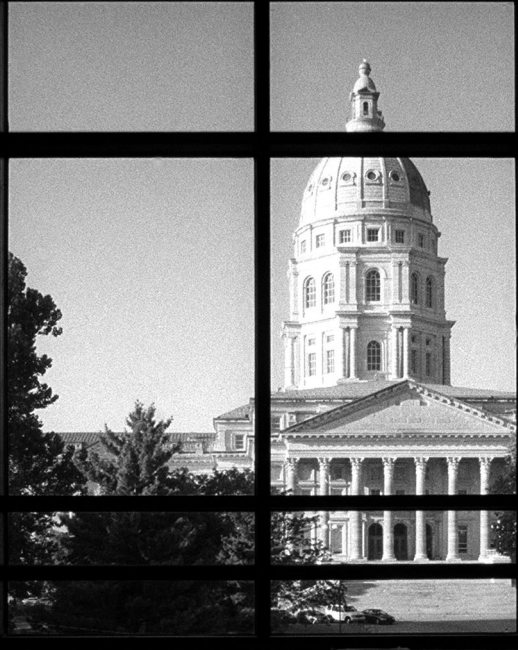


No. 7, January 2004  
**Forum Brief**

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Kansas Health Policy Forums

2004



**Is the Health Care System  
Sustainable in Rural Kansas?**

Thursday, January 22, 2004 • 9:30–12 • Lunch provided  
212 SW Eighth Avenue, Topeka, KS  
Lower Level Conference Room

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***A DISCUSSION FEATURING***

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**Keith Mueller, Ph.D.**

*Professor and Director  
Center for Rural Health Policy Analysis  
University of Nebraska Medical Center*

**Leonard E. Bloomquist, Ph.D.**

*Associate Professor of Sociology  
and Department Head  
Kansas State University*

**Richard Morrissey**

*Interim Director of Health  
Kansas Department of Health  
and Environment*



KANSAS HEALTH INSTITUTE

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# Is the Health Care System Sustainable in Rural Kansas?

by Anthony Wellever, M.A.

## SUMMARY

The population of frontier and rural counties in Kansas has declined every decade since 1930. If this trend continues, health services in these areas may become economically unsustainable. Policymakers are urged to begin planning now for this future contingency. Among possible options are policies that target the underlying problem by promoting economic development and migration to these counties. Other policy options include programs to improve rural transportation, health care workforce development, quality improvement and health systems planning.

## Introduction

Despite a depression in agricultural prices that began in the wake of World War I, frontier and rural counties<sup>1</sup> in Kansas continued to add population through the 1920s, as they had in previous years since statehood. However, beginning with the stock market crash in October 1929 and the spread of the depression to other segments of the economy, frontier and rural counties in Kansas began to lose population. In the 1930s alone, frontier counties in Kansas lost almost 16 percent of their population. Since 1930, the population has declined in the 69 frontier and rural counties of Kansas. Fewer than one-half as many people live in the frontier counties of Kansas today as did in 1930. The population of rural counties in Kansas fell by 38 percent during the same period; in contrast, the total population of other Kansas counties almost doubled, increasing by 90 percent.

Population decline has broad social and economic consequences for the residents of these counties. None perhaps is more serious than the potential impact of population loss on the provision of health and health care services.<sup>2</sup> At the current rate of population decline, the provision of health and health care services in many frontier and rural

counties in Kansas eventually will become economically unsustainable. How services are to be provided in these counties and to whom they will be offered may be questions that the free market will answer. If, however, providers cannot earn a reasonable return on the delivery of services, or if providers in adjoining areas are already working at peak capacity, the market may be unable to solve the problem. Because the consequences of market failure are so great to the residents of these areas, state decision-makers should begin to develop a menu of policy options to address the problems of very low population density.

## The Demographics of Rural Contraction

The demographics of these counties and the issues they create are as follows:

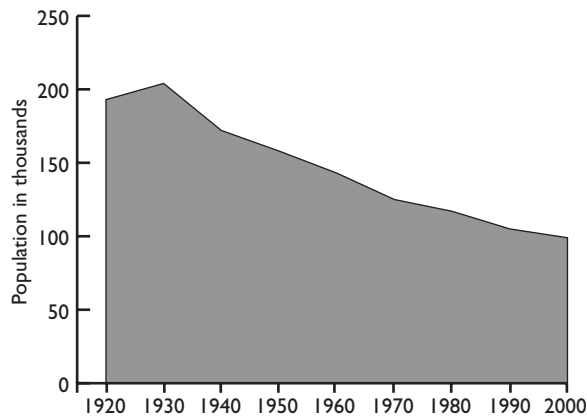
- **Residents of frontier and rural counties, on average, have lower incomes and less education than statewide averages.** Both higher incomes and greater educational attainments are positively correlated with health and well-being. In 2000, the median family income in 67 of the 69 frontier and rural counties, in 2000, was below the median family income for all of Kansas. Almost one of four (23 percent) frontier and rural counties have

<sup>1</sup> Counties with less than six residents per square mile are considered "frontier" by the Kansas Department of Health and Environment. "Rural" counties have 6.0 to 19.9 residents per square mile. This report uses the 1990 county designations. Of the 105 Kansas counties, 38 are designated rural and 31 are designated frontier.

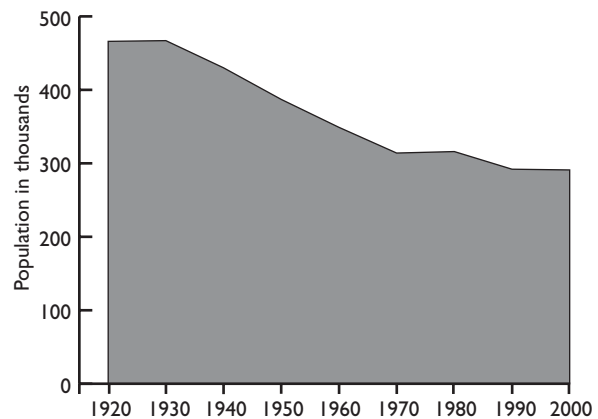
<sup>2</sup> "Health services" are those provided for the benefit of the entire population, for example, communicable disease control. "Health care services" are provided directly to individuals.



Frontier Counties Population, 1920–2000



Rural Counties Population, 1920–2000



median family incomes that are 26 percent or more below the statewide median.

- **Non-farm employment opportunities in many frontier and rural counties are quickly eroding.**

Ten percent of frontier and rural counties lost jobs between 1990 and 2000; in one county the number of non-farm jobs in the county declined by 42.5 percent. Fifty-five percent of frontier and rural counties had rates of job growth below the state average. Due to small population numbers and great economic volatility, the rate of job growth can fluctuate wildly. In one frontier county, the number of non-farm jobs grew by 128.3 percent. Employment is the most common source of income, and most Kansans obtain health insurance through their employers.

- **Population density in frontier counties is extremely low.**

One-third of frontier counties have population densities of less than three residents per square mile. Sixty-three percent of rural counties have between six and 10 residents per square mile, and when frontier and rural are combined, 80 percent of the 69 counties have populations with less than ten residents per square mile. As population density shrinks, the problems of health service delivery grow. Transportation, health care workforce availability, standby costs for emergency services, economic efficiency and quality of care are examples of health service delivery issues that may occur when population declines.

- **Kansas frontier and rural counties have populations that are much older than the state average.**

In six of ten of these counties, more than 20 percent of the population is older than age 65. The

state average is 13.3 percent. Twelve frontier and rural counties (17.4 percent) have elderly populations of 25 percent or more. The elderly consume more health services and have different health services needs than younger residents.

- **Between 1990 and 2000, the Hispanic/Latino population of Kansas doubled.**

Hispanic/Latino residents comprise seven percent of the state population, but six frontier and rural counties have Hispanic/Latino populations greater than 20 percent—three times the state average. Counties with higher percentages of Hispanic/Latino residents have some unique health care needs that may require a different approach to satisfy them. For example, the proportion of the population under age 18 is significantly higher in these six counties. As a result, immunizations, routine dental care and prenatal and well-baby care are more critical in these counties. Giving children a healthy start will pay benefits throughout life to both individuals and the society at large. Due to differences in language, beliefs and traditions, providers in these areas should make their medical and outreach services more culturally relevant.

### Policy Options

Two policy solutions to the problem of declining population in frontier and rural areas of the state and its effect on the health care system rise to the top. They are not mutually exclusive and may be more effective if implemented in tandem. First, policymakers can attack the underlying problem and attempt to reverse the decline in population. The proposed New Homestead Economic Opportunity



Act (S.602), sponsored by U.S. Senator Sam Brownback, would combine tax credits, grants and loans to promote rural economic development and to attract new residents. (The bill has not yet passed Congress.) Others have suggested replacing irrigation-based agriculture with more diverse forms of economic activity. The availability of steady, well-paying jobs and affordable housing would mitigate many of the problems created by sparse population.

Secondly, policymakers can create programs and policies that target health-related problems directly. Emergency and non-emergency medical transportation, health care workforce development and quality

improvement are issues currently in need of policy and programmatic intervention. Further population decline will only exacerbate existing problems in these areas. Other issues will need to be addressed, such as the range of health and health care services needed and the determination of essential services—those health services to which all Kansas should have access within 30 or 45 minutes. Finally, but not unimportantly, the methods of financing these services from a diminishing local tax base will need to be considered. The Kansas Health Institute is sponsoring this Health Policy Forum as the first step in a process that may lead to increased health policy planning for rural areas of the state with declining populations.

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### **About the Forums**

Kansas Health Policy Forums are a series of interactive sessions for policymakers examining a broad array of health issues. Forums present a wide range of national and local expertise on current health policy issues followed by facilitated discussion and dialogue in a non-partisan setting. Forum Briefs analyze issues, present relevant data and information, and are produced as background material for each forum.

### **Speaker Biography: Dr. Keith Mueller, Ph.D.**

Dr. Mueller is a Professor and Head of the Section on Health Services Research and Rural Health Policy, Department of Preventive and Societal Medicine and Director of the Center for Rural Health Policy Analysis, University of Nebraska. He also served as Professor of Political Science at the University of Nebraska-Lincoln. He was Chair of the Health Panel, Rural Policy Research Institute and primary author of a number of its publications. He has received many service awards including Distinguished Teaching Award from the College of Arts and Sciences, University of Nebraska-Lincoln (1990) and the Volunteer of the Year Award (1999) and Distinguished Researcher Award (1998), both presented by the National Rural Health Association. He is a past President of the National Rural Health Association. Dr. Mueller received his B.A. and M.A. from the University of Wisconsin at Milwaukee and his Ph.D. in political science from the University of Arizona.

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*The Kansas Health Institute is an independent, nonprofit health policy and research organization based in Topeka, Kansas. Established in 1995 with a multi-year grant from the Kansas Health Foundation, the Kansas Health Institute conducts research and policy analysis on issues that affect the health of Kansans.*