

**RESOLUTION 12.2019-18 (A-20)**  
**REIMBURSEMENT FOR HEALTHCARE SERVICES IN SMALL**  
**COMMUNITIES**

**ISMS Board Action Taken on 07/18/2020**

**Adopted Resolution 12.2019-18 (A-20), as amended by the Council on Education & Health Workforce.**

Council on Education & Health Workforce Recommendation to  
ISMS Board on 07/18/20

The Council had initially recommended adoption of this resolution because it felt increasing reimbursement rates could have a positive effect on addressing access problems in underserved areas.

When the Board reviewed the recommendation at the January 2020 meeting, two main concerns with the recommendation were expressed. First, the resolved clause was unclear with respect to which reimbursement rates should be increased (e.g., public or private payers) and how a “small community” would be defined. Secondly, and more significantly, there was concern that budget neutrality rules in the Medicare program (i.e., payment increases must be offset by payment decreases) could result in reimbursement increases for some groups of physicians at the expense of others.

The Council discussed the concerns raised by the Board, and continues to support adoption of the resolution. Amended language will provide increased clarity. Regarding concerns about budget neutrality and the potential of creating “winners and losers” by increasing reimbursement rates in rural areas, the Council believes that the need to address access problems in rural areas is critical enough that potential solutions may need to include a redistribution of resources. The Council agreed to an amended resolution.

The Council on Education & Health Workforce recommends that the ISMS Board of Trustees adopt Resolution 12.2019-20 (A-20), as amended:

RESOLVED, that ISMS should lobby to increase reimbursements by public payers for healthcare services provided in ~~smaller communities~~ rural areas, consistent with the definitions used by the U.S. Department of Agriculture Economic Research Service.

**ISMS Board Action Taken on 01/25/2020**

**Referred Resolution 12.2019-18 (A-20), Reimbursement for Healthcare Services in Small Communities, back to the Council for further consideration.**

**Council on Education & Health Workforce Recommendation to  
ISMS Board on 01/25/2020**

The Council concurred that increasing reimbursement rates in rural areas could help address physician access problems, and supported adoption.

The Council on Education & Health Workforce recommends that the ISMS Board of Trustees adopt Resolution 12.2019-18 (A-20).