

## Health Care Extenders

**Background:** The federal investment in rural health programs is a small portion of federal health care spending, but it is critical to rural Americans. Rural residents often encounter barriers to health care that limit their ability to obtain the services they need. Maintaining an adequate supply of healthcare providers and access points remain key challenges in rural care. Since 2010, 180+ rural hospitals have closed and nearly 50% of rural hospitals are operating with negative margins and therefore vulnerable to closure. In 2024, Wisconsin saw two hospitals in the Chippewa Valley close and also saw six hospitals in the state have to close their labor and delivery units.

**Rural Programs in the Continuing Resolution:** In December, the American Relief Act of 2025 passed the US Congress avoiding a government shutdown. The package included funding for a variety of important health care programs through March 31, 2025 that will need extensions soon, including:

- Medicare Dependent hospital designation & Medicare Low-Volume hospital adjustment
- Medicare add-on payments for rural Ambulance services
- Medicare Telehealth flexibilities, including geographic requirements, in-person requirements for behavioral health services, allowance of audio-only services
- Mandatory funding for Community Health Centers, National Health Service Corps, and Teaching Health Center GME
- Acute Hospital at Home waiver authorities

### The MDH and LVH Programs Help Hospitals Offset Losses from Medicare and Medicaid. These

rural hospitals are above the bed threshold or otherwise ineligible for the CAH program and receive the normal prospective payment rate that larger hospitals receive which amounts to about 73% of the cost to provide care in Wisconsin. Losing MDH or LVH status would make it extremely difficult for them to operate since they do not have the same volumes of privately insured patients to offset losses from Medicare and Medicaid.

WI 10-year Impact of Losing MDH & LVH Designations		
Congressional District	# Hospitals Impacted	Est. Annual Impact
Bryan Steil	2	-\$65.3 million
Mark Pocan	3	-\$35.8 million
Derrick Van Orden	2	-\$23.0 million
Scott Fitzgerald	3	-\$43.9 million
Glenn Grothman	4	-\$41.7 million
Tom Tiffany	2	-\$18.4 million
<b>Statewide</b>	<b>16</b>	<b>-\$228.1 million</b>

*Source: AHA Analysis of 2025 IPPS Rule*

### Preserving Telehealth Gains – Geographic

**and Site Restrictions; Audio Only.** Since the COVID waivers, telehealth has begun to realize its full potential, expanding availability of services and leading to more convenient care options for patients and practitioners alike. Additionally, Medicare has continued to allow audio-only telehealth services for Medicare patients who are either uncomfortable using video applications or are unable due to poor internet coverage.

**Preserving the Hospital at Home Program.** CMS began a program called “Acute Hospital Care at Home” during the COVID pandemic. This innovative program allows patients to receive an inpatient level of care in the comfort of their own home for approved services and has been tremendously popular.

Hospital at Home is a rare “win-win” proposition. Not only do patients prefer treatment at home (with some studies showing reduced complications and shorter lengths of stay), but the program also frees up physical space at hospitals to expand room for patients with higher-acuity needs.