Rural Hospitals & Healthcare

What you don’t know about your local hospital could kill you . . .

Dale Clark, BS Pharm, MSHA, FACHE
Chief Operating Officer
Indian Path Community Hospital
Ballad Health
Kingsport, Tennessee
State-by-state breakdown of 93 rural hospital closures

Ayla Ellison (Twitter | Google+) - Tuesday, December 18th, 2018 Print | Email

Of the 26 states that have seen at least one rural hospital close since 2010, those with the most closures are located in the South, according to research from the North Carolina Rural Health Research Program.

Seventeen hospitals in Texas have closed since 2010, the most of any state. Tennessee has seen the second-most closures, with nine hospitals closing since 2010. In third place is Georgia with seven closures.

Listed below are the 93 rural hospitals that closed between Jan. 1, 2010, and Dec. 17, 2018, as tracked by the NCRHRRP. For the purposes of its analysis, the NCRHRRP defined a hospital closure as the cessation in the provision of inpatient services. As of Dec. 17, 2018, all of the facilities listed below had stopped providing inpatient care. However, some of them still offered other services, including outpatient care, emergency care, urgent care or primary care.

Wellmont Health System closing Lee County hospital

Reasons cited include low use and cuts in Medicare reimbursements

BRISTOL HERALD-COURIER  Sep 11, 2013  •

Lee Regional Medical Center, a 70-bed hospital in Pennington Gap, Va., will close Oct. 1.

1 in 5 rural hospitals at high risk of closing, analysis finds

Kelly Goedt - Wednesday, February 20th, 2019 Print | Email

Twenty-one percent of U.S. rural hospitals are at high risk of closing unless their finances improve, according to an analysis from management consultancy firm Navigant.

The study also found 64 percent, or 277, of high financial risk rural hospitals are considered essential to their communities.
What’s happening . . .

• Reimbursement
  – Medicare
  – Medicaid
  – Commercial
  – Uninsured
• Rural Economy
• Rural Demographics
• Healthcare delivery
Reimbursement ... Medicare


Note: FFS (fee-for-service). "Physician fee schedule" includes spending on services provided by physicians and other health professionals such as nurse practitioners, physician assistants, and physical therapists. Dollar amounts are Medicare spending only and do not include beneficiary cost-sharing. Spending for Medicare Advantage enrollees is also not included. Spending per beneficiary for inpatient hospital services equals spending for the sector (see Chart 1-3) divided by FFS enrollment in Part A. Spending per beneficiary for physician fee schedule services and outpatient hospital services equals spending for the sector (see Chart 1-3) divided by FFS enrollment in Part B. Spending per beneficiary for skilled nursing facilities and home health agencies equals spending for those sectors (see Chart 1-3) divided by total FFS enrollment.

Reimbursement . . . Medicaid

Medicaid Expansion, 2019
Thirty-six states and the District of Columbia have expanded Medicaid to low-income adults.

Source: Stateline research
© 2019 The Pew Charitable Trusts
Health Insurance Coverage of the Total Population: Uninsured, 2017

SOURCE: Kaiser Family Foundation’s State Health Facts.
Rural Economy . . .
Rural Demographics...
Rural Demographics...

DATA SNAPSHOT

APPALACHIA’S POPULATION

The percentage of adults age 65+ in Appalachia is higher than the national average: 16.3% vs. 14.1%.

Appalachia’s household income is 80% of the U.S. average: $60,525 vs. $75,558.

Per capita income is $24,302 in Appalachia, which is 84% of the U.S. average of $28,930.

17.1% of Appalachians live below the poverty level, which is 15.5% in the U.S.

UNEMPLOYMENT RATE BY SUBREGION

The unemployment rate for working-age adults is lowest in Northern Appalachia and highest in Central Appalachia.

Labor force participation by subregion: 75.5% in Northern Appalachia vs. 59.5% in Central Appalachia.
Healthcare Delivery . . .

Hospital Admissions per 1,000 Population by Ownership Type | The Henry J. Kaiser Family Foundation

Timeframe: 1999 - 2016
Critical Access Hospital . . .
Critical Access Hospital . . .

• Eligible hospitals must meet the following conditions to obtain CAH designation:
  – Have 25 or fewer acute care inpatient beds
  – Be located more than 35 miles from another hospital (exceptions may apply)
  – Maintain an annual average length of stay of 96 hours or less for acute care patients
  – Provide 24/7 emergency care services
Critical Access Hospital . . .

• CAH status includes the following benefits:
  – Cost-based reimbursement from Medicare. As of January 1, 2004, CAHs are eligible for allowable cost plus 1% reimbursement. In some states CAHs may also receive cost-based reimbursement from Medicaid.
  – Flexible staffing and services, to the extent permitted under state licensure laws.
  – Capital improvement costs included in allowable costs for determining Medicare reimbursement.
  – Access to Flex Program educational resources, technical assistance, and/or grants.
Rural healthcare . . .

I'm sorry... Your local rural hospital closed and you didn't make it to the next one.
Questions . . .