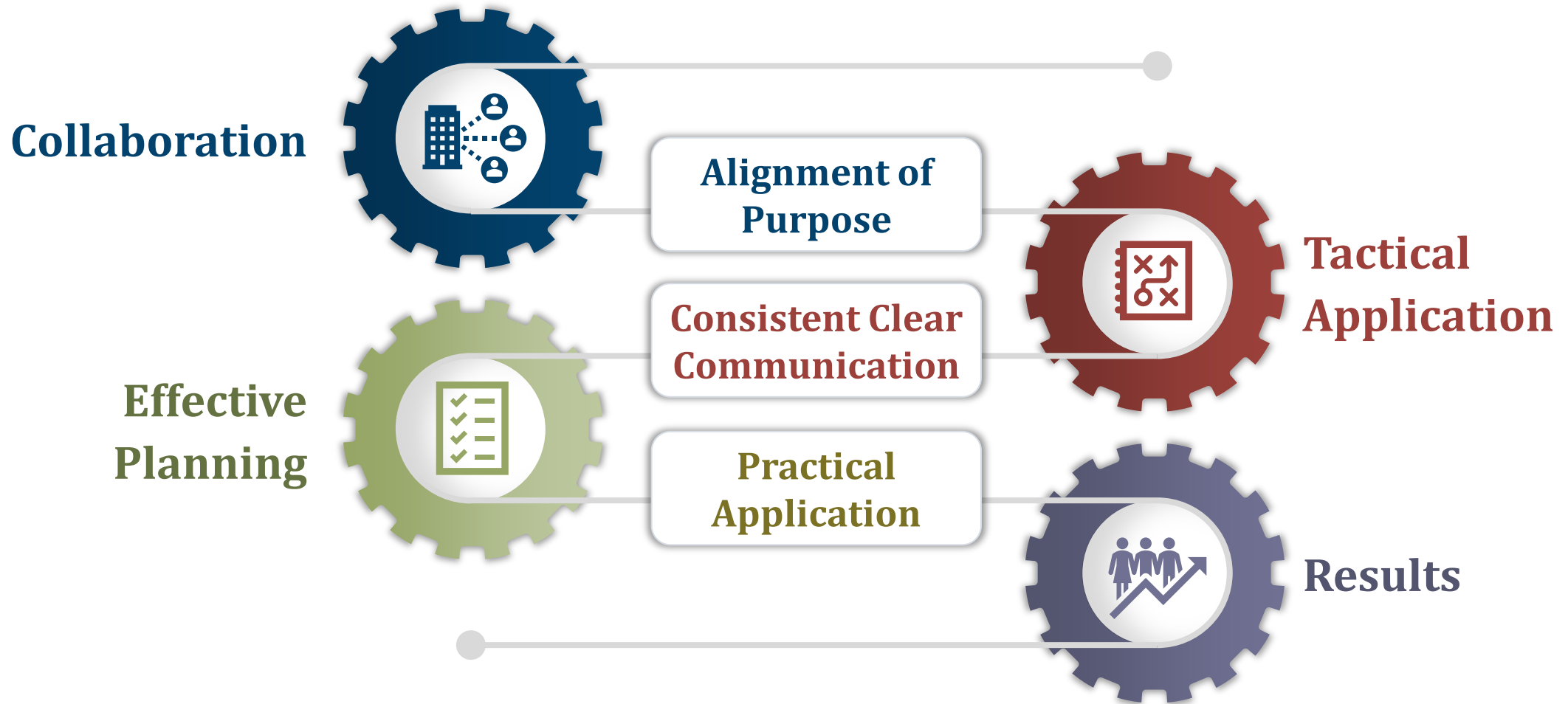
Focus on collaboration with other rural providers and community organizations.



Opportunity to rethink service delivery and financial models.



Essentials for Innovative Transformation



The PARHM Experience

Global Budget

The Model stabilizes cashflow from all participant payers.

Transformation Plan

The hospital is incentivized to invest in community health to retain revenue.



Improve rural hospital financial stability



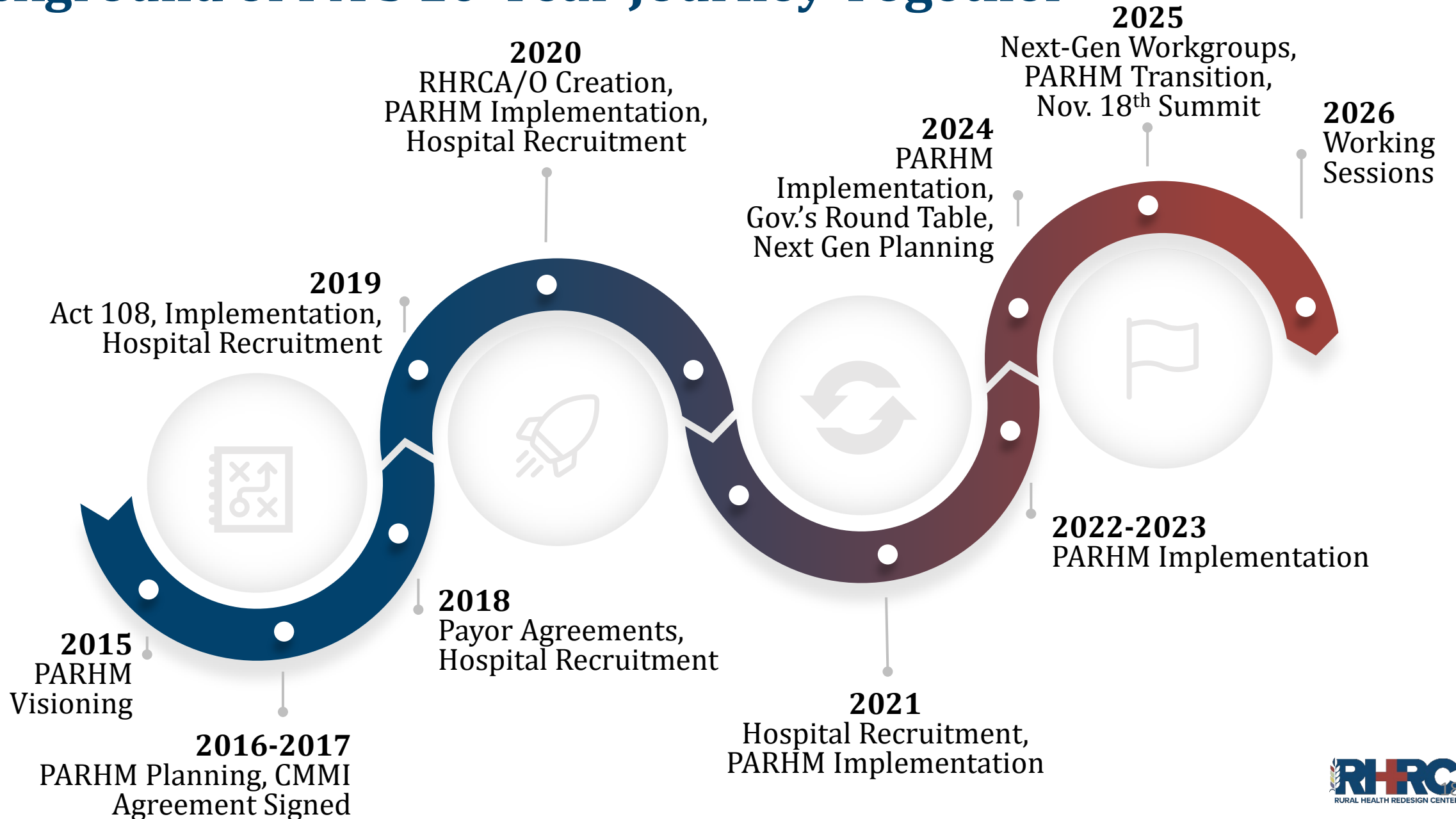
Improve population health outcomes



Reduce total cost of care over time

Moving away from FFS to value-based payment.

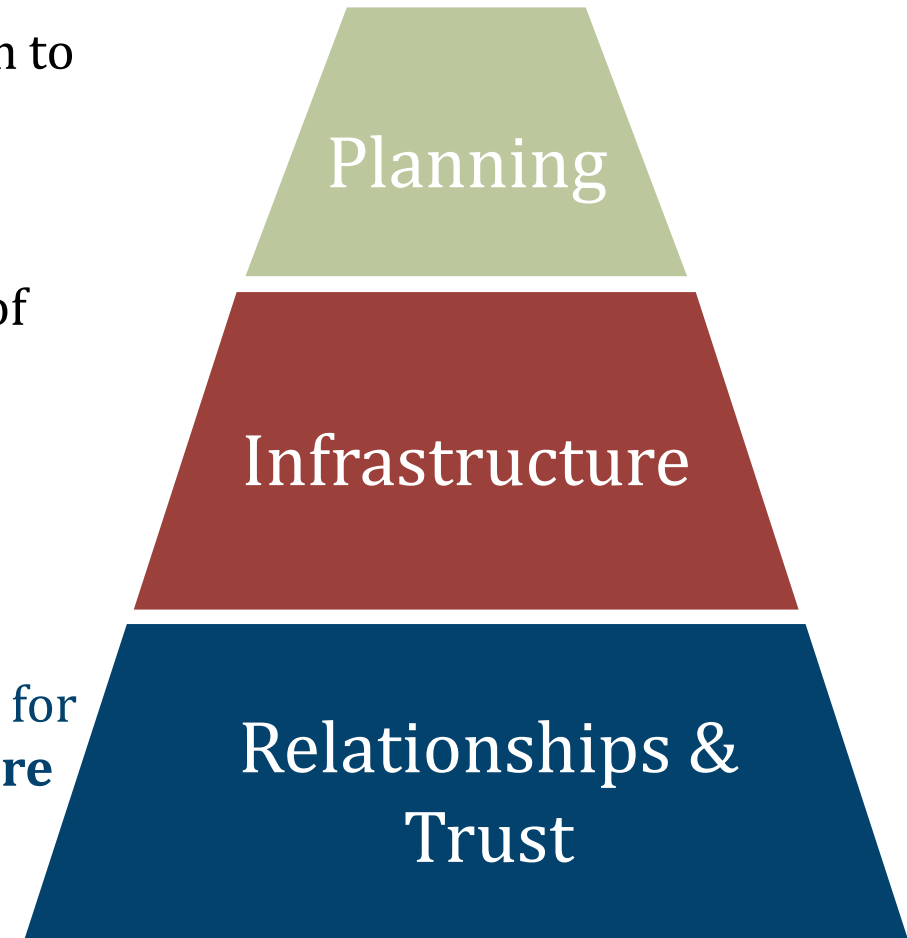
Background of PA's 10-Year Journey Together



Reflecting on PARHM & What Comes Next

- The Model wasn't perfect, but it has provided a foundation to work from.
- Methodology for next-generation alternative payment strategies are evolving out of the Model.
- All parties remain engaged, with workgroups comprised of hospital, community, payer, state, and federal representatives.

If we were to offer one lesson from all that has been learned, it's the emphasis on up-front investment to **authentically engage partners** in a way that fosters trust and aligns value for all parties. **Without alignment, no amount of infrastructure and planning will be successful.**



Key Requirements Of Next Gen Program Based On Lessons Learned

01

Is palatable for both payers and hospitals.

02

Preserves the right care within the local community.

03

Takes into consideration hospital costs.

04

Provides truly predictable revenue.

Is easily understood by program participants.

05

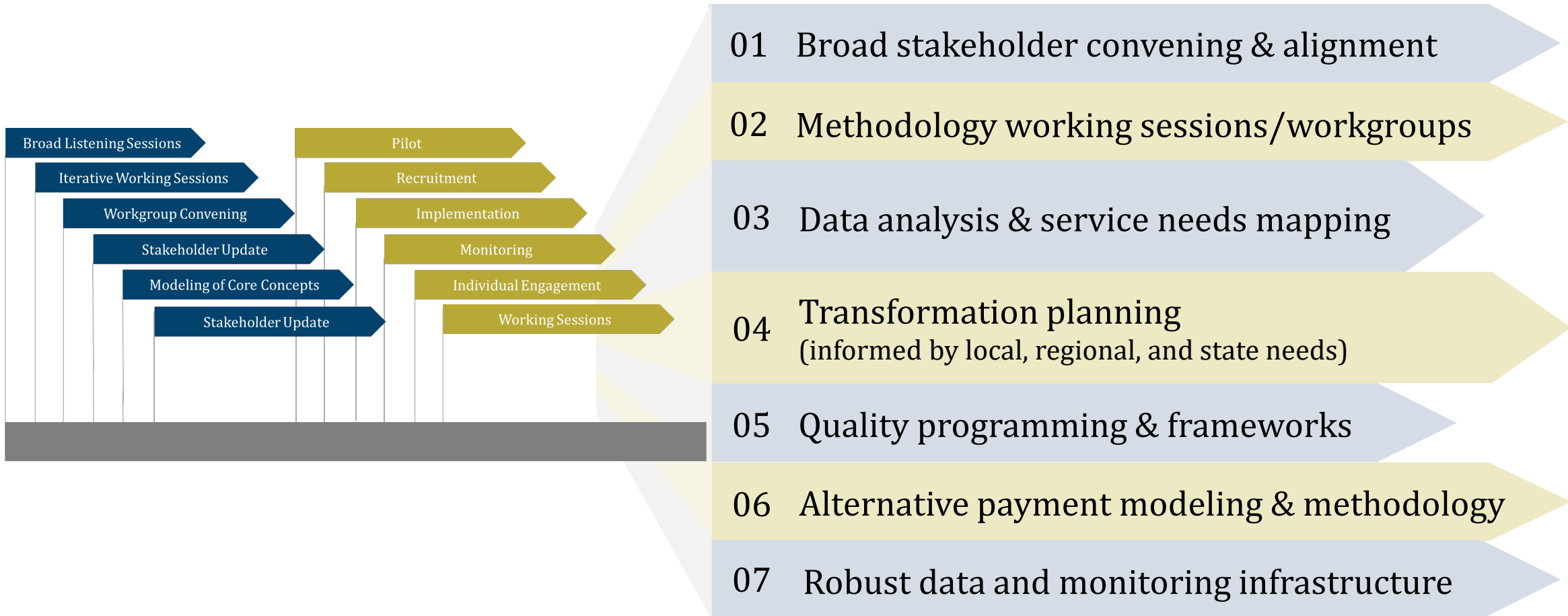
Reduces burden of program administration.

06

Drives affordable healthcare for the community.

07

We Bring a Framework To Help Other States Design and Customize Alternative Payment Models



Where We're Headed

RHTP

Rural Health Transformation Program

\$50B to all 50 states to modernize rural healthcare (\$10B annually across 5 years).

2026 Priority:

Working directly with states to help them plan and implement their RHTPs.

Alt. Payment

Next Generation Alternative Payment

As PARHM comes to an end, we are actively working to develop a successor program.

2026 Priority:

Continuing to engage stakeholders to refine and test methodology of a next-gen program for PA and beyond.

Programs

Execution & Expansion of Programs

RHRC is leading multiple federally-funded state and multi-state programs.

2026 Priority:

Providing TA and operational support to rural healthcare entities through continued execution and expansion of these programs.

Contact Information



Reach out to RHRC, if you have questions or would like to learn more.

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www.rhrco.org

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Questions?



MMS Resources

- **MMS Help Desk:** MMSSupport@battelle.org
- **CMS MMS Hub:** mmshub.cms.gov

CMS MMS COR & Outreach Lead

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