COMMONWEALTH OF VIRGINIA



HOUSE OF DELEGATES RICHMOND

COMMITTEE ASSIGNMENTS: RULES (CHAIR)

January 11, 2024

The Honorable G. Paul Nardo Clerk of the House of Delegates State Capitol Richmond, VA 23218

Dear Mr. Clerk,

Virginia's rural counties and small towns face unique challenges in the 21st Century. One of these challenges is quality accessible health care, the kind of health care that Virginians have come to expect in the more populous regions of the Commonwealth.

In 2023, the Weldon Cooper Center at UVA reported that 11 percent of Virginia's population lives in rural communities. These communities tend to be older, some counties having more than 35 percent of their citizens over 65 years old. Median household income tends to be lower and 23 percent of children live in poverty.

In 2021, Virginia's 28 rural hospitals handled nearly 410,000 emergency department visits and 48,000 inpatient admissions (totaling more than 231,000 patient days). Challenges facing rural hospitals include smaller populations and lower patient volumes. The patient payer mix tends to be older, sicker, and more dependent on Medicaid and Medicare (which reimburse below the cost of providing care). The workforce issues/staffing shortages found across the Commonwealth are more acute in rural Virginia. According to VHHA, more than one quarter of Virginia's rural hospitals report negative operating margins.

In 2021,18 percent of adults in rural localities and small towns in Virginia were covered by Medicaid, compared to 11 percent of adults in metro areas in the state. Medicaid reimbursement rates tend to be lower than other insurance rates.

In 2023, the Center for Healthcare Quality and Payment Reform reported that up to one-third of rural hospitals nationally are at risk of closing in the next few years. In Virginia, nine hospitals were identified as being at risk of closing, with five hospitals identified as at immediate risk of closing. On January 3, 2024, news outlets reported that Lewis Gale Hospital Montgomery will suspend obstetrical services due to workforce issues.

Health Care provider shortages are more profound in rural settings. In 2023, Virginia had:

- 39 primary care physicians per 100,000 population in rural localities vs. 58 primary care physicians per 100,000 population in non-rural localities
- 35 dentists per 100,000 population in rural localities vs. 54 dentists per 100,000 population in non-rural localities
- 79 mental health providers per 100,000 population in rural localities vs. 147 mental health providers per 100,000 population in non-rural localities

In rural areas, travel and transportation challenges including distances/longer travel time and limited transportation options. Further, lack of broadband access can impact ability to access telehealth services.

These challenges can result in poorer maternal and infant health outcomes, higher rates of adult diabetes, reduced life expectancy, higher rates of suicide and drug overdose deaths.

In order to help address these challenges, I am appointing a Select Committee on Advancing Rural and Small Town Health Care.

The Select Committee is tasked to make at least five actionable recommendations for consideration by the General Assembly during the 2025 Session.

The Select Committee will be composed of 12 members of the House of Delegates and will reflect the principle of proportional representation. I am appointing the following members: Rodney Willett (Chair), Mark Sickles, Candi Mundon King, Nadarius Clark, Joshua Cole, Kannan Srinivasan, Amy Laufer, Robert Orrock (Vice-Chair), Israel O'Quinn, Ellen Campbell, Daniel Marshall, and Otto Wachsmann.

The Committee will be supported primarily by the House Clerk's Office, with technical support provided by the Division of Legislative Services and the Joint Commission on Health Care.

In addition to in-house staff support, the Committee may contract with outside vendors for specific and specialized support at any time during the Committee's work. Further, I authorize the House Clerk's Office to pay interim compensation and issue reimbursements for member travel associated with the Committee's work.

The Committee will have an organizational meeting no later than May 1, 2024 and may have as many as four meetings in appropriate venues considering the subject matter. The Committee shall complete its work by November 15, 2024 and produce a final report containing recommendations for the 2025 General Assembly Session no later than December 15, 2024.

I have full confidence we will be able to work in a bipartisan manner to seek practical, commonsense solutions that we can propose to our colleagues for consideration next session.

Regards,

Don Scott Speaker

CC: The Honorable C. Todd Gilbert The Honorable Charniele Herring