FALL 2025

PENNSYLVANIA RURAL HEALTH

Shrinking Pharmacy Access
and the Rise of Pharmacy Deserts

HEALTH CARE IN RURAL PENNSYLVANIA
A Unique Investigation

PENNSYLVANIA RURAL HEALTH PLAN 2025–2030
To Guide Equitable, Community-Driven Rural Improvements

TRANSFORMING RURAL MENTAL HEALTH
The Clubhouse Model

FORGING PATHS TO RECOVERY
The PREP Program

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PENNSYLVANIA OFFICE OF RURAL HEALTH

message *from the* director

Welcome to the fall issue of *Pennsylvania Rural Health*. By the time you read this, we may have turned the clocks forward and have more light earlier in the day and less when we leave work and start our nights. Since making the last time change in March, much has changed for health care across the nation and for health care in vulnerable rural communities.

The passage of H.R. 1 the One Big Beautiful Bill, (OBBB), signed into law on July 4, 2025, set in motion changes that will impact the U.S. for the next decade and beyond. To address potential federal waste, fraud, and abuse, $880B in Medicaid reductions will go into effect in 2027 with a focus on those who became insured through Medicaid expansion under the Affordable Care Act. In January 2026, eligibility for the Supplemental Nutrition Assistance Program (SNAP) will be restricted. Key Medicaid and SNAP provisions in OBBB include monthly eighty-hour community engagement work requirements, increased frequency for eligibility reviews, copays for certain care, and stricter rules to maintain coverage. Estimates of the number of Pennsylvanians who will lose Medicaid coverage are broad with at least 310,000 becoming uninsured. About 144,000 are estimated to lose nutrition benefits.

On December 31, 2025, the subsidies for those enrolling in health care through the federal and state insurance exchanges, Pennie® in our state, are set to expire unless they are extended by Congress. That, coupled with double-digit increases in health insurance premiums, is anticipated to increase uninsured numbers in the state by 270,000. The total number of insured could be 600,000 or more.

The impact on all hospitals and health systems, especially rural hospitals, federally qualified health centers, rural health clinics, free clinics, and more, will be potentially catastrophic. Revenue from Medicaid services will decrease and costs of uncompensated care will increase, putting strains on financial, operational, and staffing resources. It is estimated that seventeen of Pennsylvania's small rural hospitals will be at risk of closure, with two to five anticipated to close in the next two to three years.

The most important part of the health care system is, of course, the patient. Without options to pay for care, patients will go without preventive and acute care services and will access care at the emergency department when they have more extensive, and expensive, health care needs.

Included in OBBB is $50B in funding for the Rural Health Transformation Program (RHTP), for the five-year period of 2026–2030, at $10B per year. To be eligible for funding, states must submit, by November 5, a rural transformation plan that outlines strategies to address provider payments, technology, workforce, care models, and more. Beginning in December 2025, states with approved applications will receive an equal distribution of the first $5B with the remaining $5B going to states with approved plans that meet certain demographic criteria, have state policies and legislative practices to advance rural health, and through discretionary Centers for Medicare and Medicaid Services (CMS) criteria. Funding of $50B is impressive and while the rural health community is appreciative of Congress's focus on rural health, it may be challenging to address shortfalls.

Rural health advocates across the state and the nation are focusing every day to ensure that rural health is addressed. **Please let us know how your state office of rural health can be of service to you and be sure to stay in touch.**

Lisa Davis
Director

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Pennsylvania Rural Health
Lisa Davis, Editor

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PENNSYLVANIA OFFICE OF RURAL HEALTH

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Shrinking Pharmacy Access

AND THE RISE OF PHARMACY DESERTS

By Andy Shelden

Community pharmacies are a staple of American life and neighborhoods across the U.S. rely on local pharmacists to fill medications in a timely and safe manner. Pharmacists do more than fill prescriptions, however; they are often the most frequent point of contact between people and their health care services, providing customers with useful medical information and wellness checks. Pharmacists have expanded services in recent years and were a critical point of care during the COVID-19 pandemic. Despite playing a more vital role than ever in the health care system, rising drug costs and inconsistent reimbursement rates have left community pharmacies in real trouble. As pharmacies disappear from communities across the country, the health and wellness of millions of Americans is under threat, including here in Pennsylvania.

From 2020-2025, more than 800 pharmacies closed in Pennsylvania. While some new pharmacies have opened during the same time period, the net loss is estimated to be in the hundreds. Those data do not include the closure of all RiteAid stores in 2025, the third-largest national pharmacy chain, which filed for bankruptcy and shuttered their retail outlets. As pharmacies close, consumers are faced with a dwindling number of pharmacy options.

"In 2020, 90 percent of people living in the U.S. lived within five miles of a pharmacy," said Lucas Berenbrok, PharmD, an associate professor in the School of Pharmacy at the University of Pittsburgh. "Now, that number is changing with closures. With thousands of stores closing [nationwide], people are going to be traveling further to get their meds and to get the services that pharmacists provide. I think the issue is a lot about the distance you have to travel and what is convenient. Convenience really drives whether someone picks up their medications on time or gets their flu shot."

Berenbrok is among the many pharmacy professionals who are sounding the alarm about pharmacy closures. In a study published in 2025, he and his colleagues found that 57.1 million people, almost 18 percent of Americans, were living in areas identified as pharmacy deserts, defined as "a census tract where the travel time to the nearest pharmacy exceeds the supermarket access time for that region and urbanicity level." Another 28.9 million Americans have only a single pharmacy in their census area. Together, that amounts to roughly a quarter of Americans who either live in, or are vulnerable to, a pharmacy desert.

Where are Pharmacy Deserts Located & What Happens When a Pharmacy Closes?

Berenbrok and his colleagues generated an animated map of pharmacy closures across the U.S, which demonstrated the magnitude of the decline of retail pharmacies over the last decade. "We made it as a visualization because we just wanted people to be able to see how broad the closures were across the country," Berenbrok said.

The visualization begins as a blacked out, night-time outline of the continental U.S. With each pharmacy closure, a twinkling light is added. In the end, much of the map is lit, and what began as a pharmacy closure map could just as easily be a map of population density in the U.S. "There are about 7,000 dots on that map," Berenbrok added, "covering only the data from 2014 to 2024. "Obviously there's going to be a lot more now that RiteAid is closing thousands of stores."

Every area of the country has experienced significant pharmacy closures, including low-income areas. In a 2024 study, researchers at the University of Washington School of Pharmacy determined that by including income qualification as a metric, pharmacy deserts exist in all thirty of the largest metropolitan areas of the country and in every rural-designated census area. These deserts, the researchers concluded, exist "disproportionately among rural areas and historically marginalized neighborhoods, compounding already-existing health inequities experienced by these communities."

"Pharmacy closures are affecting both urban and rural areas, but it's affecting them differently," reported Sophia Herbert, PharmD, assistant professor of pharmacy at the University of Pittsburgh. "In a rural area, if you lose, say, a critical access pharmacy, that affects a broader geography. The distance that people will have to travel to get in-person pharmacy services is much greater. In an urban area, chances are there's another pharmacy that people can potentially get to, but if they're relying on public transportation, those travel impacts can be great too."

When a pharmacy closes, the impact can be felt across a community. The Centers for Disease Control and Prevention (CDC) reported that 64 percent of American adults have taken a prescription drug sometime in the last twelve months, while more than 75 percent of all hospital emergency department visits resulted in some form of drug therapy. Most Americans, in other words, need to have a prescription filled regularly, and losing either access or convenience to a retail pharmacy can create problems. "In both urban and rural communities, pharmacy closures are extremely disruptive," Herbert added.

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—Sophia Herbert, PharmD, assistant professor of pharmacy at the University of Pittsburgh

"I have heard from consumers who have had to wait days to get their medication because they can't get their prescriptions filled," says Stephanie McGrath, PharmD, executive director of the Pennsylvania Pharmacists Care Network, a group of over 200 pharmacists is a network of over 200 pharmacists in Pennsylvania which, in collaboration with providers and payers, provides medication management services to patients. "When one pharmacy closes, people still need medicine. The pharmacies that remain open are inundated with business. A person can transfer their prescriptions, but the nuances of doing that are often complex. Long term, people are facing reduced access points for care, and sometimes added expenses as well," McGrath added.

Why are So Many Pharmacies Closing?

Pharmacies—from major national chains like RiteAid to small independent pharmacies on rural Main Streets—are shuttering because the core function of their business, filling and dispensing prescription drugs, is not profitable. Profit margins that retail pharmacists used to collect are now often channeled to pharmacy benefit managers (PBM) which operate as intermediaries between drug manufacturers, insurance companies, and pharmacy retailers. PBMs often tailor the pricing structure of drugs to profit on the overall volume of those transactions. The largest pharmacy retailer in the country, CVS, owns and controls their own PBM, but for other types of pharmacies without that control, the pricing variables are stacked against them.

"The system of buying and selling drugs doesn't work anymore—the math doesn't add up," said McGrath. "Pharmacies are essentially buying the drugs at a cost that's more than the pharmacy benefit managers are reimbursing them for. The PBMs are intended to manage the pharmacy benefits for employers, for health plans, and to facilitate the transaction of the cost of medications. They are also, to some extent, supposed to optimize medication therapy. But because of that middle man, pharmacies are not being paid fairly for the cost of the drug. That's gotten worse over the years, and it has reached the point now where it is unbelievably bad."

Pharmacies that stay in business tend to offer a variety of different services and personalized care. "The pharmacies that are still around today, generally speaking, are those that have found ways to diversify their revenue," noted Herbert. "They're not counting only on that erratic and unpredictable prescription-dispensing revenue. They are also being compensated for some of the enhanced services that they're providing, separate from the PBM contracts, and they do have some control over that."

That's the reality for Russellton Palmer Pharmacy, an independently owned pharmacy in northern Allegheny County outside of Pittsburgh, PA, which has been operating in its community for nearly a century. Owner/pharmacist Kaitlyn Sullivan, who took over the business in 2019, pointed to the relationships she has built with her customers, especially since the COVID-19 pandemic, and how the community has supported her business.

"Pharmacies can be so much more than just filling and counseling on medications," she says. There were so many homebound patients in our area who needed more assistance [during COVID] and more services than what they were getting through mail order. I was able to be in their homes and ask them if they were happy with what services they were receiving. Having the money from the COVID shots was a way for me to reinvest in the services we could offer. Since then, we've started offering point-of-care testing. We're able to test patients for flu, COVID, RSV, strep, cholesterol, and A1C diabetic testing. Those types of services have allowed us to work with providers who may be interested in having their patients followed a little more closely or to make adjustments [to medications]. Providers like that extra follow-up, that extra care. It makes it easier for them to reach their goals with the patient."

Despite being more important than ever in the wake of the pandemic, pharmacies like Sullivan's sometimes struggle to make ends meet. "As things are changing, we're trying to change, we're trying to meet those [community] needs," Sullivan says. "But I am nervous about everything that is happening. There are at least four RiteAids in our area that closed. That has really put a burden on us to fill more prescriptions."

Legislative Action to Address Pharmacy Closures

In his 2024 budget address, Pennsylvania Governor Josh Shapiro called out PBMs for earning outsized profits while making prescription drugs costlier for consumers and retail pharmacists. PBMs are usually able to impose the contractual terms on pharmacies with regard to reimbursement rates and the cost of drugs.

"The contracts that pharmacies get from the PBMs are generally take it or leave it," Herbert said. "Pharmacies can't negotiate and say 'no, that's unfair, that's less than the cost of the drug.' They have

to decide whether to accept the contract so that they can care for patients on a certain health plan, or not accept the contract, in which case they can't bill insurance for those patients and those patients are likely to go to another pharmacy. Since [the pharmacies] are the ones left out of the equation, they lose out and ultimately the patients lose out too. It's terribly broken."

"The contracts from the PBMs describe the rates that pharmacies will be paid, but they're not always clear," added McGrath. "There's also language in the contract that prevents the pharmacist from being honest with their patients if the pharmacy is not being reimbursed for the full cost of a medication. The pharmacist often has to eat that money. That means they have to pay themselves less, or they can't hire employees, or they can't sponsor the local little league team. They have to make really hard decisions."

In July 2024, the Pennsylvania General Assembly passed the Pharmacy Benefit Reform Act (Act 77 of 2024), designed to address some of these issues. Among its provisions, the law attempts to better regulate the contracts that PBMs sign with pharmacists, it requires PBMs to act with more transparency, and it prohibits PBMs from steering patients to specific pharmacies owned or controlled by the PBM. "There are already laws in place to help pharmacies," Sullivan said, "but it takes time to set up everything and for everything to roll out. We're looking for enforcement."

program are critical to the overall operation of these health care providers who use the savings to provide additional services to low-income and underserved populations.

The number of drugs purchased by the covered entities in the 340B program has grown dramatically, due to a rule change that permits the use of contract pharmacies like CVS and Walgreens, rather than just the single pharmacy located at the hospital site, to fill prescriptions at the 340B negotiated prices. The drug companies, in turn, have argued that 340B-eligible hospitals and clinics are taking the cost savings from the pricing program and using those gains for purposes beyond the intended use. The program, administered by the Health Resources and Services Administration (HRSA) in the U.S. Department of Health and Human Services (DHHS), has been subject to a bevy of litigation, with some wins for the drug companies and some for health care providers. There is bipartisan support in Congress for 340B reform, but the details remain a sticking point. Critics and proponents alike argue that the program could use better oversight from HRSA, better transparency from the pharmaceutical companies on drug pricing, and better auditing of the covered entities to show where the drug cost savings are being put to use.

As it stands, there are many rural health care entities and pharmacies that are not able to participate in the 340B Drug Pricing Program. "It's harder to qualify than you might expect." Sullivan noted, "For the pharmacies that are rural-designated, there are

"Act 77 is not a short-term or immediate solution, True PBM reform needs to come from the federal government, to address the Medicaid and Medicare piece. There's some work that can be done locally in Pennsylvania on the commercial insurance side, but there needs to be greater oversight on who is paid what in the buying and selling of drugs."

—Stephanie McGrath, PharmD, executive director of the Pennsylvania Pharmacists Care Network

"Act 77 is not a short-term or immediate solution," says McGrath. "True PBM reform needs to come from the federal government, to address the Medicaid and Medicare piece. There's some work that can be done locally in Pennsylvania on the commercial insurance side, but there needs to be greater oversight on who is paid what in the buying and selling of drugs."

The U.S. Senate and the House of Representatives have proposed legislation that would address PBM reform, bills that have been recommended by the American Medical Association and are receiving bipartisan support from members of Congress. However, that legislation was not included in the 2025 budget reconciliation bill.

Many rural areas retain access to pharmacy services because of the 340B Drug Pricing Program, a critical federal law that has been in place since 1992, which allows certain hospitals and federally supported community clinics, including Federally Qualified Health Centers FQHC, FQHC look-alikes, and rural health clinics, to purchase drugs directly from pharmaceutical companies at discounted prices. The drug cost savings provided by the 340B

some government programs that offer assistance. Unfortunately, [Russellton Palmer Pharmacy] is just short of that, so we don't qualify for better reimbursement rates from some insurance plans."

Keeping pharmacies open in rural communities is crucial, since many rural hospitals and rural health specialists have closed due to similar social and economic pressures. Pharmacists still working in these communities have been able to expand their services to provide a critical point of care for their patients.

"It's really nice to be able to coordinate care with the provider, the patient, the caregiver, and all those involved," said Sullivan. "It's nice, too, when you have a complete medication list for the patient. That coordination of care is really important to us and making sure the patient has the best quality of care. But it's still a challenge because you have to have a collaborative agreement in place, and you have to have that communication open between all parties."

What's Next?

Without substantial reform, community pharmacies will continue to face potential closure. While locally owned, independent pharmacies

can be the most vulnerable, the RiteAid bankruptcy signals that no pharmacy is safe. Mail order pharmacy can be an alternative to fill some gaps but is not a viable solution for every person in every location.

"It certainly does not address everyone's needs, not even close," Herbert says. "You can't get a vaccine through mail order, for instance, for things like testing or acute medications. If you're sick, if your kid is sick and needs an antibiotic, you can't accomplish that effectively through the mail. If you're thirty years old and on one medication and you can't access a pharmacy near you, then it's good that they have the option of mail order pharmacy. But for a lot of older adults, people with more complicated needs, there are lots of problems that can happen if we're relying too heavily on that as a solution."

Bureaucratic processes can challenge reform. While legislators, pharmacists, and insurers agree on some steps that will improve the retail pharmacy business, pharmacists still need to focus on keeping their customers in good health, and that's a struggle.

"We're working really hard behind the scenes," Sullivan said. "We're trying to cover anything that would be a barrier to a customer getting their prescription. When there are barriers in place, we see people abandon their prescriptions, more [emergency room] visits, longer wait times, and hospitals getting swamped. A lot of those issues could be preventatively taken care of at the pharmacy. Health care starts with community health, and we're perfectly positioned to spread the right information, educate our communities and make sure that they're receiving the best quality of care."

Said McGrath, "I've heard so many pharmacists say, 'Pay me fairly for the cost of the drug. If it costs five dollars, pay me five dollars. Pay me a consistent rate so that it's the right drug for the right patient.' That's the solution that pharmacy owners want."

Sullivan agreed. "At a baseline, we don't want to be underpaid for the cost of medicine. Everything is going to take time, but it's well worth investing in these communities."

I Am a Rural Pennsylvanian

By Mark Stephens, MD, MS, FAAFP

Mark grew up in rural northwestern Pennsylvania and served as a physician in the U.S. Navy for twenty-three years across the globe and in the U.S. He is devoted to ensuring access to high quality rural health care and serves as the associate dean for Medical Education, professor of Family and Community Medicine, and professor of Humanities at the Penn State College of Medicine, University Park Regional Campus. This poem reflects his perspective on, and love for, those who call rural Pennsylvania home.

Dr. Mark Stephens

I am the low hum of wind through the tall, green corn,
The deep, earthy scent of hay freshly cut, a
memory vibrant.
I am the dirt in these boots, ingrained, deep.
From sun-up chores to starlit quiet.

But shadows lengthen now, across our grand fields,
A quiet, growing struggle, woven into the
rural landscape.
For the promise of revitalization will not truly take
hold, will not truly ascend,
Unless we tend to the well-being of our people, with all
our collective strength.

Imagine the worry pressed onto faces, when a
baby's almost here,
And the nearest maternity care is miles, hours away.
Anxious drives, hurried breaths, gnawing isolation.
Our mothers, our infants, deserve a gentle,
nearby embrace,
Not endless roads, or sterile waiting rooms, a cold
forgotten space.

And quiet battles fought alone, behind closed
farmhouse doors,
Farmer suicide is real! Burdens carried in silence, until
they can be carried no more.
A whispered plea, a fear of shame that endures,
keeping people hidden,
While silent struggles fester, and rural sadness grows.
We need counselors, therapists, hands
reaching out to find,
A path to healing, to understanding, for body
and for mind.

The wisdom of age, a cherished gift, yet in rural lands,
it's often a silent strife.
For our elders, the golden years can bring isolation, a
lonely, quiet life.

Access to specialists, in-home care, and community's
gentle embrace,
Are often scarce resources, leaving vulnerability
in their place.
We must ensure our seniors, who built these fields and
bore our rural pride,
Have comfort, dignity, and care, for them
we must abide.

The open road, a symbol of freedom, becomes a barrier
in rural space,
When miles stretch long for folks to reach a healing,
welcoming place.
Public transport is a whisper, oft unheard, unseen,
Leaving many without a ride, to reach their
health care needs.

Emergency rooms grow distant, a lifeline hard to seize,
And chronic conditions worsen, bringing rural
communities to their knees.
Let us think of innovative solutions, transport woven
into our design,
So that access to care is not a luxury, but a right,
for all to find.

So, as we speak of progress, ambitious plans,
economic gain,
Remember these deep currents, that shape our
current pain.
I am a Rural Pennsylvanian, stories echo in my soul,
For our future's full flourishing, comprehensive health
care is what can make us whole.

From birth's first fragile cry to wisdom's seasoned gaze,
from transport to the troubled mind,
Let wellness be the harvest, for all of us to find.

Transparent Health Care Reporting

PHC4: A Unique Investigation of Health Care in Rural Pennsylvania

Access to health care in rural America remains a persistent issue, and rural Pennsylvania exemplifies this challenge. As hospital closures and service reductions continue, the traditional "community" hospital model is fading.

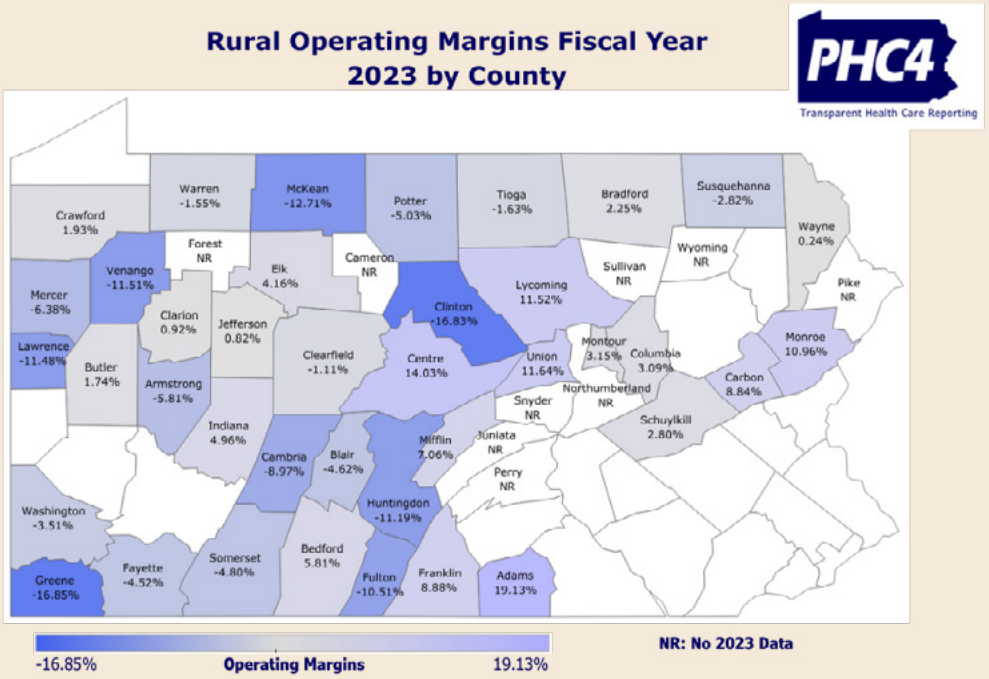
To assess health care in these areas, the Pennsylvania Health Care Cost Containment Council (PHC4) provides annual reports and recent publications with county-level data, enabling further analysis of urban-rural differences.

Supporting additional examination, PHC4 explores data in recent reporting and research briefs, including reports such as the *Special Report on the Financial Health of Pennsylvania Rural Hospitals, Fiscal Year 2023; Asthma Hospitalizations in Pennsylvania; and Cancer Hospitalizations for Pennsylvania Children*.

Financial Health

PHC4's *Special Report on the Financial Health of Pennsylvania Rural Hospitals, Fiscal Year 2023 (FY23)* displays data for rural general acute care (GAC) hospitals, using the definition of rural as defined by the Center for Rural Pennsylvania. In FY23, sixty-four GAC hospitals were in a rural county, and of those, thirty-one operated at a loss based on operating margins while twenty-eight operated on total margins. Rural hospitals operate in geographically isolated areas, serving smaller populations with higher percentages of elderly and low-income individuals. Other contributing factors to the current state of rural health care may include:

- Lower reimbursements from Medicare, Medicaid, and private insurers
- Aging populations that require more complex and costly care
- Low patient volume, increasing challenges to financial viability
- High operating costs associated with staffing shortages and service demands
- Economic strain that may reduce reimbursement for services



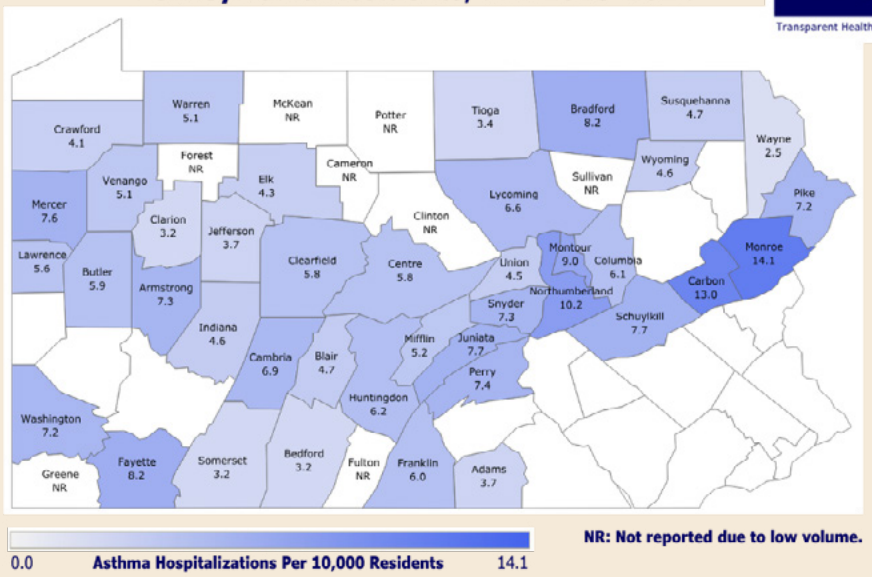
Note: Visualization includes data as it was submitted to PHC4. Some counties are missing data due to any of the following reasons: 1) no general acute care (GAC) hospitals reside in that county or 2) the GAC hospitals in that county didn't submit data to PHC4 in that fiscal year. No estimated data were used in this report.

Asthma Hospitalizations in Pennsylvania

This research brief focused on hospitalizations for Pennsylvania residents of all ages admitted to a Pennsylvania GAC hospital with an asthma diagnosis. Federal Fiscal Years (FFY) 2023-2024 (October 2022-September 2024 data) hospitalization rates were found to be higher than the statewide baseline for:

- Residents who were less than 18 years old
- Female residents
- Black (non-Hispanic) residents, Hispanic residents, and residents classified as Other (non-Hispanic)
- Residents who live in areas with a poverty rate of 10 percent or more
- Residents living in urban counties, noting the results for rural counties are better than the statewide rate

Rural Asthma Hospitalizations per 10,000 Pennsylvania Residents, FFY 2023-2024



Hospitalization rates were based on PHC4 discharge data for Pennsylvania residents and 2023 US Census Bureau County population figures, the most recent data available. Note that higher rates for some counties might reflect larger numbers of hospitalization with certain at-risk characteristics (e.g., factors related to patient age, sex, race and ethnicity, etc.). County rates were not adjusted for these differences so that important effects of these patient characteristics were not masked by such adjustment.

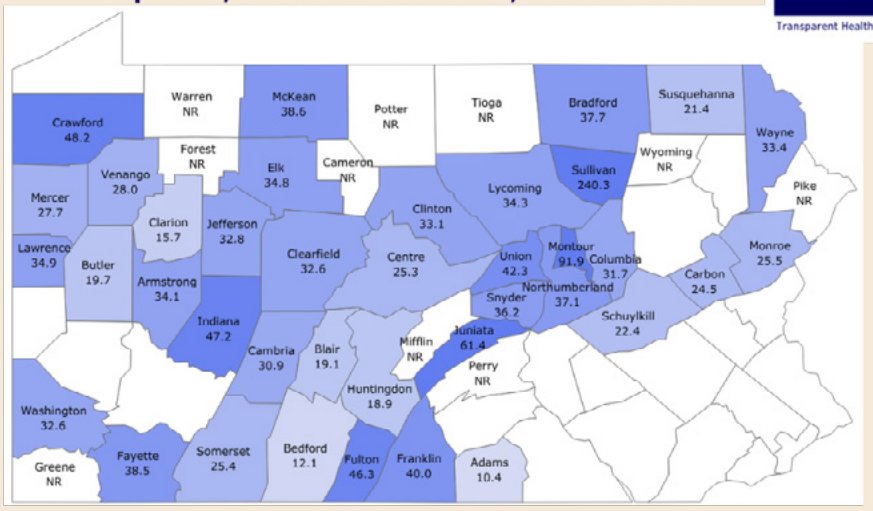
Hospitalizations for Pennsylvania Children with Cancer

This research brief examined inpatient hospitalizations for Pennsylvania children (under age 18), who were admitted to a Pennsylvania GAC hospital with a diagnosis of cancer between 2016 and 2023. The analysis included cases where cancer was the principal reason for admission and cases where the patient was admitted for another reason but also had a diagnosis of cancer. Results showed that:

- In 2022, there were 2,555 inpatient hospitalizations for cancer, the lowest point
- In 2019, there were 3,051 inpatient hospitalizations for cancer, the highest point

By fostering a data-driven approach to health care, PHC4 envisions a healthier, more resilient society where resources are allocated effectively, and lives are improved. PHC4 is an independent council and aims to continue to serve its mission of empowering Pennsylvanians through transparency and welcomes a review of its publicly available reports.

Rural Childhood Cancer Hospitalizations per 10,000 Child Residents, 2021 - 2023



Hospitalization rates were based on PHC4 discharge data for Pennsylvania child residents and 2022 US Census Bureau county population figures, the most recent data available. Note that higher rates for some counties might reflect larger numbers of hospitalizations with certain at-risk characteristics (e.g., factors related to patient age, sex, race and ethnicity). County rates were not adjusted for these differences so that important effects of these patient characteristics were not masked by such adjustment.

For more information, visit **phc4.org**.

PENNSYLVANIA SMALL RURAL HOSPITAL PROGRAM

Ranks #1 Nationally for Quality Excellence; Receives Award for Second Consecutive Year

Pennsylvania Office of Rural Health representatives Lannette Lannette Fetzer (left), Sandee Kyler (third from left), and Lisa Davis, (far right) accept the 2024 Medicare Beneficiary Quality Improvement Project (MBQIP) Certificate of Excellence Award from Sarah Heppner, associate director at the Federal Office of Rural Health Policy.

The Pennsylvania Medicare Rural Hospital Flexibility (Flex) Program received the 2025 Medicare Beneficiary Quality Improvement Project (MBQIP) Certificate of Excellence Award in recognition of outstanding critical access hospital (CAH) state quality reporting and performance. The Pennsylvania program was ranked #1 nationally for the second consecutive year. Pennsylvania is one of only two states to have received this recognition two years in a row.

The award was presented on July 17 at the annual Medicare Rural Hospital Flexibility Program Reverse Site Visit in Washington, DC, and was given by the Federal Office of Rural Health Policy in the U.S. Department of Health and Human Services' Health Resources and Services Administration. Lannette Fetzer, quality improvement coordinator; Sandee Kyler, rural health systems manager and deputy director; and Lisa Davis, director and outreach associate professor health policy and administration at the Pennsylvania Office of Rural Health, accepted the award on behalf of the state's CAHs.

MBQIP is a quality improvement activity under the Flex grant program. The goal of MBQIP is to improve the quality of care provided in CAHs by increasing quality data reporting by CAHs and then driving quality improvement activities based on the data. MBQIP is a voluntary reporting system that includes quality and satisfaction measures from the Centers for Medicare and Medicaid Services Hospital Compare plus a CAH-specific Emergency Department Transfer Communication measure set. Pennsylvania was one of the first four states to have 100 percent CAH participation in MBQIP.

In addition to Pennsylvania, Alabama, Hawaii, Iowa, Massachusetts, Nevada, New Hampshire, South Dakota, Virginia, West Virginia, and Wisconsin were also recognized in the top eleven nationally.

"Pennsylvania is fortunate to have seventeen CAHs dedicated to delivering high-quality care in rural communities. Their unwavering commitment to excellence is evident in the compassionate, patient-centered services they provide every day. It is truly a privilege to work alongside these hospitals as they continue to set a standard for outstanding rural health care," said Fetzer.

During the meeting, Fetzer and Kyler were invited to present "Connecting the Dots: Enhancing Care Coordination in Rural Health Systems" to a national audience of CAH state-based technical assistance experts. The presentation highlighted the importance of care coordination, use of a logic model, and the financial implications for hospitals. The session received a standing ovation, reflecting the value and relevance of their insights to rural health leaders across the country.

"At the heart of every quality improvement effort are people who genuinely care—about their patients, their neighbors, and the health of their communities," Kyler said. "Our critical access hospitals don't just provide health care—they are woven into the fabric of rural life. This recognition honors their deep-rooted commitment to doing what's right every day for the people they serve."

The Flex was established through the Balanced Budget Act of 1997, the Balanced Budget Refinement Act, the Benefits Improvement and Protection Act, and the Medicare Modernization Act. This program improves access to preventive and emergency health care services for rural populations. Providing federal grant funding to eligible states, the program requires states to address rural health network development and directs significant effort into designating CAHs, which are small hospitals (25-beds or less) in rural counties that serve high Medicare, Medicaid, low income, and uninsured populations. Pennsylvania has seventeen CAHs.

PENNSYLVANIA RELEASES 2025–2030 RURAL HEALTH PLAN TO GUIDE

Equitable, Community-Driven Rural Improvements Across the Commonwealth

In July, the Pennsylvania Rural Health Association (PRHA) released the long-anticipated 2025–2030 Pennsylvania Rural Health Plan, a comprehensive roadmap to improve the health and well-being of rural residents across the state. This is the first stand-alone rural health plan in Pennsylvania since 2000.

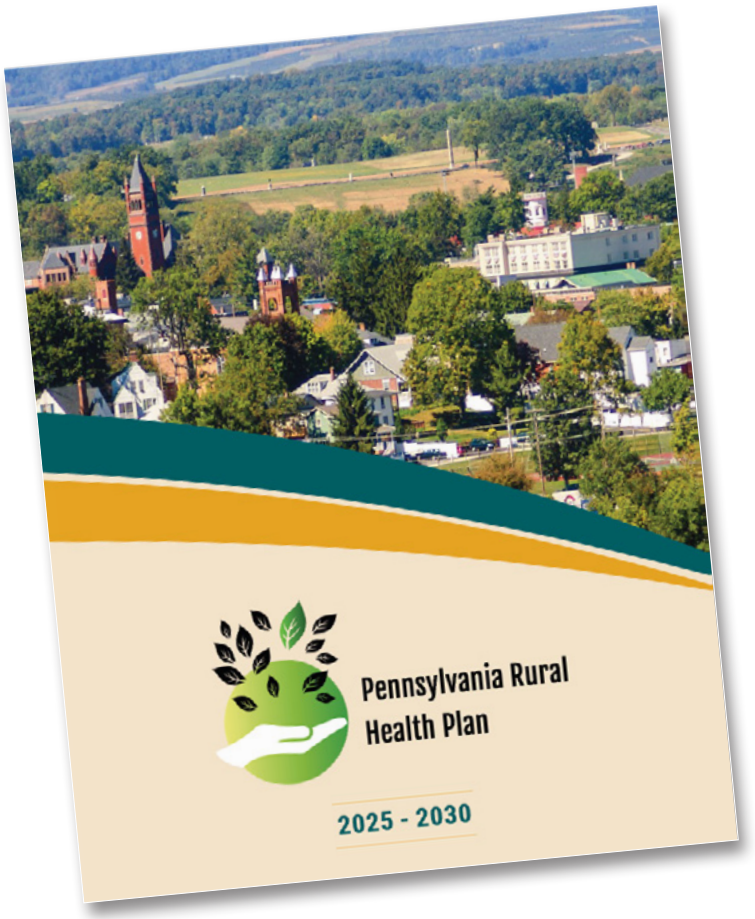
Developed with input from rural community leaders, health professionals, academic institutions, and policymakers, the plan identifies key priorities and action steps to address the unique health challenges and opportunities in Pennsylvania's forty-eight rural counties. It places a strong focus on access to care, behavioral health, oral health, maternal health, workforce development, broadband connectivity, and health equity.

"The Pennsylvania Rural Health Association is proud to launch this vital plan," said Debra Youngfelt, PRHA past president. "We encourage health systems, local leaders, advocates, and community members to use the plan as a tool to shape a healthier future for our rural neighbors."

PENNSYLVANIA RURAL HEALTH ASSOCIATION

Leading the way

To Advance the Health and Well-being of Pennsylvania's Rural Citizens and Communities



The plan builds on the momentum of previous rural health efforts and aligns with state and national public health priorities. It includes measurable objectives and strategies that stakeholders across sectors can use to guide planning, partnerships, and investment in rural Pennsylvania.

"This plan is both a vision and a call to action," said Lisa Davis, director of the Pennsylvania Office of Rural Health, who led the development of the plan. "It reflects the voices of rural Pennsylvanians and is designed to support collaborative, locally driven solutions that build stronger, healthier communities."

A series of rural community-based town hall meetings are planned for fall 2025 and spring 2026 to unveil the plan and solicit feedback. Those will be announced as they are coordinated.

Access the 2025–2030 Pennsylvania Rural Health Plan *on the Pennsylvania Rural Health Association website at* **paruralhealth.org**. *For more information, contact PRHA at* **paruralhealthassociation@gmail.com** *or* **814-799-0850**.

PENNSYLVANIA CLUBHOUSE COALITION

RESTORING HOPE AND DIGNITY: How the Clubhouse Model Transforms Rural Mental Health

By Ralph Kabakoff, Dez L., and Natalie M.

Today, Dez is known as an outgoing, fun-loving person recognized by her friends for her confidence, but that confidence was hard-won. After a suicide attempt related to her ongoing struggle with schizophrenia, Dez was hospitalized. During her recovery, she learned about Hope Springs, a Clubhouse program offering psychiatric rehabilitation in a community-based setting.

Like many living with mental illness, Dez faced isolation, difficulty finding and maintaining employment, and challenges building lasting relationships. Through her involvement with the Clubhouse, she found a supportive network and opportunities for growth. Today, she is involved, connected, and thriving. She has spoken publicly about her recovery, represented the Clubhouse at statewide conferences, and become a leader among her peers. These opportunities, she says, were made possible by the Clubhouse Model.

Dez L. found support and opportunities at her local Clubhouse.

Natalie, another member at Hope Springs, joined the Clubhouse in 2024 after struggling with low self-esteem, lack of basic life skills, and difficulties with medication adherence and self-injury. She noted that "The staff *actually* care about me and that has helped me to become more social, gain independence, and be safe outside of here. I feel more in control of my life, which helps me to have more motivation for my future."

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>
> *—Dez L.*

In the U.S. and across the globe, the "Clubhouse Model" serves as a non-clinical, community-based psychosocial rehabilitation service that provides a space for individuals experiencing serious mental illness to engage in a planned community where they can cultivate meaningful relationships with fellow members and committed staff. The Clubhouse Model complements traditional psychiatric services and emphasizes dignity, inclusion, and purpose. Members are seen as contributors, collaborating in the daily operation of the Clubhouse and supporting each other in recovery. Research demonstrates that this model promotes uniquely supportive social relationships when compared to other mental health programs. Clubhouses link members to employment and education opportunities, reduce psychiatric hospitalizations, and save the U.S. health care system over $682M annually

The Pennsylvania Clubhouse Coalition (PCC) was formed in October 1993 by four clubhouses, which follow the clubhouse standards established by Clubhouse International, based in Fountain House in New York City. PCC has grown to twenty clubhouses across the state with more expansion planned. PCC provides training and advice for existing clubhouses through monthly check-ins, an annual conference, and opportunities for advocacy through connections to managed care providers and lawmakers.

In rural communities, where access to mental health care is often limited, the Clubhouse Model offers a proven solution that yields significant savings and system-wide benefits. The model also provides a pathway to personal recovery and is a valuable resource for strengthening the broader social and economic fabric of rural towns. PCC believes that every community deserves access to a clubhouse and when individuals are supported, heard, and empowered, communities heal and grow.

Learn about the Pennsylvania Clubhouse Coalition at **paclubhousecoalition.org** *and to find a Clubhouse location in Pennsylvania, visit* **paclubhousecoalition.org/find-a-clubhouse**. *More information on Clubhouse International can be found here:* **clubhouse-intl.org**.

RURAL HEALTH REDESIGN CENTER

FROM CRISIS TO COMMUNITY:

How the PREP Program is Forging Paths to Recovery

When the Philadelphia Phillies baseball team plays, the stadium erupts with the roar of 43,000 fans, yet these sold-out crowds pale when compared to the 68,239 lives lost to drug overdose in the U.S. in 2023. Behind each statistic lies at least one missed chance to intervene, and that is where the Peer Recovery Expansion Project (PREP) steps in.

PREP unites rural hospitals and single-county authorities (SCAs) across Pennsylvania by embedding Certified Recovery Specialists (CRSs) in hospital emergency departments. The program is funded by the federal Health Resources and Services Administration's Rural Communities Opioid Response Program and is housed in the Pennsylvania-based Rural Health Redesign Center. Drawing inspiration from the success of the Addiction Recovery Mobile Outreach Team developed in southwestern Pennsylvania, PREP adapts proven strategies to the unique challenges of small communities, ensuring that no one slips through the cracks.

At its core, PREP bridges critical gaps that can prevent individuals with opioid use disorder from accessing the treatment they need. PREP CRSs work one-on-one with eligible patients to coordinate care, expand access to substance use disorder treatment and wraparound services, reduce hospital readmissions, and promote wellness within their communities. By fostering strong partnerships between SCAs and local hospitals, the program brings treatment and recovery education directly to the places where it is needed most.

Collaboration Fuels Progress

PREP aligns goals and resources through monthly regional work groups that share best practices and address issues. Bi-monthly stakeholder forums create opportunities for collaboration and quarterly steering committee meetings track milestones and chart new directions. This ongoing communication keeps PREP agile, responsive, and laser-focused on impact.

Central to PREP's success are the CRSs, as they are the "boots on the ground." Supported by ARMOT staff, these specialists offer lived-experience insight, nonjudgmental guidance, and real-world hope that can ignite recovery where clinical interventions alone fall short. To equip hospitals for this vital work, PREP provides continuous training on recognizing and reducing stigma, having difficult but life-saving conversations, and understanding the complex interplay of trauma and substance use. Armed with these skills, PREP CRSs and hospital staff serve clients with empathy, expertise, and unwavering support.

Since its inception, PREP's CRSs have facilitated over 155 treatment referrals. Each one represents a life moving closer to recovery, and a community strengthened by the willingness to step in, speak up, and stand by those who need us most.

As the roar of fans at a baseball game reminds us of the power of community, PREP reminds us that our collective voice can be even stronger by transforming the staggering toll of 68,239 overdose deaths into a rallying cry for action. By embedding CRSs in rural hospitals, PREP turns missed opportunities into moments of intervention, guiding individuals from crisis to recovery. Every referral, monthly work group, bi-monthly forum, and skill-building workshop equips the PREP CRSs to offer understanding, acceptance, and empathy as much as expertise. In doing so, PREP does not just reduce readmissions or share best practices; it restores hope, rebuilds lives, and strengthens the fabric of small communities. The next time those stadium lights shine, let them illuminate the path to recovery we are forging together—because no one should ever slip through the cracks.

For more information about the Peer Recovery Expansion Project (PREP) Program, please visit the RHRC website at **rhrco.org** *or contact the PREP Program Manager at* **Support@RHRCO.org**

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PennState

Rural Health Research Gateway

The Rural Health Research Gateway offers easy and timely access to research completed by the Rural Health Research Centers, funded by the Federal Office of Rural Health Policy. The Gateway provides policy briefs, chart books, fact sheets, journal articles, infographics, and more for use by policymakers, educators, public health employees, hospital staff, and others.

To learn more, access the Rural Health Research Gateway at **ruralhealthresearch.org**.

SAVE THE DATE

APRIL 27–30, 2026

PENNSYLVANIA RURAL COMMUNITY AND PUBLIC HEALTH CONFERENCE

LOCATION TO BE ANNOUNCED IN 2026!