



THE CHARTIS GROUP
CHARTIS CENTER FOR RURAL HEALTH

iVantage
HEALTH ANALYTICS



Rural Relevance Chart Book

Policy Impact





Rural Relevance Chart Book

Chapter 2: Policy Impact

States with particularly large rural populations or those that depend heavily upon Medicare for revenue have been hit hardest by the unintended consequences of policies, according to the Rural Relevance research.

- States with many rural providers – especially Texas, California, and Minnesota – have experienced the greatest losses in hospital revenue (Table 1).
- These cuts have jeopardized the greatest number of jobs in the Midwest and South. Across the five most highly affected states, nearly 30,000 jobs in total will be at risk over the next ten years because of these continued cuts.
- One-third of at-risk jobs are at Critical Access Hospitals and within their communities.

Sequestration

Table 1

States that stand to see the greatest impact from sequestration sustained over 10 years.

	Hospital Revenue Lost	Hospital & Community Job Loss	GDP Loss
California	\$180 M	3,953	\$465 M
Texas	\$163 M	7,340	\$863 M
Minnesota	\$152 M	5,893	\$693 M
North Carolina	\$141 M	6,775	\$797 M
Wisconsin	\$127 M	5,308	\$624 M



Bad Debt Reimbursement Cuts

Table 2

States across the South and Midwest (especially Texas, Michigan, Illinois and Tennessee) as well as California have experienced the greatest losses in rural hospital revenue (Table 2).

States that stand to see the greatest impact from bad debt reimbursement cuts sustained over 10 years.

	Hospital Revenue Lost	Hospital & Community Job Loss	GDP Loss
Texas	\$93.3 M	4,320	\$508 M
Michigan	\$84.5 M	3,628	\$426 M
Illinois	\$80.8 M	3,718	\$437 M
California	\$78.4 M	1,590	\$187 M
Tennessee	\$77.0 M	3,938	\$463 M



CAH Reimbursement Cuts

Table 2

States that stand to see the greatest impact from CAH cost-based reimbursement cuts sustained over 10 years.

	Hospital Revenue Lost	Hospital & Community Job Loss	GDP Loss
Wisconsin	\$73.8 M	2,989	\$351 M
Iowa	\$71.5 M	3,595	\$423 M
Minnesota	\$69.0 M	2,939	\$345 M
Illinois	\$65.2 M	2,926	\$344 M
Texas	\$60.3 M	2,641	\$310 M



PPS Coding Offset

Table 3

States that stand to see the greatest impact from the rural PPS coding offset sustained over 10 years.

	Hospital Revenue Lost	Hospital & Community Job Loss	GDP Loss
California	\$21.5 M	514	\$60.5 M
Texas	\$19.6 M	841	\$98.9 M
North Carolina	\$18.0 M	874	\$102.8 M
New York	\$17.6 M	753	\$88.5 M
Kentucky	\$14.8 M	722	\$84.9 M



About the Hospital Strength INDEX®

The Hospital Strength INDEX is rural healthcare's most comprehensive and objective assessment of rural providers. By assessing performance across more than 50 individual indicators and eight pillars of performance, INDEX brings a rural-relevant perspective to healthcare leaders making strategic and operational decisions. The INDEX is the foundation for many of rural healthcare's most prominent awards (e.g. Top 100 Critical Access Hospitals, NOSORH Performance Excellence Awards) and is used by organizations such as the National Rural Health Association in support of its advocacy and legislative initiatives.

Since its inception, the INDEX has helped more than 750 rural and Critical Access Hospitals integrate sophisticated analytics for benchmarking performance, and has also been used by more than 25 state agencies, state hospital associations, federal grant programs and both the National Rural Health Association (NRHA) and the National Organization of State Offices of Rural Health (NOSORH). INDEX analytics have also informed healthcare industry policy, research and thought leadership.



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CHARTIS CENTER FOR RURAL HEALTH

The Chartis Center for Rural Health (CCRH) builds upon the commitment of The Chartis Group and iVantage Health Analytics to deliver expertise, performance management solutions, advisory services and research to the system-supported rural facilities, community hospitals, and Critical Access Hospitals which provide care to more than 60 million Americans.

Pairing iVantage's extensive knowledge of rural healthcare, research and solution portfolio with the healthcare expertise and resources of The Chartis Group, CCRH creates an unparalleled value proposition for rural health leaders and those advocating on their behalf. The Chartis Center for Rural Health provides insight, perspective, analysis and solutions to this important healthcare segment in order to address the biggest challenges and drive performance improvement.

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