

Rural hospitals continue to face fairly dire financial times. The National Rural Health Association last year suggested that more than 670 rural hospitals were at risk of closing. Since 2010, when three rural hospitals shuttered, the annual pace of closures has more than doubled.

82

Number of rural hospital closures in the U.S. since January 2010

—Sheps Center for Health Services Research at the University of North Carolina at Chapel Hill

Of the 24 hospitals that closed in 2015:

12 rural | **12** urban | **80** patient beds, on average

16 were located in states that did not expand Medicaid under the Affordable Care Act

—Medicare Payment Advisory Commission's Report to the Congress: Medicare Payment Policy, March 2017

41%



Rural hospital occupancy rate, 2015 (unchanged from 2014)

65%



Urban hospital occupancy rate, 2015 (1% increase from 2014)

Source: Medicare Payment Advisory Commission's Report to the Congress: Medicare Payment Policy, March 2017

0.2%

Average operating margin among rural hospitals in 2015

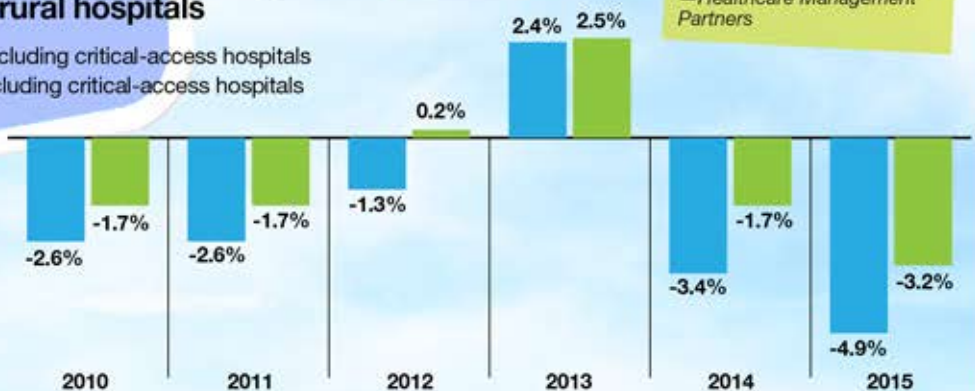
4.4%

Average operating margin among urban hospitals in 2015

—Healthcare Management Partners

Overall Medicare margins for rural hospitals

- Excluding critical-access hospitals
- Including critical-access hospitals



Source: Medicare Payment Advisory Commission's Report to the Congress: Medicare Payment Policy, March 2017