



## RURAL HEALTH ADVISORY COMMISSION

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NEBRASKA OFFICE OF RURAL HEALTH  
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### **Minutes of the RURAL HEALTH ADVISORY COMMISSION Thursday, September 18, 2014**

#### **Conference Room 1 – Fairfield Inn Kearney, Nebraska**

Members Present: Scot Adams, Ph.D.; Brian Buhlke, D.O.; Marty Fattig; Jessye Goertz; Mark Goodman, M.D.; Mary Kent; Lisa Mlnarik, MSN, APRN, FNP; Noah Piskorski, D.D.S.; Rebecca Schroeder, Ph.D.; Mike Sitorius, M.D.; Roger Wells, P.A.-C.

Members Excused/Absent: Jenifer Roberts-Johnson, J.D.; Avery Sides, M.D.

Staff Present: Margaret Brockman; Marlene Janssen; Deb Stoltenberg

#### **1. Call Meeting to Order; Open Meetings Act & Agenda Posted; Adopt Agenda; Approve Minutes of June 20, 2014, Meeting; Introduce Members**

Marty Fattig called the meeting to order at 6:04 p.m. with the following members present: Adams, Buhlke, Fattig, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells.

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

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

Dr. Brian Buhlke moved to approve the June 20, 2014, Rural Health Advisory Commission meeting minutes with the following correction: Noah Piskorshk, D.D.S., the spelling of his last name should be Noah *Piskorski*, D.D.S. Dr. Mark Goodman seconded the motion. The motion carried. YES: Adams, Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. NO: None. Excused: Roberts-Johnson, Sides.

There were no guests present at this meeting.

## **2. Administrative Announcements**

Marty Fattig announced that the next Commission meeting is scheduled for Friday, November 21, 2014, at 1:30 p.m. in Lincoln, NE.

Marty Fattig stated that at the November meeting is when the Commission usually elects a Chair and Vice-Chair. Mr. Fattig asked the Commission to consider nominating him as Chair for another year due to the large amount of work dealing with commission's proposed revisions and changes to the Rural Health Systems and Professional Incentive Act. Rebecca Schroeder volunteered to be nominated as the Vice-Chair for another year. Nomination and voting will take place at the November meeting.

There were no other announcements.

## **3. Federal and State Legislative & Regulatory Updates**

Marty Fattig reported that on August 29, 2014, the Meaningful Use Flexibility Regulations were changed but the timeframe to complete Stage 2 was not changed. It will be nearly impossible for hospitals to complete this phase.

Mr. Fattig mentioned that both the gubernatorial candidates and three of the four U.S. Senatorial candidates participated in a panel discussion on rural health issues at the Nebraska Rural Health Conference. Both gubernatorial candidates talked about the importance of the loan repayment program.

At the request of the commission at the last meeting, Marty Fattig sent thank-you notes to Senators Nordquist and Mellow for the additional \$150,000 in general funds for the Rural Health Incentive Program. The bad news is that the funds have already been obligated due to the number of health care professionals currently in the program and the number of applications received to-date. Mr. Fattig stated Senator Nordquist, who is chair of the Appropriations Committee, continues to be a huge supporter for the rural incentive programs.

Marty Fattig reported that the LR 22 (2013) and LR 422 (2014) work group will be at a stakeholder's meeting in Omaha on October 22<sup>nd</sup>. LR 22/LR 422 is the legislative resolution to look at healthcare issues and what healthcare will look like in 2025 and beyond. Mr. Fattig was asked to be on the work group by Senator Kathy Campbell to represent rural interests.

Mr. Fattig summarized Maggie Elehwany's presentation at the Nebraska Rural Health Conference. Maggie Elehwany is the Government Affairs and Policy Vice President for the National Rural Health Association. According to Ms. Elehwany:

- 41 percent of all rural hospitals are operating at a loss;
- 91 percent of all jobs created since the economic downturn have occurred in urban areas;
- "Rural" is under fire in Washington D.C. including efforts to eliminate Critical Access Hospitals (CAH), reduce payments to CAH, eliminating bad-debt as allowable expense, etc.

Ms. Elehwany stressed that the economic impact to rural areas is huge. Mr. Fattig also stated that according to Ms. Elehwany, there is a wider rural urban insurance coverage divide that exists now than ever before.

Mr. Fattig explained the Standard Growth Rate (SGR). These are Medicare payments to physicians. Congress created this payment system years ago and it needs to be fixed but the funding has to come from someplace. At this time there is not any new money so payments are being reduced incrementally.

Roger Wells, who is a member of the National Rural Health Advisory Committee, reported that the group is discussing trauma injury and mental health in rural America; the impact of the Affordable Care Act (ACA) on rural residents; and the need for more medical residency slots and rural training tracks. Mr. Wells reported that the ACA is not working as it was predicted. More people may have health insurance but in order to afford the premiums the policies have high deductibles especially in rural areas. Marty Fattig concurred and stated that Ms. Elehwany reported that there is now a wider divide between rural and urban health insurance coverage. Lisa Mlnarik added that Ms. Elehwany also reported that urban residents have more choices than rural residents and the policy rates are higher for rural residents.

#### **4A. RHAC Subcommittee Report on Legislative Proposal**

Marty Fattig reported that the commission's subcommittee to review legislative proposals met prior to the commission meeting. This committee consisted of Marty Fattig, Rebecca Schroeder, Ph.D.; Mark Goodman, M.D.; Brian Buhlke, D.O.; Scot Adams, Ph.D.; and Mike Sitorius, M.D. Mr. Fattig noted that he and Marlene Janssen met with Dr. Scot Adams separately to avoid having a quorum at the committee meeting. Dr. Adams' comments and suggestions were shared with the committee and are incorporated in the committee's report to the full commission which was handed out to the members. Mr. Fattig highlighted the following legislative changes to the Rural Health Systems and Professional Incentive Act proposed by the committee:

- Create a loan repayment program for primary care medical residents attending residency in Nebraska;
- Increase maximum amounts for student loans and loan repayment and all doctorate-level applicants/recipients are eligible for the same maximum amounts;
- Define educational debts to mean student loans;
- Make default terms the same for the incentive programs (student loan and loan repayment); and
- Change the language under the student loan program so the commission may approve exceptions to *any period of completion of training* upon showing good cause.

Marty Fattig asked Dr. Scot Adams to explain his thoughts on studying the pros and cons of having the Rural Health Advisory Commission be its own entity like the Public Service Commission, Gambling Commission, Game and Parks Commission, etc. Dr. Adams stated that there are several commissions within state government that are not under the executive branch. The value of a commission needs to be free from political ridicule. Some of the administrative issues that the Office of Rural Health staff has to deal with within DHHS, may become less onerous if the Rural Health Advisory Commission were a separate entity. Dr. Buhlke mentioned that some commissions are subject to a public vote. Marlene Janssen commented that she has

heard it suggested that the “department of public health” be a separate entity with oversight by a commission and not subject to executive changes. The reasoning behind this is that the focus of public health is on population health generally through strategic planning. Unfortunately, the goals and objectives set forth in the strategic plan are subject to change when a new governor is elected due to changes in administration.

Dr. Mark Goodman moved to have Marty Fattig find a sponsor for the following proposed legislative changes to the Rural Health Systems and Professional Incentive Act:

- Create a loan repayment program for primary care medical residents attending residency in Nebraska to include the equivalent of one year of full time practice for each year an award is received and to set the award amount at \$40,000 per year (maximum of \$120,000);
- Increase maximum amounts of state funds for doctorate-level to \$30,000 and for master-level to \$15,000 for student loans and loan repayment and change statutory language so all doctorate-level applicants/recipients are eligible for the same maximum amounts;
- Define educational debts to mean student loans;
- Make default terms the same for the incentive programs (student loan and loan repayment) by changing the loan repayment default terms to 150 percent of the principal received at 8 percent simple interest from the date of default; and
- Change the language under the student loan program so the commission may approve exceptions to *any period of completion of training* upon showing good cause.

Roger Wells seconded the motion. The motion carried. YES: Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. ABSTAIN: Adams. NO: None. Excused: Roberts-Johnson, Sides.

#### **4B. State Rural Health Policy Recommendations**

Marlene Janssen reported that the members of the Rural Health Advisory Commission received a draft of the commission’s policy recommendations at the June meeting. Only Dr. Scot Adams submitted comments. Since this document will be incorporated into the commission’s annual report, Ms. Janssen suggested that if anyone wants to make any changes they need to send them to her by October 15<sup>th</sup>.

Ms. Janssen also asked if the proposed legislative changes should be included in the annual report or recommendations. Roger Wells stated that this could be included at the end of the report under “future plans.”

Break for dinner 6:40 p.m.

#### **5. Nebraska Student Loan Repayment Program (NSLRP) Grant**

Margaret Brockman reported on the new Nebraska State Loan Repayment Program (SLRP) which is a federal grant. This is a 4-year grant in the amount of \$100,000 per year and will help to improve access to care by assisting rural and urban communities that are designated as Health Professional Shortage Areas (HPSAs) to recruit and retain health care professionals. The grant period began September 1, 2014. This program will complement the state-funded loan repayment program by focusing exclusively on fulfilling the needs in HPSAs. The SLRP will be

managed by the Nebraska Office of Rural Health where staff already have valuable experience in working with communities that are located in HPSAs and administering the state-funded student loan and loan repayment programs.

Marlene Janssen explained that the Office of Rural Health researched this program about 10 years ago but because Nebraska had very few HPSA sites and rural health clinics did not have a HPSA score, the SLRP program was not going to work for Nebraska. Now that rural health clinics have a HPSA score, we can use the SLRP program as an incentive for these clinics and use the state-funded loan repayment program for state-designated shortage areas that are not HPSA sites.

The SLRP program will be administered similar to the Nebraska Loan Repayment Program with non-federal matching funds provided by the local entity. As per the federal rules, the minimum practice obligation is for 2 years with the option of extensions for 2 additional years. The default costs are significant compared to the Nebraska Loan Repayment Program but the amount of loan repayment for a physician can be as much as \$200,000 for a 4-year practice obligation.

#### **6. Program 175 – Rural Incentive Programs**

- **Corrections/changes to Loan Repayment Approvals from June 2014**
- **Review Current Budget**
- **Accounts Receivable Report**

Marlene Janssen reported that Dr. Terri Bowland, was approved for loan repayment in June; however, her application was withdrawn because she is no longer practicing in Box Butte County.

According to Marlene Janssen, if the commission approves all of the eligible loan repayment applications, the funding for FY2014-15 will be obligated. Ms. Janssen stated that loan repayment applications seem to be coming in at a record pace. The cash spending authority is being reduced by \$460,000 by the Department of Health and Human Services because it is no longer needed for the Merck cash.

Marlene Janssen provided the following accounts receivable report:

#### **Student Loan Update** (Contract Buyout and Defaults)

Michelle Bausch, LMHP – left shortage area/not practicing scope of practice of LMHP

Case is being referred to Legal for collection

Stephanie Ebke, dental student, - in-school buyout, payoff date 5/1/2015

Danial Hanlon, Dental – in-school buyout, payments current, payoff date 5/1/2015

Tamara Kenning, LMHP – defaulting, 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...moved back to Nebraska and is now practicing in the Omaha metro area), payments current

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

Tiffany Contet, P.A. – had to resign for health reasons (5/2014); payments are current  
Megan Faltys, M.D. – leaving shortage area as of 12/1/13; payments current  
Paul Willette, M.D. (general surgeon) – left Nebraska, default 7/1/2013, DHHS legal staff working on collecting

**7. Closed Session**

• **Loan Repayment Applications**

Dr. Mike Sitorius moved to go to closed session at 7:20 p.m. Dr. Mark Goodman seconded the motion. The motion carried. YES: Adams, Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. NO: None. Excused: Roberts-Johnson, Sides.

Marty Fattig announced that the commission would go into Closed Session at 7:22 p.m. to review the loan repayment applications.

**8. Open Session**

• **Motions(s) on Closed Session Discussions**

Roger Wells moved to go into Open Session at 7:37 p.m. Lisa Mlnarik seconded the motion. The motion carried. YES: Adams, Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. NO: None. Excused: Roberts-Johnson, Sides.

Dr. Mike Sitorius moved to (1) deny Madison Nitsch’s request to amend her loan repayment contract to full-time due to her current contractual agreement and the commission’s guidelines; (2) 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:

<b>Applicant’s Name</b>	<b>Loan Repayment Start Date</b>	<b>Specialty</b>	<b>County (Town) of Practice</b>	<b>Total LR Amt. State &amp; Local</b>
George, Anthony	08/01/2014	DDS-gen	Cheyenne County (Sidney)	\$120,000.00
Brovont, Tim	08/01/2014	DDS-gen	Madison (Norfolk CHC) & Antelope Cos.	\$120,000.00
Holloway, Lesley	08/01/2014	DDS-gen	Cedar County (Laurel)	\$120,000.00
Israel, Michael	11/01/2014	M.D. (FP)	Lancaster Co (People’s CHC)	\$120,000.00
Trexel, James	08/01/2014	DDS-gen	Fillmore County (Geneva)	\$120,000.00
Dobrinski, Holly	08/01/2014	N.P. (FP)	Cheyenne & Kimball Cos. (Sidney)	\$25,396.00
Hafeman, Kimberly	08/01/2014	P.A. (FP)	Cheyenne & Kimball Cos. (Sidney)	\$60,000.00
Schuster, Shane	10/01/2014	PharmD	Thurston County (Pender)	\$27,512.00
Tymkowych, Natalie	10/01/2014	M.D. (FP)	Cuming County (West Point)	\$120,000.00

and (3) move the following loan repayment application to the waiting list:

<b>Applicant's Name</b>	<b>Loan Repayment Start Date</b>	<b>Specialty</b>	<b>County (Town) of Practice</b>	<b>Total LR Amt. State &amp; Local</b>
High, Claire <b>PENDING LICENSE</b>	03/01/2015	P.A. (FP)	Cherry County (Valentine)	\$60,000.00
Reikofski, Sara <b>PENDING LIC &amp; LOAN DOCU</b>	01/01/2015	P.A. (FP)	Holt County (O'Neill)	\$60,000.00
Schurman, Rebecca <b>0.8 FTE (32 hours/week)</b>	07/01/2015	O.T.	Cedar County (Hartington)	\$24,074.00
Brummer, Katherine	07/01/2015	O.T.	Box Butte County (Alliance)	\$60,000.00
McDonald, Trisha	07/01/2015	P.T.	Morrill County (Bridgeport)	\$60,000.00
Crook, Lindsey	07/01/2015	P.T.	Polk County (Osceola & Stromsberg)	\$35,736.00

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

## **9. Other Business**

- **National Rural Health Day – November 20, 2014**

Marty Fattig announced that National Rural Health Day will be Thursday, November 20, 2014. Last year the commission sent letters to rural incentive recipients and local agencies requesting their rural health stories.

Dr. Mike Sitorius moved to have Marty Fattig send letters to rural incentive recipients and local agencies requesting their stories on how the rural incentive programs have made a difference for them and send a letter to Nebraska's congressional representatives/ candidates, state representatives, and Governor. Dr. Mark Goodman seconded the motion. The motion carried. YES: Adams, Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. NO: None. Excused: Roberts-Johnson, Sides.

## **10. Adjourn**

Dr. Mike Sitorius moved to adjourn at 7:41 p.m., no second is necessary – vote on immediately! YES: Adams, Buhlke, Goertz, Goodman, Kent, Mlnarik, Piskorski, Schroeder, Sitorius, and Wells. NO: None. Excused: Roberts-Johnson, Sides.