



Instability Continues to Threaten Rural Health Safety Net

Reduced reimbursements, Dwindling Access to Care and Deteriorating Population Health Status

NRHA Policy Institute Conference 2025

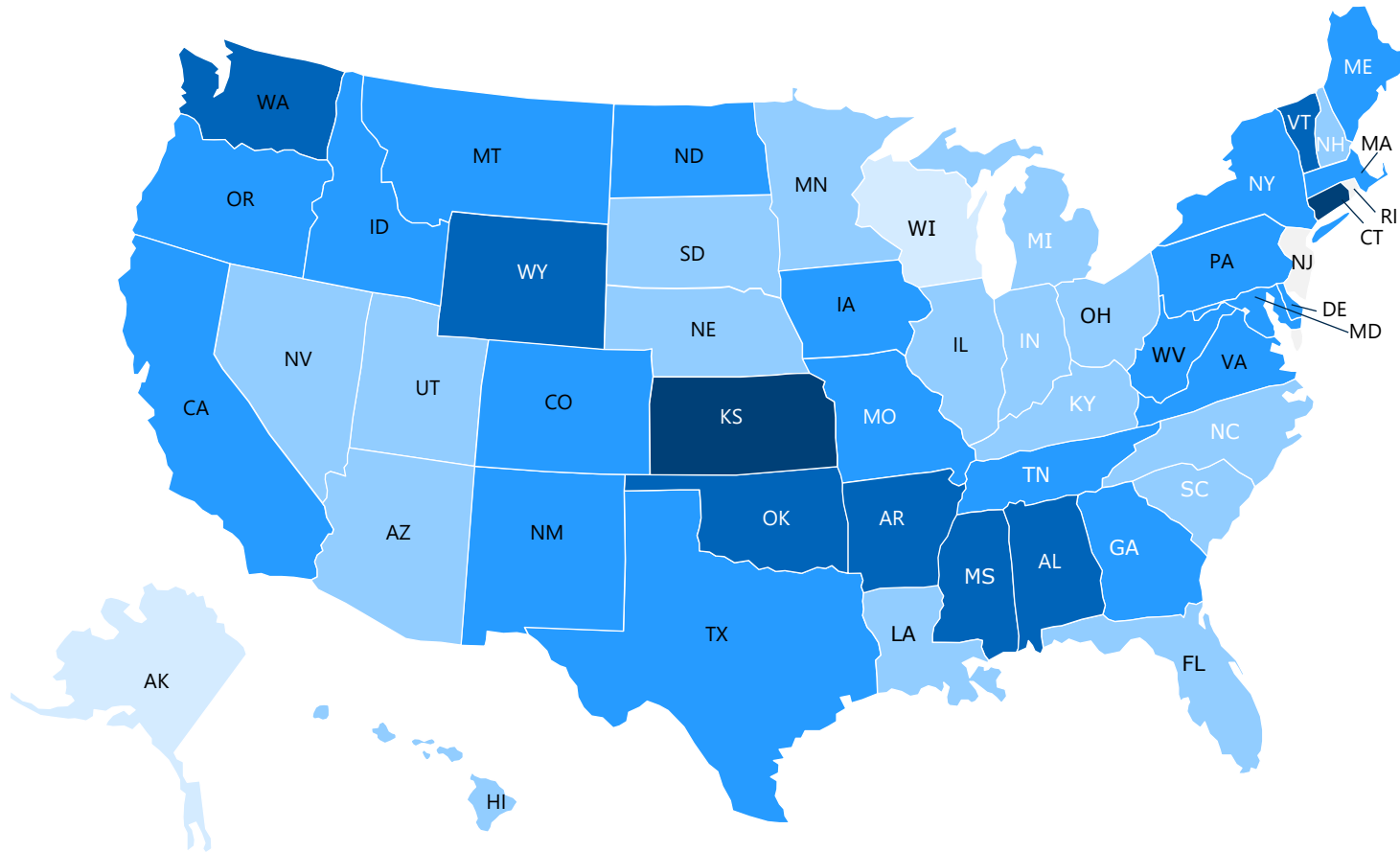


What is the ‘State of the State’ of the Safety Net?

“The rapid deterioration of access to care and persistent financial strain raise pointed questions about the safety net’s ability to continue to meet the needs of these communities in the future.”



Nearly Half of all Rural Hospitals in the Red



Overall, **46%** of America's rural hospitals are operating **in the red**.**

In **non-expansion states**, **53%** of rural hospitals are **in the red**.

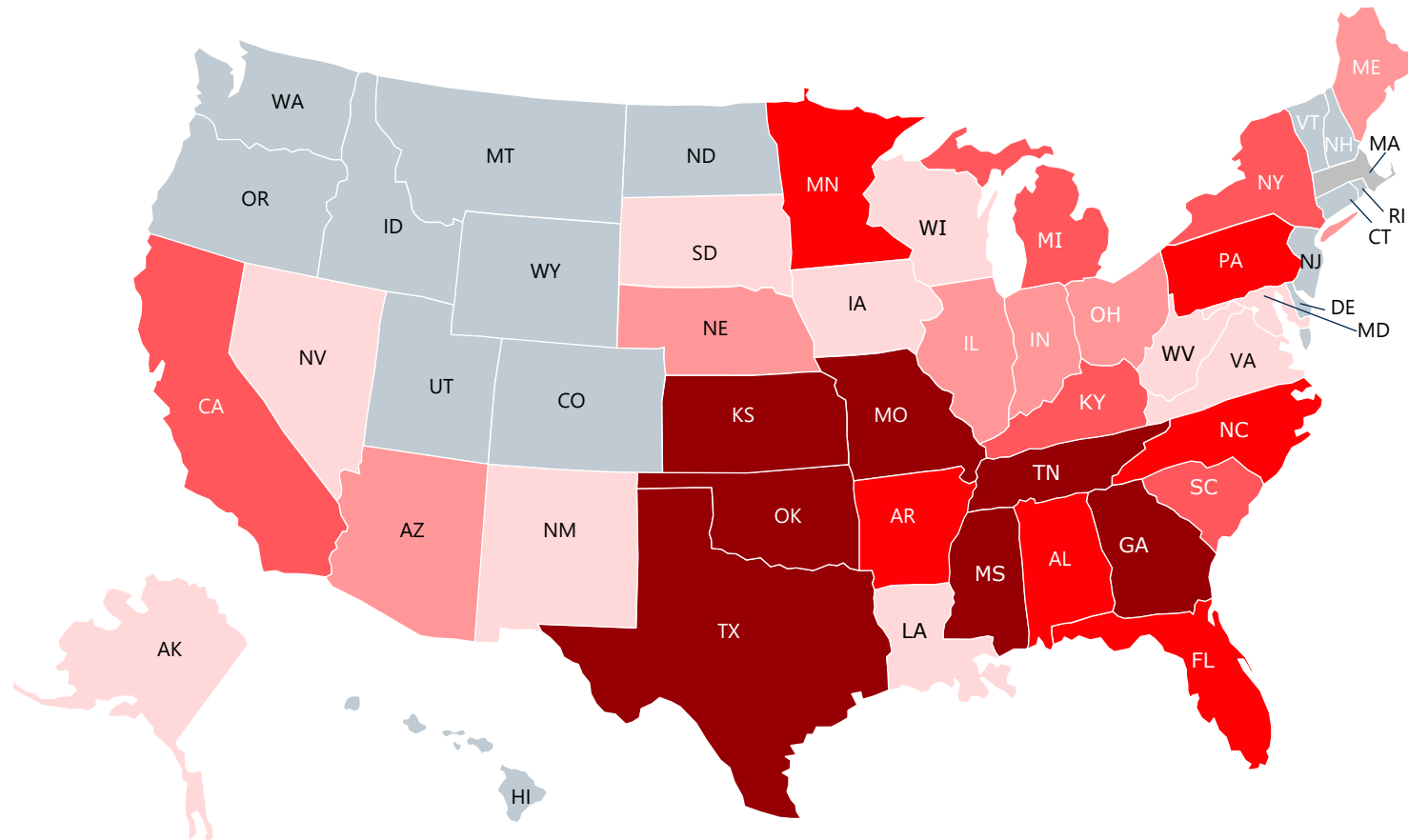
Source: The Chartis Center for Rural Health, December 2024.

**CMS Healthcare Cost Report Information System (HCRIS) Q3 2024. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded. Reported Covid-19 PHE Funds (Worksheet G-3 line 24,50) excluded from operating margin. Adjustments made to operating margin to reflect full 2% sequester.

State-level percentage of rural hospitals with negative operating margin.



Vanishing Access to Rural Inpatient Care



Access to care continues to deteriorate significantly in rural communities.

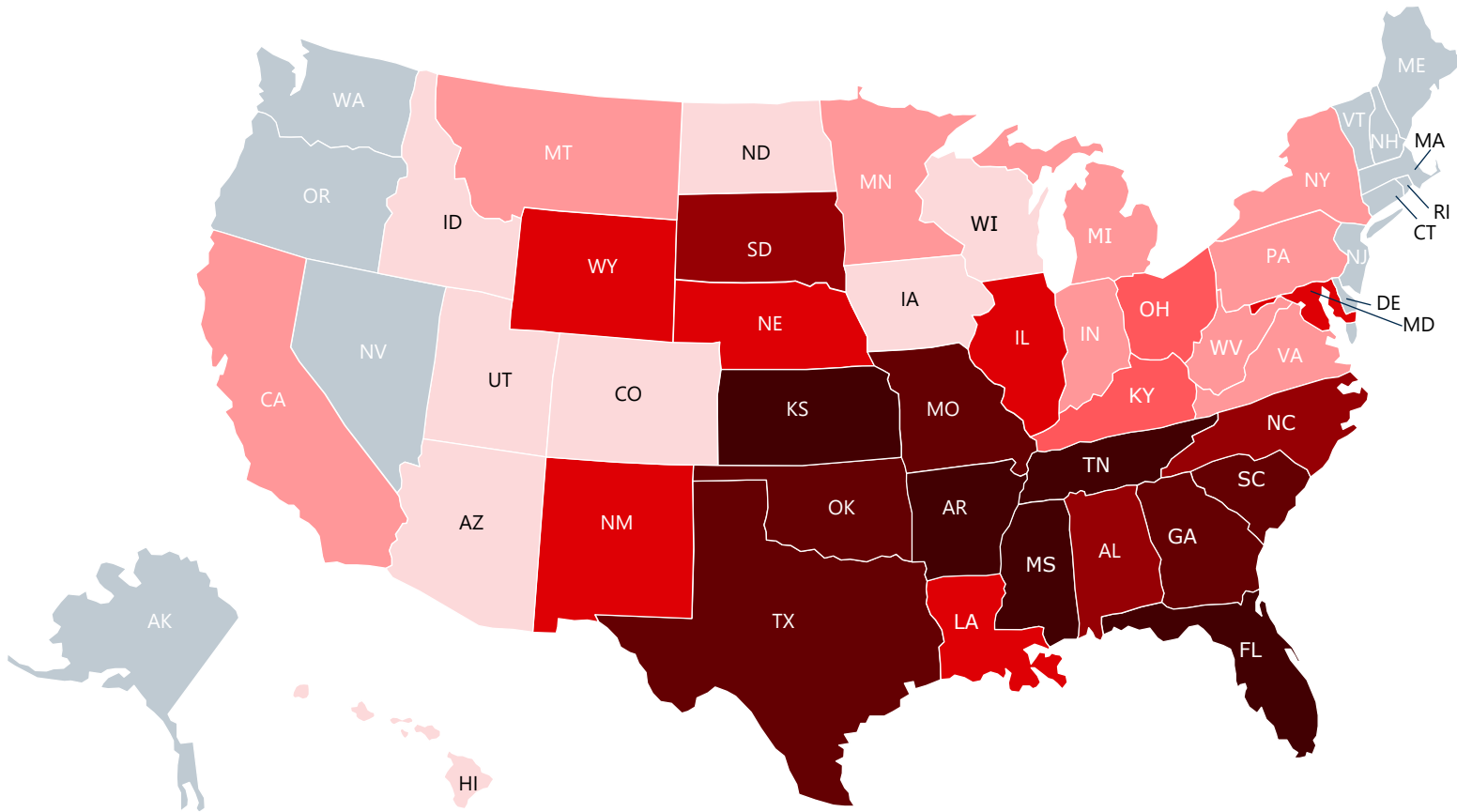
188 rural hospitals have either closed or converted to a model that excludes inpatient care (e.g., REH).



Source: Cecil G. Sheps Center for Health Services Research, February 4, 2025.

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432 Rural Hospitals Vulnerable to Closure



432 rural hospitals across America are **vulnerable to closure**.

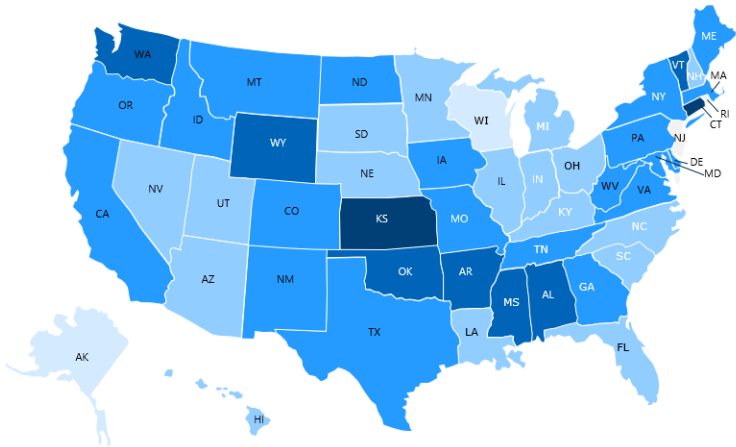
Across **15 states**, the **percentage** of rural hospitals **vulnerable to closure** is **25% or higher**.

Non-expansion states are home to **205** vulnerable rural hospitals.

Percentage of State Rural Hospitals Determined to be Vulnerable

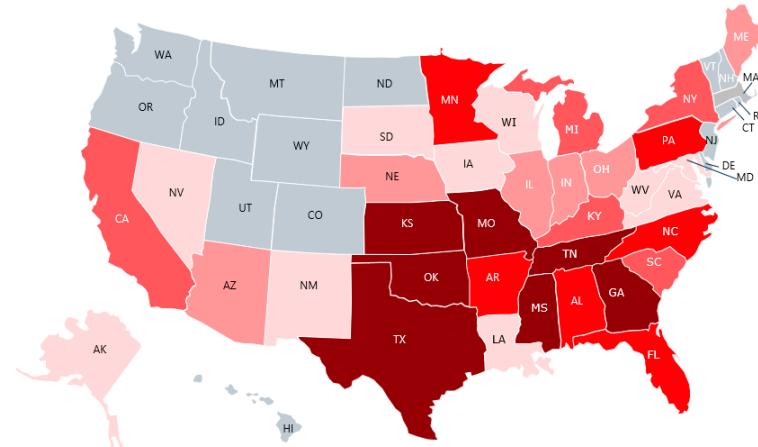


Where is the Safety Net at Its Weakest?



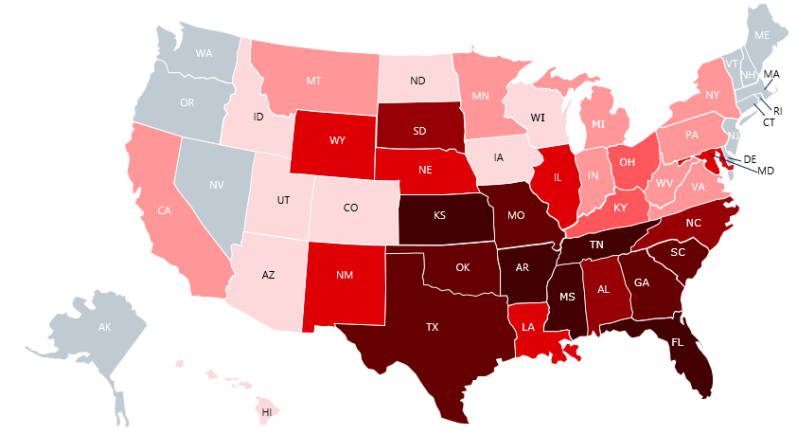
Operating Margin (% in the red)

Connecticut – 100%
Kansas – 87%
Oklahoma – 70%



Closures and Conversions

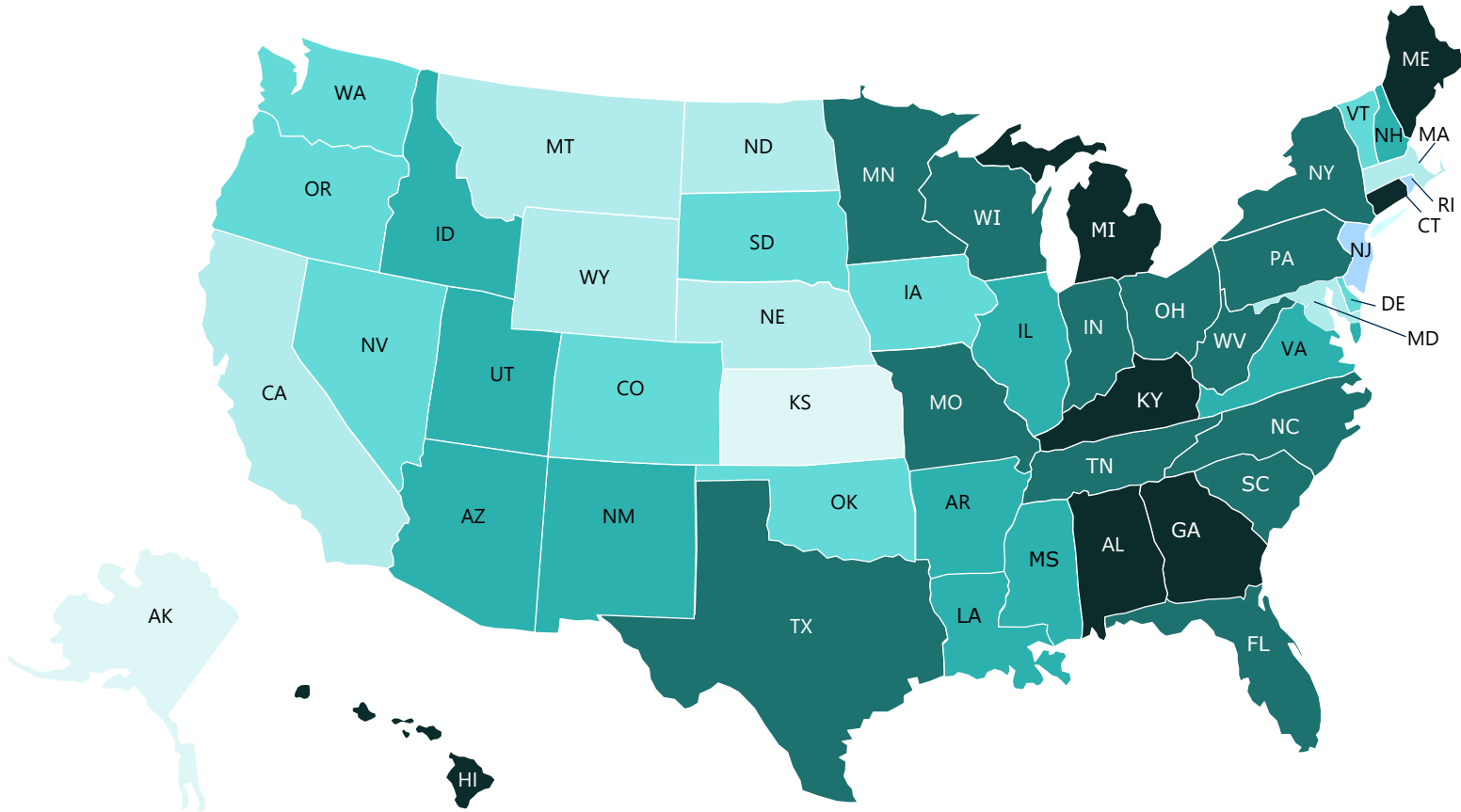
Texas – 26
Tennessee – 17
Kansas – 12



Vulnerability

Texas – 47
Kansas – 46
Mississippi – 28

Medicare Advantage Penetration Nears 40%

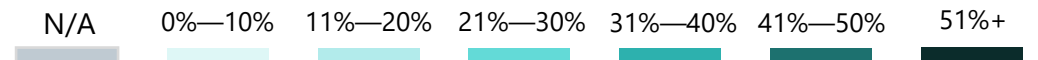


Today, **39%** of all rural Medicare beneficiaries are enrolled in a Medicare Advantage plan.

Medicare Advantage Penetration now **exceeds 50% in 7 states** (AL, CT, GA, HI, KY, ME, MI).

Source: The Chartis Center for Rural Health, December 2023. Rural Communities defined as county in which a rural hospital is located.

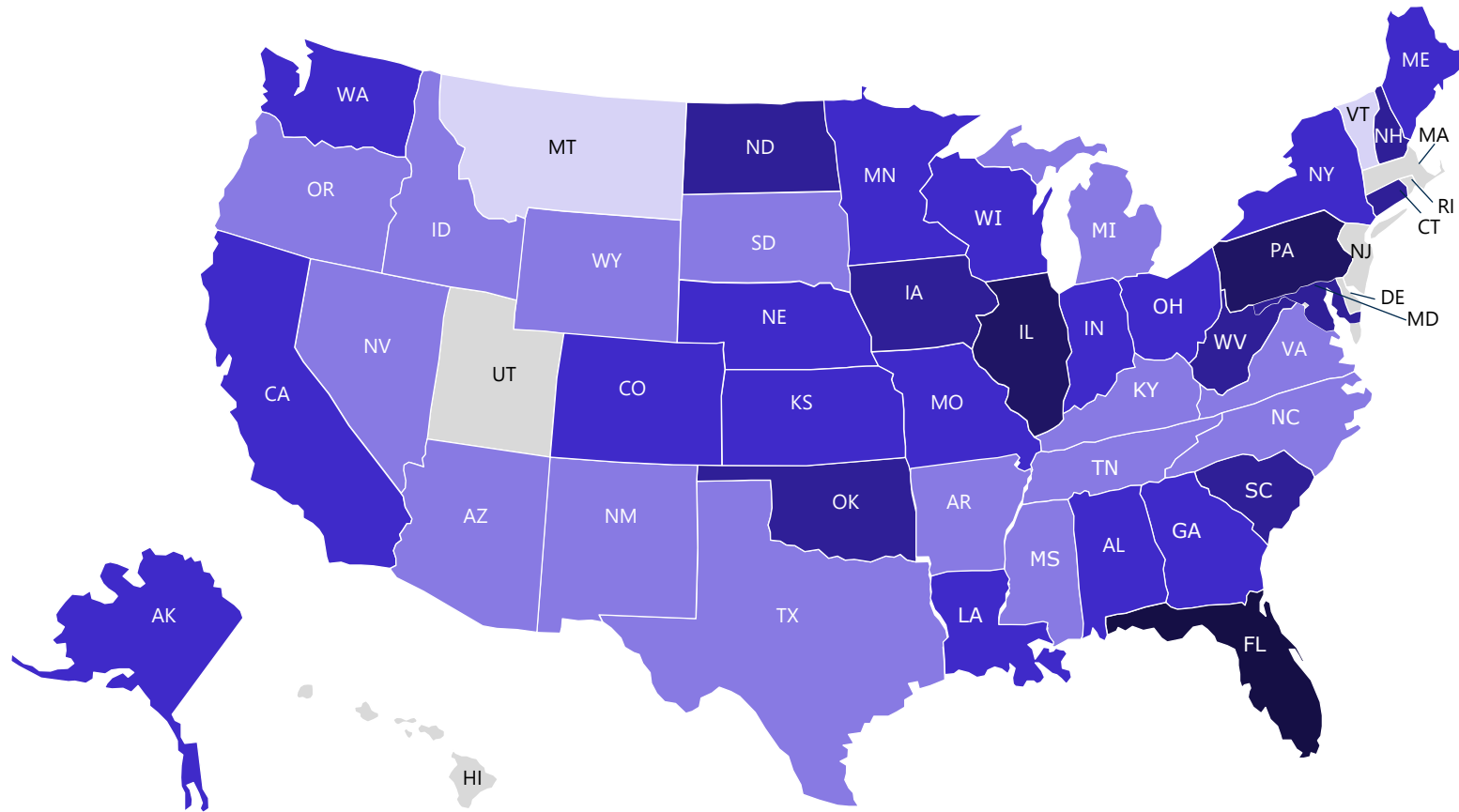
Medicare Advantage penetration (%) in 2023, by state.



Rural ‘Care Deserts’

Dwindling Access to Vital Services

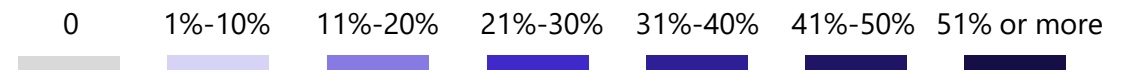
Diminishing Access to Rural Obstetrics Care



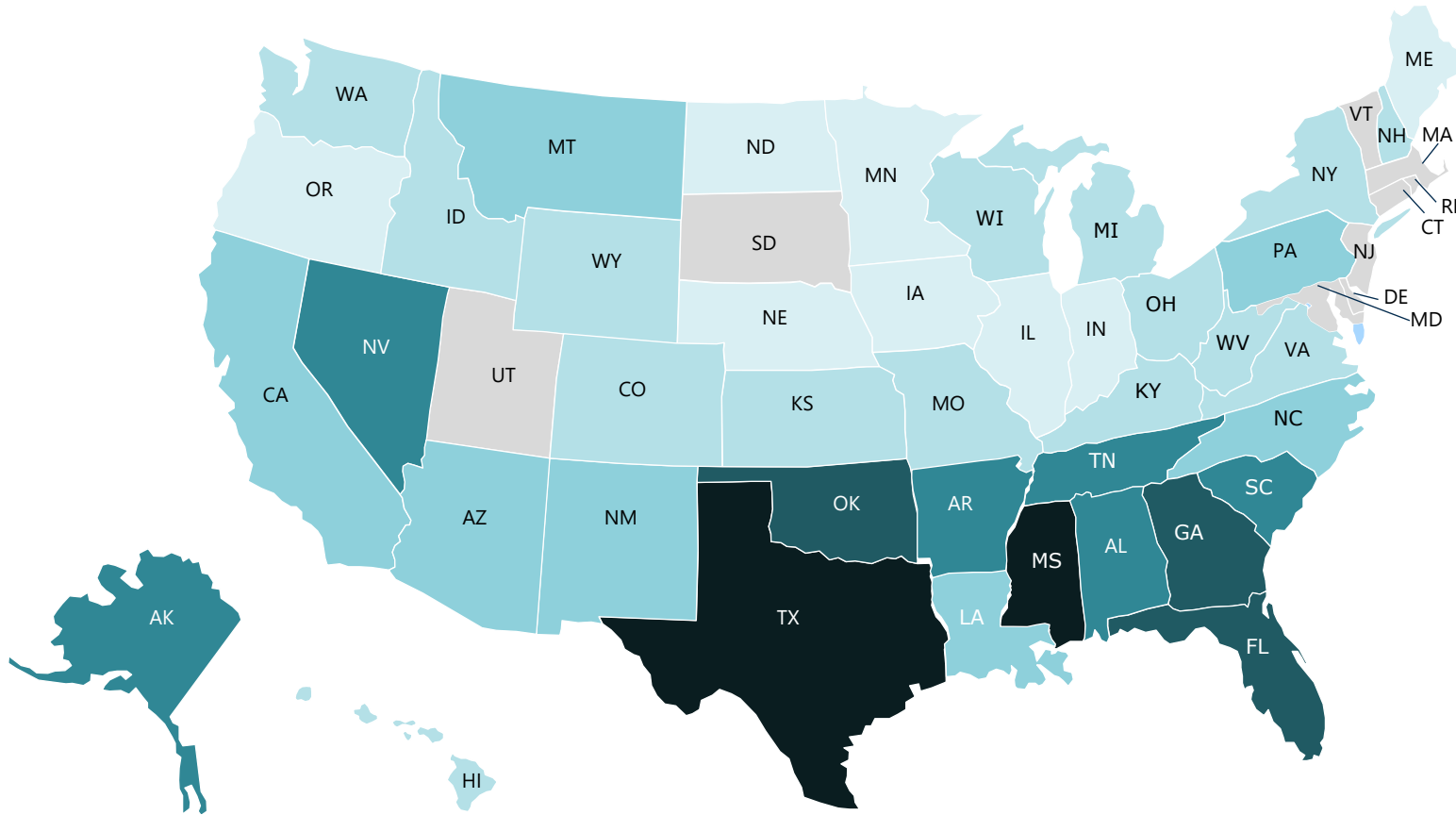
Between 2011 and 2023, **293** rural hospitals ceased to provide OB services.

States such as FL and PA had the highest % of rural hospitals stop offering OB at 57% and 42% respectively.

Percentage of rural hospitals that stopped offering OB between 2011 and 2023.



Dwindling Access to Chemotherapy in Rural Communities



Between 2014 and 2023, **424** rural hospitals stopped providing chemotherapy.

In Texas and Mississippi, **51%** of rural hospitals in each state offering chemo stopped providing the service.

In Texas, **61** rural hospitals stopped offering chemo during our review period.

Percentage of rural hospitals that stopped offering Chemo between 2014 and 2023.

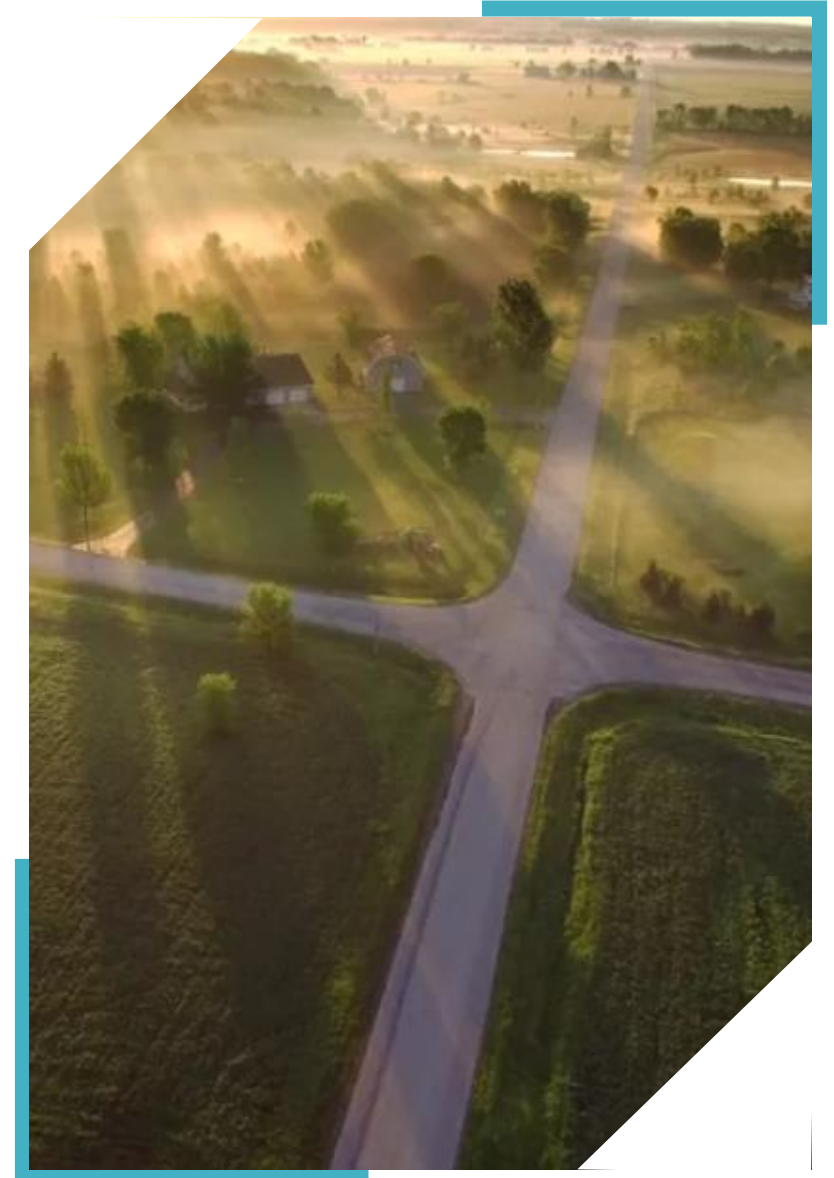


Rural Population Health is in Decline

Understanding Future Needs within Rural Communities

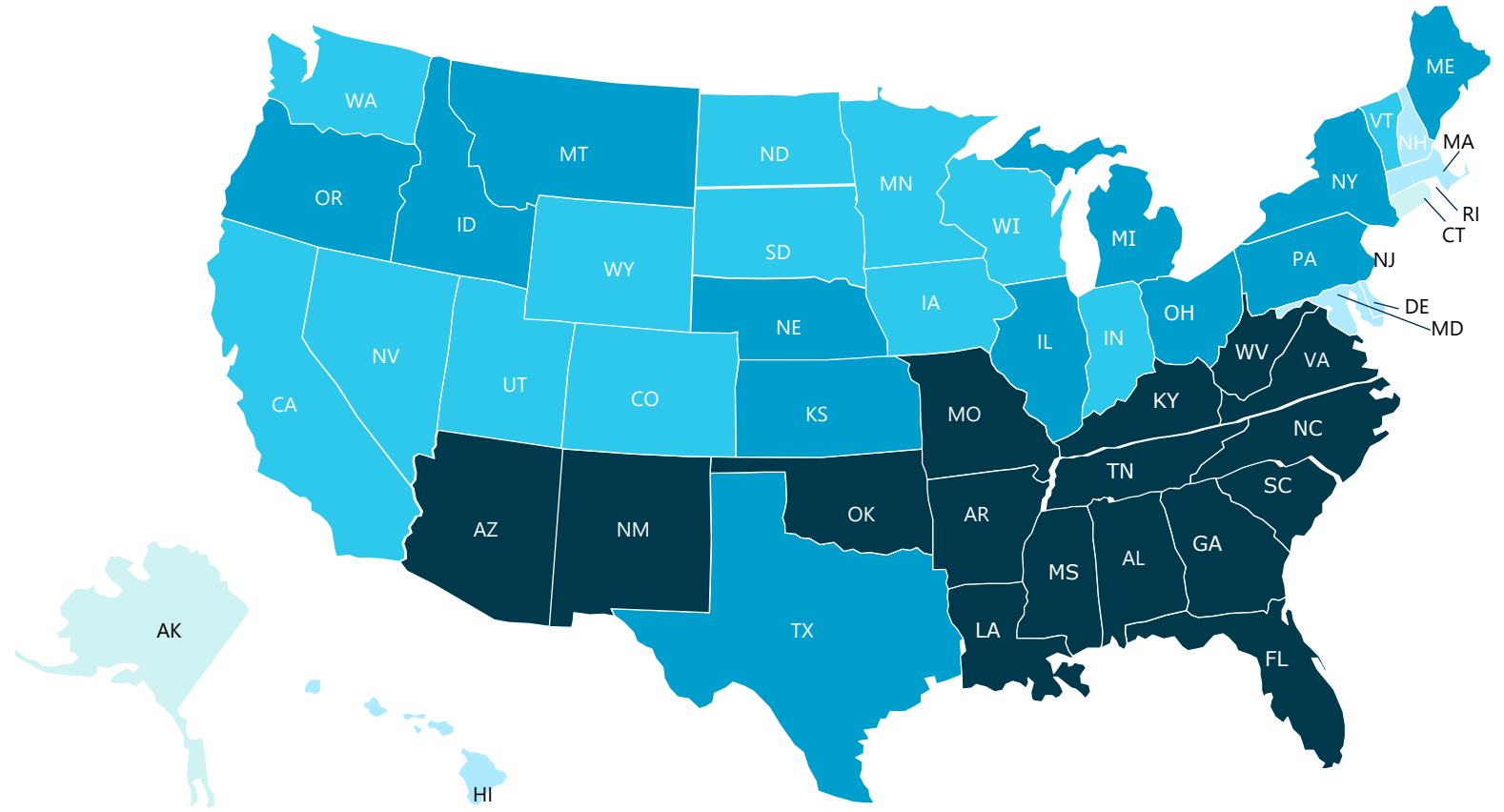
Deteriorating Population Status Across Rural America

- “Older, less healthy and less affluent” no longer captures rural America’s population health challenges
- With lower median household income and higher rates of child poverty, rural areas are struggling to gain the financial stability necessary to meet their health needs.
- Rural Americans carry a greater share of the chronic disease burden and are more likely to die prematurely than their urban counterparts.
- Veterans are a particularly vulnerable population within rural areas.



Where is Median Household Income Lowest in Rural America?

States with the **lowest levels of median household income within rural communities** are Louisiana, Mississippi, West Virginia and Arkansas.



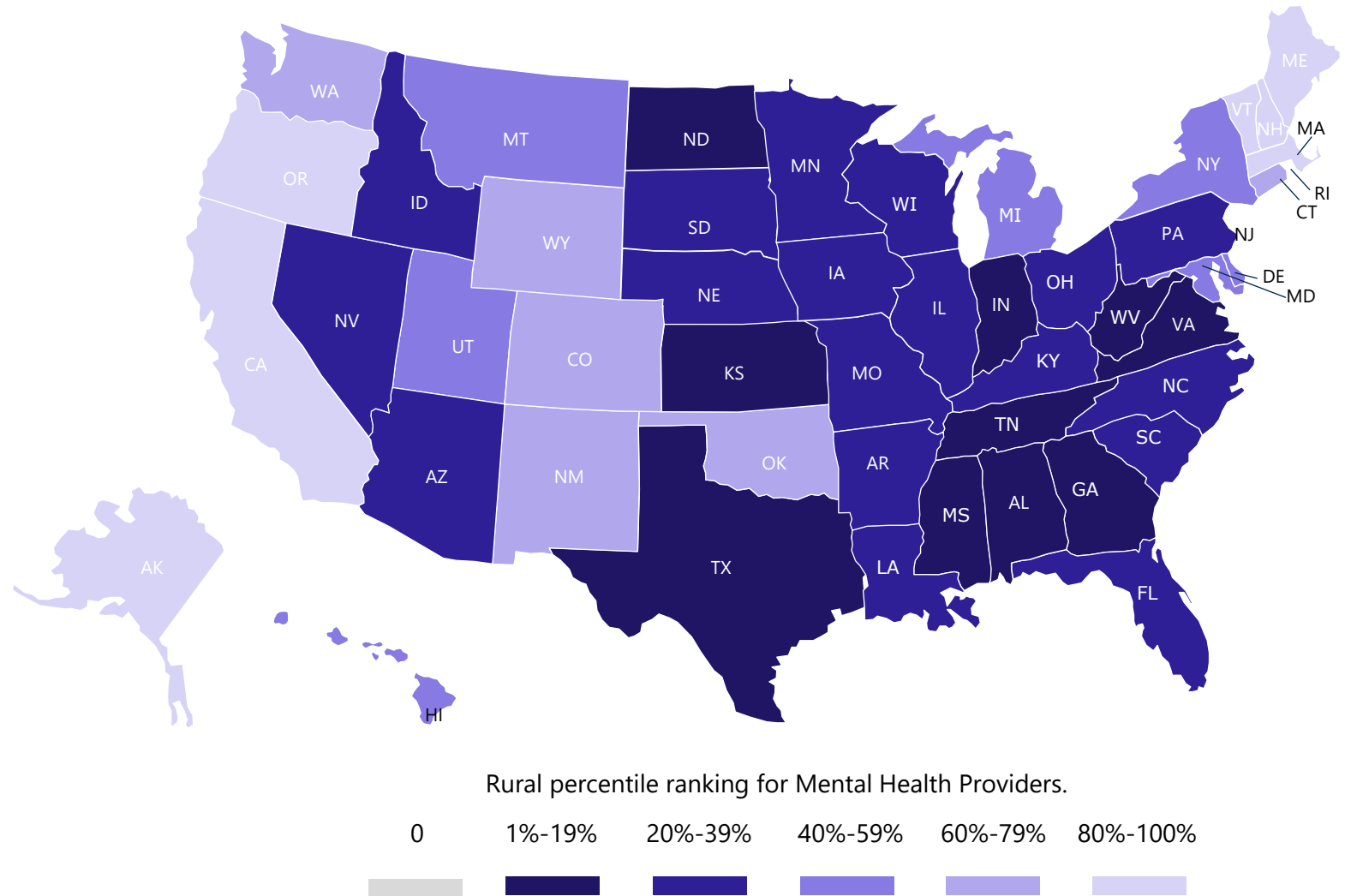
Rural percentile ranking for Median Household Income.

0 1%-19% 20%-39% 40%-59% 60%-79% 80%-100%



Where is Behavioral Health Care the Scarcest in Rural America?

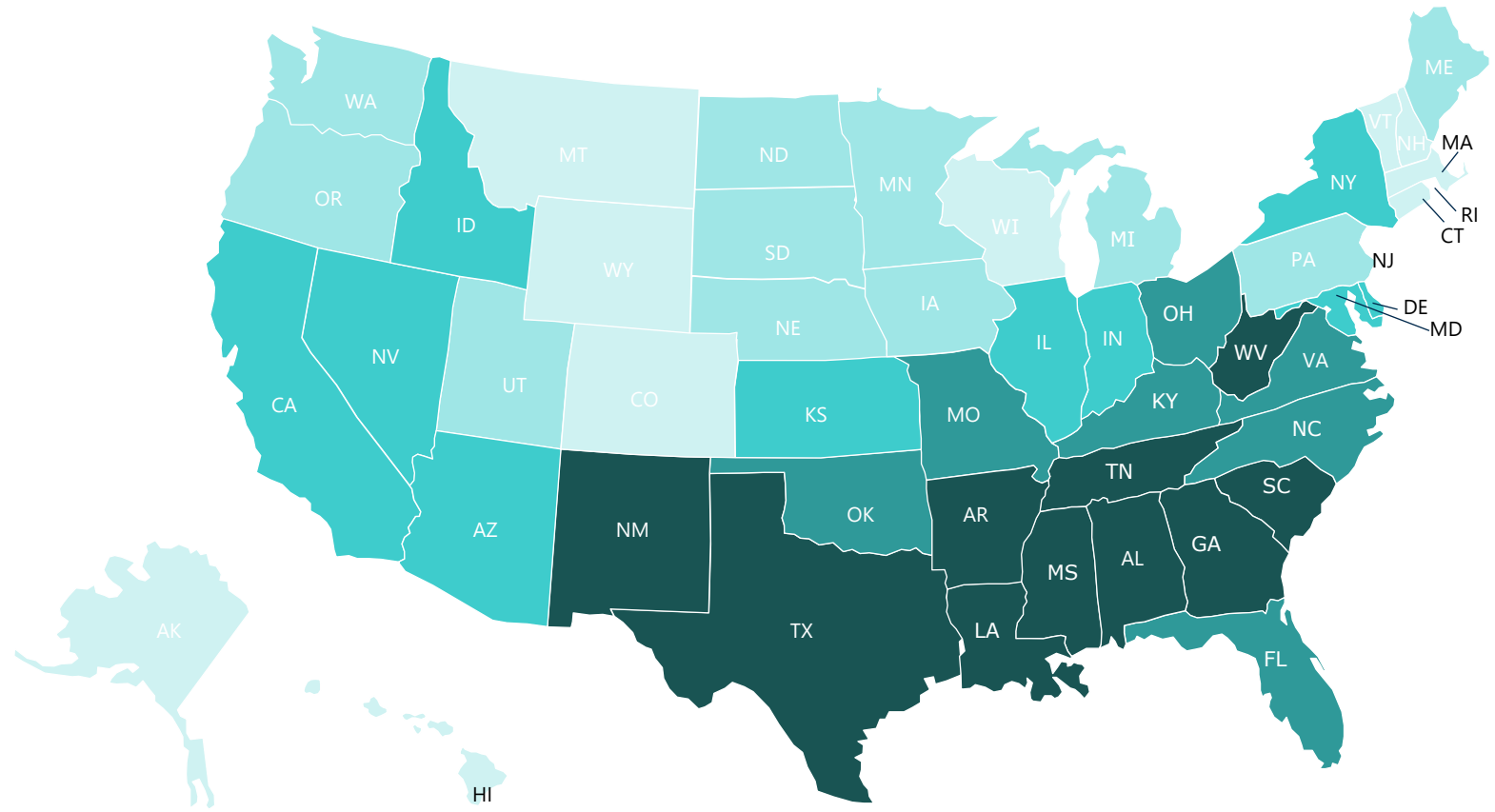
Access to behavioral health providers in rural hospital service areas is at its lowest in North Dakota, followed by Georgia, Tennessee, and Texas.



Source: The Chartis Center for Rural Health, October 2024

Where is Diabetes Prevalence Highest in Rural America?

The **prevalence of diabetes** within rural communities is highest in Mississippi, South Carolina, Louisiana, and Georgia.



Rural percentile ranking for Diabetes Prevalence.

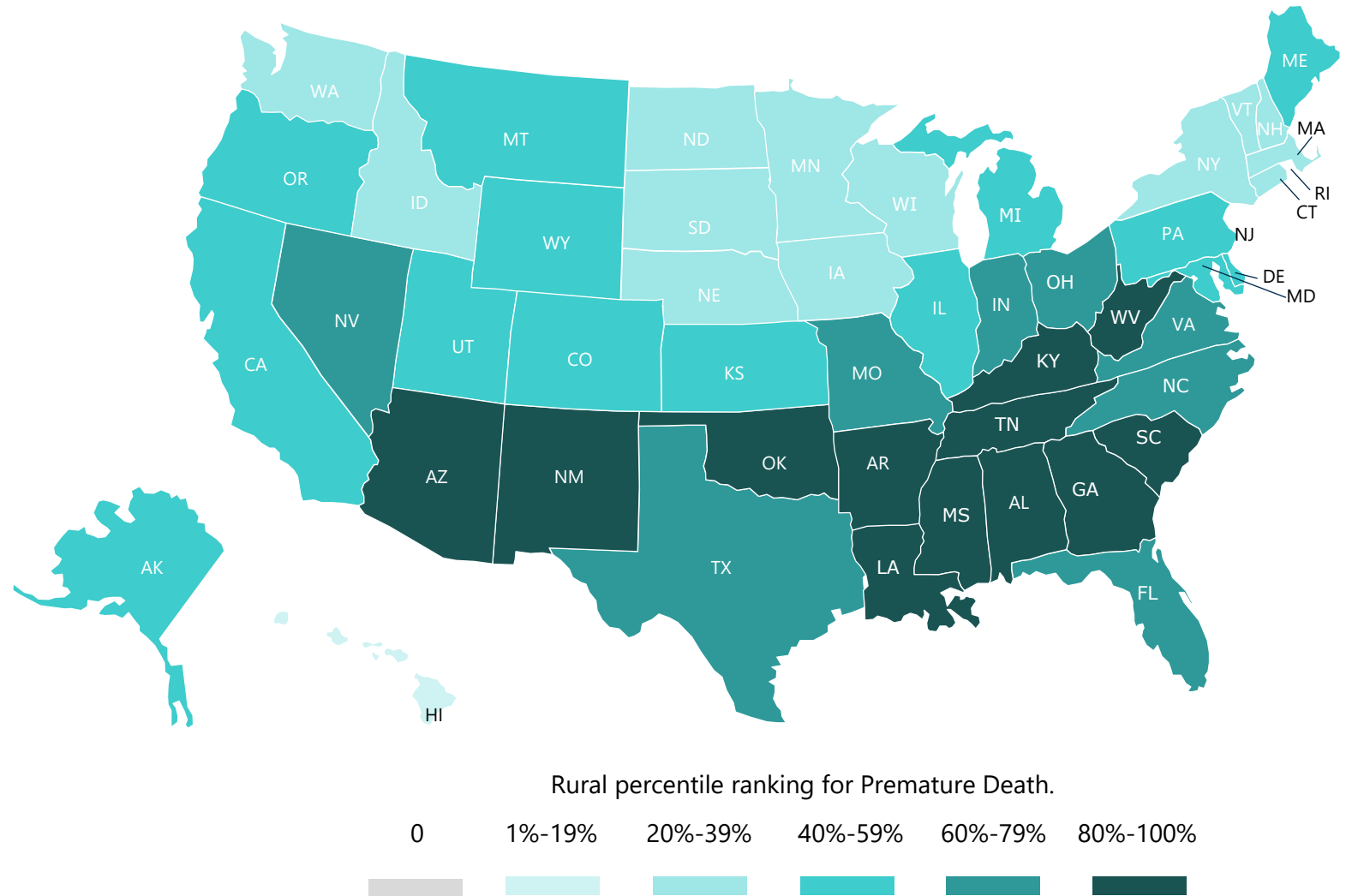
0 1%-19% 20%-39% 40%-59% 60%-79% 80%-100%



Source: The Chartis Center for Rural Health, October 2024

Where is Premature Death Most Likely in Rural America?

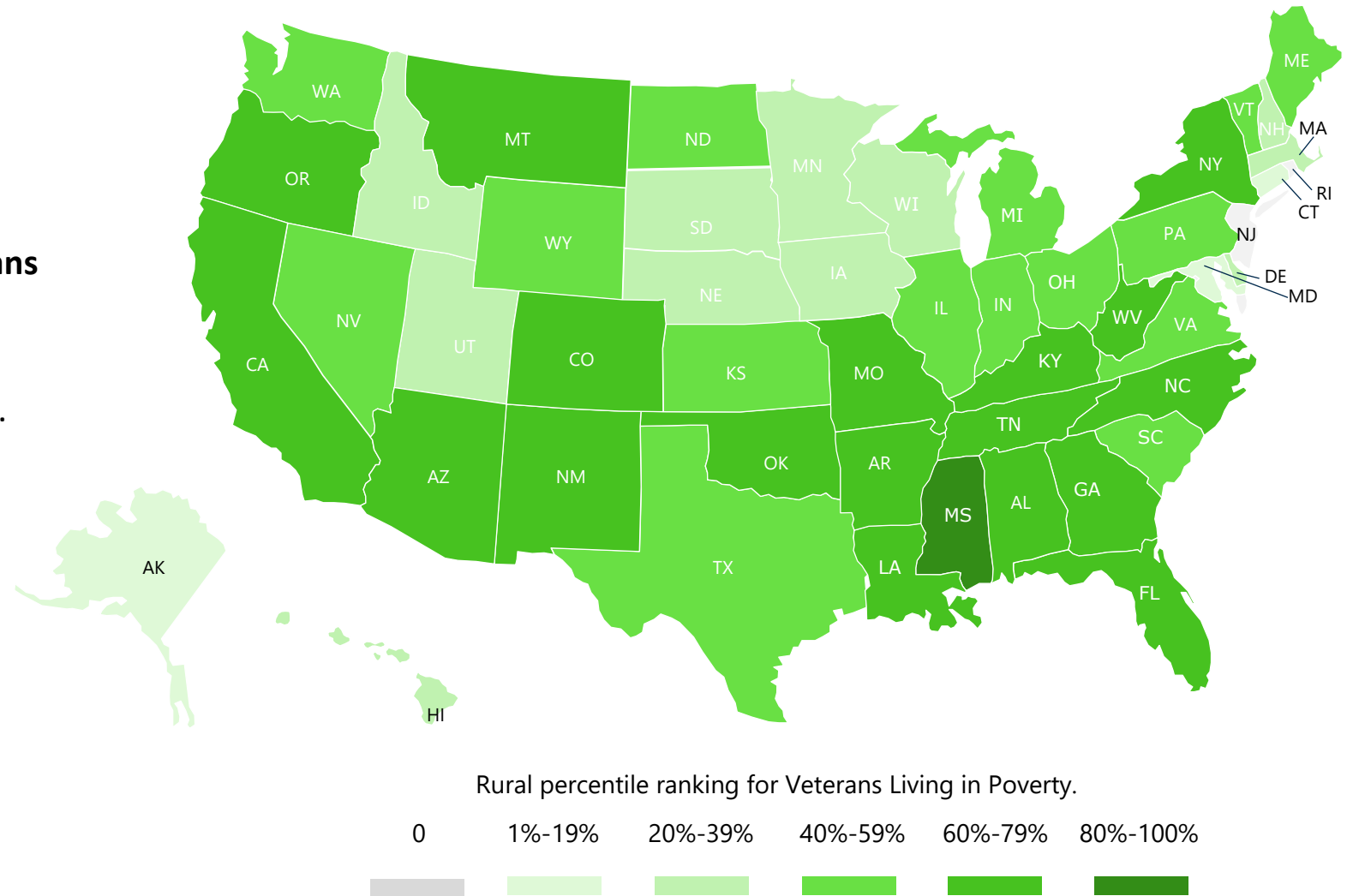
Premature death among people living in rural communities is highest in South Carolina, Mississippi and Tennessee.



Source: The Chartis Center for Rural Health, October 2024

Which States have the Highest Concentration of Veterans Living in Poverty in Rural Communities?

At the state level, the highest rate of **veterans living in poverty** in rural communities is in Mississippi. This is followed closely by Alabama, Mississippi, Oregon and Kentucky.

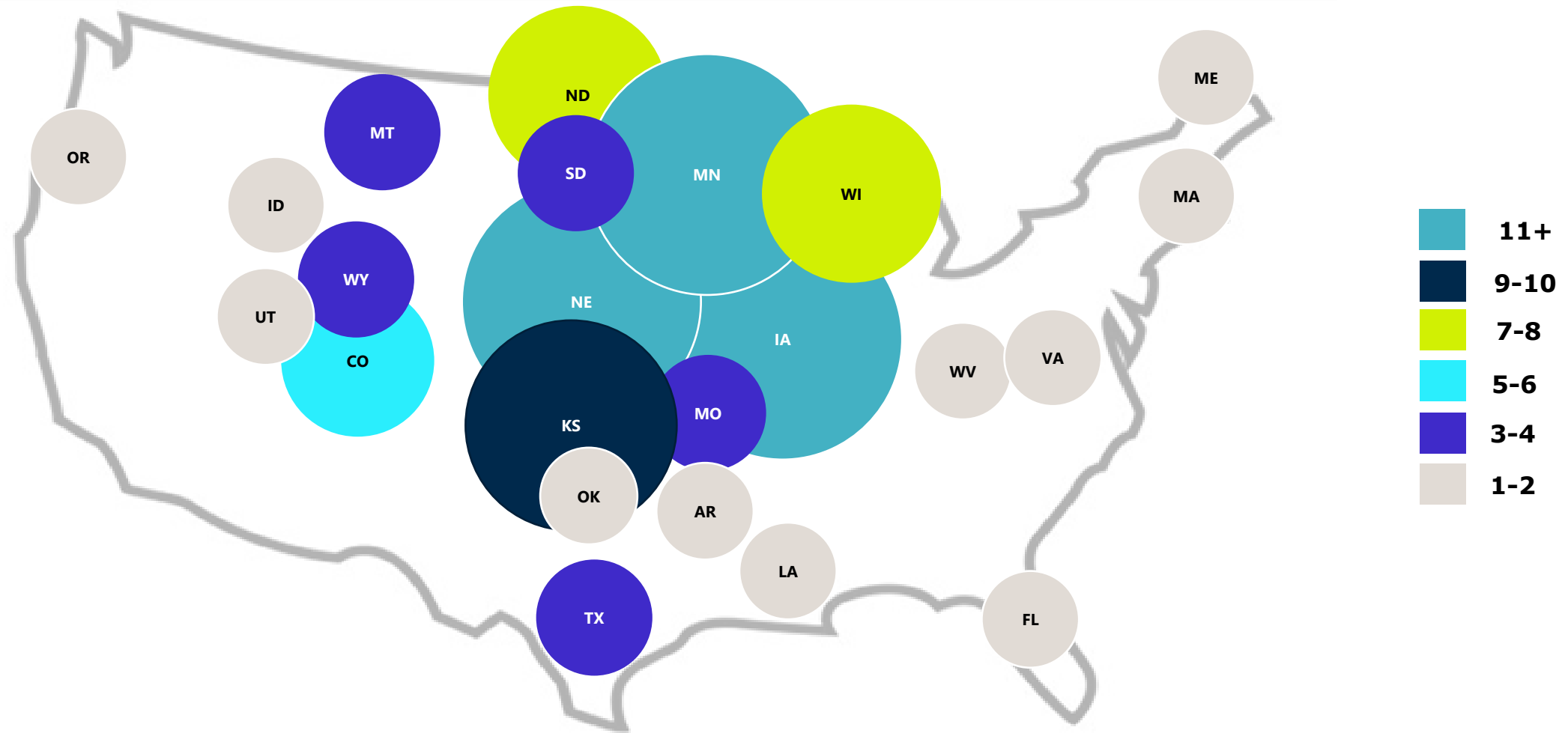


Source: The Chartis Center for Rural Health, October 2024

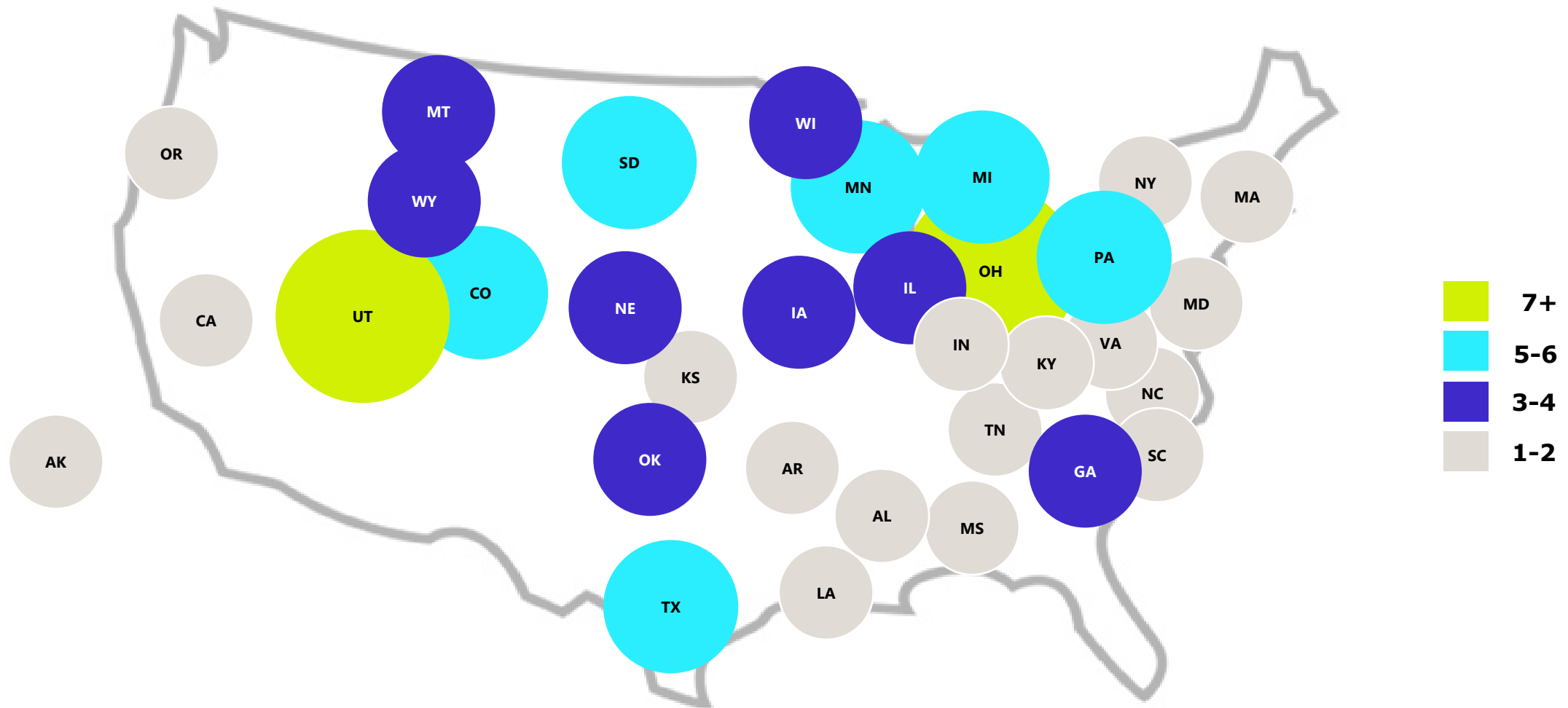
Celebrating Top 100 Performance

Top 100 Critical Access Hospitals and Top 100 Rural & Community Hospitals

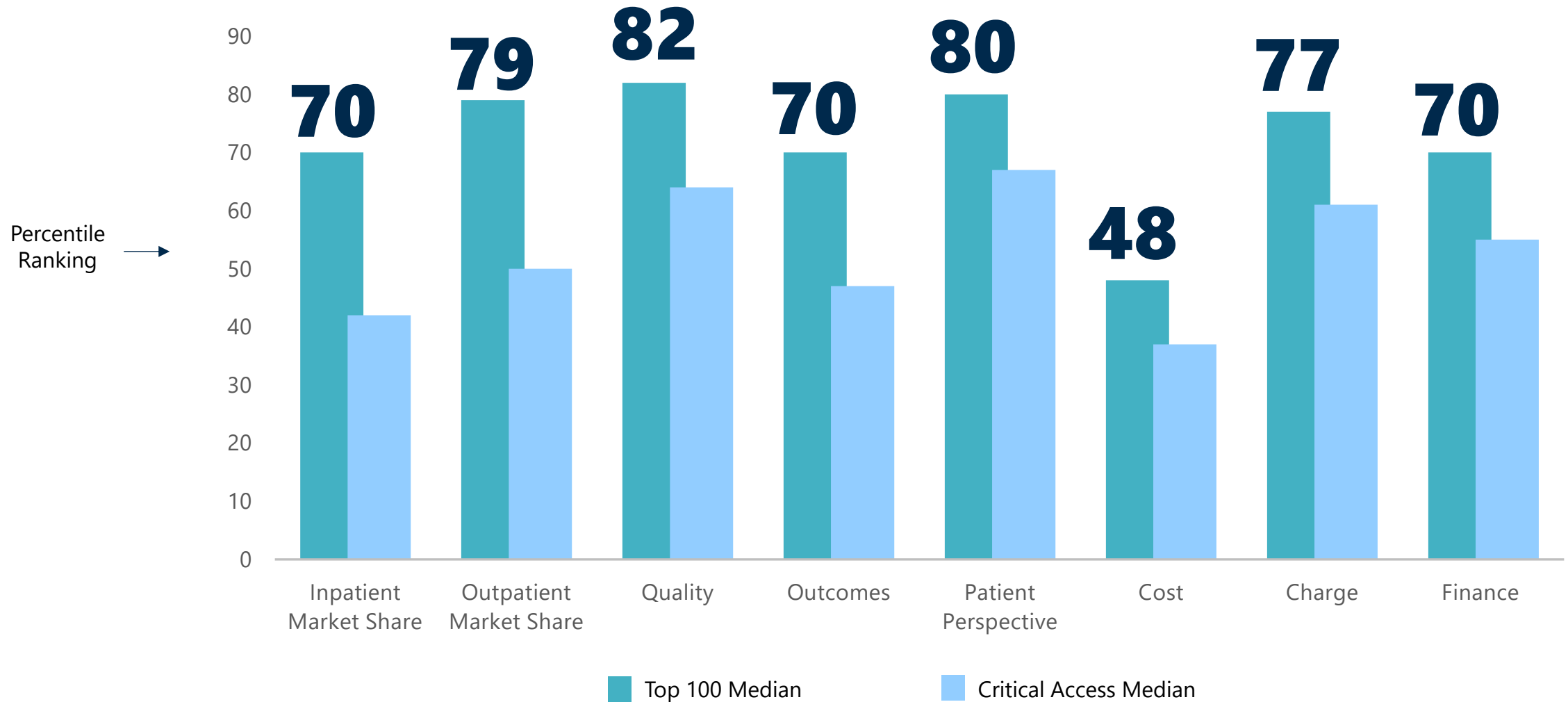
2025 Top 100 Critical Access Hospitals



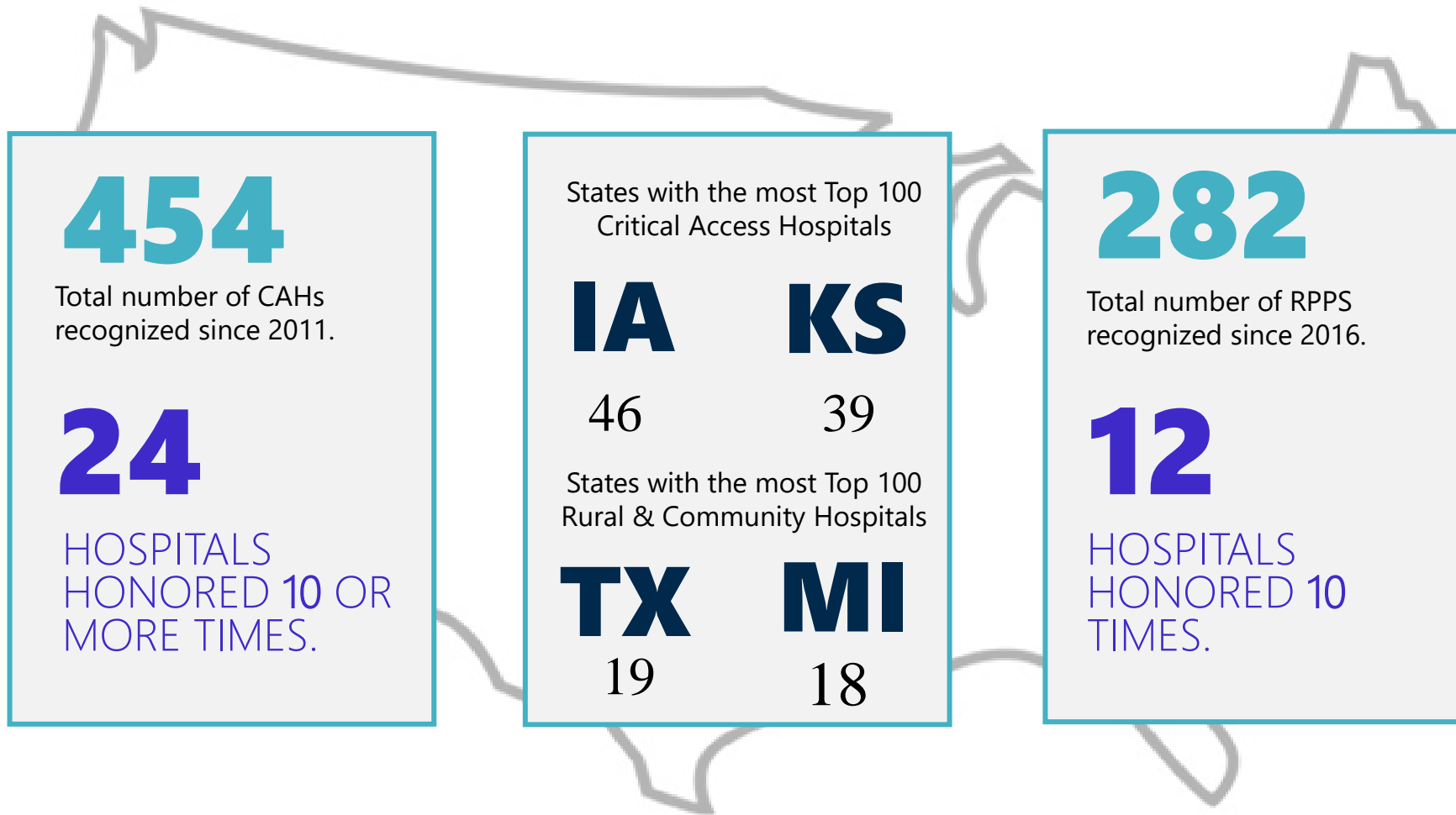
2025 Top 100 Rural & Community Hospitals



What Does Top 100 Performance Look Like?



Top 100 Performance – All Time – by the Numbers



Rural Health Advocacy

Research and national and state level data for conference attendees

Policy Institute Advocacy: State Data Impact Tables

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This map has links to this year's state-specific reports on the impact federal policies have on rural health care providers and their patients. The Chartis data sets show the annual revenue loss, potential job loss, and potential GDP loss, for each provider based on each policy. We hope this information is valuable to you. As always, the Government Affairs team would be happy to answer any questions you may have.

View your state's rural hospital data provided by the [Chartis Center for Rural Health](#) via the interactive map below.

Please Click on Your State Below:

2024 Federal Office of Rural Health Policy (FORHP) Funding Data by State

HRSA's [Federal Office of Rural Health Policy \(FORHP\)](#) provides grant funding to improve health care for the approximately 63 million individuals who live in rural areas in the United States. This includes grant programs to increase rural access to health care, strengthen rural health networks, build capacity to train rural physicians, and encourage high-quality care at Critical Access Hospitals and other small rural hospitals.

Please find your state's Fiscal Year (FY) 2024 Total Awards, Rural Health Awards, and Highlighted Program funding from FORHP via the interactive map below.

Please Click on Your State Below:

CHARTIS Impact of Policies on Rural Communities

Arizona

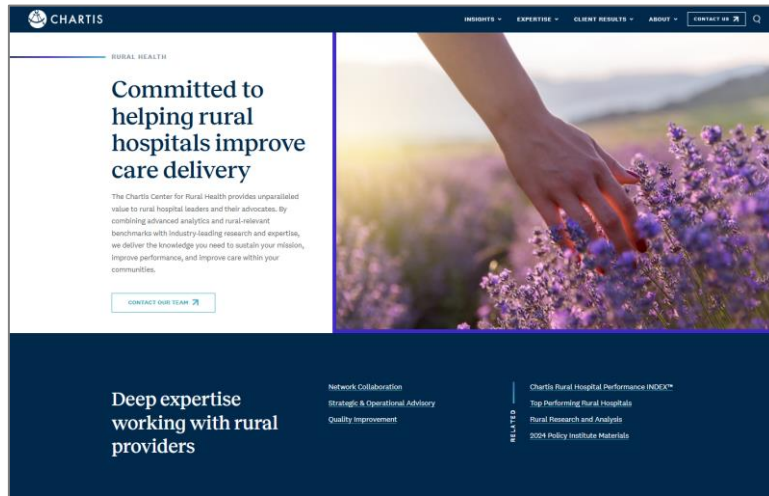
Provider Name/Number	Provider Type	Operating Margin ¹	Sequestration ² 2% Inpatient and Outpatient Medicare Revenue Cut			Bad Debt Reimbursement Cut ³ 35% Medicare Bad Debt Reimbursement Cut		
			Annual Revenue Lost ⁴	Potential Job Loss ⁵	Potential GDP Loss ⁶	Annual Revenue Lost ⁴	Potential Job Loss ⁵	Potential GDP Loss ⁶
Banner Payson Medical Center (031318)	CAH	8.8%	\$208,882	3	\$451,076	\$83,273	1	\$179,826
Benson Hospital (031301)	CAH	25.0%	\$120,865	3	\$358,575	\$70,586	2	\$209,410
Chinle Comprehensive Health Care Facility (030084)	RPPS	82158.4%	\$254,160	5	\$672,154	\$0	0	\$0
Cobre Valley Regional Medical Center (031314)	CAH	12.2%	\$183,398	3	\$458,234	\$5,769	0	\$14,415
Copper Queen Community Hospital (031312)	CAH	19.6%	\$61,979	1	\$171,765	\$62,510	1	\$173,237
Holy Cross Hospital (031313)	CAH	27.3%	(\$38,598)	-1	(\$78,104)	\$128,164	2	\$259,346
Hopi Health Care Center (031305)	CAH	38292.4%	\$164,237	4	\$478,817	\$0	0	\$0
Hu Hu Kam Memorial Hospital (031308)	CAH	59218.3%	\$415,255	12	\$1,662,204	\$0	0	\$0
La Paz Regional Hospital (031317)	CAH	0.3%	\$130,566	3	\$438,516	\$65,755	2	\$220,842
Little Colorado Medical Center (031311)	CAH	7.4%	\$85,211	2	\$218,673	\$24,399	0	\$62,614
Mt. Graham Regional Medical Center (030068)	RPPS	-5.9%	\$256,626	4	\$580,737	\$28,652	0	\$64,839

Operating margin and policy impact data for every rural hospital on a state-by-state basis.

<https://www.ruralhealth.us/advocacy/state-rural-health-advocacy/rural-health-data>

Policy Institute Advocacy: Research and National Data

1 <https://www.chartis.com/expertise/rural-health>



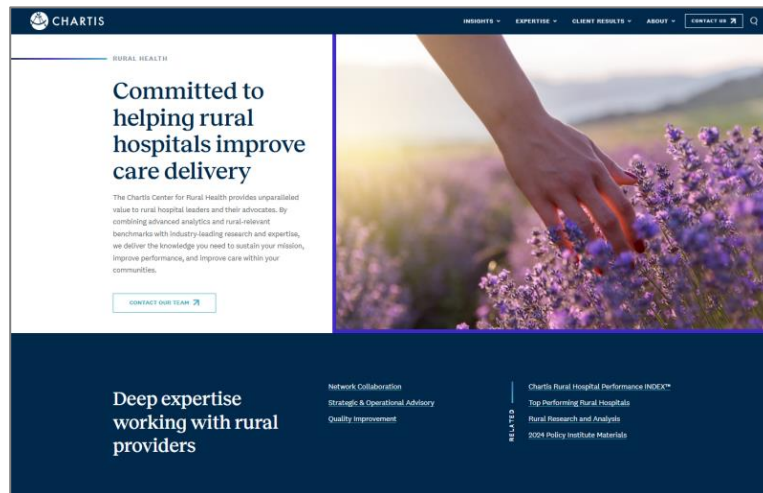
<p>2025 Study</p> <p>Instability continues to threaten rural health safety net</p> <p>New research conducted by Chartis finds reimbursement pressure, dwindling access to care and declining population health status are driving widespread instability across the rural health safety net.</p> <p>Coming Soon ></p> <p>Data Visualization Compendium</p> <p>Unrelenting Pressure Pushes Rural Hospitals into Uncharted Territory</p> <p>Chartis' Michael Topchik shares the</p>	<p>National and State Data Tables</p> <p>Understanding Instability on a State-by-State Basis</p> <p>Our national and state data tables bring clarity to the challenges rural hospitals face through state-by-state breakdowns of the key metrics including, operating margin, policy impact and vulnerability.</p> <p>View Tables ></p> <p>Top 100 Performance</p> <p>Recognizing the Top 100 Rural Hospitals for 2025</p> <p>Each year, Chartis recognizes the Top 100 Critical Access Hospitals and the Top 100</p>	<p>Conference Presentation</p> <p>2025 State of the Rural Health Safety Net</p> <p>Michael Topchik, Executive Director of The Chartis Center for Rural Health shares the key findings from the firm's latest study during the 2025 rural Health Policy Institute Conference in Washington, DC.</p> <p>Coming Soon ></p>
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2  Click: Policy Institute Materials

3 **Links to our new study, National Policy Impact Super Table, State Data and more.**

Top 100 Rural Hospital Marketing Materials

1 <https://www.chartis.com/expertise/rural-health>



2 Click: Top Performing Rural Hospitals

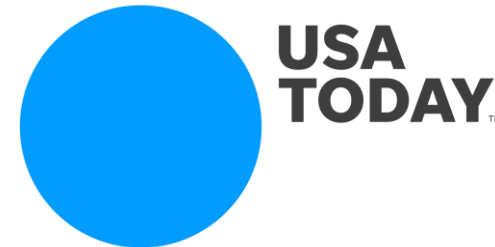
3

Link to the list of award winners, award logo and press release templates.

Rural-relevant Analytics, Strategy & Advisory Services

At the Chartis Center for Rural Health, we deliver a rural-relevant framework through which leadership teams and frontline staff can better understand performance and initiate further clinical and financial improvement.

Our expertise and research has been featured in some in some of the nation's leading news outlets.



Connect with Our Team



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Thank *you*

