



RURAL HEALTH ADVISORY COMMISSION

NEBRASKA OFFICE OF RURAL HEALTH
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**Minutes of the
RURAL HEALTH ADVISORY COMMISSION
Friday, February 28, 2014
Lincoln, NE**

Members Present: Scot Adams, Ph.D.; Brian Buhlke, D.O.; Marty Fattig; Jessye Goertz; Mary Kent; Lisa Mlnarik, MSN, APRN, FNP; Jenifer Roberts-Johnson, J.D.; Rebecca Schroeder, Ph.D.; Mike Sitorius, M.D.; Roger Wells, P.A.-C.

Members Excused: Mark Goodman, M.D.; Noah Piskorski, D.D.S.; Avery Sides, M.D.

Guests Present: Jillian Savage, NE Comprehensive Cancer Control Program, NE DHHS
Brady Moe, Intern w/ State Senator Sue Crawford

Staff Present: Margaret Brockman; Marlene Janssen; Dave Palm; Tom Rauner; Deb Stoltenberg

1. Call Meeting to Order; Open Meetings Act & Agenda Posted; Adopt Agenda; Approve Minutes of November 22, 2013, Meeting; Introduce Members (if guests are present)

Marty Fattig called the meeting to order at 1:35 p.m. with the following members present: Buhlke, Fattig, Goertz, Kent, Roberts-Johnson, Schroeder, Sitorius, and Wells

Marty Fattig announced that the Open Meetings Act and Agenda were posted by the door.

Dr. Brian Buhlke moved to approve the agenda. Roger Wells seconded the motion. Motion carried. YES: Buhlke, Goertz, Kent, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Adams, Goodman, Mlnarik, Piskorski, Sides.

Dr. Rebecca Schroeder moved to approve the November 22, 2013, Rural Health Advisory Commission meeting minutes. Jessye Goertz seconded the motion. Motion carried. YES: Buhlke, Goertz, Kent, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Adams, Goodman, Mlnarik, Piskorski, Sides.

Marty Fattig asked commission members and staff to introduce themselves and explained that guests could introduce themselves if they so desired.

2. Administrative Items

- **Next Meeting: Friday, June 20, 2014; 1:30 p.m., Lincoln**
- **Student Loan Interviews/Interviewers**
- **Other Announcements**

Marty Fattig announced that the next commission meeting is scheduled for Friday, June 20, 2014, at 1:30 p.m. in Lincoln and will follow the student loan interviews which will take place in the morning. Mr. Fattig then asked for volunteers to interview the student loan applicants. The following members volunteered: Dr. Mark Goodman, Dr. Rebecca Schroeder, Dr. Brian Buhlke, Jessye Goertz, Marty Fattig, and Lisa Mlnarik, who showed up later. Marlene Janssen stated that Dr. Noah Piskorski would also be available to interview. Dr. Rebecca Schroeder volunteered to review student loan applications with Marlene Janssen and select the best applicants to be interviewed.

Marty Fattig stated that he was working on having Dr. Samuel Meisels present to the Rural Health Advisory Commission on early childhood education.

Mr. Fattig reminded commission members that they need to complete an Accountability and Disclosure Commission form each year. Marlene Janssen will email the information to the members. Forms are due April 1, 2014.

Mr. Fattig passed around an article in a University of Nebraska Medical Center news magazine about Dr. Sitorius.

3. State Rural Health Policy Recommendations

Dr. Scot Adams arrived at 1:44 p.m.

Marty Fattig asked members how the annual rural health policy recommendations should be prepared this year. After some discussion, each member was assigned a section to update and email to Marlene Janssen on or before April 15, 2014.

4. Federal & State Legislation

Marty Fattig reviewed current state and federal legislative issues. At the state level, the big issue is Medicaid expansion. There was some discussion about a legislative bill that would allow pharmacists to bill for consultation services at a hospital. LR 422 is a legislative resolution to continue the health care transformation work group that was established with LR 22.

LB 787 would provide a tax deduction for student loan principal payments for graduate degrees. Mr. Fattig stated that this would have “double-dipping” implications for the rural health incentive programs. Marlene Janssen explained that the rural student loan program is not taxed if the recipient completes the practice obligation and there is a tax deduction on the interest if the recipient pays back the student loan. Concerning the loan repayment program, Ms. Janssen stated that because of federal law funds received through the loan repayment are not taxed at the federal or state level. LB 787 would provide a tax deduction on funds already exempt from taxation in this case.

Marlene Janssen reported that LB 901 would increase the number of psychologist internship slots. Ms. Janssen stated that this may have a positive impact on the rural student loan program for psychologists because one of the student loan recipients still has not matched to an internship program. Dr. Rebecca Schroeder explained that doctorate-level psychologist students need to match to a pre-doctorate internship program in order to complete their training. There are more schools training psychologist students than internship programs for these students. Internship programs are like residency programs for physicians. Last year there were almost 1,000 non-matched students that will apply again this year along with the new students. The American Psychologist Association (APA) is aware of this problem. According to Dr. Schroeder, in order to be licensed in Nebraska, a psychologist must complete an APA-approved internship.

Marty Fattig reported on the progress of legislative issues at the federal level.

- With 2014 being an election year, the federal government extended the Medicare Sustainable Growth Rate (SGR) (Medicare payments to physicians) through March.
- There is a moratorium on Recovery Audit Contractors (RAC) audits. The American Hospital Association (AHA) has filed a lawsuit against RAC audits.
- Protecting Access to Rural Therapy Services Act would adopt a standard of general supervision, defines direct supervision for Critical Access Hospitals (CAH), and holds hospitals harmless retroactively back to 2001.
- Debt reduction issues include sequestration, CAH changes from 101% to 100% of costs, 10-Mile Rural for necessary provider status, and CAH closures.
- Therapy caps, the amount of physical therapy a patient may receive in a year, ended December 31, 2013, for Prospective Payment System (PPS) hospitals but began for CAHs!
- There will be no relief for Meaningful Use rules. The problem is vendors cannot keep up with demand.
- ICD-10 (International Classification of Disease) increases the number of medical codes used for payments from 15,000 to 150,000.

Marty Fattig reported that he received a call from Senator Nordquist to provide a report to the Legislative Appropriations Committee on the rural incentive programs. A copy of Mr. Fattig's report was distributed to the commission members.

Jessye Goertz reported that there are a couple of legislative issues that the American Academy of Nutrition and Dietetics is watching. One is the reauthorization of the Older American Act which includes the senior meal program. There is also some proposed legislation on the treatment and reduction of obesity which may provide reimbursement for education on obesity.

5. State of Kansas Health Professional Incentive Programs Discussion

Marty Fattig reported that the commission has had discussions about other states' incentive programs and that last summer Dr. Bob Rauner wrote an editorial in the Lincoln Journal Star about Kansas' programs. Mr. Fattig stated that Marlene Janssen prepared a report which is in the members' packets and asked her to present her findings.

Dr. Bob Rauner's concern is "why can't Nebraska do similar programs like Kansas?" Ms. Janssen reported that she and Roger Wells sat down with Dr. Rauner at the Nebraska Rural

Health Conference and talked to him about the differences in the Kansas and Nebraska programs.

Kansas has a student loan program which is pretty much like Nebraska's medical student loan program. Medical students receive student loans during medical school and after they complete residency, which can be anywhere in the U.S., they have a practice obligation to go back and practice in a shortage area as determined by the state. Ms. Janssen added that this is probably what Dr. Rauner is seeing at the Lincoln residency program because most of the residents are Kansas graduates.

Kansas also has a "bridge" program. This is a *loan* program not a loan repayment program and does not qualify for the tax exemption like a state-funded loan repayment program. It is for physicians in a primary care residency program in Kansas. The physician does not have to be a resident of the State of Kansas. Interest accrues on this loan just like any consumer loan but this loan and interest will be forgiven once the physician begins his/her practice obligation in Kansas. Participants may receive up to \$10,000 total under this program.

The Nebraska Constitution (Article XIII, § 3) does not allow the State of Nebraska to loan money to non-residents or to loan money to persons who are not in school in Nebraska. According to a legal interpretation of this Article, loans may only be made to Nebraska residents and only for adult or post high school education that are institutions in the State of Nebraska. Adult or post high school education does not appear to include residency training programs because residency programs are not considered secondary education.

There was a discussion about loan repayment for physicians in residency programs. The Rural Incentive Act does not currently allow physicians in residency to receive loan repayment. The commission members decided to research and work on statutory changes to the Rural Incentive Act.

Lisa Mlnarik arrived at 2:30 p.m.

6. State-Designated Shortage Areas

- **Request for Designation – York County (family practice)**
- **Physical Therapy and Occupational Therapy – New Guidelines**

Marlene Janssen reported that York County submitted a request to be designated as a state-designated family practice shortage area. The data were verified and York County does meet the guidelines.

Dr. Mike Sitorius moved to approve York County as a state-designated family practice shortage area effective January 1, 2014. Dr. Brian Buhlke seconded motion. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.

Ms. Janssen explained the draft of the Occupational Therapist (OT) and Physical Therapist (PT) guidelines for designation of shortage areas. The major change was that full-time equivalency data will now be used instead of licensure data. After some discussion of the specific guidelines, Dr. Brian Buhlke moved to approve new OT/PT guidelines with the following changes: (a) delete the first paragraph of item 2 in both the OT and PT guidelines and insert accordingly: "In

computing the population-to-occupational therapist (OT)(physical therapist (PT)) ratio, OTs (PTs) will be counted on a full-time equivalent (FTE) basis, with four hours counting as 0.1 FTE. OTs (PTs) will not be counted if they are practicing under Medicare, Medicaid, or licensure sanction, or if they have documented plans to discontinue practice within one year.” Roger Wells seconded motion. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.

Dr. Mike Sitorius moved to have Office of Rural Health staff distribute the new OT/PT shortage area guidelines as they did with the 2013 shortage areas for a 30-day public comment period and report back to the commission at the June meeting. Dr. Brian Buhlke seconded motion. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.

7. Program 175 – Rural Incentive Programs

- **Updates on Student Loan/Loan Repayment**
- **Accounts Receivable**
- **Review Budget**

Marlene Janssen reported that Staci Sterud-Blanch and Konni Kluender were approved for loan repayment in September but failed to sign their loan repayment contracts. When contacted they both withdrew their applications for loan repayment. Kyle Minnick and Amanda Barstow were both on the waiting list but decided to withdraw their applications for loan repayment due to changes in circumstances.

Marlene Janssen reported the following accounts receivable:

Student Loan Update (Contract Buyout and Defaults)

Stephanie Ebke, dental student, - in-school buyout, payments current, payoff date 5/1/2015
Danial Hanlon, Dental – in-school buyout, payments current, payoff date 5/1/2015
Tamara Kenning, LMHP – defaulting, payments current
Tracy Pella, LMHP – defaulting effective April 1, 2013, payments current
Tom Pratt, DDS – current (left shortage area), payments current
Andria Simons, med student – court judgment; has made several payments
Nick Woodward, DDS Ped – (left Nebraska after graduating), payments current

Loan Repayment (Defaults – left shortage area for non-shortage area or left Nebraska)

Megan Faltys, M.D. – leaving shortage area as of 12/1/13; payments to begin 04/1/2014
Joseph Kezeor, M.D. – PAID-IN-FULL Dec 2013
Paul Willette, M.D. (general surgeon) – left Nebraska, default 7/1/2013, working on collecting with legal assistance

Dr. Mike Sitorius asked about student loan buyout rates. Ms. Janssen reported that in the late 1990s the default or buyout rate for student loan contracts was around 50 percent; it is now below 15 percent because of administrative changes. Commission members discussed specifics of the student loan program and potential changes to reduce buyouts. As time allows, Ms. Janssen will review student loan files to determine buyout rates by specialty and why.

Marlene Janssen reported that state funds are available for the loan repayment applications to be approved by the commission.

8. Closed Session
▪ Review Loan Repayment Applications

Dr. Mike Sitorius moved to go to closed session at 3:03 p.m. to review loan repayment applications. Dr. Brian Buhlke seconded the motion. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.

Marty Fattig announced that the RHAC would go into Closed Session at 3:03 p.m. to review loan repayment applications and asked guests to please wait outside the room.

9. Open Session
▪ Motion(s) on Loan Repayment Applications

Roger Wells moved to go to Open Session at 3:10 p.m. Dr. Rebecca Schroeder seconded motion. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.

Roger Wells moved to approve the following loan repayment applications with estimated loan repayment start dates and loan repayment amounts as indicated or as determined by Office of Rural Health staff based on issuance of license and/or loan documentation:

APPLICANT'S NAME	ESTIMATED LR START DATE	SPECIALTY	COUNTY (COMMUNITY)	ESTIMATED TOTAL LR AMOUNT
Kruse, Tilara	12/01/2013	Pharmacist	Thurston County (Pender)	\$60,000.00
Howe, Jason	12/01/2013	P.A. (FP)	Polk County (Osceola)	\$60,000.00
Karmazin, Jacob	03/01/2014	P.A. (FP)	Custer County (Broken Bow)	\$60,000.00
Berg, Bethany	02/01/2014	P.A. (FP)	Jefferson County (Fairbury)	\$60,000.00
Barstow, Amanda *0.71 FTE* (school contract)	03/01/2014	O.T.	Cherry, Keya Paha, Rock Cos. (ESU17)	\$42,600.00
Anderson, Adam	03/01/2014	D.D.S. (genl)	Cherry & Hooker Cos. (Valentine/Mullen)	\$120,000.00
Grzywa, Alexa	03/01/2014	P.A. (FP)	Douglas County (One World CHC)	\$60,000.00

and move the following loan repayment application to the waiting list:

APPLICANT'S NAME	ESTIMATED LR START DATE	SPECIALTY	COUNTY (COMMUNITY)	ESTIMATED TOTAL LR AMOUNT
Krug, Nathan PEND LICENSE	08/01/2014	M.D. (FP)	Merrick County (Central City)	\$120,000.00

Dr. Scot Adams seconded motion. Motion carried. YES: Adams, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. ABSTAIN: Dr. Buhlke abstained from the discussion of the loan repayment applications and from the vote on the motion. Excused: Goodman, Piskorski, Sides.

10. Primary Care Office

Tom Rauner reported that the Governor Designated Eligible Areas for Medicare Certified Rural Health Clinics were approved in January 2014. Mr. Rauner also provided a chart showing the

number of obligated placements by program from FY2004 – 2013. This chart demonstrates the impact of the increased funding for National Health Service Corps programs from 2009-2011 showing an increased number of participants. The number of participants in the Nebraska incentive programs remained steady during this time period.

Mr. Rauner reported that he is continuing work on retention studies with the Sheps Center at the University of North Carolina.

11. Other Business

Roger Wells reported that he was at the National Rural Health Association meeting in Washington, D.C. recently and had the opportunity to discuss rural issues with congressional staff. Mr. Wells also attended a meeting with Dr. Kyle Meyer, Chairperson for the UNMC Department of Allied Health. The UNMC and University of Nebraska at Kearney are collaborating on the Health Science Education Complex. This is a \$19M facility that will be utilized for the expansion of the College of Nursing as well as expansion of certain allied health programs and physician assistant program.

The National Rural Health Advisory Commission will be meeting in Omaha, Nebraska in April. Mr. Wells will email the agenda to Marlene Janssen for distribution to the commission members. This is a public meeting so the public is welcome to attend. There will be site visits to facilities in Iowa and Nebraska including Nemaha County Hospital in Auburn, Nebraska.

Dr. Rebecca Schroeder stated she is concerned about the Nebraska Rural Student Loan Program and the buyout rates. Are there differences between the specialties? Why are recipients not completing their practice obligations? Marlene Janssen said she needs to review the files. Dr. Schroeder agreed and volunteered to review files to learn the answers. This information would be beneficial for proposing legislative changes to the Rural Incentive Act.

Dr. Buhlke stated that timeliness is important. Physicians want guarantees that they will receive loan repayment as soon as they begin practice in the shortage area. There was a general discussion about creating an inventory list of possible changes to the rural incentive programs including legislative and administrative. Nebraska is losing health professionals to other states, health professionals have larger educational debt, and the “waiting list” connotes a negative impression with loan repayment applicants.

12. Adjourn

Dr. Mike Sitorius moved to adjourn at 3:45 p.m. No second needed. Motion carried. YES: Adams, Buhlke, Goertz, Kent, Mlnarik, Roberts-Johnson, Schroeder, Sitorius, and Wells. NO: None. Excused: Goodman, Piskorski, Sides.