

Minutes of the
RURAL HEALTH ADVISORY COMMISSION

Friday, June 17, 2011
1:30 p.m. to 4:00 p.m.

Nebraska Department of Health & Human Services
220 Bldg., Conference Room LL-A
220 S. 17th Street
Lincoln, Nebraska

Members Present: Scot Adams, Ph.D.; Kathy Boswell; Zach Frey, D.O.; Mark Goodman, M.D.; Shawn Kralik, D.D.S.; Jenifer Roberts-Johnson, J.D.; Peggy Rogers; Rebecca Schroeder, Ph.D.; Mike Sitorius, M.D.; and Sharon Vandegrift, R.N.

Members Absent: Doug Dilly, M.D.; Marty Fattig; and Roger Wells, P.A.-C.

Office of Rural Health Staff Present: Dennis Berens, Mike Gilligan, Marlene Janssen, Tom Rauner, and Deb Stoltenberg

Guest(s): Don Wesley, NE Nurses Association; Ethan Evert, P.T., Red Cloud, NE; Nick Faustman, NE Hospital Association

1. Call Meeting to Order; Open Meetings Act & Agenda Posted; Adopt Agenda; Approve Minutes of February 25, 2011, Meeting; Introduce Members and Guests

Dr. Rebecca Schroeder, Chair, called the meeting to order at 1:35 p.m. with the following members present: Kathy (Kate) Boswell, Zach Frey, D.O., Mark Goodman, M.D., Shawn Kralik, D.D.S., Jenifer Roberts-Johnson, J.D., Peggy Rogers, Mike Sitorius, M.D., and Sharon Vandegrift, R.N.

After announcing that the Open Meetings Act and Agenda were posted by the door, Dr. Schroeder asked for a motion to adopt the agenda. Marlene Janssen requested that the motion include a modification to skip around the agenda due to some commission members needing to leave early.

Dr. Mark Goodman moved to adopt the agenda with the latitude to skip around the agenda items due to time constraints. Dr. Mike Sitorius seconded the motion. Motion carried. YES: Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Adams, Fattig, Dilly, and Wells

Dr. Schroeder asked if there were any corrections to the minutes of the February 25, 2011, meeting and for a motion to approve the minutes. No corrections were identified.

Dr. Shawn Kralik moved to approve the minutes of the February 25, 2011, meeting. Dr. Zach Frey seconded the motion. Motion carried. YES: Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Adams, Fattig, Dilly, and Wells.

Commission members, Office of Rural Health staff, and guests introduced themselves. Dr. Schroeder welcomed the guests and thanked them for coming.

2. Administrative Items

- **Next Meeting: Thursday, September 22, 2011, 6:00 p.m. in Kearney**
- **Other**

Dr. Schroeder announced that the next Rural Health Advisory Commission meeting would be held in Kearney, Nebraska on Thursday, September 22, 2011, at 6:00 p.m. This will be the annual dinner meeting in conjunction with the Nebraska Rural Health Conference.

Marlene Janssen announced that all Rural Health Advisory Commission members should have their Accountability and Disclosure statements filed by now. Two members stated they had to file theirs twice.

Dr. Schroeder stated that a new Rural Health Advisory Commission member listing is in member's folders. Jenifer Roberts-Johnson is Dr. Joann Schaefer's delegate on the commission. Dr. Schroeder welcomed Ms. Roberts-Johnson to the commission.

3. State-Designated Shortage Area Requests

- **Dundy and Holt Counties – Family Practice**
- **Webster County – Physical Therapy**
- **Remove State Agencies as “state-designated” shortage areas** (see item #10 for motion)

(Note: This was item #4 on the agenda.)

Marlene Janssen reported that Dundy and Holt Counties are requesting state-designated family practice shortage areas. Dundy County submitted documentation that one of their family practice physicians is resigning effective October 22, 2011. Once this physician leaves, Dundy County will meet the guidelines for designation as a state-designated family practice shortage area.

Ms. Janssen explained that Holt County's physician data was incorrect due to the Health Professions Tracking Services use of zip codes to match to counties. Since Rock County's mail goes through Holt County, physician data for Rock County was reported as in Holt County. Ms. Janssen reported that Holt County does meet the criteria for designation as a state-designated family practice shortage area.

Marlene Janssen reported that Webster County is requesting designation as a state-designated physical therapy shortage area. Ms. Janssen explained that by statute, the Rural Health Advisory Commission must use the most current available data to determine shortage areas. The issue is that for physical therapists the best data at the state-level is licensure data. However, licensure data is limited to health professionals with addresses reported in that county and who may or may not actual practice in the

county. The State of Nebraska does not have the funding or manpower to survey physical therapists or occupational therapists.

Ethan Evert, P.T., from Webster County, addressed the Commission. Mr. Evert stated that he and his wife moved to Webster County (Red Cloud) two years ago. He looked into the Nebraska Loan Repayment Program but was turned down because Webster County was not a state-designated physical therapy shortage area. He then started asking why since he was the only physical therapist practicing in the county. Mr. Evert began asking questions of the Office of Rural Health and Rural Health Advisory Commission. He was told there was not the staff time or funding to survey physical therapists.

Mr. Evert stated that he thought about how this information could be obtained without additional staff time for the State of Nebraska. He suggested that the Commission could put the burden on the health professional to track down the physical therapists working in the area. For example, under the current guidelines, Webster County is not a shortage area but Harlan County is a shortage area; however, Harlan County's physical therapists live in Kearney. In addition, Harlan County has access to physical therapy five days a week. The physical therapist counted in Webster County actually practices in Adams County.

Nick Faustman, Nebraska Hospital Association, also addressed the Commission. Mr. Faustman stated that the Nebraska Hospital Association is interested in accommodating health professions in rural hospitals. He commented that it seems there is a disadvantage to those health professions that are not surveyed. Mr. Faustman stated that he has not contacted the Physical Therapy Association to see if they might want to participate and partner with the Health Professions Tracking Services to survey physical therapists.

Tom Rauner reported that the University of Nebraska Medical Center (UNMC), Health Professions Tracking Services (HPTS) was created around 1996. Start-up funding was obtained through a Robert Wood Johnson grant. The initial data collected focused on primary care physicians, physician assistants, and nurse practitioners. Other professions have been added but on a cost basis. The Office of Rural Health and other entities can purchase the data collected by the HPTS.

Dennis Berens suggested that health professions or their professional associations could buy HPTS time to survey and collect full-time equivalency data. Dr. Rebecca Schroeder added that some health professional associations already do this. Tom Rauner commented that the HPTS database is constantly changing because health professionals are mobile and that the HPTS is an "independent" group housed at UNMC.

There was some discussion about the Commission's shortage area guidelines, how those guidelines could be changed, and consequences of those changes. Mr. Evert again proposed that the individual seeking loan repayment be responsible for submitting data for their specific area. Marlene Janssen replied that, while Mr. Evert's suggestion is worthy of consideration, the Office of Rural Health staff will still have to verify the information submitted by contacting the local agencies that may employ physical therapists. Tom Rauner added that once this idea gets out to the public more people will be making such requests to the Office of Rural Health.

Dr. Mike Sitorius moved to have the Program Committee review the guidelines, have DHHS legal staff review any changes, and report back to the full Commission in September. Dr. Shawn Kralik

seconded the motion. Motion carried. YES: Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Adams, Fattig, Dilly, and Wells.

Dr. Mark Goodman moved to approve Dundy and Holt Counties as state-designated family practice shortage areas effective October 22, 2011 and June 17, 2011, respectively. Sharon Vandegrift seconded the motion. Motion carried. YES: Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Adams, Fattig, Dilly, and Wells.

4. Policy Committee Report

(Note: This was item #5 on the agenda.)

Dennis Berens referred Commission members to the Policy Committee's 2011 Summary of Recommendations for Enhancement of Health in Rural Nebraska in their packets. The Rural Health Advisory Commission's vision statement is "*all rural Nebraskans have access to a dynamic, integrated health and health care system meeting all of their physical and mental health needs.*"

The Policy Committee's recommendations are outlined under 10 general headings. These general headings are: (1) incentive programs for rural health professionals, (2) behavioral health services, (3) integrated service delivery and training systems, (4) rural emergency medical services and rural transportation, (5) rural communication systems, (6) rural quality, (7) strengthening rural health services by improving access to affordable health care, (8) rural managed care and reimbursement, (9) veterans care, and (10) additional rural health opportunities and issues for future consideration.

Mr. Berens asked Commission members to review the recommendations and provide comments at the September meeting.

Dr. Scot Adams arrived at 2:16 p.m.

5. Legislative Update/Proposals

(Note: this was item #6 on the agenda.)

Dennis Berens reported for Marty Fattig, who was unable to attend the Commission meeting. Mr. Fattig provided a written report to the Commission on legislative issues.

Legislative Update Prepared by Marty Fattig

State Issues

- The biggest issue still facing the state is the budget. Until the economy recovers, there is always a chance that programs impacting rural health and healthcare will have budget cuts or will be cut entirely. It is important that we all continue to communicate with our senators informing them of the importance of these programs.
- Legislation still needs to be passed to make provider-based Rural Health Clinics tax exempt. Hopefully this will happen in the next legislative session.

- Funding for Medicaid programs is still at risk. With all of the uncertainty of what will happen to healthcare reform at the national level, the same uncertainty exists at the state level.
- The state Medicaid Meaningful Use program is not operational yet, but is scheduled to be by mid-summer. Only 16 states have these programs in place and this hinders Electronic Health Records (ERH) adoption by hospitals and eligible providers because the Medicaid program is designed to provide initial funding for hardware and software implementation to achieve meaningful use. On a positive note, Wide River, the Nebraska Regional Extension Center (REC) has been working with a number of eligible providers and Critical Access Hospitals to prepare them for achieving meaningful use.

Federal Issues

- As stated above, there is a great deal of uncertainty about healthcare reform. Some people are calling for a complete repeal of the bill while others are working to amend it. Because of this, it is extremely difficult to decide how to position ourselves to be prepared for whatever comes out of Washington.
- Medicare finally issued the proposed rules for establishing and operating Accountable Care Organizations (ACOs) and they are so complex that it appears that the program may be dead before it ever comes to life. The rules are so confusing and restrictive and potential rewards are so small that organizations that were once eager to sign up for the new program are backing away.
- New requirements for security of electronic records are coming out adding more teeth to the security audits that all of us should have been doing as part of the HIPAA security requirements since 2004.
- The physician supervision issue is currently on hold but we need a permanent fix to this issue.
- The physician payment issue is temporarily fixed until the end of the year. At that time, unless there is a temporary or permanent fix, physician payments from Medicare will be cut by 30%. A permanent fix is needed but the cost of this fix is so high that no one in congress will vote for it in this depressed economy.
- Meaningful Use continues to move forward. Stage 1 objectives are out and some hospitals and eligible providers have attested. Some Medicaid payments have been made. Meaningful Use adoption has been much slower than the Centers for Medicare and Medicaid Services (CMS) had anticipated. Stage 2 objectives are being proposed by the HIT Policy Committee and the Meaningful Use Workgroup. Both parties are proposing a one-year delay before Stage 2 objectives must be met. This recommendation must be accepted by CMS before the delay is official. The proposed Stage 2 objectives are quite onerous and difficult for vendors to develop and providers to implement. Please encourage your members of congress to write letters to CMS requesting that the timeline for implementation be increased and that the complexity of the objectives be reduced to something that can be developed by the vendors and adopted by the providers.

(End of Martin Fattig's report.)

Dr. Rebecca Schroeder reminded the commission members that FY2011-12 is the last year for the Merck cash funds to fund the Nebraska rural incentive programs. The Rural Health Advisory Commission needs to be looking at continuing funding for these programs which will require legislation. Marlene Janssen stated that funding issues should be in the form of a legislative proposal through the Department of Health and Human Services (DHHS). Dr. Scot Adams stated that, in

general, the Governor is concerned about any increase in funding issues. Dr. Schroeder indicated that this proposal would be to *maintain* funding not increase funding for the rural incentive programs.

Dr. Schroeder reported that another potential legislative issue that has come up is the signing of contracts after the RHAC has awarded rural incentives. The concern is with the timing of (a) when loan repayment applications are received, (b) when the RHAC meets to approve loan repayment applications, (c) when loan repayment applicants begin practice in the shortage areas, and (d) when loan repayment contracts are signed.

Marlene Janssen explained that the history behind the signing of contracts comes from within DHHS. There is a difference between “service” contracts and “incentive” program contracts; however, the template for the “incentive” program contracts is created from the “service” contract format. A “service” contract generally deals with a contractor who will provide a specific service. For example, the contractor agrees to treat a certain number of patients in a specific county. The service cannot begin until *after* the “service” contract is signed.

The “incentive” program contract is an enticement to get health professionals to establish a practice in a shortage area similar to establishing a business in a specific community. The “incentive” program does not require the health professional to treat a certain number of patients.

The issue concerning “incentive” program contracts is that the Rural Health Advisory Commission, by statute, is the entity that awards loan repayment and meetings are held only 4 times per year while loan repayment applications are received throughout the year. For example, if the commission meets in February and then again in June and someone applies for loan repayment in March and begins practice in May, the commission will not be able to award the loan repayment until their meeting in June. As it works now, the commission sets the 3-year practice obligation period for the loan repayment applicant based on when the health professional received his/her license, when he/she began practice in the shortage area, when the loan repayment application was received, and when state funds are available for the match.

Jenifer Roberts-Johnson remarked that the issue of signing contracts may not need legislation that it could be handled through the contract process.

Dr. Mark Goodman moved to have the Office of Rural Health staff submit a legislative proposal through DHHS to maintain funding at the current level for the rural incentive programs. Sharon Vandegrift seconded the motion. Motion carried. YES: Boswell, Frey, Goodman, Kralik, Rogers, Sitorius, and Vandegrift. NO: None. Abstained: Adams and Roberts-Johnson. Excused: Fattig, Dilly, and Wells.

6. A. Workforce 2020 Task Force Update

(Note: this was item #7 on the agenda.)

Roger Wells was unable to attend the Commission meeting but submitted the following update to the Commission. Dr. Mike Sitorius, who also is on the Workforce 2020 Task Force, reviewed Mr. Wells report.

Workforce 2020 Task Force Update

Prepared by Roger Wells, P.A.-C.

The Workforce 2020 Taskforce has met three separate times. The goal of this task force is to develop a Workforce Center that would assist the rural healthcare organizations, individuals, providers and patients in developing an avenue to enhance healthcare.

The second meeting was to develop and generally agree upon and create a state health workforce center for collection analysis for all professionals and essential function as a central data repository for comprehensive assessment analysis of workforce information as well as the future of the healthcare workforce needs. Members of the Task Force agreed that the target of an ongoing data system needed to be outside of all government entities to suppress political and financial pressures and at the same time have some kind of monetary access to continue to press forward with the issues of rural health in Nebraska. Also, there is a desire to expand the pipeline for primary care as well as introduction of healthcare education exposure for individuals in high school.

The third meeting was eventually developed to identify goals that the Task Force could actually utilize as workable and obtainable. This was a strategic planning meeting; however, going into this activity, the individuals developed a sense of unknown of where they were actually headed. Specifically, there was not a collective acknowledgement of what the Workforce Center would actually need or do and therefore we struggled with this issue. At the end of the session, it was generally agreed upon that the Workforce Center should be, again, an individually isolated entity with a mission "To develop a sustainable, inclusive system used to provide complete healthcare opportunities to citizens of Nebraska". To attain this, many individuals felt that the Rural Assistance Center (RAC) already does many of these activities. They developed a sense of need for a conference call to engage the Rural Assistance Center who could actually help us versus recreating the wheel.

The Rural Assistance Center is run by the School of Health Medicine and Health Sciences at Grand Forks, North Dakota. The Center has been an advocate for rural health for a number of years and is a great source for information by state, by funding avenues from grants, by monitoring Federal Register activity, keeping track of calendars of events and monitoring rural health activities throughout the last few years. Concerns of the Workforce 2020 Task Force were that we would recreate some of these avenues.

(End of Roger Wells' report.)

Dr. Shawn Kralik left at 2:27 p.m.

Dr. Mark Goodman left at 2:28 p.m.

Dr. Shawn Kralik returned at 2:33 p.m.

Jenifer Roberts-Johnson left at 2:35 p.m.

B. UNMC Health Policy Center Proposal

Dr. Schroeder asked Marlene Janssen to report on the University of Nebraska Medical Center's (UNMC) proposed Center for Health Policy. Ms. Janssen stated that one of the goals in a recent UNMC Strategic Plan was the creation of a Center for Health Policy in the College of Public Health. At the meeting the group discussed and identified the following:

- Nebraska should be the focus with involvement from the private sector and independent

analysis on health policy for the Legislature and evidence-based policies.

- The potential areas for research would include mal-distribution of primary care health professionals, telemedicine, be proactive not reactive, interdisciplinary health care evolving with health care reform, tying performance to reimbursement, data sharing/collecting, economic impact of health care, and communication of health policies.
- The curriculum would include quantitative and qualitative analysis and working from analytical analysis to social communication.
- The Center for Health Policy will include community outreach and engagement which will incorporate pro bono community assistance.
- There will be an advocacy component and building capacity.
- Finally, the group discussed setting goals or deliverables for one, five, and ten years.

Dr. Mike Sitorius added that there will be a Center for Health Policy at UNMC. Ms. Janssen just reviewed the discussion from the second of two meetings. The first meeting was an in-house meeting at UNMC. Everything is in draft form but the four core areas identified are: (1) organizational structure, (2) mission and vision statement, (3) what will be the education, research, and other areas of development, and (4) the center will be accessible and available to the nonacademic community so it can help them in decision-making and draw on the nonacademic community's expertise.

Dr. Jim Stempson has been hired and will begin employment on July 1, 2011. Dr. Stempson has a Ph.D. in health policy and comes to Nebraska from Texas. By the end of the calendar year, it is anticipated that a presentation will be made to the Board of Regents to certify or support the Center for Health Policy. Dr. Sitorius added that the Center for Health Policy will focus on all health policy issues not just "rural" health policy but rural will be an important piece.

Jenifer Roberts-Johnson returned at 2:38 p.m.

Dr. Mark Goodman returned at 2:41 p.m.

7. Program 175 – Rural Incentive Program

- **Review Current Budget and Future Needs**
- **Accounts Receivable Report**

(Note: this was item #9 on the agenda.)

Marlene Janssen reported on the current budget for the rural incentive programs stating that the budget figures reflect the student loans and loan repayment awards that the Rural Health Advisory Commission will potentially approve at this meeting. Based on these estimates, there will be approximately \$295,135 left to obligate during FY2011-12 and, due to the 3-year loan repayment practice obligation, there will be \$955,590 left during FY2012-13 which includes the carryover funds of \$295,135 from FY2011-12. Ms. Janssen reminded RHAC members that, while the current allocation for the rural incentive programs is the same for FY2011-12 and FY2012-13 there may not be enough cash in the cash fund to support the cash spending authority granted. This is because of the Merck cash funds that were allocated to the loan repayment program for 4 years, through FY2011-12.

Marlene Janssen provided the following report on accounts receivable:

UPDATE: Carrie Ramsey, PA – student loan recipient; began practice in non-shortage areas but in February 2011, RHAC approved Richardson County as a family practice shortage area so Ms. Ramsey is now receiving forgiveness of the remaining balance of her student loans.

STUDENT LOANS (Contract Buyout and Defaults):

Bobbie Augustine, D.D.S. (Pediatric Dentist) – current
Rachel Blake, M.D. – current
Ryan Boyd, dental student – may request an in-school buyout, notification due 6/30/11
Cari (Brunner) Sughroue – DHHS Legal Division is working on collecting (left school)
Mary Metschke, D.D.S. – current
Nicole Mitchell, M.D. – current on settlement agreement payments
Tom Pratt, D.D.S. – current (left shortage area)
Andria Simons, medical student – enrollment cancelled 01/2011; payback begins 7/1/11
Les Veskrna, M.D. – current
Shea Welsh, medical student – in-school buyout
Nick Woodward, D.D.S. (Pediatric Dentist) – current

LOAN REPAYMENT (Defaults – left shortage area for non-shortage area or left Nebraska):

Manda Clarke, APRN – current
Michelle Dickes, O.T. – current
Kelley Hanau, APRN – current
Joseph Kezeor, M.D. – current
Richard Michael, M.D. – current
Amanda Whitenack, APRN – current

8. CLOSED SESSION

- **Student Loan Recipient's Request**
- **Student Loan Applications**
 - **New**
 - **Continuation**
- **Loan Repayment Applications**

(Note: this was item #10 on the agenda.)

Dr. Mike Sitorius moved to go to closed session at 2:44 p.m. to discuss (1) student loan recipient's request, (2) student loan applications (new and continuation), and (3) loan repayment applications. Dr. Mark Goodman seconded motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, and Wells.

Dr. Rebecca Schroeder announced that the RHAC would go into closed session at 2:44 p.m. to discuss (1) student loan recipient's request, (2) student loan applications (new and continuation), and (3) loan repayment applications and asked non-essential staff and guests to please wait outside.

Dr. Zach Frey left at 2:47 p.m. during closed session.

Dr. Zach Frey returned at 2:50 p.m. during closed session.

9. OPEN SESSION

- **Motions on Closed Session Discussions**

Dr. Mike Sitorius moved to go to open session at 2:55 p.m. Dr. Mark Goodman seconded motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, and Wells.

Dr. Mark Goodman moved to approve Dee Bednar's and Michael Renner's requests to extend the time to receive their non-provisional licenses as a Licensed Mental Health Practitioner (LMHP) by 6 months. Ms. Bednar and Mr. Renner must have their non-provisional LMHP licenses on or before January 1, 2012. Dr. Scot Adams seconded the motion.

The following RHAC members interviewed new student loan applicants prior to the commission meeting: Dr. Rebecca Schroeder, Dr. Doug Dilly, Dr. Shawn Kralik, Dr. Mike Sitorius, Dr. Mark Goodman, and Sharon Vandegrift, R.N.

Dr. Mike Sitorius moved to approve the following continuation student loan applications: Natalie Fendrick (dental), Jason Grant (dental), James Hadden (dental), Donielle Larson (mental health), Gregory McClanahan (medical), Beth Sholes (mental health), and Kate Wolford Wawrzynkiewicz (dental); and new student loan applications: Katherine Andrews (mental health), Connor Christensen (dental), Stephanie Ebke (dental), Kathryn Griess (physician assistant), Ashley Maxon (medical), Steven Peterson (physician assistant), Adam Schapmann (physician assistant), Kimberly Schroeder (mental health), and Joshua Thoendel (medical). Dr. Mark Goodman seconded the motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, and Wells.

Dr. Mark Goodman moved to approve the following loan repayment applications with the 3-year practice obligation beginning on the dates in parenthesis:

Brenda Kopriva, M.D. (08/1/2011) pending Nebraska license
Erin Pierce, M.D. (7/1/2011)
Elliot Neuheisel, P.T. (8/1/2011) (part time)
Noelle Sherrets-Ratigan, D.O. (8/1/2011)
Michael Simonson, M.D. (8/1/2011) pending Nebraska license
Kristin Roelfs, P.A. (7/1/2011)
Michelle Weber, Pharm.D. (7/1/2011)
Allison Swendener, P.A. (7/1/2011)
Amy Theesen, APRN (7/1/2011) pending Nebraska license
Maura Rabe, O.T. (9/1/2011) pending Nebraska license
Megan Faltys, M.D. (9/1/2011) (part time)

and move the following loan repayment applications to the waiting list: Usman Akhtar, M.D. and Isaac Berg, M.D. Dr. Zach Frey seconded motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, and Wells.

10. Legal Opinion Concerning State Employees' Eligibility for Rural Incentive Programs

(Note: this was item #3 on the agenda.)

Dr. Scot Adams discussed the legal opinion from Dave McManaman, DHHS Attorney, whose work focus is in the area of human resources. According to Mr. McManaman's opinion, the rural incentive programs (student loans and loan repayment) represent "... *“extra compensation” to (state) employees after services have been rendered*” which is potentially a Nebraska Constitutional concern. Dr. Scot Adams stated that besides the Nebraska Constitutional concern there may also be an issue with the labor contract when some employees receive additional payment or forgiveness under the rural incentive programs.

A potential third issue is the terminology of “local” in the Rural Health Systems and Professional Incentive Act. Dr. Scot Adams reported that a State agency is not “local” according to Mr. McManaman's opinion.

Dr. Scot Adams recommended that the Rural Health Advisory Commission not engage in approving any future applications for rural incentives from state employees or state agencies. Dr. Schroeder clarified that health professionals who contract with state agencies are not considered state employees and would qualify for the rural incentive programs. Dr. Scot Adams concurred. Dr. Sitorius added that an intern may be considered a state employee if he/she is receiving a salary and benefits from the State.

Marlene Janssen reported that she advised all the student loan applicants this morning that, while they can do their internships or provisional hours at a state agency, they will not be able to receive forgiveness of their student loans while working for a state agency. Ms. Janssen also stated that information sheets and applications for both rural incentive programs are being changed to reflect this and future letters to rural incentive recipients will have a statement indicating state employees are not eligible for benefits under the rural incentive programs.

Tom Rauner reminded the members that they needed to have a motion on “removing state agencies as “state-designated” shortage areas from agenda 3 above.

Dr. Mark Goodman moved to remove state agencies as “state-designated” shortage areas per the previous discussion. Dr. Shawn Kralik seconded the motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Roberts-Johnson, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, and Wells.

Jenifer Roberts-Johnson left at 3:08 p.m.

11. Primary Care Office Report

(Note: this was item #8 on the agenda.)

Tom Rauner reported that the National Health Service Corps (NHSC), over the past 2 years, has had increased funding for loan repayment receiving around \$300M additional funding. This funding is expected to continue for the next couple of years; however, there will be more continuation loan repayment to fund instead of adding new health professionals. To demonstrate the impact this

increased funding has had on Nebraska, Mr. Rauner pointed out that over the past 10 years there have been only about 5 NHSC Loan Repayment recipients per year placed in Nebraska but in each of the last 3 years around 20-25 health professionals practicing in Nebraska were approved for NHSC Loan Repayment. The NHSC Loan Repayment Program has had a significant impact on Nebraska because many of these recipients would have applied for the Nebraska Loan Repayment Program.

According to Tom Rauner, primary care shortage area scores for Nebraska are not that high compared to national data. With the additional funding NHSC has disregarded Health Professional Shortage Area (HPSA) scores and based loan repayment on when the health professional began practice in the shortage area.

The NHSC Loan Repayment Program requires an initial 2 year practice obligation with the potential for one year extensions. The NHSC Loan Repayment Program is tax exempt to the health professional and requires no community match. There are other restrictions, for example, the clinic must have a sliding fee scale, the health professional must see Medicare and Medicaid patients, and not discriminate against anyone based on income.

Dr. Zach Frey left at 3:28 p.m.

12. Other Business

Dr. Schroeder reported that there was a recent change at the state level concerning mental health care for Medicaid patients. The new requirement is for health providers to supply the State with reports for Medicaid patients. Dr. Schroeder stated that many mental health providers have told her that they are no longer going to accept Medicaid patients because of this new reporting requirement and the potential confidentiality concerns. The reason reports are being requested is that some Medicaid patients see more than one counselor per year but Medicaid only authorizes one pretreatment assessment per year. Generally, pretreatment assessments are only handwritten notes and counselors are not willing to share that information.

Marlene Janssen announced that the Nebraska Oral Health Summit Report is in the commission members' packets.

Dr. Zach Frey returned at 3:35 p.m.

Marlene Janssen stated she needs a motion to change the shortage area guidelines to reflect the previous discussion concerning state agencies and state employees not being allowed to participate in the rural incentive programs.

Dr. Mike Sitorius moved to change the shortage area guidelines to exclude state agencies. Dr. Scot Adams seconded the motion. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, Roberts-Johnson, and Wells.

Dennis Berens made the following announcements:

- After working with the College of Dentistry for several years, telecommunication is going to be used as a training tool for dental preceptor sites in rural areas.

- While Nebraska did not get the legislative change needed to use a community paramedic model, there is a Centers for Medicare and Medicaid proposal to discuss and research this type of health care delivery model.

13. Adjourn

Hearing no other business to report, Dr. Schroeder asked for a motion to adjourn.

Dr. Mark Goodman moved to adjourn at 3:39 p.m. No second required. Motion carried. YES: Adams, Boswell, Frey, Goodman, Kralik, Rogers, Sitorius, and Vandegrift. NO: None. Excused: Fattig, Dilly, Roberts-Johnson, and Wells.