



Alternative Payment for Rural Hospitals

Background

The Centers for Medicare and Medicaid Services (CMS) is expected to release a new payment model for rural hospitals in early 2020. Concurrently, the Health Care Authority (HCA) has engaged rural providers, payers, and other partners to participate in a rural multi-payer model aimed at supporting rural health system transformation. To date, WSHA and its rural hospital members have actively engaged in this process. Details regarding the plan continue to evolve.

WSHA Position

We believe that transformation is crucial to ensure our rural hospitals are able to continue to deliver high quality, local care. Rural hospitals vary in size and each rural community is unique and the challenges they face are complex. Some rural hospitals are struggling financially. In the 2019 session, WSHA supported the establishment of reasonable guardrails for the new payment model that will ensure the long-term sustainability of the rural health system and maintain local community decision making.

Key Messages

- Washington's rural hospitals eagerly await new models that will support transformation and better care delivery. However, these new models must support continued access to care statewide.
- Participation in any new payment model must be voluntary.
- Washington's rural hospitals are committed to transforming to better meet the needs of their local communities.
- Care transformation requires investment; hospitals must be supported as they transition to a new model.
- Different sized hospitals have different needs. Any new payment model must work for the unique needs of small and large hospitals alike.
- WSHA's members are committed to working with the legislature, HCA and CMS to find a sustainable model for rural health care.

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