

Investing in healthy rural communities – lessons learned and future directions

by Steve Kuehl, Karen Timberlake, Kayla Brenner Peissig, and Lexi Handrick

The views expressed in this article do not necessarily represent the views of the Federal Reserve Bank of Chicago, UW Population Health Institute, Fort Healthcare, Forward Community Investments, MadREP, Robert Wood Johnson Foundation, Rural Wisconsin Health Cooperative, Southwestern Wisconsin Community Action Program, or the Wisconsin Partnership Program.

The Federal Reserve System and the Robert Wood Johnson Foundation (RWJF) created the Healthy Communities Initiative¹ to enrich the debate on how cross-sector and place-based approaches might revitalize neighborhoods and communities, while improving health and well-being for residents.

A large body of research and evidence demonstrates inextricable linkages between economic success and physical and mental well-being. People who live in economically challenged areas endure more stress, are more likely to report their own physical and mental health as being just “fair” or “poor,” are more prone to earlier onset of disease, and live shorter lives, irrespective of genetic predispositions. While the relationship between community conditions and the health and well-being of residents is well established, opportunities for interdisciplinary discussions, with a focus on advancing rural community vitality and health, have been few.

Building off of conferences held in Chicago in 2013 and Milwaukee in 2014, the Federal Reserve Bank of Chicago co-hosted a conference on building healthy and sustainable rural communities on July 1, 2015, at the University of Wisconsin–Platteville. The goal of the conference was to consider more deeply the common interests in resilient, thriving, healthy rural communities shared by economic development and community health

focused organizations, and how to advance these interests in the largely rural tri-state area covered by southwestern Wisconsin, northeastern Iowa, and northwestern Illinois.

The event provided an opportunity to explore what is working to build health, prosperity, and resilience in rural communities. It featured national speakers and local leaders in community and economic development and community health improvement work who shared examples of successful community integration between the disciplines from the perspectives of policy, practice, and financing.

Health happens in neighborhoods

David J. Erickson, director, Center for Community Development Investments,² Federal Reserve Bank of San Francisco, highlighted the relationship between health, education, income, and geography. Health is largely shaped by social and physical environments (e.g., neighborhood schools, jobs, parks/playgrounds, grocery stores, housing, and transportation), and much research indicates that where one lives has a greater impact on health than their DNA. Erickson addressed the need for a business model to end multi-generational poverty, create economic opportunities, and improve health at a local level. The community development sector works

to improve health by coordinating investment into low-income communities using cross-sector and place-based services and facilities, he noted.

Successful community interventions must have these common elements:

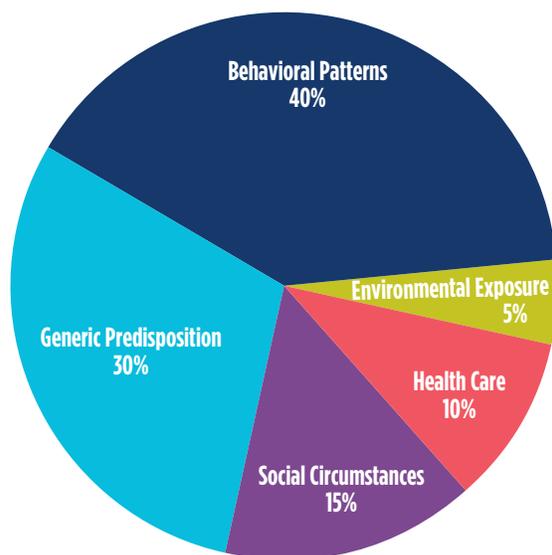
- Trust and buy-in (from local community)
- Cross-sectoral partners
- Place-based focus
- Data driven analysis
- Anchor organizations to coordinate partners and sustain the work

While the contributions made by factors beyond clinical care to the health of individuals and communities are increasingly well understood, more work is needed to transform communities' access to the data and financing needed to support their efforts.

Erickson referred to a study by J. Michael McGinnis,³ which found that many conditions driving the need for

medical treatment are preventable, and the findings of this and much other research ought to draw attention to policy opportunities for promoting health. As Chart 1 indicates, the study found that of the determinants of population health – environmental exposure, behavioral patterns, genetic predisposition, social circumstances, and health care – (lack of) access to health care was only linked to 10 percent of premature deaths. Factors such as environmental (toxin) exposure, behavioral patterns, and social circumstances had much more impact. Erickson pointed out that these social determinants play out in neighborhoods. For example, it's difficult to eat well if you live in a food desert and to exercise outdoors if your neighborhood is unsafe. Further, the genetic predisposition component is heavily influenced by environmental factors and we have learned through epigenetics (the study of external factors that alter gene activity) that exposure to sources of stress and harmful environmental factors can trigger genetic switches that open pathways to disease and worse health outcomes. Erickson suggested increasing attention and resource commitment to the nonmedical determinants of population health and encouraged conference participants to look at ways to alter public policy to encourage disease prevention and health promotion.

Chart 1. Contributions to premature death



Source: J. Michael McGinnis, Pamela Williams-Russo and James R. Knickman, The Case For More Active Policy Attention To Health Promotion, *HealthAffairs*, March 2002, vol. 21 no. 2 78-93. Available on the internet at: <http://content.healthaffairs.org/content/21/2/78.long>.

Realizing a population health vision

David Kindig emeritus professor of population health sciences at UW–Madison, underscored Erickson's premise that population health improvement will not be achieved without appropriate financial incentives. Currently, the United States overinvests in medical care and underinvests in education, job training, and income supports, which all impact health. Despite spending by far the most on health care, the US trails other industrial nations in health outcomes. The Institute of Medicine (IOM) Roundtable⁴ on Population Health Improvement set a 2030 vision, with targets including health adjusted life expectancy (morbidity and mortality measures) and per capita health care spending, that are intended to engage actors in the health system to achieve parity in health outcomes with other industrialized nations. This vision is necessary to guide the work of rural, as well as more urban communities in population health improvement.

Kindig asserted that the United States is spending more on health care than the nation is receiving back in value. To get more benefit, Kindig urged financial support for

resources to improve population health. These increased resources can come from savings: Community Benefit Reform,⁵ which refers to renewed/revised focus on preventive care by hospitals (the vast majority) that must prepare and address the results of community health needs assessments; and the Affordable Care Act Shared Savings Program,⁶ which was created to serve certain Medicare recipients, coordinate care among providers, and reduce duplicative services or otherwise wasteful expense. Further (long-term) savings can be realized by informed investment in other sectors, such as education, agriculture, and transportation. Businesses, especially large employers, have a role and interest that transcends corporate responsibility; for their own benefit, places where they do business must have healthy and educated workers.

Kindig stressed the need for a Pay-for-Population Health Performance System⁷ backed by solid partnerships and real resources. He offered that a “quarterback” or coordinating organization is needed to align financial resources and incentives efficiently to improve the social determinants of health across populations. Such a need could be addressed by a coordinating organization like a super-integrator or a medical outcomes trust (an entity designed to provide precise outcome measurement) to guide policy across multiple sectors (e.g., employers and community organizations, government and schools, healthcare organizations) as shown in Chart 2.

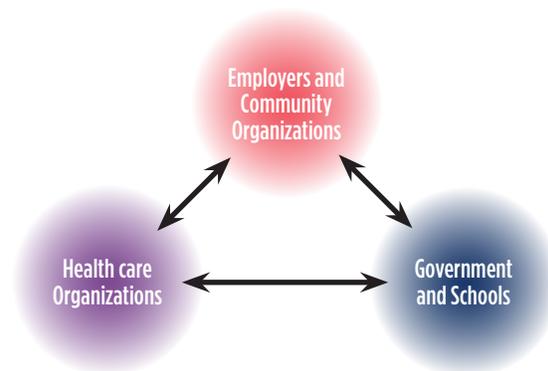
Building a culture of health

Hilary Heishman, program officer at RWJF, encouraged communities to build healthier places by working in the four “action areas” of the culture of health operational framework, including:

- Making health a shared value
- Fostering cross-sector collaboration to improve well-being
- Creating healthier, more equitable communities
- Strengthening integration of health services

Promoting health and well-being in rural communities requires anchor institutions, other local organizations, and residents to focus their efforts in each of these four areas. The outcome is improved population health and well-being. Heishman stated that these four “action

Chart 2. A super-integrator



Source: David A. Kindig, “Do We Need a Population Health Super-Integrator?” *Improving Population Health*. Web blog post. September 14, 2010. Available on the internet at: http://www.improvingpopulationhealth.org/blog/2010/09/super_integrator.html.

areas” guide RWJF’s thinking in building a culture of health, and to improving capacities to do so. (see Chart 3).

Characteristics and examples of successful rural health improvement efforts include:

- Deliberate collaboration – this is forward-looking collaboration where goals are built by consensus across different organizations and sectors
- Building goals and pooling resources across multiple sectors – this enables the community to collectively accomplish more together than they could separately
- Celebrating success – when communities are used to thinking of themselves as the underdog (as many rural places do), celebrating success is very important for any successful change to flourish
- Building on local values – this is focusing upon what is important to local people, such as valuing independence so that older people can age in place
- Creating space to realize opportunities for healthy change – examples include creating space for exercise or healthy eating
- Encouraging and supporting new innovations – creating space for business development innovation will help to create a culture of local entrepreneurship

- Using local assets – tapping into local know how and resident expertise to foster organic growth in the community and offset the lack of outside investment – especially important in rural communities

The RWJF also invests in the County Health Rankings & Roadmaps,⁸ which offers coaching to build a culture of health and to improving capacities for stronger and healthier rural communities. The Rankings have tracked the relative health of Wisconsin’s counties every year since 2003.

Pollinating healthy rural communities: A new approach to economic development

Michael Shuman, an economist and author, focused on the idea of pollinating healthy rural communities through an expanded vision of what it means to do “economic development.” Shuman argued for approaching economic development through the lens of pollinators – those

Chart 3. Four action areas of the culture of health operational framework



Source: Alonzo L. Plough, “Measuring What Matters: Introducing a New Action Framework.” Culture of Health. Web blog post. November 11, 2015. Available on the internet at: http://www.rwjf.org/en/culture-of-health/2015/11/measuring_what_matte.html.

who support the creation and growth of locally owned businesses. While smaller, more locally owned businesses tend to pay lower wages, it is also the case that locally owned businesses are more common in communities with higher per capita income and employment growth, and reductions in poverty. Shuman cited a 2013 Federal Reserve study⁹ that found which local entrepreneurship matters for local economic performance and smaller local businesses are more important than larger local businesses for local economic performance.

Shuman examined five possible explanations for this non-intuitive finding:

1. Local businesses have huge economic multiplier effects. According to Shuman, when communities buy from locally owned businesses, more money stays in the local economy and multiplies 2-4 times.
2. Smaller local businesses eventually become bigger, higher paying businesses, and larger businesses that are locally owned tend to stay put.
3. Local businesses are all about relationships, between customers, owners, investors, suppliers, etc.
4. Locally owned businesses contribute to healthier community conditions. They tend to be better actors in their environmental practices: for example, local grocers and restaurants often produce or process locally sourced, healthier foods.
5. Local businesses often boost their local economy through ‘import substitution’ – making for themselves what they (or others) used to import.

Shuman also highlighted the features of a local “entrepreneurial ecosystem,” targeted actions that support and foster the growth of healthy, thriving rural communities:

- **Planning** - Identifying all the ‘leaks,’ meaning all the places where people are unnecessarily buying outside goods and services
- **People** - Support entrepreneurs
- **Partners** - Compete through collaboration – build teams of local businesses who are more competitive working together than alone

- Purse - Harness savings locally, placing short-term savings in local banks, longer-term savings in pension and investments funds, and put them to work in local businesses
- Purchasing - Spearhead “Local First” campaigns
- Policymaking - Remove (or decrease) anti-local business biases, such as tax incentives for large national retailers

Shuman closed by stating that the current approach taken by most local economic development authorities offer big incentives to attract one large business at a time. This process is very slow and uncertain. However, if the approach shifts to investing in pollinators, and to ensuring that pollinators are actively working in a local community, then local economic development authorities have the ability to generate many businesses simultaneously.

Toward profound advancements in health, well-being, and prosperity in rural communities

At the end of the conference, all participants and speakers identified “one idea that, if implemented, can lead to the most profound advancements in health, well-being, and prosperity in rural communities” on an index card. Conference participants then scored each idea.

The ten highest scoring ideas that emerged included:

1. Ensure that accessible, affordable broadband connections are available for all people statewide.
2. A collective action collaborative that includes area business leaders, health care organizations, and other community stakeholders that are invested in addressing common health care issues.
3. Free college courses for high school students who are in the workforce.
4. Growing and investing in the local economy and local entrepreneurs which would cultivate a culture of community investments and provide economic opportunities instead of trying so hard to attract outside businesses.

5. Form a local purchasing program that will coordinate local purchasers of products with local suppliers of products.
6. Create a place within the community that supports entrepreneurial ideas/concepts and activities from local people (the idea/concept) supported by local mentors, financial groups, etc. (the concept of pollination).
7. Dairy Grazing Apprenticeship (DGA). Train the next generation of dairy farmers to keep small farms in Wisconsin viable.
8. For local economic development proposals under consideration by local government for possible implementation, include metrics that quantify the impact on the local economy and health outcomes.
9. Focus on local businesses to get them to stay in and help the local community grow.
10. Reduce siloes by engaging all community stakeholders at least annually.

Conference participants were then asked to respond to the following question: “If you were giving advice to organizers, what is going to be the first and most powerful step you can take to advance this initiative?” Participants provided the following five responses:

1. Statewide broadband Internet access
 - Work as a state to support local cooperatives in expanding broadband in rural areas.
2. Collective action collaborative
 - Build on the successful examples such as UNITE¹⁰ in Platteville, Wisconsin. Create an inventory of these efforts so that we can learn from them.
 - Backbone organizations create opportunities to make progressive change. Develop a ‘collective action learning collaborative’ with a dedicated convener to pull people together.
 - Start with an ‘assets vs. needs assessment’ because most communities do not know what they need until they know what they have.
3. Free college courses for high school students in the workforce

- Contact leadership of the technical colleges and the technical college system.
- Some pilot programs exist – e.g., Southwestern Wisconsin Community Action Program¹¹ can help low-income individuals working 20 hours or more to continue their education. These programs need more local business support.

4. Growing and investing in the local economy

- Growing and investing in the local economy and local entrepreneurs will cultivate a culture of community investments and provide economic opportunities rather than focusing on attracting outside businesses.
- Start an entrepreneur after-hours program that meets once a month. This would be a drop-in opportunity for any entrepreneur.
- When local governments procure goods and services, they should include requirements that the winning bidder will invest in the local community and procure locally. Include metrics that quantify the impact of the local economy and health outcomes.
- Establish local purchasing programs, such as those in Ashland and Bayfield counties, which connect local manufacturers and purchasers with local suppliers, thus helping businesses to source locally.
- Engage local businesses in discussions on how best to support health and help local communities grow.

5. Dairy Grazing Apprenticeship

- This program strives to train the next generation of dairy farmers to be successful. It is off to a strong start with 55 farms approved in the state and 17 apprentices. Interest is growing in other states as well, including Minnesota, Maine, New York, and Missouri.

Conference materials and video

All materials pertinent to the conference, including the agenda and speaker slide decks, are available on the

conference web page at <https://www.chicagofed.org/events/2015/investing-in-healthy-rural-communities>.

Further, a video of all plenary presentations has been made available on the Rural Wisconsin Health Cooperative web page at <http://mediasite.rwhc.com/Mediasite/Play/9c6d25cbb9944c4190bbea364255e5db1d>.

Next steps

Investing in Healthy Communities: Ideas to Action for Healthy People, Places and Planet

Presenters and participants in the Platteville event highlighted many strategies that can be pursued to advance health, well-being, and economic development in rural communities. The energy and commitment to investing in healthier rural communities demonstrated in Platteville led the Federal Reserve Bank of Chicago to develop another Investing in Healthy Rural Communities conference that will be held at the Mead Hotel in Wisconsin Rapids on Wednesday, December 7, 2016. For more information and to register, visit the conference web page in the above link.

Broadband Boot Camp 2016: Talk to Action

In Platteville, the single idea that garnered the most votes with regard to the “one idea” with the most likelihood to advance health, wellbeing and prosperity in rural communities was expanding access to broadband throughout rural Wisconsin. Following up on this identification, the University of Wisconsin – Extension is hosting a conference titled “Broadband Boot Camp 2016: Talk to Action,” which will explore issues related to access, adoption, and utilization for statewide broadband. This broadband conference is being held on Tuesday, December 6, 2016, at the Mead Hotel in Wisconsin Rapids. The following day, at the same venue, is the next Investing in Healthy Rural Communities conference. We hope you can join us!

Notes

1. See <http://www.frbsf.org/community-development/initiatives/healthy-communities>.
2. See <http://www.frbsf.org/community-development>.
3. McGinnis, J. Michael, Pamela Williams-Russo, and James R. Knickman, 2002, “The Case For More Active Policy Attention To Health Promotion,” *Health Affairs*, March, Vol. 21 No. 2, pp. 78-93, available at <http://content.healthaffairs.org/content/21/2/78.long>.

4. California Health Care Foundation, Institute of Medicine Roundtable on Evidence-Based Medicine, available at <http://www.chcf.org/publications/2008/08/institute-of-medicine-roundtable-on-evidencebased-medicine>.
5. Robert Wood Johnson Foundation, 2016, "Health Policy Brief," HealthAffairs, February 25, available at http://healthaffairs.org/healthpolicybriefs/brief_pdfs/healthpolicybrief_153.pdf.
6. Centers for Medicare & Medicaid Services, available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/index.html?redirect=/SharedSavingsProgram>.
7. Kindig, David A., 2006, "A Pay-for-Population Health Performance System," The JAMA Network, December 6, available at <http://jamanetwork.com/journals/jama/article-abstract/204338>.
8. See <http://www.countyhealthrankings.org>.
9. Rupasingha, Anil, 2013, "Locally Owned: Do Local Business Ownership and Size Matter for Local Economic Well-being?," Federal Reserve Bank of Atlanta, discussion paper, August, available at <https://www.frbatlanta.org/community-development/publications/discussion-papers/2013/01-do-local-business-ownership-size-matter-for-local-economic-well-being-2013-08-19.aspx>.
10. See <http://www.uniteplatteville.org>.
11. See <http://www.swcap.org>.
12. See <http://www.cvent.com/events/investing-in-healthy-communities-ideas-to-action-for-people-places-and-planet/event-summary-3e2cf952959b4495ab09423824b89038.aspx>.
13. See <http://broadband.uwex.edu/resources/bootcamp2016>.

Biographies

Steven W. Kuehl is the economic development and Wisconsin state director for the Community Development and Policy Studies Division of the Federal Reserve Bank of Chicago.

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ECONOMIC DEVELOPMENT FORUM

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This forum will provide updates from two key departments from the Federal Reserve Bank of Chicago, Economic Research and Supervision & Regulation. This working lunch will feature William Testa, vice president and director of regional programs, who will provide an update on the current state of the economy, with a focus on how Wisconsin is performing, and Keshia King, risk management specialist, who will provide an update on the TILA-RESPA Integrated Disclosure Rule Implementation commonly known as the TRID rule. Ms. King will provide a brief overview of the TRID Rule from the perspective of a bank regulator and provide audience members an opportunity to ask questions regarding the Rule's implementation. Her presentation will be tailored toward bankers.

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