Editorial

Where Have all the Rural Hospitals Gone?

Pamela Stewart Fahs, PhD, RN, Editor

Every time I hear about another rural hospital closure it brings to mind a Pete Seeger classic, thus I am asking *where have all the rural hospitals gone*? By spring of 2019, there were 104 rural hospital closures since 2010 (University of North Carolina [UNC], Cecil G. Sheps Center for Health Services Research, n.d.). The UNC center keeps a running tab of closures reported on their website (https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospital-closures/). This number is up from 85 closures less than a year ago. An analysis of rural hospital closures (U.S. Government Accountability Office, 2018) showed a national marked increase in the loss of rural hospitals since 2013. The south had the highest number of closures and those states that did not expand Medicaid accounted for 63% of the rural hospital closures (Holmes, Kaufman, & Pink, 2017). The difference in closures between those states that expanded Medicaid and non-Medicaid expansion states reflect only a small difference in operating margins. Rural hospitals in Medicaid expansion states on average had a slight (~ 1%), yet positive financial picture. Non-Medicaid expansion states were more likely to report negative operating budgets for rural hospitals, with financial distress being one of the main reasons for closure (Kaufman, Reiter, Pink, & Holmes, 2016).

One bright spot is that closure does not always mean complete absence of access to care. Hospital closure in most reports means no longer offering acute inpatient services and rural hospitals are generally defined as having a Rural Urban Commuting Area (RUCA) of 4 or higher on the scale of 10 code levels or being a Critical Access Hospital. Hospitals that have ceased inpatient acute care services yet offer some type of emergency care or have converted to a clinic

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may be counted as closed. (Holmes et al., 2017). What is not included in the list of closed hospitals are those that have significantly reduced their number of inpatient acute care beds although these remain classified as open, the situation does negatively affect the ability of rural patients to receive acute care without having to travel a further distance.

In addition to the possible negative health care consequences from closed facilities for rural dwellers, rural hospitals are usually a major employer in their communities. One source (Freeman, Thompson, Howard, Randolph, & Holmes, 2015) noted that there were over 2000 fulltime equivalent (FTE) employees in rural hospitals in 2012-2013, with an average of 321 FTE employees. This trend of closure and downsizing can have multiple negative outcomes including a decrease in the number of higher paying jobs in a rural community.

References

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