Rural Health Works - NEWSLETTER

RHW has completed another year of work!

'Tis the Holiday Season again!! Be sure to enjoy it with your family and friends. The National Center for Rural Health Works (The Center) has completed another year and has exciting new tools and activities to share with you. The Center also has two regional training sessions scheduled for your convenience in 2009. You may wish to add some of the new RHW tools to your State RHW tool chest or initiate a RHW program in your state. Any ideas or suggestions about new tools or activities that may enhance RHW in your state are welcome. Be sure to read the section on the proposed projects for this coming year and give us your input!

2009 REGIONAL TRAINING SESSIONS

The Center is planning two regional training sessions in 2009. The first training session is scheduled for Tuesday, April 28, 2009, in Casper, Wyoming. The Wyoming Office of Rural Health is hosting the workshop. The workshop flyer and registration form will be sent in early January 2009. Watch for the flyer and join us in Wyoming in the spring!

The second training session is scheduled for Thursday, September 17, 2009, in Portland, Maine. Hosts include The New England Rural Health RoundTable, The University of Southern Maine, Muskie School of Public Service, the Maine Center for Disease Control and Prevention, Office of Rural Health and Primary Care, and others. The workshop flyer and registration form will be sent in January 2009. Watch for the flyer and join us in Maine in the fall!

The Center invites any interested parties to register and attend these regional workshops. The workshops teach professionals how to conduct economic impact studies, as well as learn about the community health engagement process and health feasibility (budget) studies. RHW also has a website with additional information on the workshop topic areas:

www.ruralhealthworks.org

These are the ONLY planned RHW regional training workshops in 2009. Workshops can be requested to be presented on-site in a particular state; however, the state will incur some costs for the workshop.

In 2010, two additional regional workshops are planned, again based on demand and location. Anyone interested in hosting a workshop in 2010 should either call or email Gerald Doeksen or Cheryl St. Clair. A host state provides a meeting room and has the workshop available locally to their participants with only a small registration fee per participant. Please share this information with anyone you think might be interested in hosting or attending a workshop.
The National Center for Rural Health Works completed two new applications during 2008:

- Measuring the economic impact of a rural residency program on a rural economy; and
- Estimating the costs and revenue for a rural primary care physician practice.

**Measuring the Economic Impact of a Rural Residency Program on a Rural Economy**

The National Center for Rural Health Works is presenting the economic impact of two rural residency programs, one in Oklahoma and one proposed in Virginia. Graduate medical education (GME) programs have a tremendous medical and economic impact on the community in which they are located. The Oklahoma study measured the economic impact of the rural residency program at the Medical Center of Southeastern Oklahoma on the economy of Bryan County, Oklahoma. The Virginia study showed the economic impact of a proposed rural residency program on the economy of the medical service area of Danville Regional Medical Center in Pittsylvania County.

To present the impact of a residency program only from an economic perspective would shortchange some of the benefits that many communities have realized by integrating the residents and their medical education support staffs into their communities. There are intrinsic values of a residency program on community teaching hospitals and the rural community and the integration of a rural residency program into a local community will positively impact other health care providers, as well.

These studies were prepared as a joint effort of the National Center for Rural Health Works, the Education and Research Center for Rural Health Policy, Virginia College of Osteopathic Medicine, and the Oklahoma Center for Rural Health, OSU Health Sciences Center, College of Osteopathic Medicine. Please see our website for complete details of each study. Also, contact Cheryl St. Clair for more information on the Oklahoma study and Ann Peton (Phone: 573-301-9654 or email: apeton@vcom.vt.edu) for more information on the Virginia study.

**Estimating the Costs and Revenue for a Rural Primary Care Physician Practice**

A draft of this new product is completed and under review. The final product will be on the national RHW website by the end of January. This product or tool will allow you to:

1. Clearly estimate the number of primary care physicians a medical service area can support.
2. Clearly specify capital needs for a primary care physician office.
3. Clearly estimate operating expenses for a primary care physician office.
4. Provide data to estimate revenue by source of payor.
5. Provide a template which allows community leaders or prospective physicians the ability to estimate potential physician income for a specific medical service area.

The data used for this analysis were from a survey of primary care physicians in Oklahoma. Users will be able to easily change data for other states. The final document should be extremely useful in attracting primary care physicians to rural areas. For more information on this study,
please contact Gerald Doeksen or Fred Eilrich (Email: eilrich@okstate.edu or phone: 405-744-6083).

**IMPLAN CHANGES WITH 2007 DATA**

The IMPLAN 2007 data structural matrices now incorporate the “new” U.S. Department of Commerce, Bureau of Economic Analysis (BEA), 2002 U.S. benchmark tables that were released late last year. The most important change for the user is the new sectoring scheme. Since IMPLAN relies on the BEA benchmark for production functions, the IMPLAN sectoring is closely allied to BEA’s sectoring. This has the following implications for the user:

1. You will need to download/install the 2007 structural matrices in order to use the 2007 IMPLAN data (this is true for every new data year).
2. There are now 440 sectors (2001 to 2006 had 509 sectors, pre 2001 had 528 sectors).
3. The IMPLAN 440 sectoring scheme bridged to 2007 NAICs can be downloaded from the IMPLAN website <www.implan.com>.
4. Old aggregation templates will no longer be appropriate. IMPLAN has created a new library20.ima that can be downloaded from the website. This has renamed the older aggregation templates that you may have previously utilized.
5. Old impact vectors will need to be updated to work with the 440 sector scheme. IMPLAN has an Excel concordance table from 509 to 440 and an Access table to convert from 509 to 440 with splits available for download from the IMPLAN website <www.implan.com>.

A fact sheet is being prepared to provide detailed definitions of each health sector. The most serious change in the 2007 IMPLAN data is Sector 397, Private Hospitals. This means that all public hospitals (community, county, state, federal, Veterans’ Administration, Native American) are not included in this sector. Thus, it is imperative that as you use the new 2007 IMPLAN data that you modify the hospital sector to include the public hospitals. The new fact sheet will be on the website before the end of January 2009 to go over this process in detail. If you have questions in the interim, be sure to contact Cheryl St. Clair.

**SELECTED STATE PROJECTS**

**Ohio Rural Health Works Program**

*“The Economic Impact of the Health Care Sector in Rural Ohio”*

The health care industry plays a big role in the economies of Ohio’s 79 rural counties and is directly responsible for nearly 10 percent of employment in rural Ohio, according to a report by the Ohio Department of Health (ODH) and the Ohio University Voinovich School of Leadership and Public Affairs. More than 285,000 health care professions working in hospitals, doctors’ offices, nursing and residential care facilities, home health agencies, dental laboratories, pharmacies and other health-related businesses directly generated $11.6 billion in payroll in 2006, according to “The Economic Impact of the Health Care Sector in Rural Ohio,” a 250-page report issued by ODH and the Voinovich School.

The spinoff effect is even greater. Health care employment supports an additional 118,000 jobs with total wages of $14.9 billion. Including the spinoff effect, health care was responsible for
13.8 percent of jobs and 14.4 percent of income in the 79 counties in 2006, compared with 13.5 percent and 11.5 percent, respectively, in 2002.

The full report contains individual profiles for the 79 counties, for the 28 Appalachian counties and the 51 non-Appalachian counties in rural Ohio and is available electronically by contacting the Ohio State Office of Rural Health at the Ohio Department of Health, Rural Health Section, Primary Care and Rural Health Program at (614) 752-8935.

**Nevada Rural Health Works Group – Current Activities**

The Nevada Rural Health Works Group has been and will be working on four issues. First, the county reports illustrating the economic impacts of the local health care sector are being updated. Second, this data will be used for extension fact sheets and the Nevada Rural and Frontier Health Data Book, updating Nevada Rural and Frontier Health Data Book for rural and state decision makers. Third, an estimation of the economic impacts of the operation and construction of all hospitals in Nevada will be completed by the Nevada Rural Health Works Group. This report was requested by the Nevada Hospital Association. Fourth, an analysis of the White Pine County Emergency Medical Services (EMS) is currently underway. The City of Ely is looking at developing their own EMS system and the County of White Pine will serve the other areas of the county. An EMS feasibility analysis is currently being completed which follows many of the procedures outlined in previous Oklahoma State EMS feasibility studies.

**2009 NEW ACTIVITIES/PROJECTS TO BE DECIDED**

The 2009 work plan will be determined from recommendations from the RHW Managing Committee and the RHW National Consulting Council. A listing of the initial proposed products includes:

1. The importance of a general surgeon in a rural community; determining the need for a general surgeon in a rural medical service area; illustrating the economic impact of a general surgeon to the local hospital and to the local community;
2. Measuring the economic impact of critical access hospitals (CAHs) at the community level, county level, and state level; a comparison of the multiplier effect at each level;
3. Recruiting a primary care mid-level professional or a primary care physician to a rural community; determining the need for a primary care nurse practitioner or physician assistant or a primary care physician in a rural medical service area; illustrating the value of a mid-level professional and/or physician to a community; providing discussion of recruitment and retention issues for primary care mid-level professionals and primary care physicians in rural communities;
4. Measuring the impact of specialty clinic on a rural community;
5. Measuring the impact of Medicare on a state’s economy;
6. Develop a model to estimate allied health workforce needs;
7. Measuring the impact of a Pharmacy College on local, regional, and state economies;
8. Measuring the economic impact of the 340B drug program on rural facilities; and
9. Any other projects that the RHW Managing Committee or the RHW National Advisory Council propose.
The objective of the new studies is to develop the methodology such that others employing RHW tools in their states can duplicate these studies. Again, please share any new ideas relative to any of the suggested projects for the 2009 work plan with Gerald Doeksen or Cheryl St. Clair. The new activities/projects will be determined through conference calls with the RHW Managing Committee, the RHW National Advisory Council, and the federal Project Officer. After the projects are completed during 2009, they will be available to all RHW partners.

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