

Rural Health



More than 67 million Americans live in geographically isolated communities across the United States, including millions of individuals who receive health coverage through Medicare, Medicaid, the Children’s Health Insurance Program, and the Health Insurance Marketplace®. These communities comprise vast and varied landscapes that encompass rural, micropolitan, frontier, and tribal lands, as well as US territories and other island communities. Americans living in these communities face unique challenges in accessing health care, including provider shortages, outdated or lacking infrastructure, and closures of already scarce health care facilities. Despite the diverse strengths of geographically isolated communities, these challenges can result in disparate health outcomes.

The Centers for Medicare & Medicaid Services (CMS) is committed to addressing these disparities in pursuit of its mission to improve quality, equity, and outcomes across the health care system. Guided by the agency’s **Strategic Plan** and the **CMS Framework for Advancing Health Care in Rural, Tribal, and Geographically Isolated Communities**, the CMS Rural Health Cross-Cutting Initiative (CCI) works across the agency to enhance focus on geographically isolated communities in CMS programs and policies.

The vision of the CMS Rural Health CCI is that all CMS enrollees in rural and frontier communities, tribal nations, and the US Territories will have access to high-quality, equitable care.

CMS continues to improve rural health care delivery, developing a comprehensive, cross-center strategy through three objectives: sustain and expand critical providers and services, expand infrastructure, and drive innovation.

Our Actions Have Delivered Results

To date, CMS’ work across the agency has delivered significant results working towards these objectives. As we continue this important work, a selection of recent results includes the following:

Innovation

CMS continues to incorporate equity principles in the design of models and demonstrations to test and scale innovations in health care payment and delivery. Historically, interested parties in rural and geographically isolated areas have faced challenges in participating in value-based care models. CMS is dedicated to addressing those barriers to help foster innovation in diverse geographies, and in 2023 made progress through model design and new model launches.

The **Accountable Care Organization Realizing Equity, Access, and Community Health (ACO REACH)** model, which increases beneficiary access to accountable care organizations, **more than doubled** the number of participating rural health clinics, Federally Qualified Health Centers, and Critical Access Hospitals from 2022 to 2023. ACO REACH was redesigned in 2023 in response to stakeholder feedback, incorporating a **coordinated set of changes** to increase predictability for participants, consistency across CMS programs, and attainability for new entrant and High Needs Population model organizations.



The **Making Care Primary** model, which aims to improve care for enrollees by supporting the delivery of advanced primary care services, was announced in June 2023. This is the first multi-state advanced primary care model to include Federally Qualified Health Centers as a provider type, and also includes Indian Health Service Facilities and tribal clinics.

The **States Advancing All-Payer Health Equity Approaches and Development Model (AHEAD)** model, which aims to better address chronic disease, behavioral health, and other medical conditions, was announced in September 2023. CMS will partner with states to redesign statewide and regionwide health care delivery to improve the total population health of a participating area. The AHEAD Model will focus on improving the quality and efficacy of care delivery, reducing health disparities, and improving health outcomes.

Engagement

Recognizing that hearing directly from enrollees and stakeholders is essential for applying a community-informed geographic lens to CMS programs and policies, CMS continues its focus on engagement with stakeholders from geographically isolated communities.

CMS engages geographically isolated stakeholders' perspectives and experiences through listening sessions, town halls, **Open Door Forums**, tribal consultations, **All Tribes Calls**, and other forms of engagement.

Across CMS' 10 regions, the Office of Program Operations and Local Engagement held 1,411 engagements from January to August 2023.

In addition to engagement across all 10 CMS regions in 2023, the CMS Deputy Administrator and other CMS officials visited geographically isolated areas in Alaska, Puerto Rico, and the US Virgin Islands to host listening sessions with health leaders and enrollees, while also visiting health facilities such as hospitals, behavioral health facilities, and nursing homes. By engaging with stakeholders, including providers, quality improvement organizations, and those with lived experiences, CMS can ensure that its programs and policies are responsive to the unique health care needs of these geographically isolated areas.

Choice

CMS is working towards improving consumer choice in the Federally-Facilitated Marketplaces across the country. In rural counties where there is lower health insurance issuer participation, consumer choice is limited. In 2019, there were 1,500 rural counties with one issuer. By engaging with health insurance issuers to increase their participation, CMS was able to reduce the number of **single issuer counties** to 84 by August 2023. For plan year 2024, fewer than one percent of enrollees have only one available Qualified Health Provider issuer, which is the lowest percentage in Marketplace history.

Between 2019 and 2023, the number of rural counties with just one issuer was reduced by 94%.

Access to Care

From January 2010 to September 2022, **140 rural hospitals** completely closed, negatively impacting access to emergency services for rural communities. The **Rural Emergency Hospital (REH)** designation provides an opportunity for Critical Access Hospitals (CAH) and certain rural hospitals to avert closure and continue to provide essential outpatient services. REHs provide emergency services, observation care and, if elected by the REH, additional qualifying outpatient care.

Since the designation launched in January 2023, seventeen facilities have converted to REHs.*

Expanding Home and Community Based Services through Money Follows the Person provides states with flexible funding opportunities to develop, support, and facilitate individuals' transitions from institutions to community-based settings. As of December 2020, the Money Follows the Person program had transitioned 107,128 individuals. In 2022, American Samoa and Puerto Rico received 16-month planning grants to prepare to join 38 states and the District of Columbia to implement this program. In 2023, further commitment to **Money Follows the Person** with the Consolidated Appropriations Act made \$450 million available per year through fiscal year 2027 for states and territories to implement and run this program.

Building upon the results discussed above and many others, CMS and the Rural Health CCI are committed to continuing the work across the agency to improve access to high-quality, equitable care in rural, tribal, and geographically isolated areas while reducing health disparities.

*As of November 2023 approved and pending REH applications.



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