



THE NEEDS OF BOTH RURAL AND URBAN CONSUMERS ARE BEST SERVED BY NATIONALLY UNIFORM HEALTH CARE STANDARDS

Some proponents of reform argue for a flexible state role in exercising governance and control over the health care system in the belief that states will be responsive to the special needs of consumers living in rural or urban areas. In fact, state-by-state governance of health care system reform is at odds with the interests of both rural and urban health care consumers, because:

- Medical markets inevitably cross state borders, especially where they incorporate one or more of the many border communities throughout the country, or where residents in rural areas routinely travel to neighboring states to obtain acute (and sometimes even primary) health care services.
- As medical care has become more complex and specialized, giving rise to centers of excellence for the treatment of specific conditions, rural and urban consumers demand the most effective and efficient treatment wherever it is in the country.
- Under reforms that vary state-by-state, different segments of the same natural local markets will be split off and subjected to separate state-based rules that are likely to be inconsistent or incompatible with one another.
- Similarly situated individuals will be subjected to arbitrary disparity in treatment simply because of where they live.
- In addition, interstate health care services will be curtailed, natural markets will be further fragmented, competition and market efficiency will be undermined, and the cost of coverage will increase.
- Historically, a number of states have actively discouraged the development of competitive local markets by enacting anti-managed care and any-willing-provider laws, by mandating benefits to protect special interests, and by restricting board certification to the competitive disadvantage of group practices.
- Based on past experience, these or other forms of interference with the development of more competitive, efficient and cost-effective markets are likely to continue, if not increase, if states are given significant flexibility to enact their own health care system reforms.

In contrast, nationally uniform standards allow medical markets to develop naturally under a consistent set of rules, eliminate unfair disparate treatment, foster competition and cost-effectiveness, and lower health care costs -- all of which are in the interest of rural as well as urban consumers.