Changing Rural Populations and Impact on Public Policy

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Kansas Health Institute Presentation

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*Rural Policy Research Institute: www.rupri.org/healthpolicy

Overview of the Presentation

- Populations in rural areas in 2010 will not resemble populations in 1990
- There are opportunities to influence population trends
- Requires thinking in terms of places and integration of policies
- Translation: Health policy issues of 2002-2004

Population Movement

- Who is leaving?
- Who is Staying?
- Who is Coming?

What is the resulting Settlement Pattern?

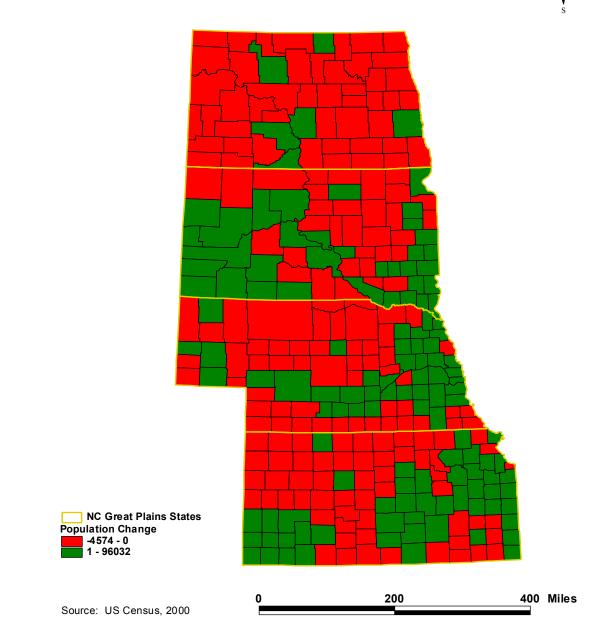
Who is Leaving?

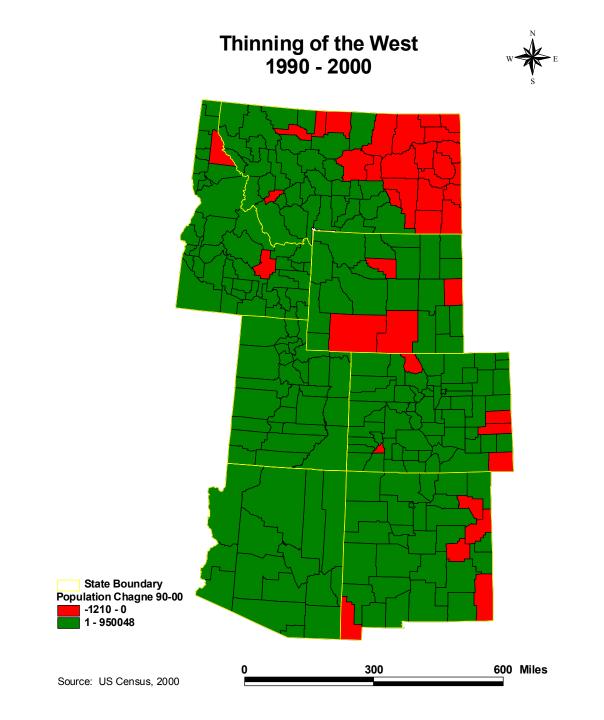
Northern Great Plains States

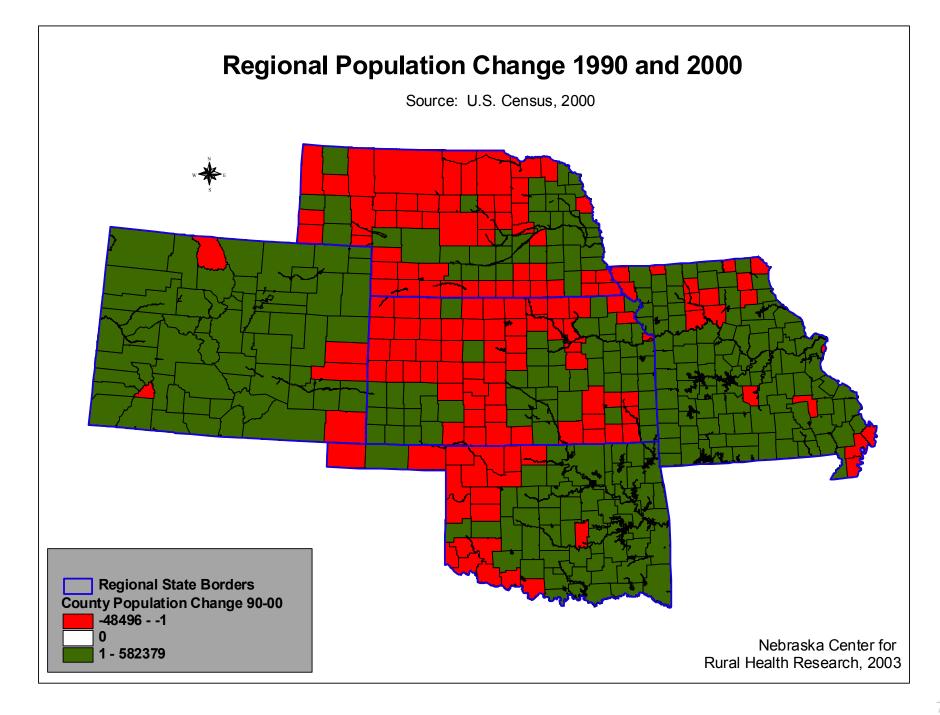
Rocky Mountain States

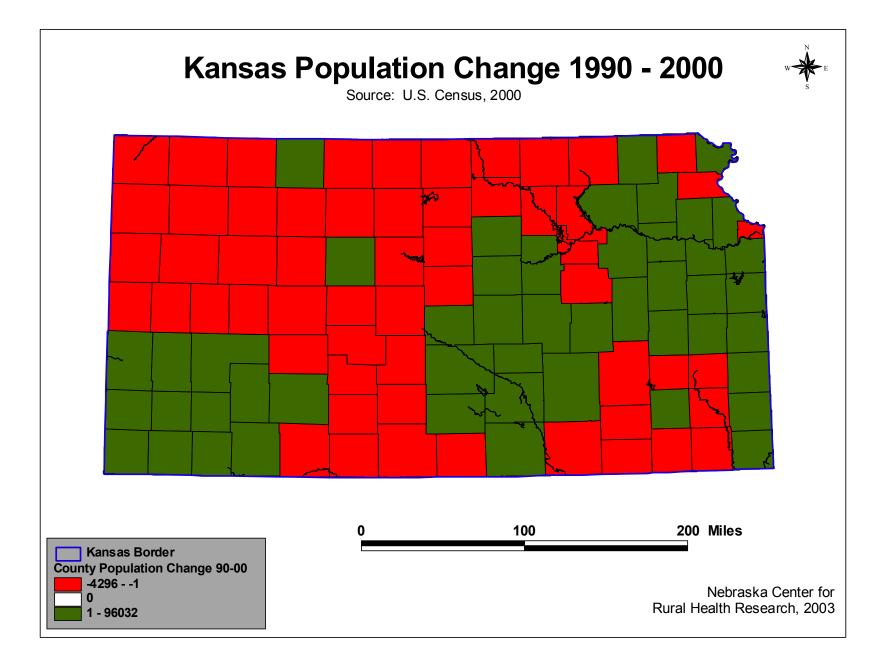
Central Plains States

Depopulation of the Northern Great Plains 1990 to 2000









Are We Losing Something of Value?

Small rural communities to ghost towns?

Stewardship of the land?

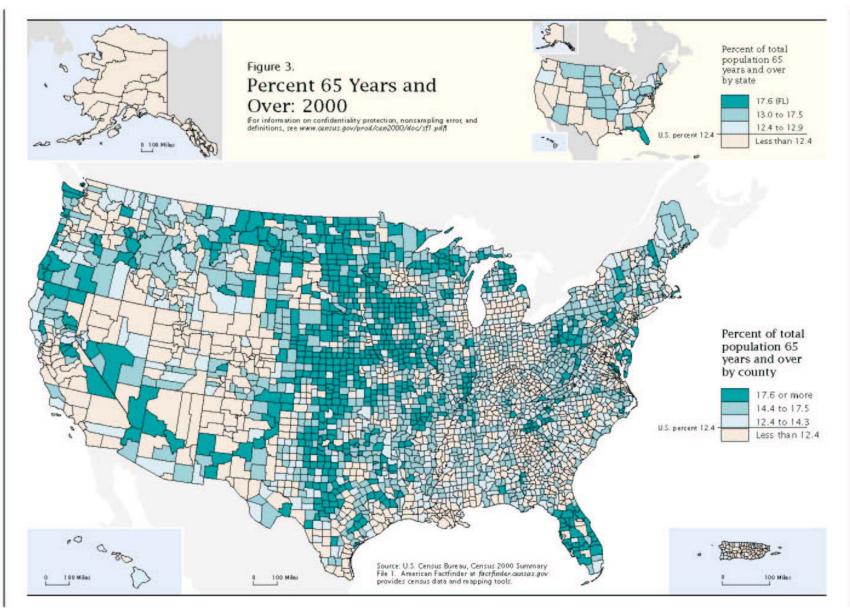
Part of our cultural heritage?

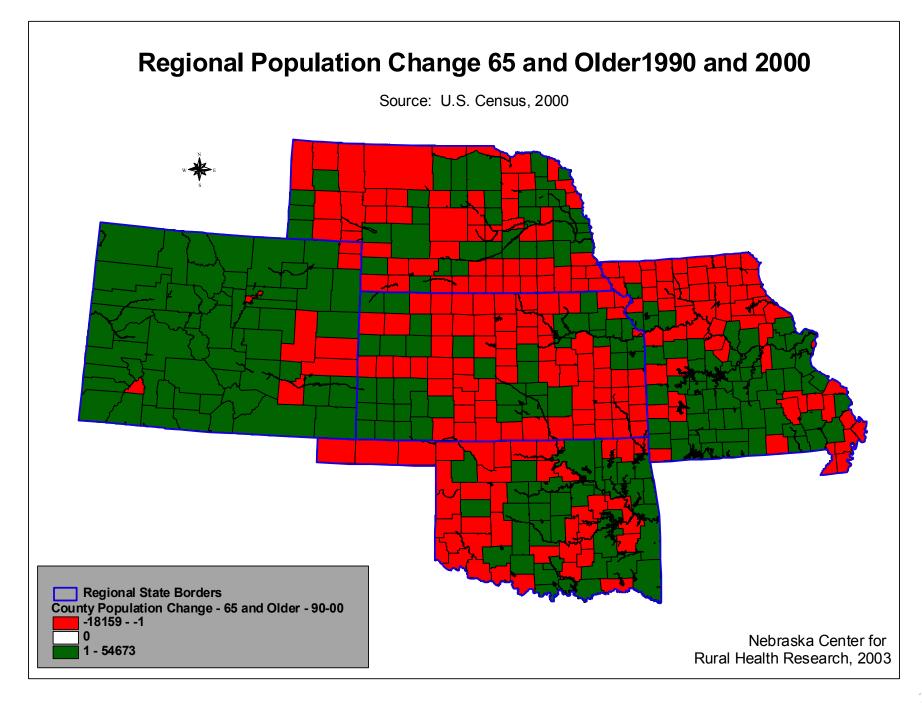
Who is Staying and Where?

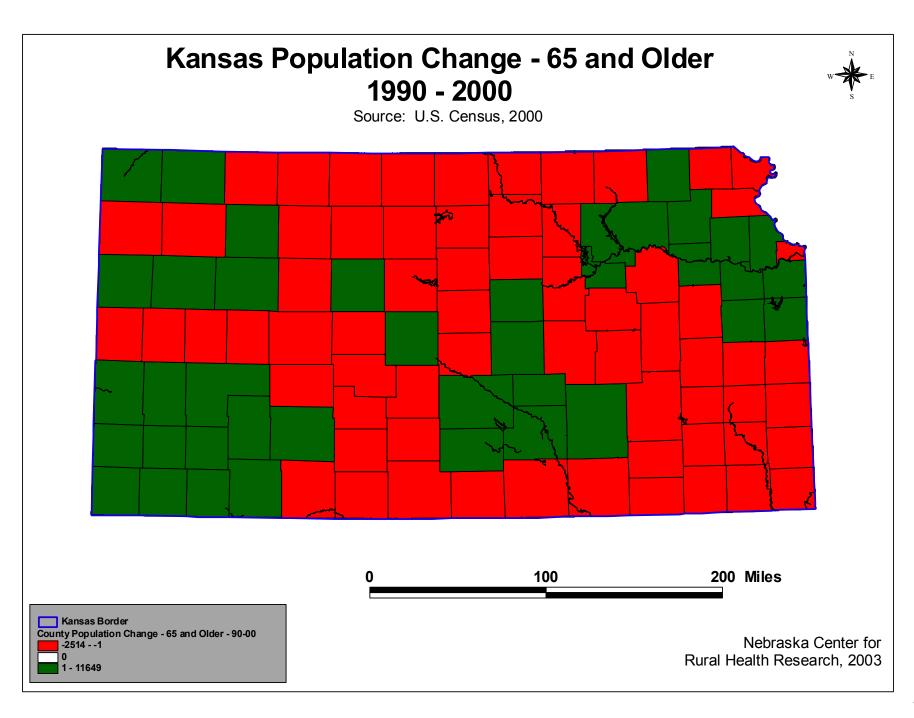
Elderly (Graying of Rural America)

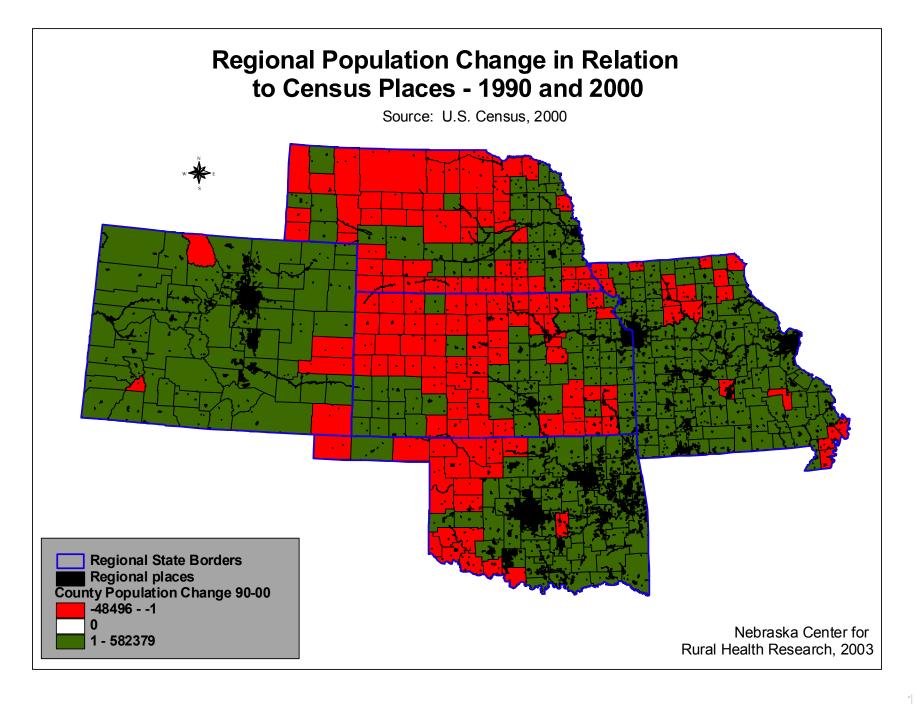
Transportation and Trade Centers

The Poor



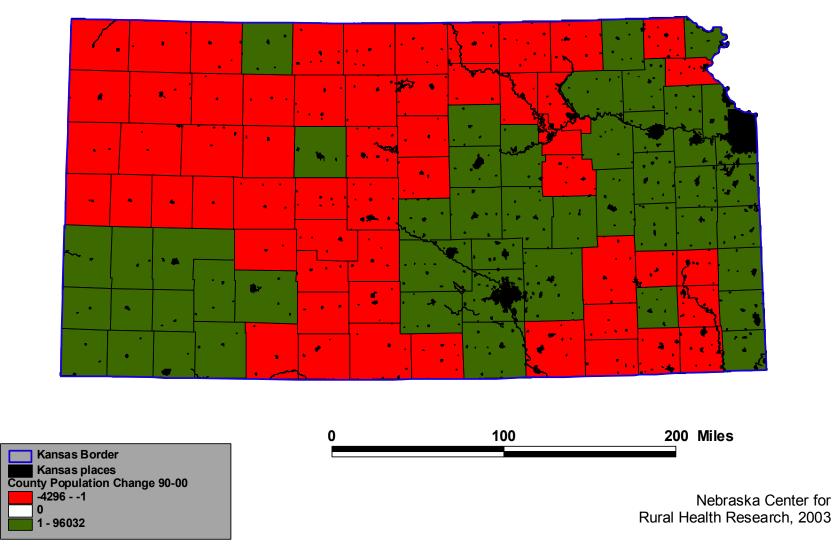






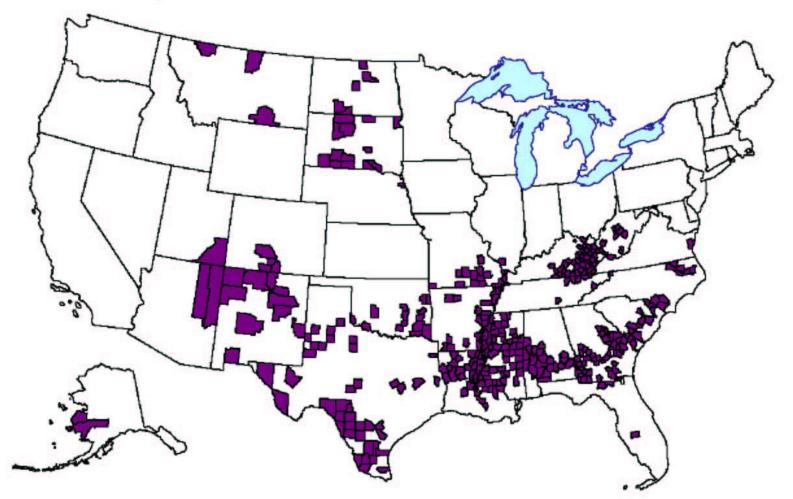
Kansas Population Change in Relation to Census Places1990 and 2000

Source: U.S. Census, 2000



Nonmetro Persistent Poverty Counties

Poverty Rates of 20% or more in 1960, 1970, 1980, 1990 and 2000



Source: Economic Research Service, USDA and U.S. Census Bureau 2000 Update Prepared and Mapped by RUPRI

Why are They Staying?

Ties to the land

- Karen Ott in Nebraska: "Our names are written on the land. It captures your heart and it doesn't let go very easily." (Omaha World Herald, October 27)
- Frank Popper: "The Plains chooses its own. These are people who are going to stay." (Ibid)

Economically dependent

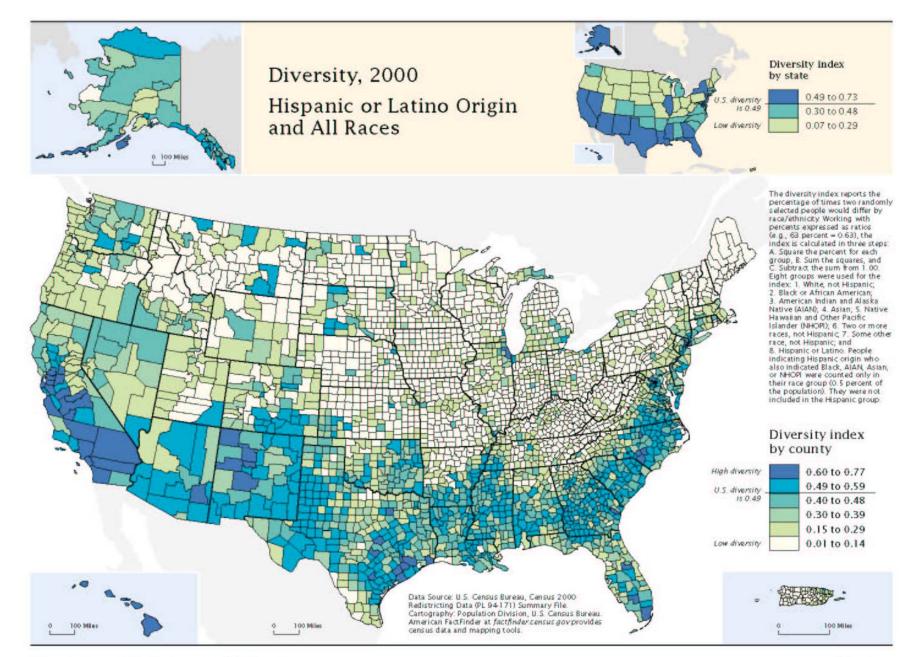
- High rates of poverty
- Costs and risks of leaving are barrier to moving
- Desperate hope for resurgence

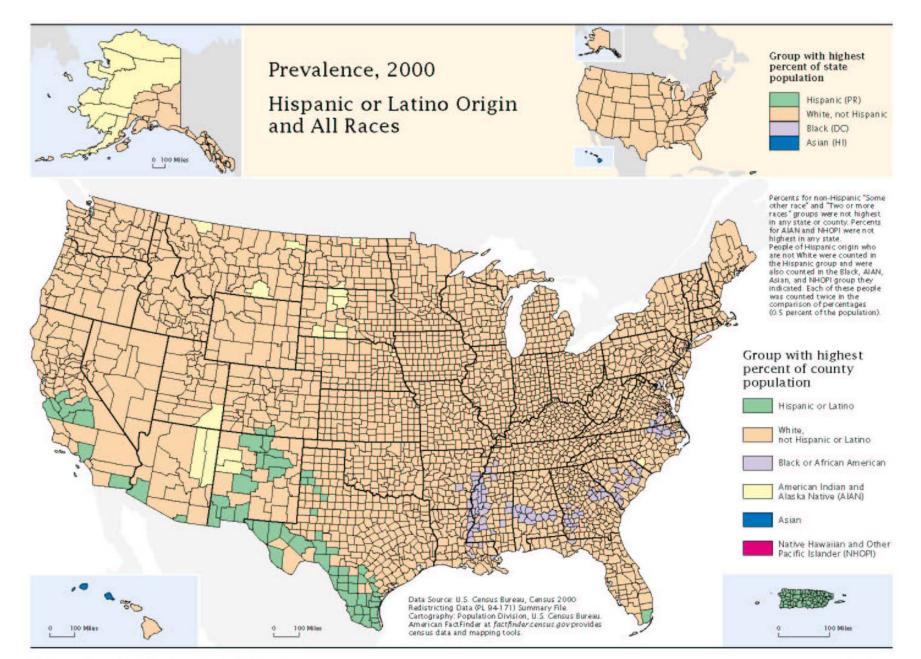
Who is Coming?

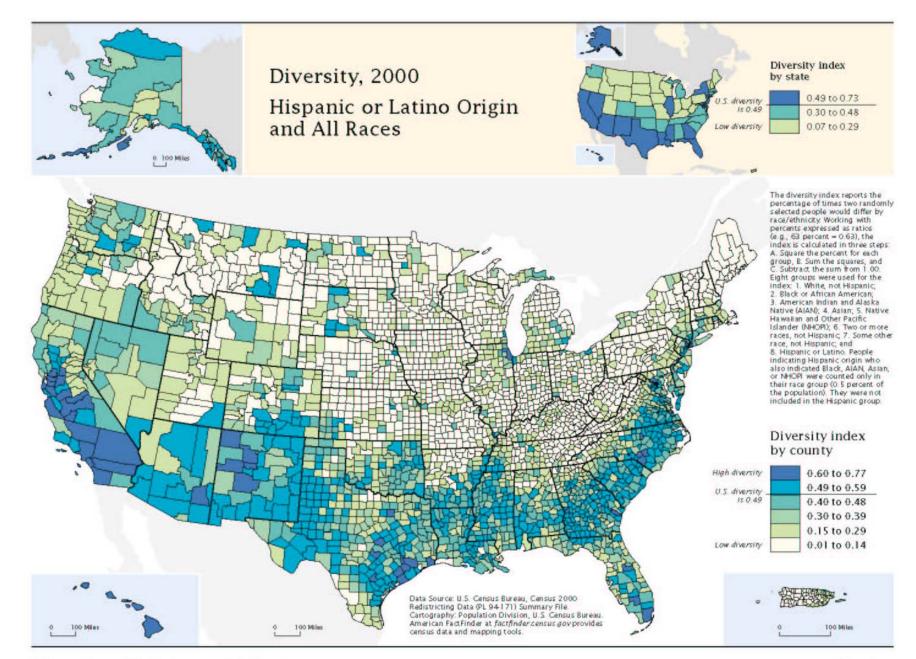
Natural Increase and Immigration

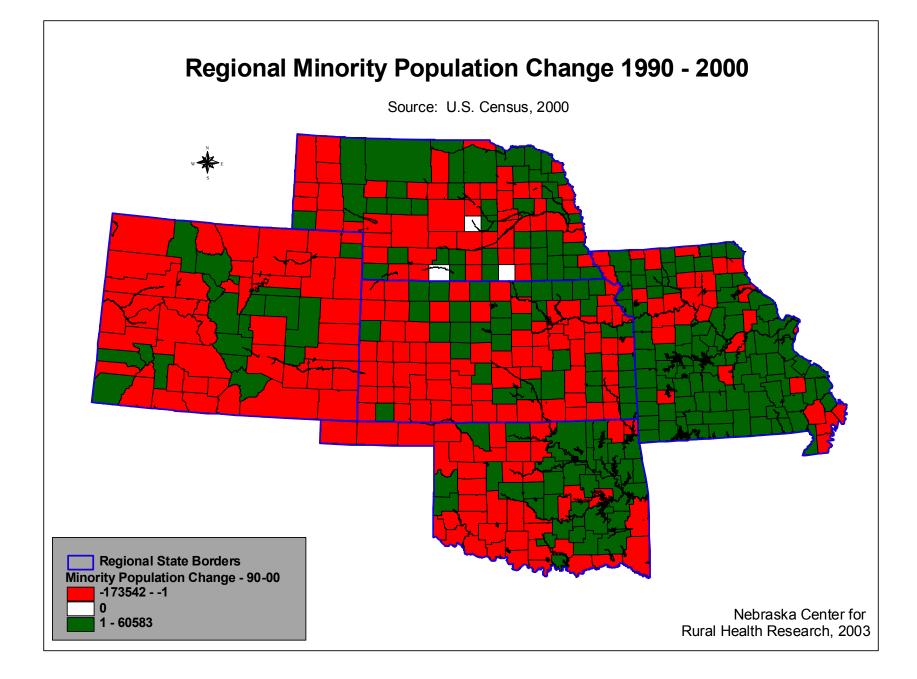
Nationally

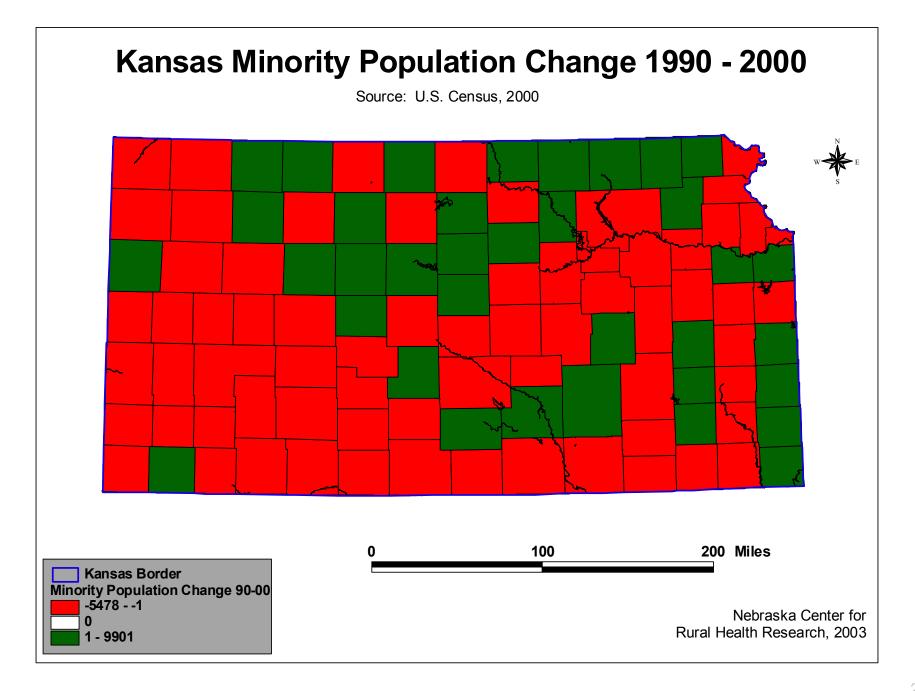
Regionally

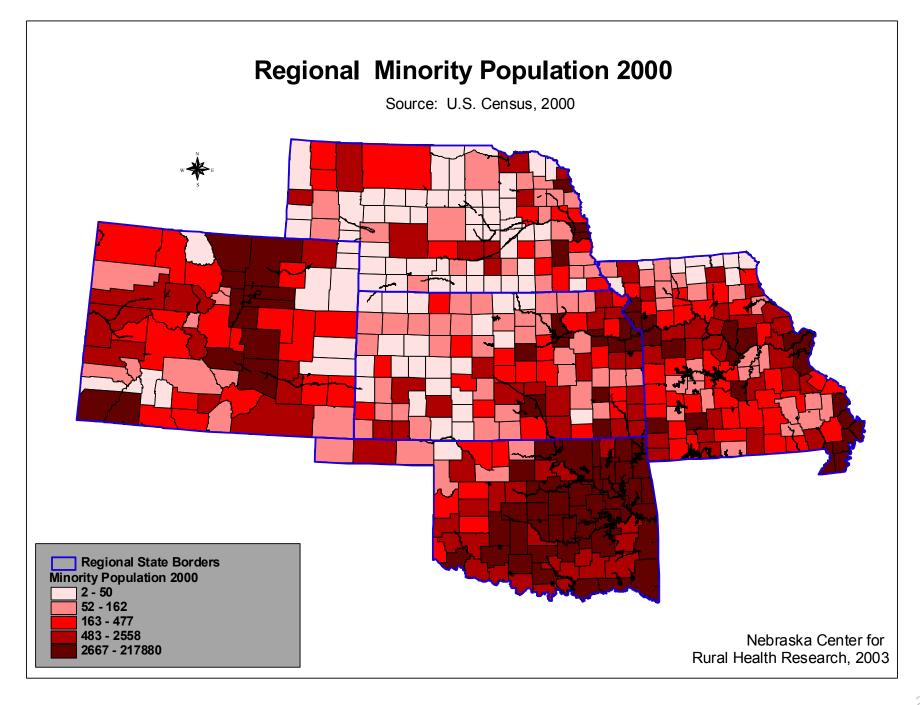






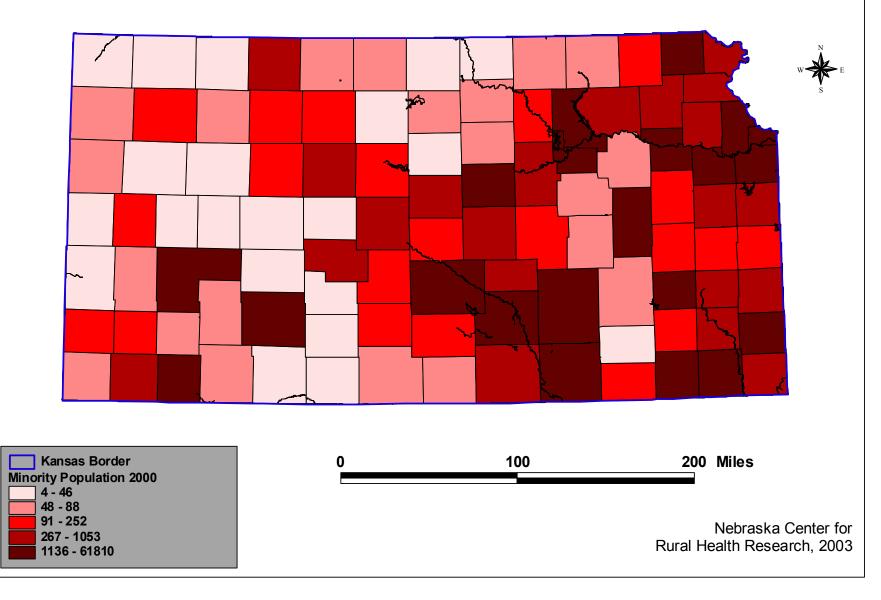




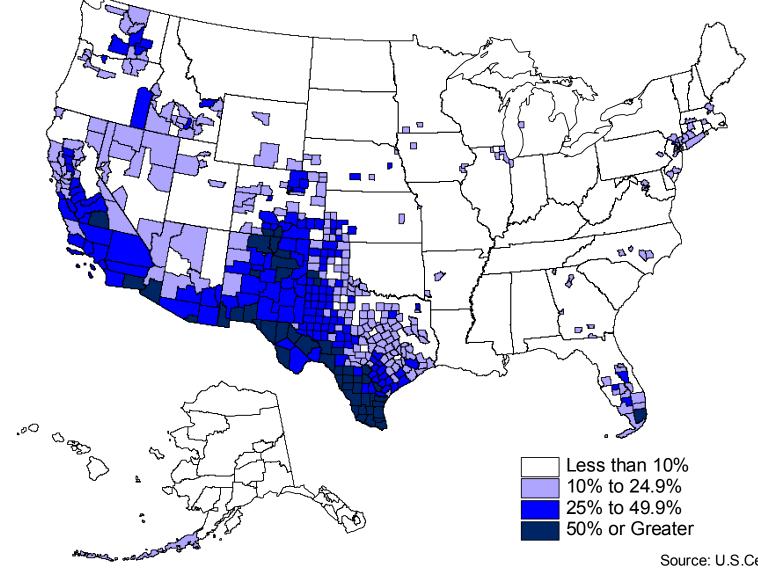


Kansas Minority Population 2000

Source: U.S. Census, 2000

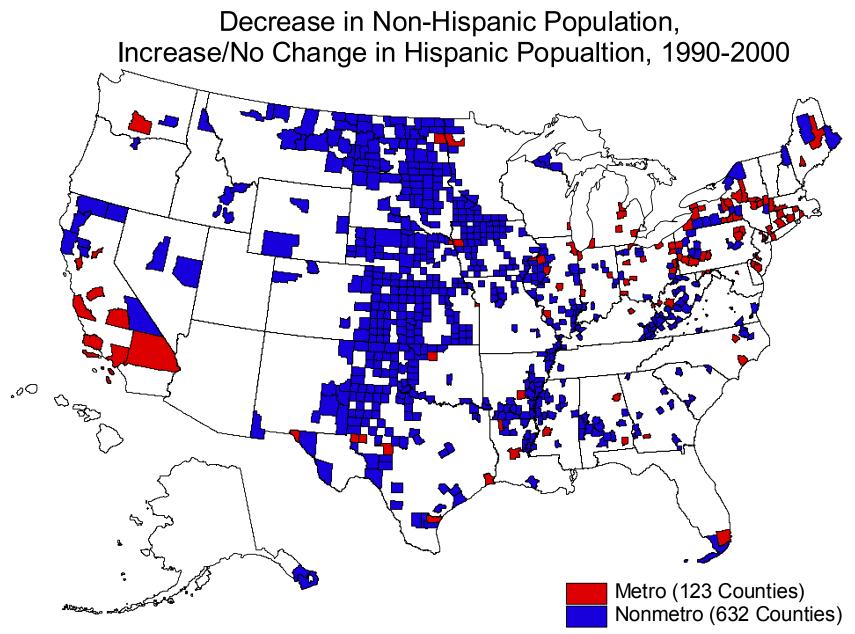


Hispanics as a Percent of Total Population, 2000



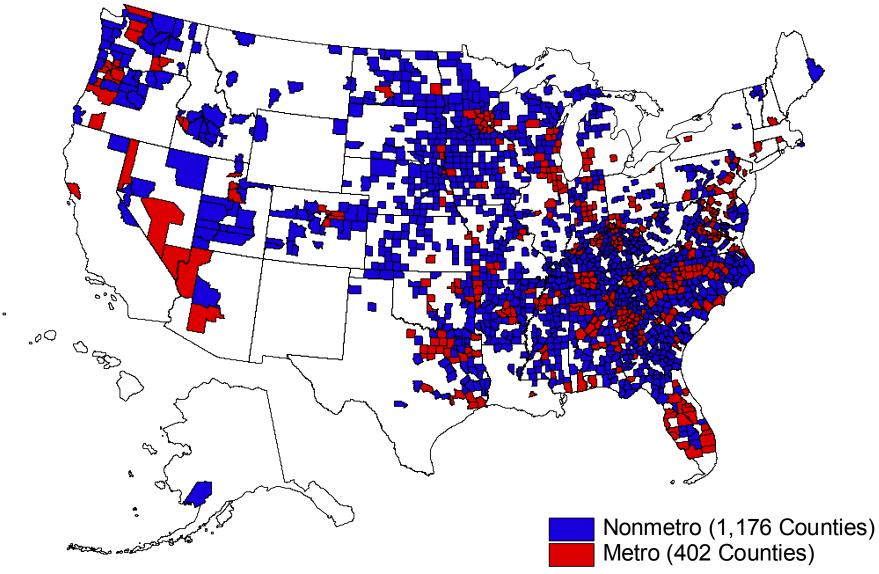
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Source: U.S.Census Bureau Map Prepared by RUPRI

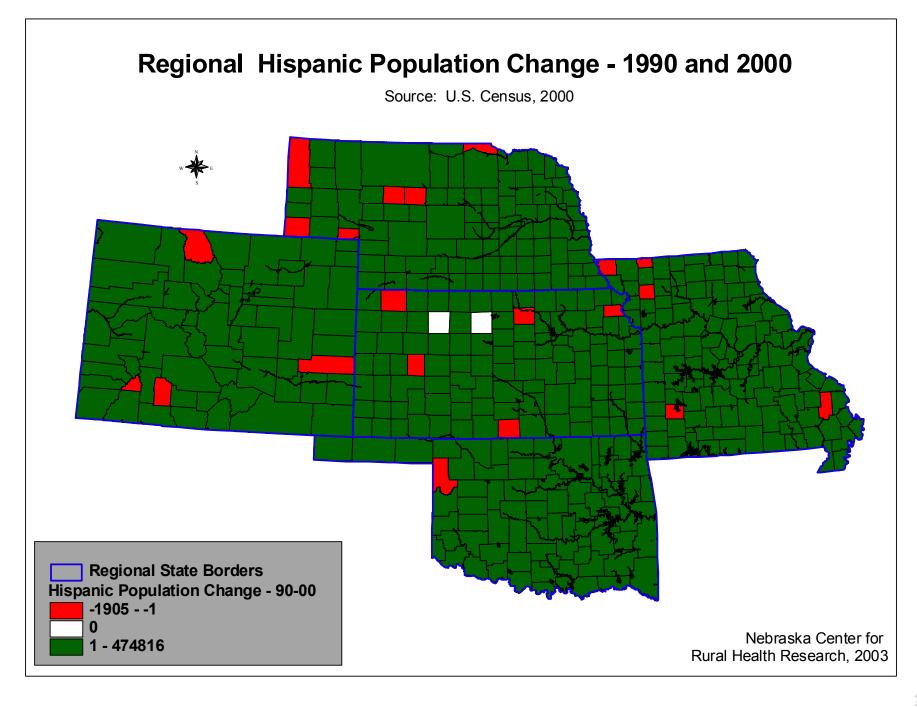


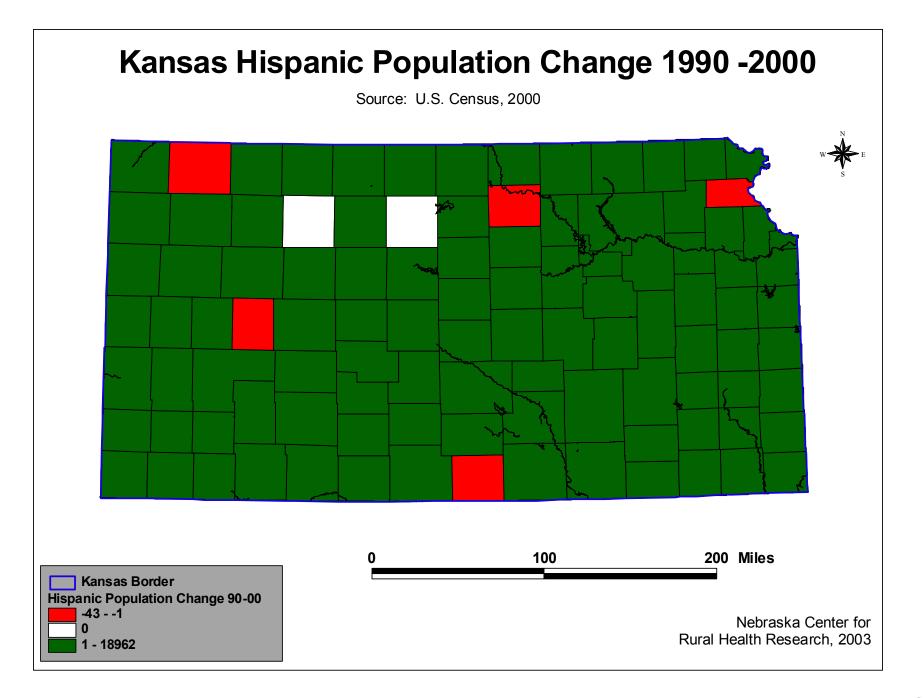
Source: U.S. Census Bureau Map Prepared by RUPRI

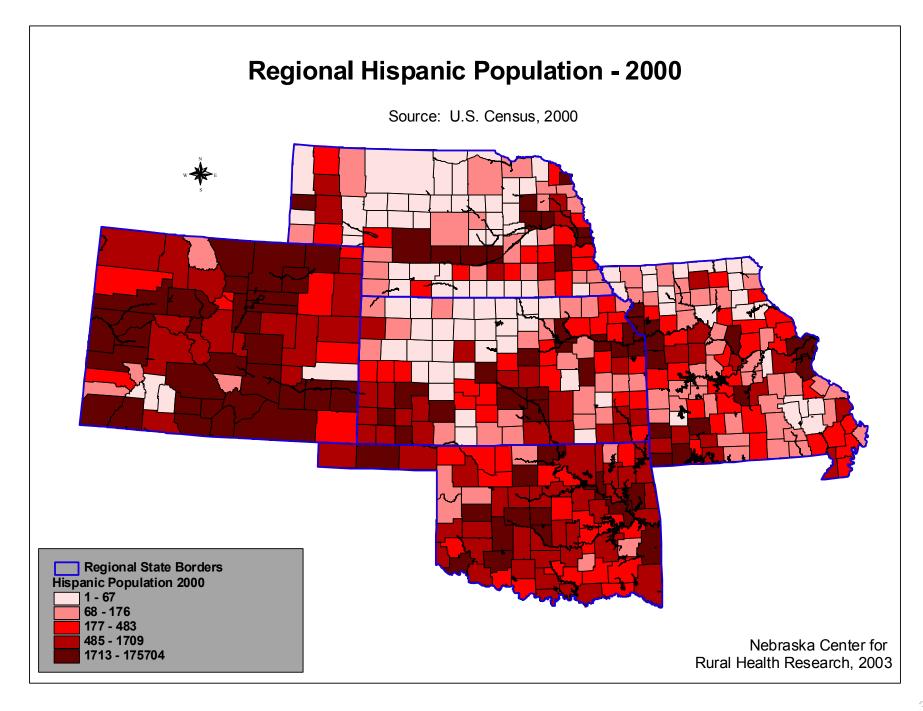
Counties with Increase in Hispanic Population of 100 Percent or More, 1990-2000

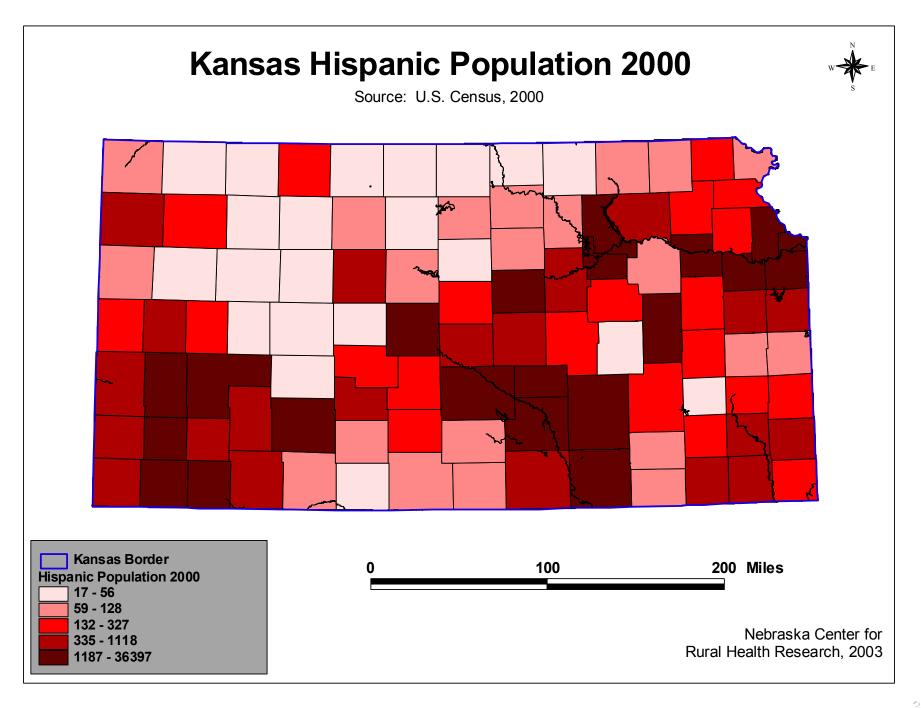


Source: U.S. Census Bureau Map Prepared by RUPRI

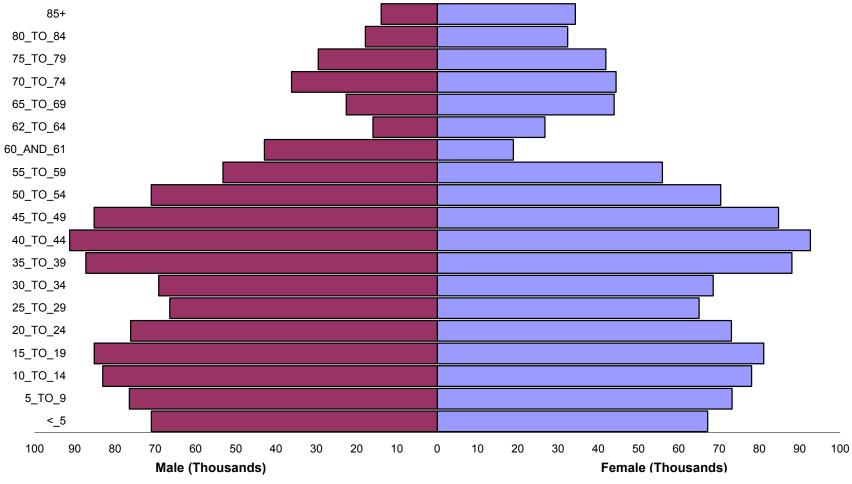






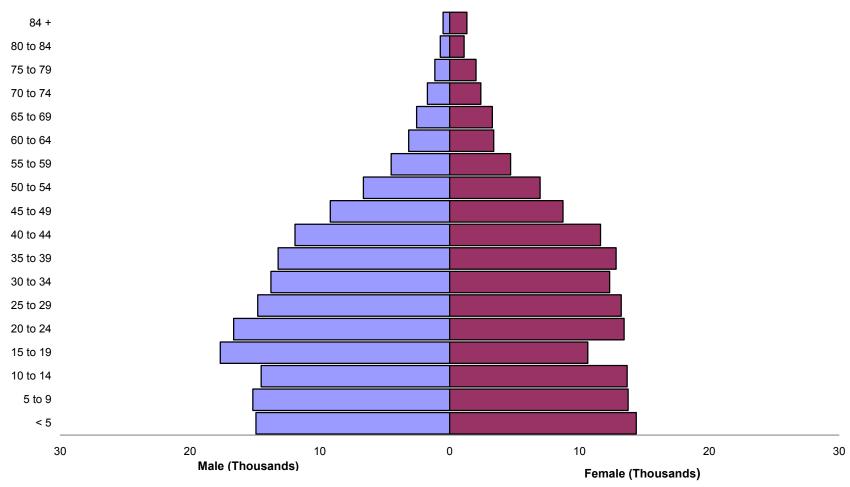


White Non-Hispanic Population Age and Sex Distribution, Kansas 2003



Source: U.S. Census, 2003.

Minority⁽¹⁾ Population Age and Sex Distribution, Kansas 2003



Source: U.S. Census, 2003.

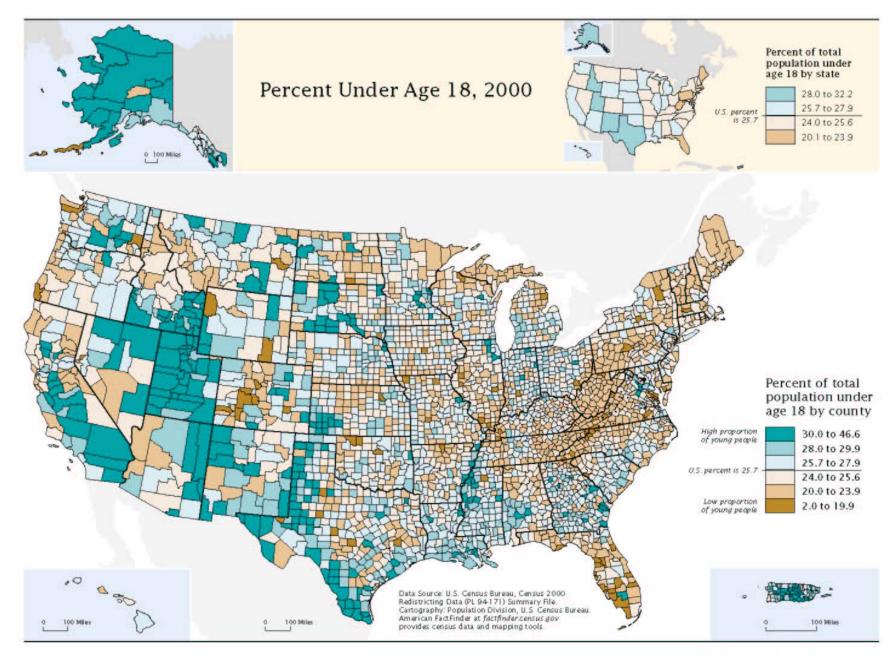
(1) Includes White Hispanic, Black, Native American, Asia, and Persons of Other Race

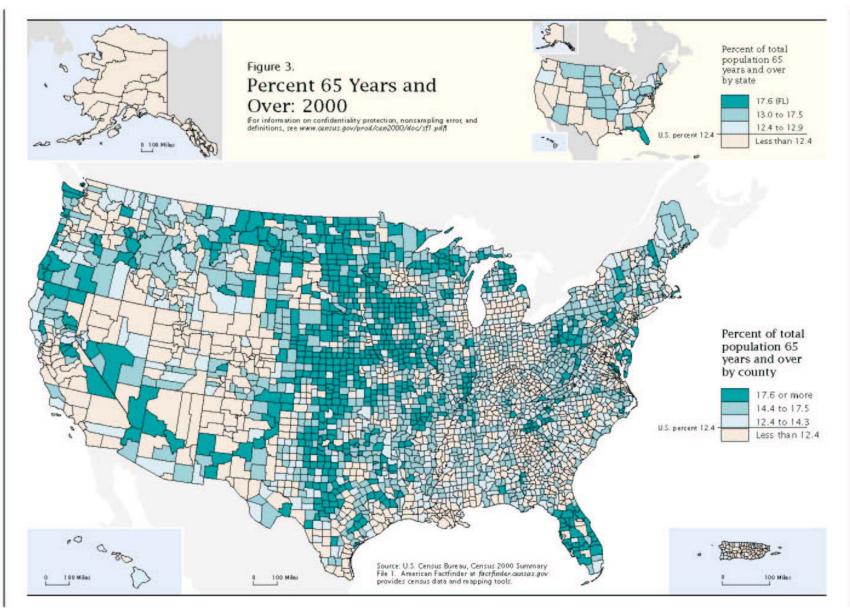
Who Are Rural Americans?



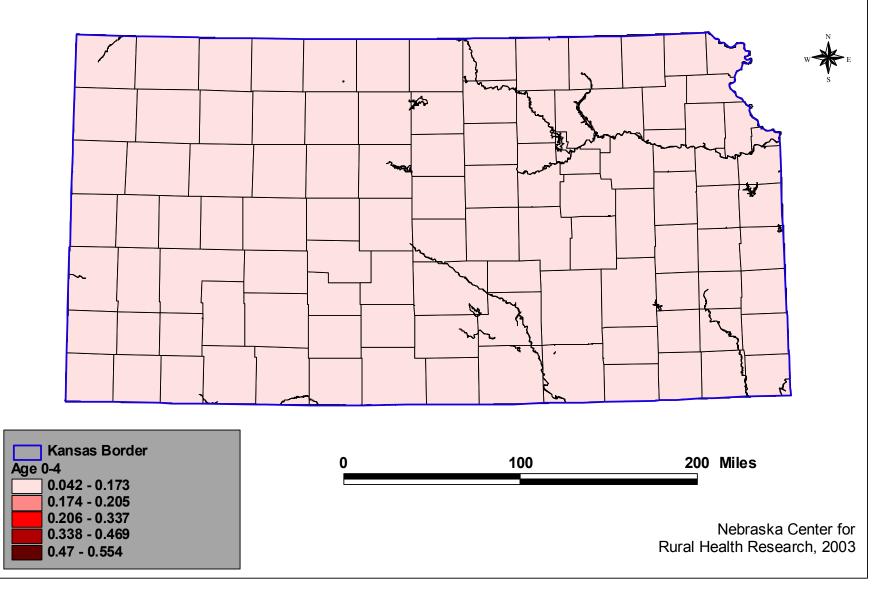
Race and Ethnicity

Income

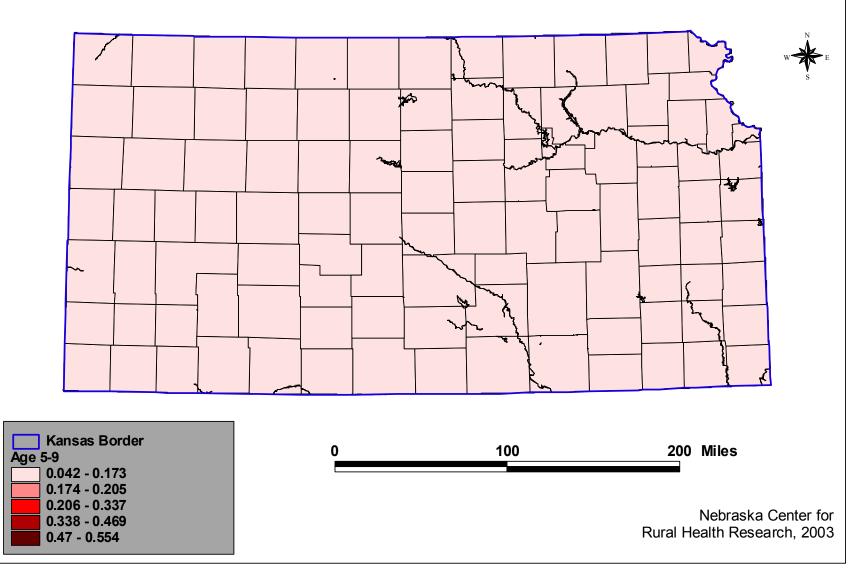




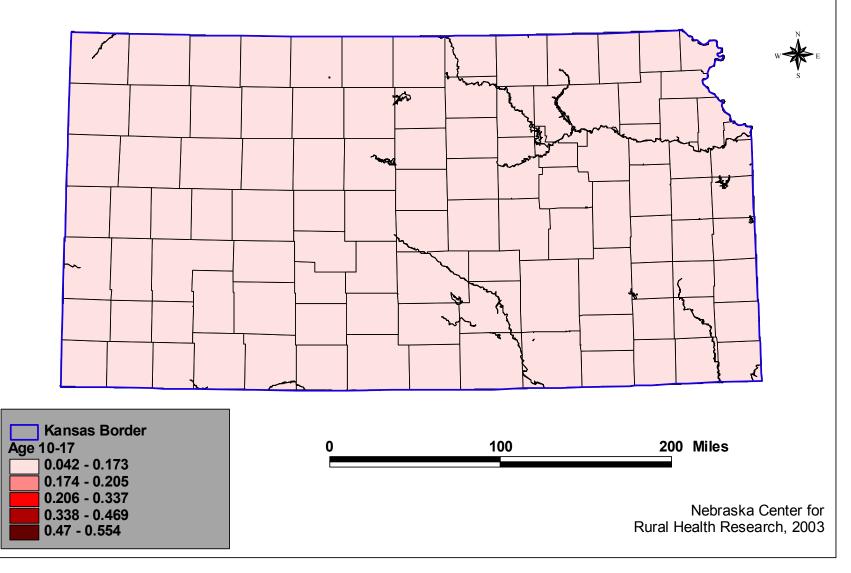
Age Cohort 0 - 4 as a Percent of Total Population 2000

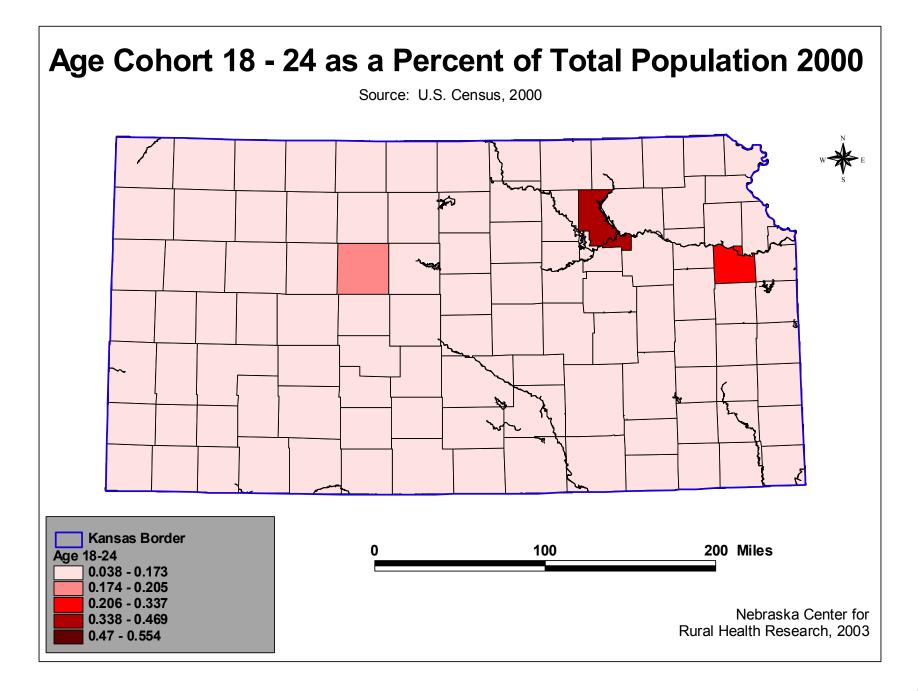


Age Cohort 5 - 9 as a Percent of Total Population 2000

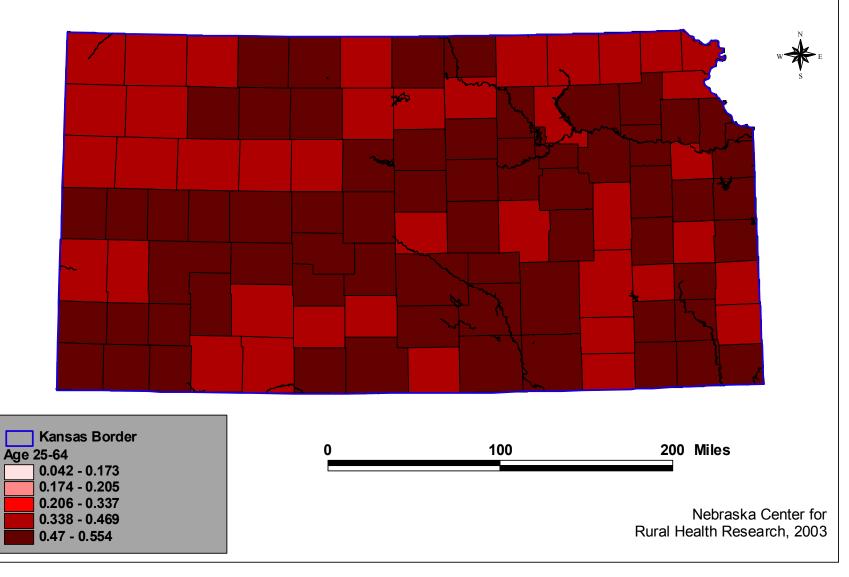


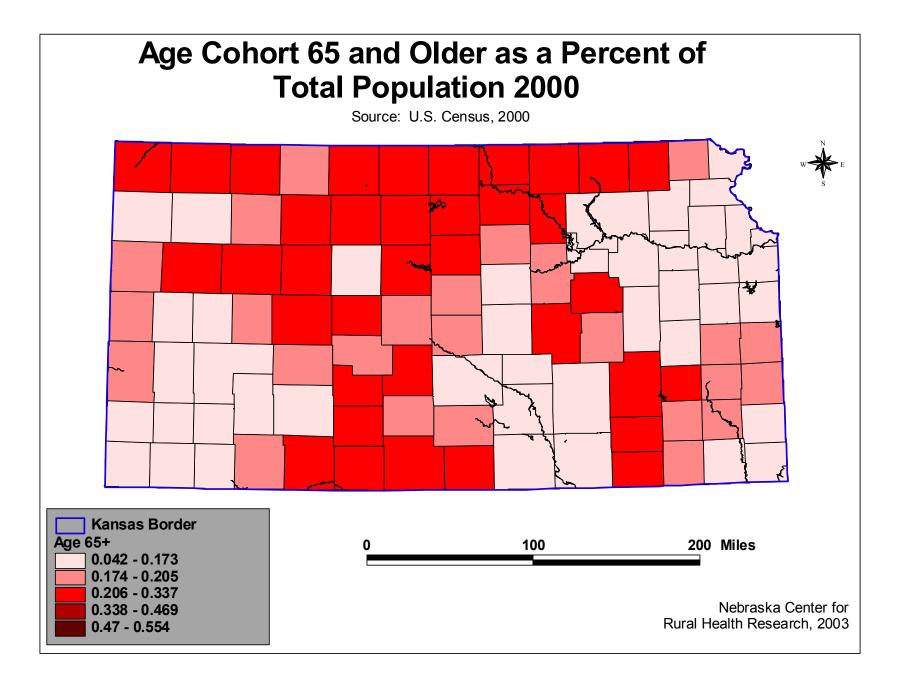
Age Cohort 10-17 as a Percent of Total Population 2000

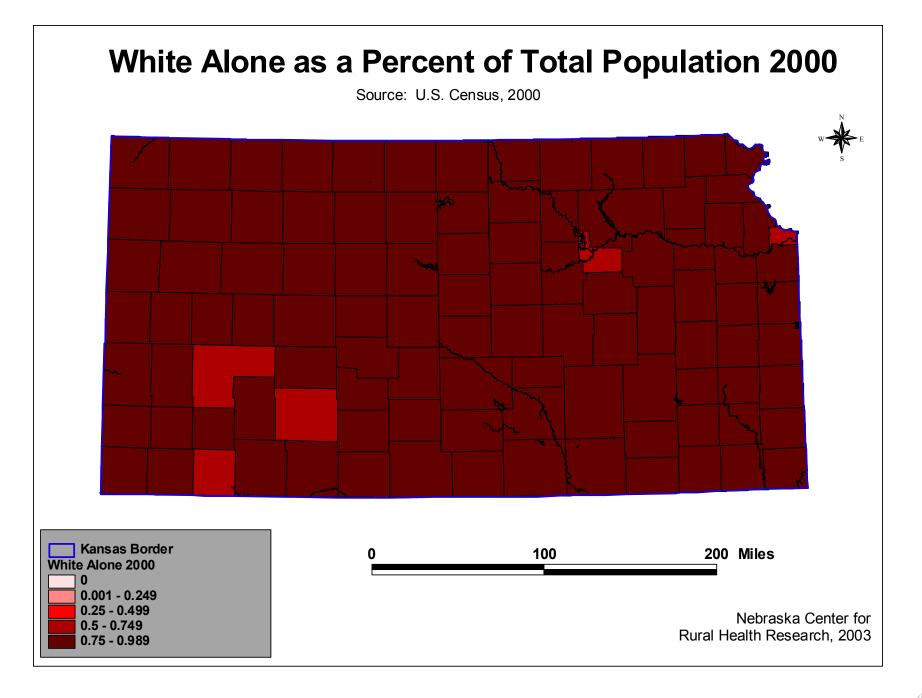


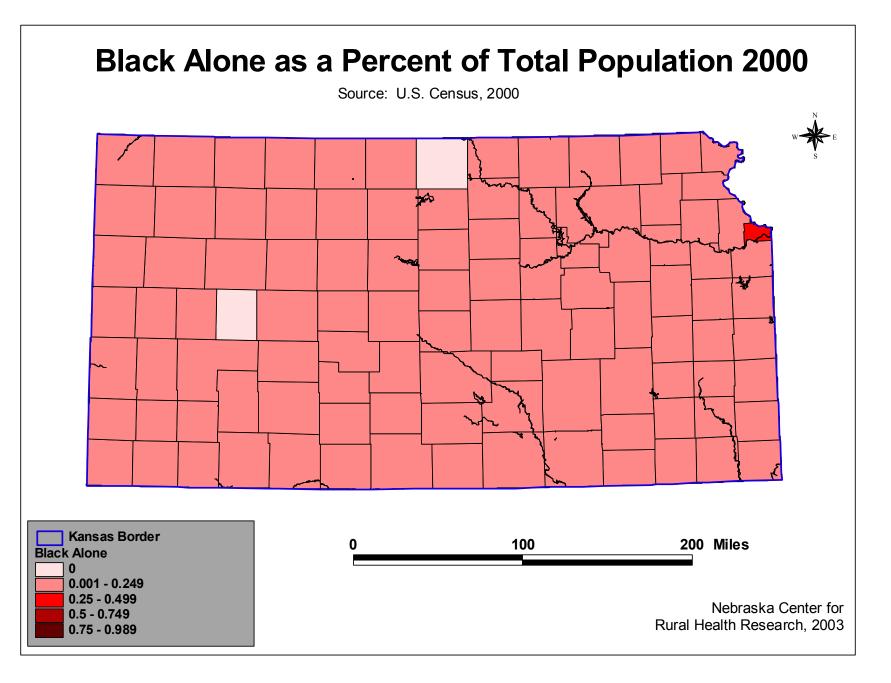


Age Cohort 25 - 64 as a Percent of Total Population 2000

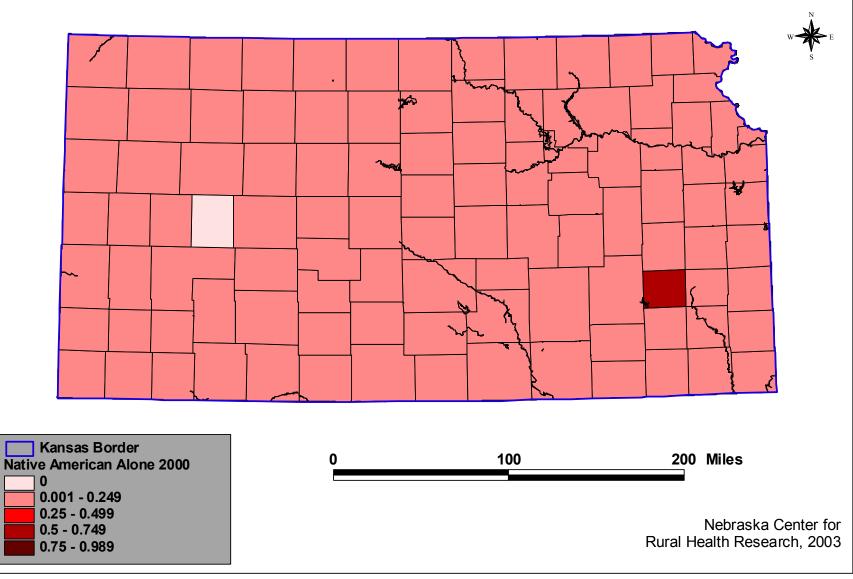


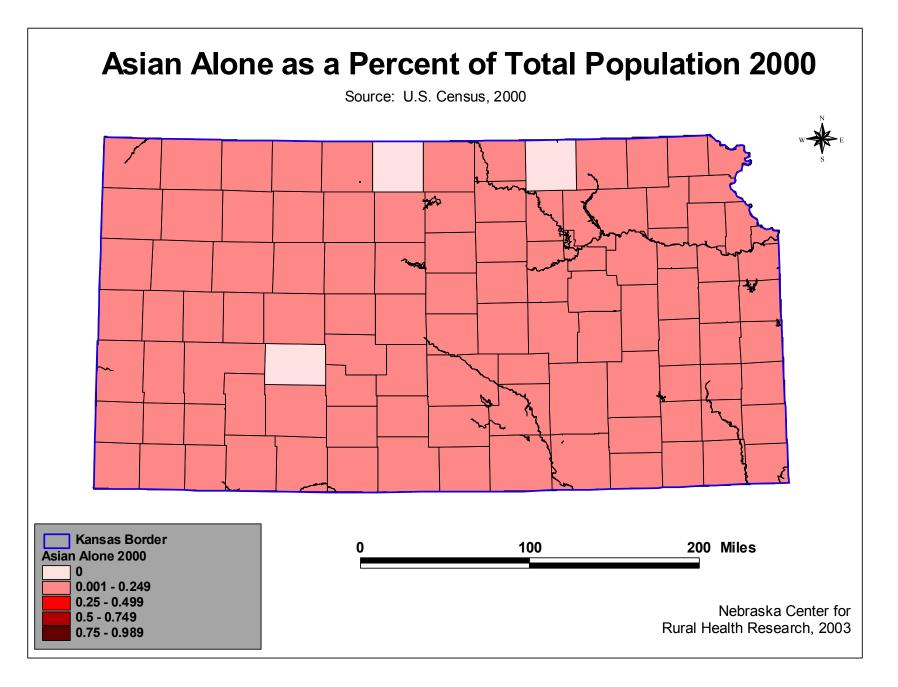


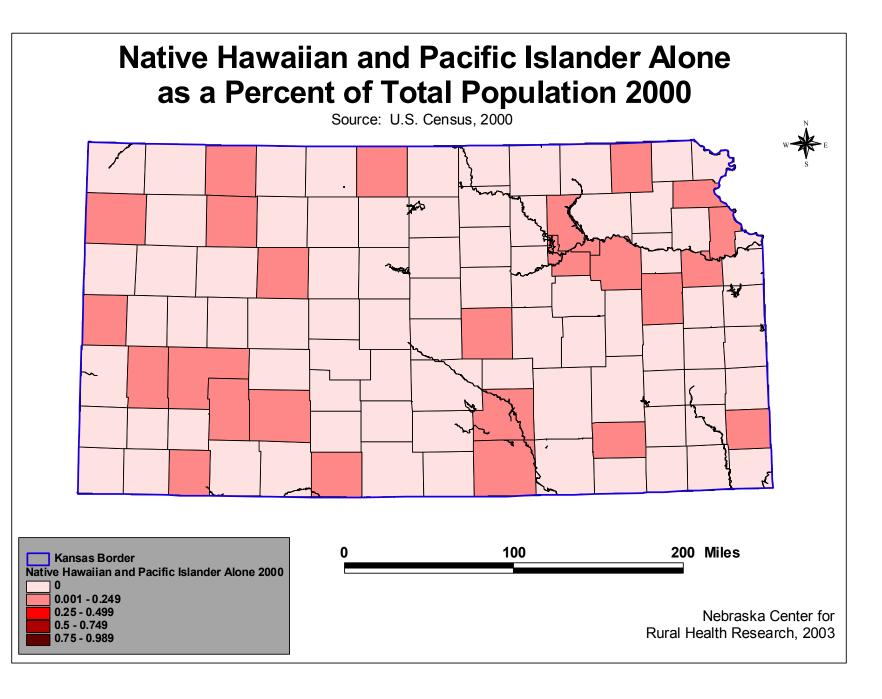


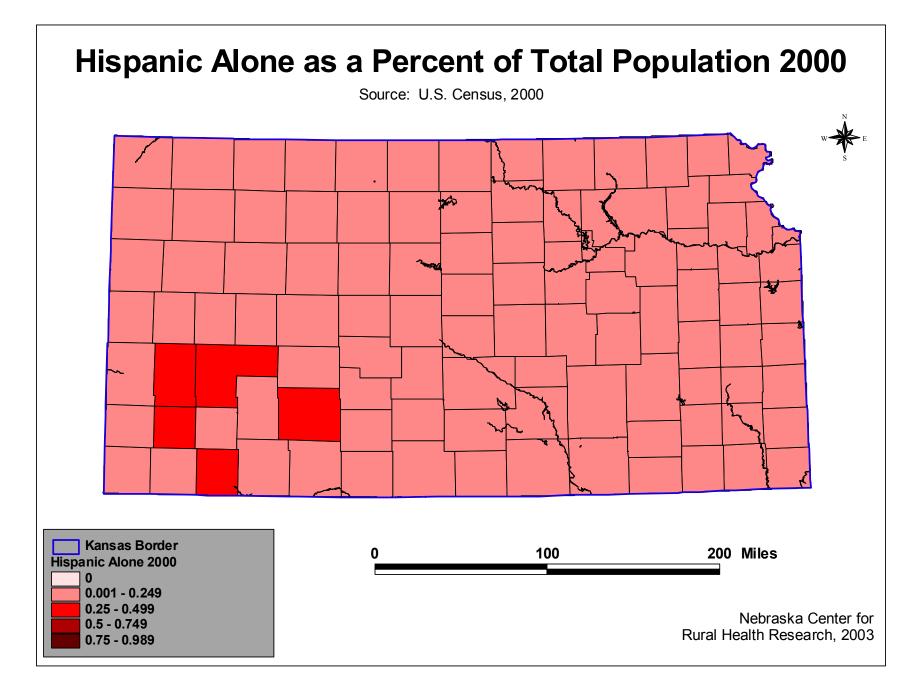


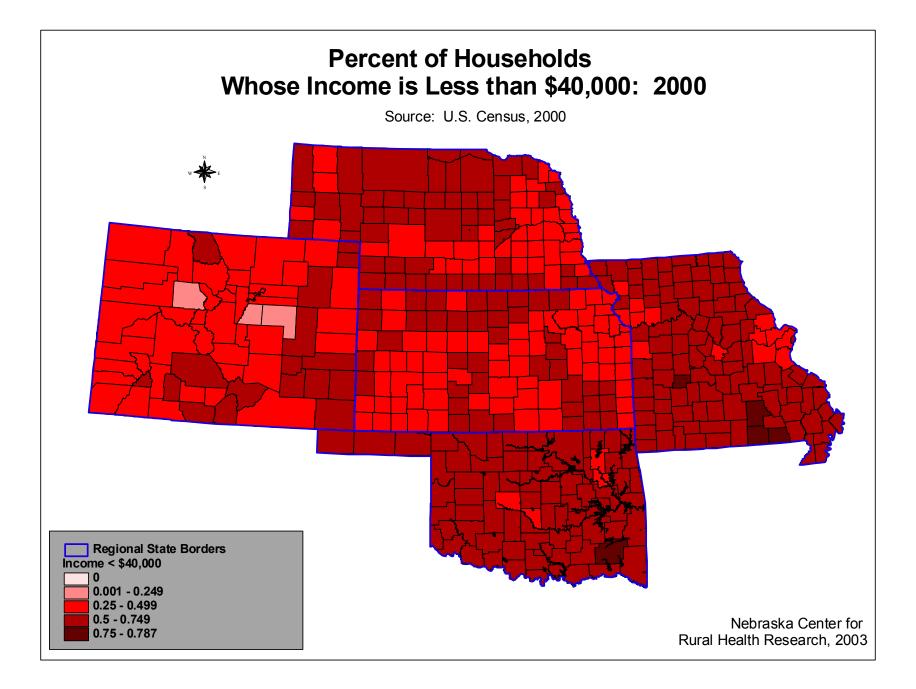
Native American Alone as a Percent of Total Population 2000



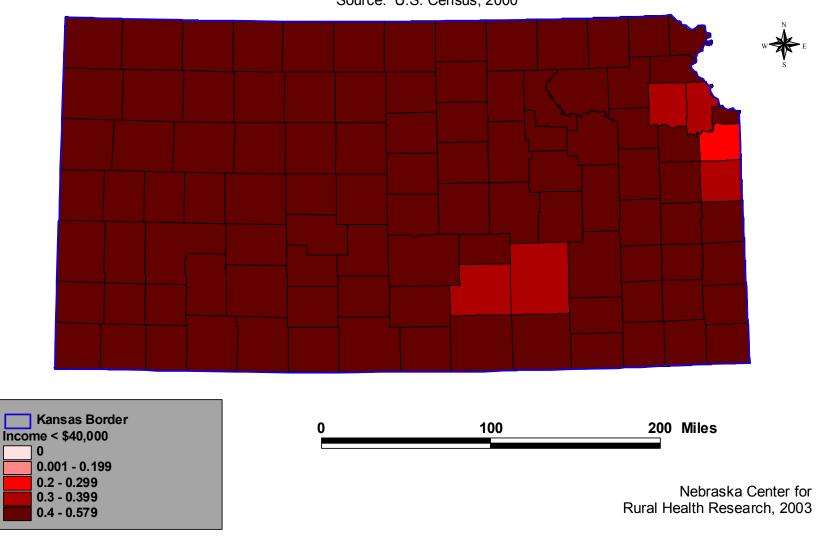


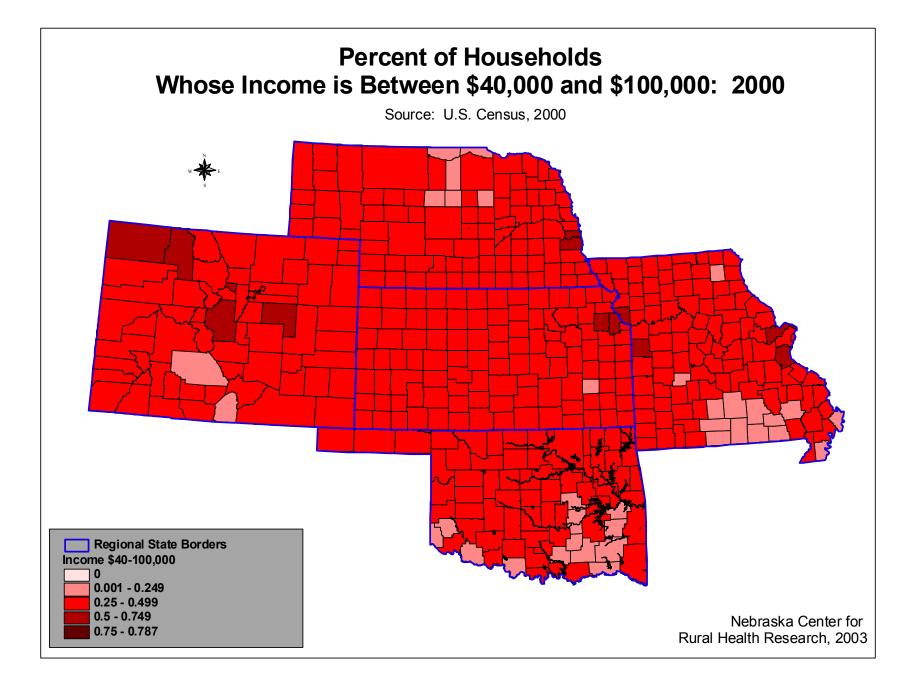


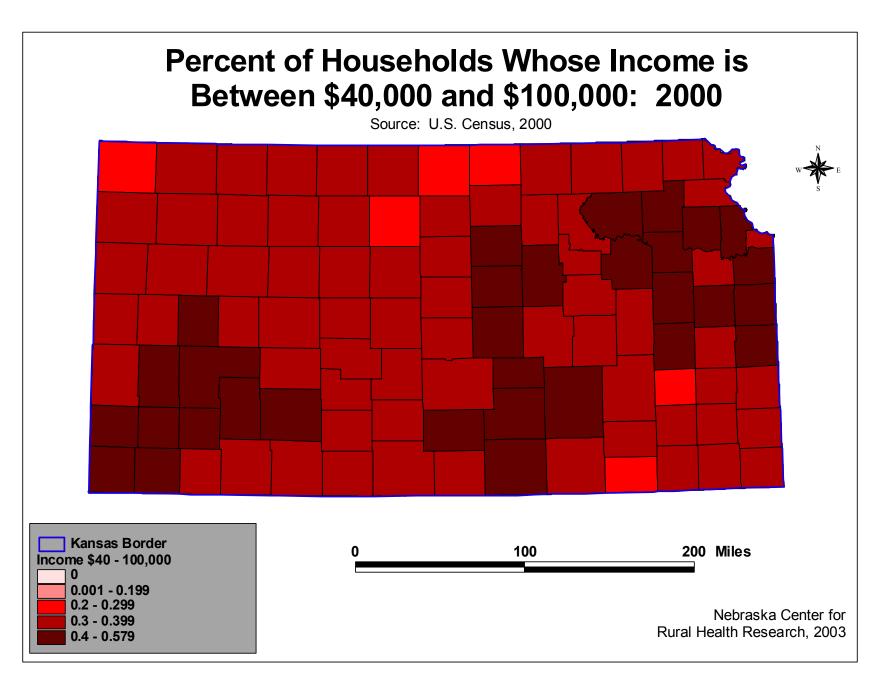


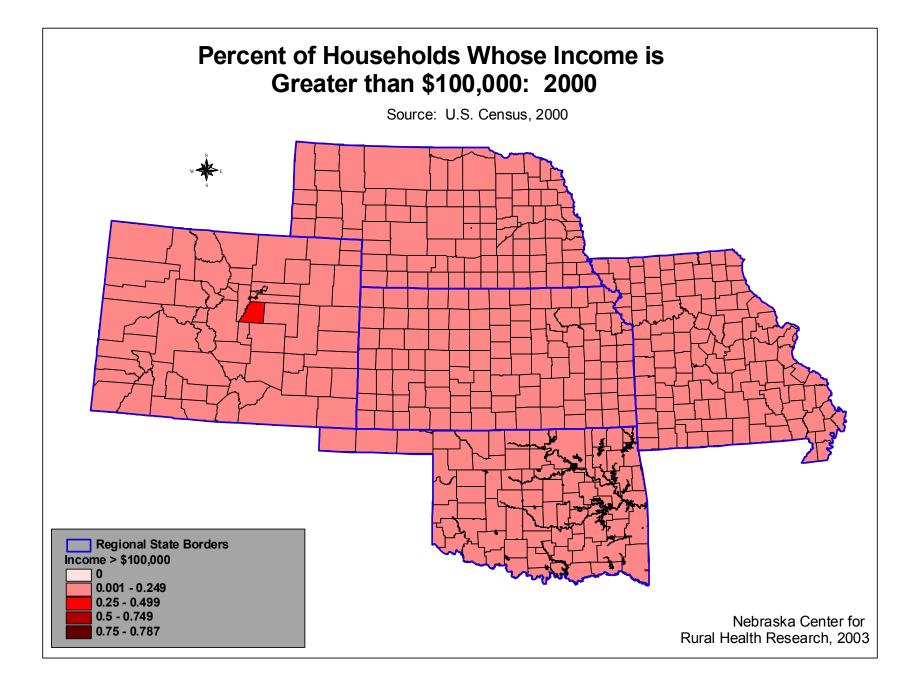


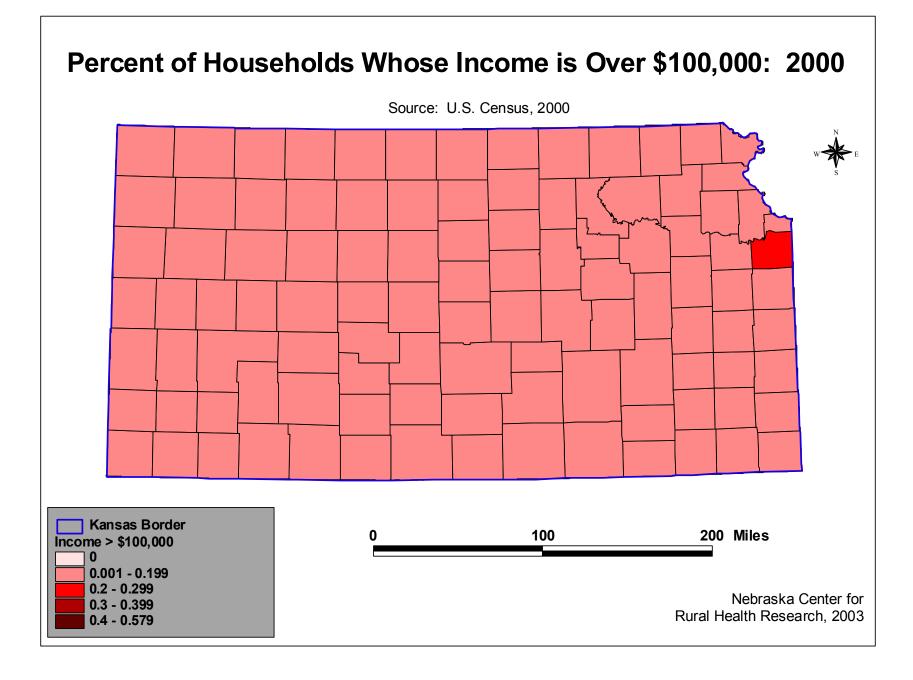
Percent of Households Whose Income is Less than \$40,000: 2000









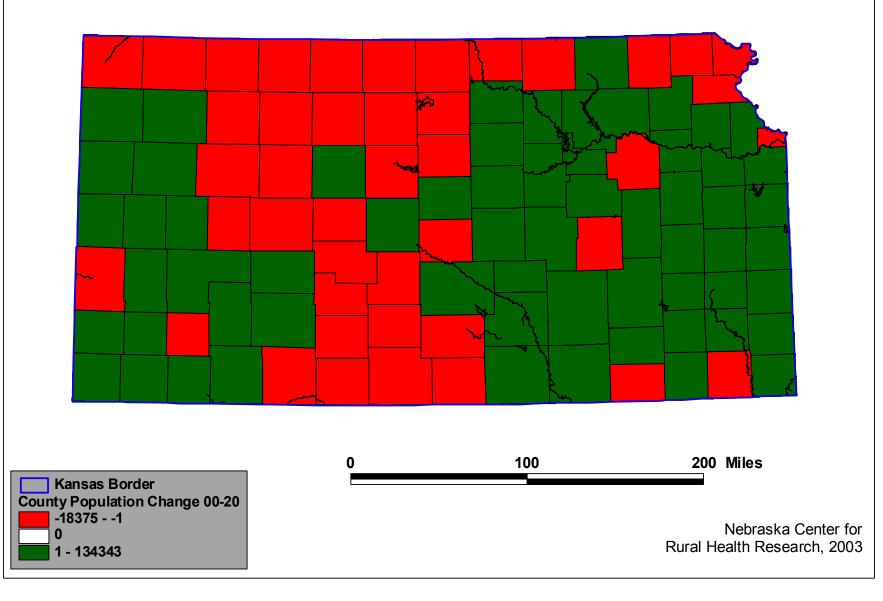


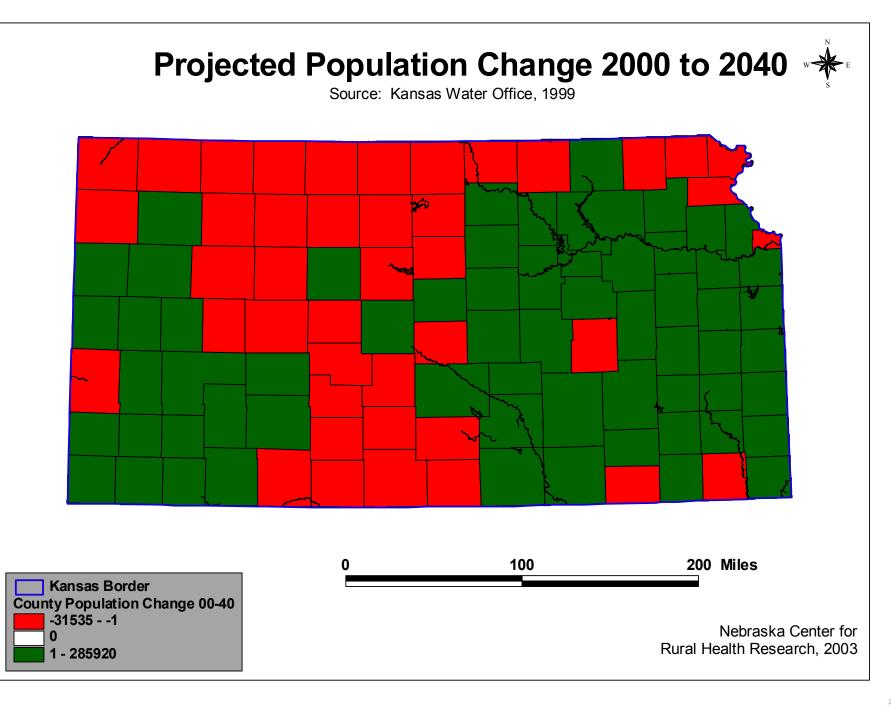
Where Will Rural Americans Be Living?

Projected Population Change 2000 to 2020



Source: Kansas Water Office, 1999





Where Will Rural Americans Be Living?

- May change by region as function of economic activity
- May change within region
- All will be living in "places," often anchored by a community

What Do the Settlement Patterns Mean?

Changes in demands for services

- The population that stayed is aging
- The population that is arriving present different needs

Disparities in income magnified by disparities in culture

- Access to health care and other services is both selfregulated and screened by systems
- Income and insurance status major determinants
- Cultural heritage and racial differences are also determinants

Changes in Space and People

- More "wide open spaces" meaning in distance between population centers
- Implications for the future of the labor pool in rural America

Changes Mean Rethinking Assets

The land and natural assets

from Kent Meyers of South Dakota, author of *Witness of Combines, The River Warren: A Novel*, contributing to a collection of comments on why rural matters:

A healthy rural community is healthy precisely because it sustains itself at the same time that it sustains the land around it, and work done for financial benefit often cannot be separated from work for environmental benefit.

Rethinking Assets

- The new labor pool
 - Training
 - Using
- People who need services: the graying of rural America
- Retaining the best of the past and present in rural values, communities
- Building for the future

Signals to Policy Makers

Different populations to serve

Different activities to support and nurture

Times they are a changing But values can endure

Generates Differences in Policy Paradigms

- How to focus economic development policies
- How to focus education policies
- Paradigm is place-based policies, and targeting people in those places
- Ride tide of change, but also redirect when opportunities are present (entrepreneurial activities)

Directions for Public Policies

Community Development

Shifting to Place-Based Policies

Community Development Policies

Clues to Rural Community Survival: Heartland Center for Leadership Development

www.heartlandcenter.info

- 1. Evidence of Community Pride
- 2. Emphasis on Quality in Business and Community Life
- 3. Willingness to Invest in the Future
- 4. Participatory Approach to Community Decision Making
- 5. Cooperative Community Spirit

- 6. Realistic Appraisal of Future Opportunities
- 7. Awareness of Competitive Positioning
- 8. Knowledge of the Physical Environment
- 9. Active Economic Development Program
- 10.Deliberate Transition of Power to a Younger Generation of Leaders
- 11.Acceptance of Women in Leadership Roles
- 12.Strong Belief and Support for Education

- 13. Problem-solving Approach to Providing Health Care
- 14. Strong Multi-generational Family Orientation
- 15. Strong Presence of Traditional Institutions that are Integral to Community Life
- 16. Sound and well-maintained Infrastructure
- 17. Careful use of Fiscal Resources
- 18. Sophisticated Use of Information Resources
- 19. Willingness to Seek Help from the Outside
- 20. Conviction that, in the Long Run, You Have to Do It Yourself

Making it Happen

- Farm Security and Rural Investment Act of 2002
 Title VI: Rural Development
 Subtitle A: Consolidated Farm and Rural Development Act
- Rural Strategic Investment Program
- National Board on Rural America
- Broadband Services in Rural America
- Rural Business Investment Program
- Rural Firefighter and Emergency Personnel Grant Program

Shaping Place-Based Policy

Congressional Perspectives:

- Another policy I will promote in Washington is to exempt the one hundred poorest counties in the country from any federal match for any federal funding whatsoever, whether it's highways or healthcare. It is simply counterproductive to tell counties which have trouble maintaining an operating budget as it is, that they get no federal money unless they come up with matching funds. We might as well be honest and tell them we can't help at all in the first place."
- "A short list of items always on my radar screen include: fixing the Medicare payment disparity and securing benefits for Medicare dependent hospitals and healthcare clinics."

Common Goals Among Members of Congress

- increasing resources to family farmers and rectifying the inequities in the Farm Bill
- expanding access to broadband
- improving the rural healthcare system
- generating incentives for new business starts and job creation in rural communities
- preserving the rural environment

Source: "Perceptions of Rural America: Congressional Perspectives" W.K. Kellogg Foundation (bipartisan survey of 26 members of Congress between December 2001 and April 2002)

Where Do Hospitals Fit In?

- Part of strategic policy
- providing services
- leaders in health care

Policies that Matter to Hospitals

Payment Policies

Work Force

Regulatory

Investment

Payment Policies

Current morass of specific payments to different categories

- Critical Access Hospitals: improvements being considered
- Sole Community Hospitals: impacted by CAH designations
- Rural Referral Centers
- Medicare Dependent Hospitals

Hospital updates and standardized payment

Work Force Policies

- Impact of population movement
 - need among elderly
 - future work force among new arrivals
- Continued pressing, immediate needs
 - reauthorized National Health Service Corps
 - reauthorized Conrad 20 program
 - support loan repayment policies
 - support targeted education programs

Regulatory Policies

- Regulatory reform within Centers for Medicare and Medicaid Services (CMS)
- Regulatory reform within HHS
- Considerations for Congress

Investment

Capital loan programs in HUD, USDA

Considerations for a new Hill-Burton approach

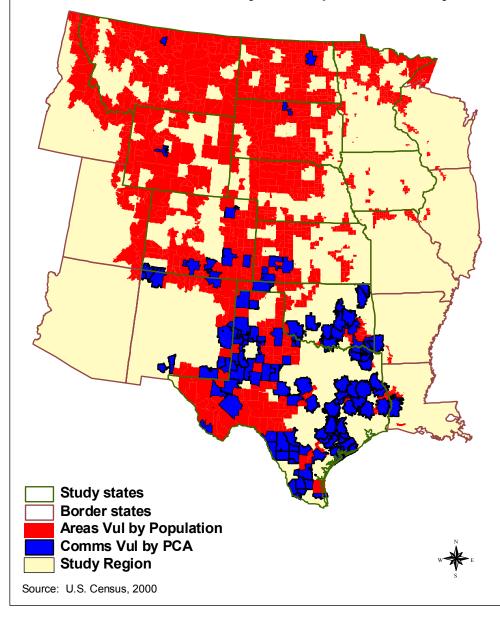
A New Approach to Identifying Places in Need

- Vulnerable places based on
- Sparsely populated

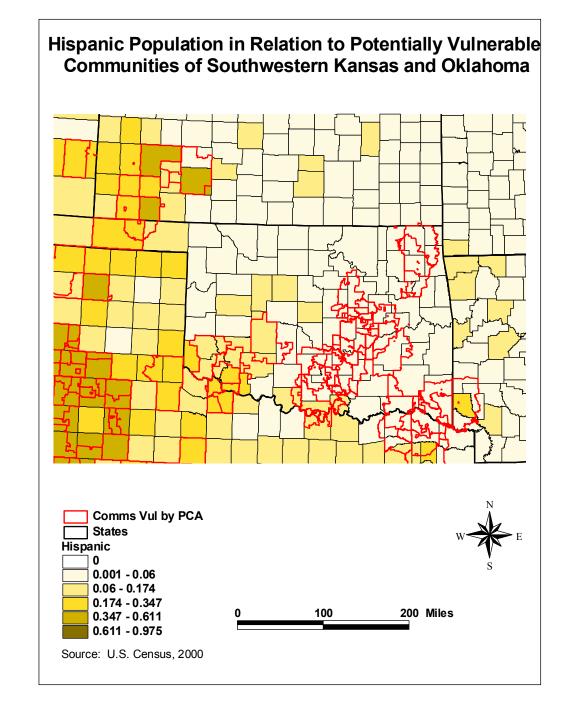
Low potential for generating patient revenue

Vulnerable Places **in** Non-Metropolitan Areas in Selected States, 2000

Communities Vulnerable by Principal Components Analysis and Areas Vulnerable by Low Population Density



Vulnerable Places 111 Southern Kansas and Oklahoma in Relation to Hispanic Populations, 2000



Principles for a New Rural Policy

- from the Nebraska City Declaration:
- importance of a place-based framework
- necessity of greater local autonomy
- enhancement of the human and social capital in rural America
- acknowledgment of the essential role government, at all levels, must play
- integration of community efforts within a regional framework

Principles for a New Rural Policy (con't)

- achievement of a sustainable, nondestructive development
- increased access to technological advances with a recognition that such access is not the only challenge
- investment of the resources required to achieve the results desired
- balancing funding sources for these required investments

Principles for a New Rural Policy (con't)

- recognition that public and private entrepreneurship, and the optimization of regional competitive advantage, is the most promising trajectory
- expanding our attention to the critical role which natural resources and landscape must play in a holis5tic rural development strategy
- recognition and action to nurture the richness of our diverse cultures, and the strength which our growing rural diversity offers

In this Room

- critical stakeholders in local health care delivery systems
- effective advocates for rural health policy
- leaders for health care services in their communities
- potential leaders for a new rural policy that fits specific pieces into the larger puzzle

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