



March 6, 2023

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

RE: Rural Health Clinic Development Frozen ~ CMS Policy Needed Urgently

Dear Administrator Brooks-LaSure:

Recent Census Bureau definition changes have left the Rural Health Clinic (RHC) program in a state of uncertainty. As we write this letter, applications for new Rural Health Clinic sites are being rejected due to a Census Bureau policy to retire their use of the term “urbanized areas” and subsequent CMS inaction. We respectfully request that CMS issue a policy clarification immediately to prevent further disruption and damage to rural health.

Specifically, as of March 24, 2022, the Census Bureau [no longer distinguishes](#) urban areas of 50,000 or more as “urbanized areas.” Meanwhile, the RHC statute in Section 1861(aa) of the Social Security Act states:

For the purposes of this title, such term includes only a facility which (i) is located in an area that is not an *urbanized area (as defined by the Bureau of the Census)*

Therefore, the latest Census Bureau policy combined with the Rural Health Clinic statute leaves the entire program without a clear location requirement.

As we speak, entities undergoing the often years-long process of establishing and certifying a Rural Health Clinic are halting their efforts because of the lack of clarity regarding what locations qualify for the program.

While the National Association of Rural Health Clinics (NARHC) recognizes that CMS did not change the Census Bureau’s definitions, CMS has had ample time and opportunity to clarify how they would interpret the RHC statute given this change from the Census Bureau.

In April of 2022, soon after the Census Bureau’s policy was finalized, NARHC reached out to CMS staff for clarification. We were told at that time that the agency was aware of the rule and reviewing program impact. It was our understanding that until the 2020 list of urban areas and the accompanying maps were released, CMS state agencies and regional offices would continue to use the 2010 maps and historical standard for evaluating RHC location requirements. However, with the recent release of the list of 2020 urban areas and their associated maps, RHC applications are currently being either

inappropriately rejected based on assumptions of what the new policy is or simply blocked by states waiting for a clarification.

NARHC raised this issue again with CMS in early 2023 as the updated 2020 urban area lists and maps were published. CMS staff expressed to us that the agency was working on publicizing a “final disposition” but this memo has been delayed by “internal deliberations.” We ask that either this memo, or some other policy clarification, be finalized and published immediately.

NARHC strongly believes that CMS should clarify that areas with a population of 50,000 or less remain eligible for the rural health clinic program. Such a clarification would simply preserve the status-quo policy which has been in effect since the beginning of the RHC program in 1977.

As we have laid out above, the RHC statute clearly references a term no longer defined by the Census Bureau. We hope that CMS has the legal authority to reasonably preserve RHC location requirements as they have always been: non-urbanized areas, or areas with 50,000 people or less. However, if CMS does not believe they have the authority or flexibility to reasonably preserve the location requirements for the RHC program, we ask that CMS acknowledge this publicly so that Congress can rectify this issue in the statute.

Ultimately, NARHC is disappointed that a simple terminology change from the Census Bureau has so significantly threatened the future of the Rural Health Clinic program while CMS remains silent. We hope that CMS will expedite the publication of a much-needed policy clarification in a manner that preserves the historical location requirements for the RHC program.

Sincerely,



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