



Reauthorization of State Office of Rural Health Grant Program

Issue:

The authorization for the Federal Government to make grants to State Offices of Rural Health (SORH) has expired and must be reauthorized.

Background:

The general purpose of each SORH is to help their individual rural communities improve health care delivery systems. While funding levels and sources also vary from state-to-state, each state receives a portion of their funding from the U.S. Department of Health and Human Services' Office of Rural Health Policy through the SORH Grant program, begun in 1991. With this grant, a SORH is expected to:

- Collect and disseminate information
- Coordinate rural health resources and activities state-wide
- Provide technical assistance
- Encourage recruitment and retention of healthcare professionals
- Strengthen state, local, and federal partnerships

For more than a decade, federal matching grants have been available to the states for the purpose of supporting the work of state offices of rural health. When the program was initiated, not all states operated and supported the work of a State Office of Rural Health. There are now State Offices of Rural Health in all 50 states.

Funding for the activities of the State Offices of Rural Health represents only a portion of the support for the work that SORHs carry out. As a condition for receiving a federal grant, the State Office of Rural Health must secure \$3.00 in non-federal funding for each \$1.00 the SORH receives. The minimum grant each state is eligible to receive under the current program is \$50,000.

Congress has continued to fund the State Office of Rural Health program despite the expiration of the authorization. For Fiscal Year 2009, the House and Senate Appropriations Committees have recommended an appropriation of approximately \$9 Million for the State Office of Rural Health grant program.

Discussion:

When the State Office of Rural Health grant program was initiated in the early 1990s, only a handful of states had formally established State Offices of Rural Health. Today, there is a rural health office

operated and maintained in all 50 states. The federal grants are an important component that allows these offices to meet the challenges faced in recruiting and retaining healthcare professionals in rural underserved areas, assisting rural residents in accessing these professionals, and serving as an important focal point for technical assistance to rural communities as they strive to meet the health needs of their citizens. The SORHs have extensive experience in developing and implementing local and statewide healthcare and community development initiatives and are ideally suited to assisting elected officials in addressing community needs.

In urging Congress to reauthorize the SORH grant program, we are recommending some changes to the program to allow it to better focus federal resources on key rural health initiatives.

We are recommending that Congress retain the matching component of the SORH grant program; however we are recommending that the minimum grant be raised from \$50,000 to \$150,000. Current appropriations would support this change and are reflective of current funding levels available to the states.

In addition, we are recommending that Congress remove the aggregate cap on funding that was put into place when this program was originally created in 1997. We believe the work and activities undertaken by the State Offices of Rural Health justify this change and will allow states to better conduct long-range planning. Congress would continue to retain the authority to fund this account through the annual appropriations process.

Finally, we are recommending some technical changes to the underlying authorizing language to clarify both the intent of the program.

A copy of the proposed new Section 254r has been attached for your review

Recommendation:

Reauthorize the State Office of Rural Health program and make the NOSORH recommended changes.

For more information about the State Office of Rural Health grant program, please contact your SORH or contact:

Teryl Eisinger
Director
National Organization of State Offices of Rural Health
586-739-9940
teryle@nosorh.org