5 Problems for Rural Health in Georgia and 10 Potential Solutions for Communities

By R. Ross Burris, III, Partner, and Helen L. Sloat, Legislative Consultant, Nelson Mullins Riley & Scarborough, LLP

The lack of access to care in rural areas is a major problem faced by rural communities in Georgia. In two years, four of Georgia’s hospitals have closed and a dozen others have reported being on the verge of failure. The ability to provide high quality health care is a major asset to any community looking to attract businesses. Here are a few of the problems:

1. **Shortage of Providers.** Communities often have difficulty attracting younger physicians to their area. Georgia ranks 40th in the United States when it comes to adequate distribution of doctors by specialty and geographic location.ii

2. **Uninsured Patients.** Rural communities tend to have more uninsured individuals, and Georgia has some of the poorest counties in the nation. As a result, rural health care providers struggle with providing care to those who cannot afford to pay for their services.

3. **Distance Between Communities.** People are often too far spread out in rural communities to justify the need for a facility in remote locations. Citizens in some communities in Georgia have to travel over 50 miles to reach a hospital.

4. **Aging Infrastructure.** Many rural hospitals are out of date and communities sometimes lack the funding to undertake costly renovations to upgrade technology or even make general repairs.

5. **Silos of Resources.** People in rural communities often travel or move to areas where health care services are concentrated, which is ultimately detrimental to Georgia’s rural health.

So what can Georgia’s rural communities do about it? Here are some potential solutions:

1. **Consider Integration.** Providers can stay competitive by joining other providers through mergers, acquisitions or joint ventures. Larger groups have more resources, offer more services, and can be more competitive in the market.

2. **Consider Affiliation.** Many communities and providers want to maintain autonomy; in these cases, independent physician organization, clinically integrated networks and accountable care organizations are good options. Some providers may enter into management arrangements with larger providers who bring name recognition to the community.

3. **Telemedicine.** Contracting with groups to provide care via telemedicine is a great way for rural facilities and providers to give their patients access to a variety of specialized services that may otherwise only be available outside the area. The Georgia Composite Medical Board recently changed its rules to expand the use of telemedicine.iii

4. **Physician Assistance Loans.** State and federal self-referral and anti-kickback prohibitions provide exceptions for groups looking to provide assistance to physicians who move to where there is an established need in the community.iv Georgia also has a loan repayment program for physicians willing to work in rural communities.v

5. **Assistance from County or Municipal Authorities.** Counties and cities have the power to take on bond obligations to fund certain capital projects. Some counties have also used their authority to levy taxes to assist local non-profit or hospital authority hospitals.vi

6. **Governments to Provide Financial Assistance.** Local governments could also consider offering tax incentives that will encourage collaboration among providers in the community and entice other providers to the area.

7. **Free-Standing Emergency Departments.** The Georgia Department of Community Health recently passed new rules allowing existing hospitals to convert to freestanding emergency departments. This change may be a good option for hospitals that can no longer afford to provide the services related to costly inpatient stays, but want to maintain the ability to treat emergencies.

8. **Joining Health Information Exchanges.** Participating in health information exchanges allows facilities and providers to share patient information electronically, thus providing faster and better access to care for rural patients.

9. **Attract Business Partners to the Area.** Large employers often mean workers who have employer subsidized health care benefits. A larger population of insured individuals will also have the effect of attracting more health care providers to the community.

10. **Facilitate More Training Programs.** The Georgia Assembly is trying to facilitate more training programs and educational assistance to future physicians, physician assistants, nurses and other clinical staff that will work in rural areas and recently passed two laws to address this issue.vii

There is no single solution that will work for all areas, and community and business leaders should consider any combination of these ideas to foster greater access to care in rural Georgia.

For further questions please contact Ross Burris at 404-322-6294 or ross.burris@nelsonmullins.com or Helen Sloat at 404-322-6170 or helen.sloat@nelsonmullins.com.

---

iii See Georgia Comp. Rules and Regs. Rule 360-3-07.
iv See e.g., Social Security Act § 1877(e)(5); 42 U.S.C. § 1395nn(e)(5).
vi See generally O.C.G.A. § 31-7-84; see also O.C.G.A. § 48-8-110, et seq.
ix See Rules and Regulations for Hospitals, Rule 111-8-40-.39.
ixii HB 998; SB 391.