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## *Insights*



Throughout history, tsunamis have been greatly feared. First, they cause massive destruction and loss of life. Second, and perhaps more frightening, they usually arrive with little advance warning and little opportunity to flee.

Fortunately, scientists have learned a lot about tsunamis. Although there's no stopping the torrent, with the right investments it is possible to identify risk and create a warning system that can minimize the loss of life and damage to communities.

NBC News recently [aired](#) a [series](#) on how Montana is grappling with its "aging tsunami." According to the report, "State projections show a quarter of Montanans will be seniors by 2030, 20 years before the same demographic shift hits the nation as a whole." Montana is a warning system for other states' large rural populations. And, Missouri has significant risk of its own aging tsunami. However, there's been little discussion about its implications for the state, particularly among rural advocates who represent communities that will be disproportionately impacted.

Among Missouri's approximately 6 million citizens, 17.5 percent, or 1,040,491, are Medicare beneficiaries. Among these, nine out of 10 are seniors. Moreover, the number of seniors is disproportionately higher in Missouri's rural areas. Many of these seniors are on low- or fixed-incomes.

Beginning in 2011, the oldest of the baby boomers — those born between 1946 and 1964 — started to become Medicare eligible. Daily, 10,000 boomers will age into the system, a trend that is expected to continue until 2029.

During this period, a seismic shift in population will occur. The percentage of Americans age 65 and older is [projected to expand](#) from 13 percent in 2010 to 19.3 percent by 2030. Missouri's percentage of seniors is nearly a full point ahead of the national average already, and Missouri will stay in the top half of states through 2030. That seismic activity should trigger tsunami warning signals for policymakers.

With the aging of baby boomers, the Medicare population is projected to grow from 54 million today to more than 80 million in 2030. If Missouri follows the national trend — which evidence suggests it will — 1.5 million Missourians could be Medicare beneficiaries in 15 years.

Research from the AARP suggests that, "Eighty percent of older people want to 'age in place.'" Because Missouri already has a larger share of seniors living in rural areas, it is fair to expect that

demand for services — particularly health care — will grow. The baby boomer generation currently enjoys higher life expectancy than earlier generations and higher rates of chronic medical conditions like obesity and hypertension. What we also know is that those over age 85 consume health care services at rates double than those between ages 65 and 74. That means to “age in place” they will need ready access to health care providers and a strong rural health care system.

The alarm bells are sounding.

Two rural hospitals have closed in the past year, and others have shed jobs and services. Rural patients already [travel more](#) than twice as far for hospital care than nonrural patients. Additional closures could lead to “medical deserts” in rural communities.

Hospital closures will influence access to physician services as well. Research on Missouri’s rural primary care physician workforce finds that rural physicians are older than their counterparts and have a larger workload. Attracting health care providers to rural areas — to meet expected demand and replace the aging workforce — will be difficult. And, hospitals are the primary recruiter of physicians to rural areas — 56 percent of all rural physicians in Missouri are employed by hospitals.

Rural Medicare beneficiaries need access to these services, but they are not alone. Of the 300,000 who would gain coverage under Medicaid reform, 50 percent of those with new coverage would be in rural communities despite the fact that only 37 percent of the state’s population lives in rural Missouri. The financial pressure created by the lack of Medicaid reform coverage is stripping the revenue necessary to reform and refine the system.

Rural Missourians like to seek care close to home. Using data for the prior 12 months, as of November 2014, 73.9 percent of all hospital inpatient and emergency room visits by rural Missourians were at a rural hospital. Seniors who want to age in place need access to services in their community or nearby communities. However, based on utilization data from one of the hospitals that closed last year, members of the community are projected to travel an additional 66,700 miles per year for hospital services — the driving equivalent of nearly three trips around the globe.

Rural health care isn’t an outlier; it is symptomatic of a larger crisis. A December report from the Missouri Department of Elementary and Secondary Education noted that most rural schools in the state have less experienced teachers and those teachers make less money than those in other parts of the state. This month’s otherwise optimistic jobless numbers were tempered by news that while unemployment is down in Missouri, the pay for [those jobs](#) is also down, particularly in rural communities.

Rural issues extend beyond health care. Those who represent senior and disabled groups, educational institutions, agriculture, transportation, construction, housing, rural economic development, law firms, rural government and rural utilities all have a stake in this ongoing debate.

With the alarms sounding, there hasn’t been much action. We have even heard that some legislators have publicly stated that we should probably close more rural hospitals in the state. With the growing number of seniors in rural Missouri, and the importance of health care to supporting a baseline of jobs and rural economic development, closing rural hospitals is exactly the wrong thing policymakers should be doing.

In the NBC series, Brad Gibbens, deputy director of the Center for Rural Health at the University of North Dakota, notes, “it’s an issue of fairness” to find policies to keep these people — and these places — healthy. Gibbens says, “We’re all Americans. We’re all citizens. We all have certain expectations of the availability and quality of our education, housing and health care systems.”

Much of what’s needed to rally support for rural Missouri will take years. However, Missouri has an opportunity this year to put a stake in the ground. We have an opportunity to shore up the health care system by reforming the state’s Medicaid program. As I noted in last week’s [column](#), more than 500 organizations support reform this year! Those organizations represent more than 1 million Missourians.

A seismic shift is occurring, even if it isn't fully visible. The warnings are sounding. Now is the time for Missouri to act. In 2015, we can make the investments in the rural health system that protect our current and future Medicare beneficiaries — and limit the potential damage to lives and communities. We can, and we should, listen to the warnings and move to the high ground.

Let me know what [you are thinking](#).



Herb B. Kuhn  
MHA President and CEO

## *In This Issue*

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**Regulatory News** the latest actions of agencies monitoring health care

### **CMS Administrator Tavenner Resigns**

MHA Staff Contact: [Andrew Wheeler](#)

The U.S. Department of Health & Human Services Secretary Sylvia Burwell [announced](#) that the Centers for Medicare & Medicaid Services Administrator Marilyn Tavenner plans to resign by the end of February. Secretary Burwell wrote a [letter](#) thanking Tavenner for her leadership over the last five years, recognizing her accomplishments and acknowledging that she is a big reason as to why roughly 10 million Americans gained health coverage since last year. Andrew Slavitt, principal deputy administrator, will serve as acting administrator. Slavitt has more 20 years of private sector experience and oversees HealthCare.gov and the department's work to upgrade the consumer experience.

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**CEO Announcements**

### **Callaway Community Hospital Names New CEO**

MHA Staff Contact: [Carol Boessen](#)

Mike Powell was named CEO of Callaway Community Hospital in Fulton, effective Jan. 5. He replaces Allen Aufderheide, who served as CEO since April 2011. Powell previously served as executive director of Missouri Rehabilitation Center in Mount Vernon since June 2013. Nueterra Healthcare of Leawood, Kan., and University of Missouri Health Care [acquired](#) Callaway Community Hospital, effective Dec. 31, 2014. A list of CEO changes is available [online](#).

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### **Kindred Healthcare Acquires Centerre Healthcare**

MHA Staff Contact: [Carol Boessen](#)

Kindred Healthcare, Inc. of Louisville, Ky., [completed](#) the acquisition of Centerre Healthcare Corporation, effective Jan. 2. Kindred Healthcare, Inc. has established a focused growth platform and business line known as Kindred Hospital Rehabilitation Services. The business operates in 36 states and

will continue to operate under Kindred's RehabCare Division.

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## *Did You Miss An Issue Of MHA Today?*

The following articles were published in this week's issues of *MHA Today* and are available online.

### [January 15, 2015](#)

HHS Provides 2015 Marketplace Enrollment Activity Update  
MHA Distributes Analysis For Final CY 2015 Medicare Outpatient PPS  
Congressional Subcommittee Releases Telehealth Legislation  
*MLN Connects Provider eNews* Available  
2015 Marks Final Year For Hospitals To Start Earning Medicare EHR Incentives  
FDA Issues Patient Safety Alert: Wallcur Practice IV Solutions Recall

### [January 14, 2015](#)

*Trajectories* — Aim Toward Outcomes  
CDC Releases HAI Progress Report  
DHSS Announces Rural Health Clinics Funding Opportunity  
Community Hospital – Fairfax Names New CEO  
Kansas City VA Medical Center Names New Director

### [January 13, 2015](#)

General Assembly Announces Committee Chairs  
CMS' New Version Of OASIS Effects HHA Reporting  
TJC Releases 2015 National Patient Safety Goals Materials

### [January 12, 2015](#)

*HIDI HealthStats* — Women's Health: The Importance Of Health Insurance Coverage  
Health Care Spending Reductions Influence Cost Of Employer Health Coverage  
CMS Issues Changes To Laboratory Regulation Standards  
MFH Announces Open Call For Special Projects  
CDC Issues Influenza Health Update  
CMS And TJC Suspend Hospital IQR Measure SCIP-Inf-4



## *Consider This ...*

*January marks Cervical Health Awareness Month. Approximately 14 million new cases of sexually transmitted HPV occur in the U.S. each year, with at least 79 million people estimated to be currently infected.*

Source: [National Cervical Cancer Coalition](#)

Missouri Hospital Association  
P.O. Box 60 • Jefferson City, MO 65102  
Phone: 573/893-3700 • Fax: 573/893-2809 • [MHAnet](#)  
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