# Rural Emergency Hospital Designation Program: An Overview

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# **RURAL HOSPITALS AND HEALTH CARE**

Rural patients face challenges accessing health care

Increases vulnerability to acute and chronic health problems

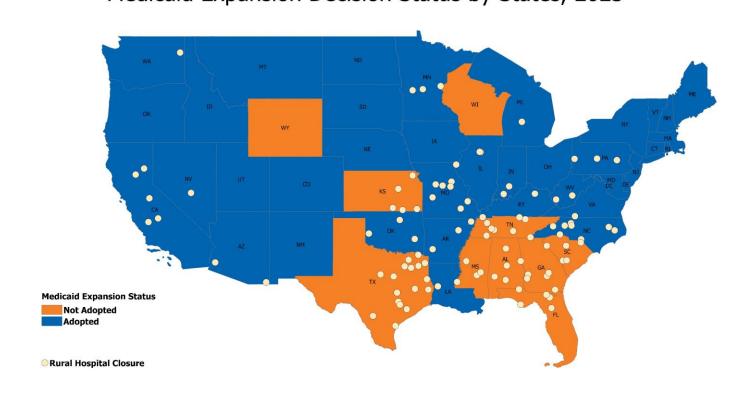
#### Rural areas often have

 Higher rates of uninsured, unemployment, poverty, morbidity, and mortality

Rural hospitals often the only source of health care in their communities

- Over 100 rural hospitals have closed since 2005
- Majority of closures in states that have not expanded access to Medicaid
- Texas leads nation with 17 closures

Rural Hospital Closures, Mar 2005 - Oct 2023 Medicaid Expansion Decision Status by States, 2023



Data Source: The Cecil G. Sheps Center for Health Services Research The University of North Carolina at Chapel Hi https://www.shepscentec.unc.edu/programs-projects/rural-health/rural-hospital-closures/ Data accessed: 2/6/2024 Current status for each state is based on KFF tracking and analysis of state executive activity https://www.kff.org/medical/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/

Prepared by: Center for Rural Health and Nursing, College of Nursing and Health Innovation, University of Texas at Arlington, 2/6/202

Closures leave rural residents without local access to health care

 Contributes to rural disparities in morbidity and mortality

# To address continued disparities

 Ensure that rural residents have access to health care via hospitals within their community

# RURAL EMERGENCY HOSPITAL DESIGNATION PROGRAM

#### Purpose

 To maintain access to critical services in rural communities

#### Eligibility

- Critical Access Hospitals and rural acute care hospitals with 50 or fewer beds
- Located in rural area (or have rural classification) if not designated as a Critical Access Hospital

#### Conditions of participation (partial list)

- No acute inpatient care services
- Staffed Emergency Department
- Average annual length of stay less than 24 hours
- Not eligible to participate in 340B program

#### Medicare payments

- Outpatient Prospective Payment System rate plus 5%
- Receive an additional facility payment every month

# BENEFITS AND CHALLENGES OF CONVERTING

### Benefits

- Preserves access to emergency care in rural communities
- Reduces financial strain/risk of closure
- Rural hospitals can still provide skilled nursing

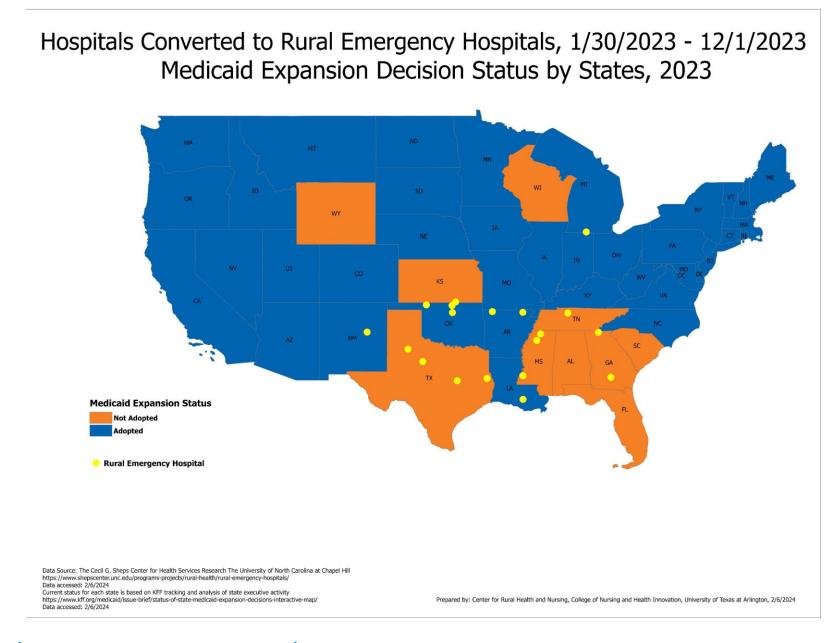
# Challenges

- Loss of services for rural communities
- Hospital could be seen as "abandoning" community
- Potential job loss for community
- Effect on highly vulnerable populations is unclear
- Issues surrounding transportation

# **RURAL EMERGENCY HOSPITALS IN TEXAS**

States must establish licensing, staffing, and regulatory requirements before hospitals can convert

- 15 states, including Texas, have done so
  19 hospitals across the United States have converted to Rural Emergency Hospitals as of 12/1/2023
  - Many in states that have not expanded access to Medicaid



# Rural Emergency Hospitals in Texas

- First hospital to convert was in Texas
  - Crosbyton Hospital
- Three additional rural emergency hospitals
  - Anson General Hospital
  - Falls Community Hospital and Clinic
  - St. Luke's Health Memorial Hospital-San Augustine
- First rural emergency hospital to close in United States
  - St. Mark's Medical Center in LaGrange, TX

