

# Impact of Current Health Policy on Rural Hospitals and Communities

## Alaska

Hospital	Hospital Type	Operating Profit Margin <sup>1</sup>	Sequestration <sup>2</sup> <i>2% Inpatient and Outpatient Medicare Revenue Cut</i>			Bad Debt Reimbursement Cut <sup>3</sup> <i>35% Medicare Bad Debt Reimbursement Cut</i>			PPS Coding Offset <sup>4</sup> <i>0.5% PPS Medicare Inpatient Revenue Cut</i>			340B Reimbursement Cuts <sup>5,6</sup> <i>27% Outpatient Drug Reimbursement Cut for 340B PPS Participants</i>		
			Annual Hospital Revenue Lost <sup>1</sup>	Potential Job Loss <sup>7</sup>	Potential GDP Loss <sup>8</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Job Loss <sup>7</sup>	Potential GDP Loss <sup>8</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Job Loss <sup>7</sup>	Potential GDP Loss <sup>8</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Job Loss <sup>7</sup>	Potential GDP Loss <sup>8</sup>
BARTLETT REGIONAL HOSPITAL	Rural PPS	-6.8%	\$245,458	4	\$417,318	-	-	-	\$46,578	1	\$79,190	\$165,124	3	\$280,737
CENTRAL PENINSULA GENERAL HOSPITAL	Rural PPS	16.7%	\$575,933	9	\$1,010,601	\$14,872	0	\$26,095	\$102,184	2	\$179,305	\$319,575	5	\$560,764
CORDOVA COMMUNITY MEDICAL CENTER	CAH	-16.6%	\$6,310	0	\$15,075	\$1,202	0	\$2,871	-	-	-	-	-	-
KANAKANAK HOSPITAL	CAH	-	\$36,167	1	\$72,762	-	-	-	-	-	-	-	-	-
KETCHIKAN MEDICAL CENTER	CAH	-7.9%	\$120,422	2	\$242,269	\$48,091	1	\$96,750	-	-	-	-	-	-
MANILAQ HEALTH CENTER	CAH	-	\$57,102	1	\$114,880	-	-	-	-	-	-	-	-	-
MAT-SU REGIONAL MEDICAL CENTER	Rural PPS	25.5%	\$679,492	11	\$1,185,503	\$155,451	2	\$271,214	\$132,988	2	\$232,024	-	-	-
MOUNT EDGECUMBE HOSPITAL	CAH	-	\$87,111	2	\$239,761	-	-	-	-	-	-	-	-	-
NORTON SOUND REGIONAL HOSPITAL	CAH	-3.9%	\$61,466	1	\$131,625	-	-	-	-	-	-	-	-	-
PETERSBURG MEDICAL CENTER	CAH	-2.2%	\$8,031	0	\$15,506	-	-	-	-	-	-	-	-	-
PROVIDENCE KODIAK ISLAND MEDICAL CTR	CAH	6.4%	\$40,245	1	\$80,966	\$27,286	0	\$54,895	-	-	-	-	-	-
PROVIDENCE SEWARD HOSPITAL	CAH	5.1%	\$7,146	0	\$14,377	\$12,682	0	\$25,514	-	-	-	-	-	-
PROVIDENCE VALDEZ MEDICAL CENTER	CAH	5.1%	\$11,898	0	\$23,563	\$2,301	0	\$4,557	-	-	-	-	-	-
SAMUEL SIMMONDS MEMORIAL HOSPITAL	CAH	-	\$86,918	2	\$272,400	-	-	-	-	-	-	-	-	-
SITKA COMMUNITY HOSPITAL	CAH	-12.0%	\$31,514	1	\$68,823	\$9,527	0	\$20,806	-	-	-	-	-	-
SOUTH PENINSULA HOSPITAL	CAH	-5.1%	\$89,370	1	\$160,818	\$27,601	0	\$49,667	-	-	-	-	-	-
WRANGELL MEDICAL CENTER	CAH	0.8%	\$6,972	0	\$17,987	-	-	-	-	-	-	-	-	-
YUKON KUSKOKWIM DELTA REG HOSPITAL	Rural PPS	-	\$108,546	2	\$227,872	-	-	-	\$16,946	0	\$35,575	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.

<sup>1</sup> CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

<sup>2</sup> Budget Control Act of 2011

<sup>3</sup> Middle Class Tax Relief and Job Creation Act of 2012

<sup>4</sup> American Taxpayer Relief Act of 2012

<sup>5</sup> MedPAC, 2015

<sup>6</sup> Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs, 2017

<sup>7</sup> National Center for Rural Health Works, 2016

<sup>8</sup> The World Bank, 2017

# Impact of Proposed Save Rural Hospitals Act on Rural Hospitals and Communities

## Alaska

Hospital	Hospital Type	Operating Profit Margin <sup>1</sup>	Eligible and Would Benefit? <sup>1,2</sup>	Save Rural Hospitals Act <sup>2</sup>			
				Proposed Community Outpatient Hospital Status would Preserve Outpatient Services			
				Annual Hospital Revenue Preserved <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Jobs Preserved <sup>3</sup>	Potential GDP Preserved <sup>4</sup>
BARTLETT REGIONAL HOSPITAL	Rural PPS	-6.8%	Yes	\$4,286,854	-1.9%	65	\$7,288,337
CENTRAL PENINSULA GENERAL HOSPITAL	Rural PPS	16.7%	Yes	\$2,409,353	17.8%	38	\$4,227,739
CORDOVA COMMUNITY MEDICAL CENTER	CAH	-16.6%	Yes	\$80,521	-15.6%	2	\$192,370
KANAKANAK HOSPITAL	CAH	-	Yes	\$142,073	-	3	\$285,826
KETCHIKAN MEDICAL CENTER	CAH	-7.9%	Yes	\$841,149	-6.5%	15	\$1,692,248
MANILAQ HEALTH CENTER	CAH	-	Yes	\$229,202	-	4	\$461,116
MAT-SU REGIONAL MEDICAL CENTER	Rural PPS	25.5%	No	-	-	-	-
MOUNT EDGE CUMBE HOSPITAL	CAH	-	Yes	\$975,087	-	24	\$2,683,788
NORTON SOUND REGIONAL HOSPITAL	CAH	-3.9%	Yes	\$343,048	-3.5%	7	\$734,614
PETERSBURG MEDICAL CENTER	CAH	-2.2%	Yes	\$145,765	-1.3%	3	\$281,437
PROVIDENCE KODIAK ISLAND MEDICAL CTR	CAH	6.4%	Yes	\$261,911	7.0%	5	\$526,921
PROVIDENCE SEWARD HOSPITAL	CAH	5.1%	Yes	\$110,767	5.7%	2	\$222,844
PROVIDENCE VALDEZ MEDICAL CENTER	CAH	5.1%	Yes	\$119,372	5.8%	2	\$236,407
SAMUEL SIMMONDS MEMORIAL HOSPITAL	CAH	-	Yes	\$244,365	-	7	\$765,837
SITKA COMMUNITY HOSPITAL	CAH	-12.0%	Yes	\$255,873	-10.9%	5	\$558,798
SOUTH PENINSULA HOSPITAL	CAH	-5.1%	Yes	\$758,047	-3.8%	12	\$1,364,076
WRANGELL MEDICAL CENTER	CAH	0.8%	Yes	\$86,874	1.6%	2	\$224,120
YUKON KUSKOKWIM DELTA REG HOSPITAL	Rural PPS	-	No	-	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.  
<sup>1</sup> CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.  
<sup>2</sup> Save Rural Hospitals Act, 2017  
<sup>3</sup> National Center for Rural Health Works, 2016  
<sup>4</sup> The World Bank, 2017

# Impact of Pending Health Policy on Rural Hospitals and Communities

## Alaska

Hospital	Hospital Type	Operating Profit Margin <sup>1</sup>	Tax Cuts and Jobs Act: Minimum 2% Medicare Revenue Cut Imposed by PAYGO <sup>2</sup> <i>2% Medicare Revenue Cut, in addition to existing Sequester</i>				Tax Cuts and Jobs Act: Maximum 4% Medicare Revenue Cut Imposed by PAYGO <sup>2</sup> <i>4% Medicare Revenue Cut, in addition to existing Sequester</i>				Ways and Means-Proposed Swing Bed Reimbursement Cut <sup>3,4</sup> <i>OIG-Recommended CAH Swing Bed Reimbursement at SNF Rate (\$275 per Swing Day)</i>			
			Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>5</sup>	Potential GDP Loss <sup>6</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>5</sup>	Potential GDP Loss <sup>6</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>5</sup>	Potential GDP Loss <sup>6</sup>
BARTLETT REGIONAL HOSPITAL	Rural PPS	-6.8%	\$244,275	-7.0%	4	\$415,306	\$488,549	-7.3%	7	\$830,612	-	-	-	-
CENTRAL PENINSULA GENERAL HOSPITAL	Rural PPS	16.7%	\$572,589	16.4%	9	\$1,004,733	\$1,145,178	16.2%	18	\$2,009,467	-	-	-	-
CORDOVA COMMUNITY MEDICAL CENTER	CAH	-16.6%	\$20,058	-16.9%	0	\$47,919	\$40,115	-17.1%	1	\$95,838	\$441,921	-22.3%	9	\$1,055,775
KANAKANAK HOSPITAL	CAH	-	\$54,438	-	1	\$109,521	\$108,877	-	2	\$219,042	\$1,151,415	-	21	\$2,316,453
KETCHIKAN MEDICAL CENTER	CAH	-7.9%	\$260,545	-8.3%	5	\$524,173	\$521,090	-8.7%	9	\$1,048,345	-	-	-	-
MANILAQ HEALTH CENTER	CAH	-	\$76,191	-	1	\$153,284	\$152,383	-	3	\$306,568	-	-	-	-
MAT-SU REGIONAL MEDICAL CENTER	Rural PPS	25.5%	\$676,541	25.3%	11	\$1,180,354	\$1,353,082	25.0%	21	\$2,360,708	-	-	-	-
MOUNT EDGECUMBE HOSPITAL	CAH	-	\$195,965	-	5	\$539,365	\$391,930	-	10	\$1,078,731	\$4,438,078	-	109	\$12,215,173
NORTON SOUND REGIONAL HOSPITAL	CAH	-3.9%	\$127,053	-4.0%	2	\$272,075	\$254,106	-4.1%	5	\$544,151	\$721,813	-4.5%	14	\$1,545,713
PETERSBURG MEDICAL CENTER	CAH	-2.2%	\$44,979	-2.5%	1	\$86,843	\$89,957	-2.9%	2	\$173,685	\$1,490,142	-13.3%	26	\$2,877,100
PROVIDENCE KODIAK ISLAND MEDICAL CTR	CAH	6.4%	\$79,950	6.3%	1	\$160,846	\$159,900	6.1%	3	\$321,692	\$1,219,058	3.9%	22	\$2,452,539
PROVIDENCE SEWARD HOSPITAL	CAH	5.1%	\$29,096	4.9%	1	\$58,536	\$58,192	4.8%	1	\$117,072	\$1,007,482	-0.7%	18	\$2,026,883
PROVIDENCE VALDEZ MEDICAL CENTER	CAH	5.1%	\$40,572	4.8%	1	\$80,350	\$81,145	4.5%	1	\$160,701	\$1,351,337	-4.4%	24	\$2,676,219
SAMUEL SIMMONDS MEMORIAL HOSPITAL	CAH	-	\$129,014	-	4	\$404,328	\$258,028	-	7	\$808,656	\$1,436,568	-	40	\$4,502,186
SITKA COMMUNITY HOSPITAL	CAH	-12.0%	\$85,145	-12.4%	2	\$185,947	\$170,290	-12.7%	3	\$371,894	\$2,559,928	-24.0%	50	\$5,590,598
SOUTH PENINSULA HOSPITAL	CAH	-5.1%	\$234,841	-5.5%	4	\$422,588	\$469,683	-5.9%	8	\$845,176	\$2,597,098	-9.6%	42	\$4,673,377
WRANGELL MEDICAL CENTER	CAH	0.8%	\$30,123	0.6%	1	\$77,713	\$60,246	0.3%	1	\$155,426	\$928,916	-8.0%	21	\$2,396,453
YUKON KUSKOKWIM DELTA REG HOSPITAL	Rural PPS	-	\$107,731	-	2	\$226,161	\$215,463	-	4	\$452,323	-	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.

<sup>1</sup> CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

<sup>2</sup> Budget Enforcement Act of 1990

<sup>3</sup> House Ways and Means Committee, 2017

<sup>4</sup> Office of Inspector General, 2015

<sup>5</sup> National Center for Rural Health Works, 2016

<sup>6</sup> The World Bank, 2017

# Impact of Medicaid Block Grants under Proposed ACA Repeal and Replace on Rural Hospitals and Communities

## Alaska

Hospital	Hospital Type	Operating Profit Margin <sup>1</sup>	House-Approved American Health Care Act (AHCA) <sup>2</sup> \$834B Cut to Medicaid Funding over Ten Years				Senate-Proposed Better Care Reconciliation Act (BCRA) <sup>2</sup> \$772B Cut to Medicaid Funding over Ten Years				Senate-Proposed Graham-Cassidy Bill <sup>2</sup> \$1T Cut to Medicaid Funding over Ten Years			
			Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>3</sup>	Potential GDP Loss <sup>4</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>3</sup>	Potential GDP Loss <sup>4</sup>	Annual Hospital Revenue Lost <sup>1</sup>	Potential Median Margin <sup>1</sup>	Potential Job Loss <sup>3</sup>	Potential GDP Loss <sup>4</sup>
BARTLETT REGIONAL HOSPITAL	Rural PPS	-6.8%	\$2,375,263	-9.6%	36	\$4,038,326	\$2,198,685	-9.4%	33	\$3,738,115	\$2,848,037	-10.2%	43	\$4,842,118
CENTRAL PENINSULA GENERAL HOSPITAL	Rural PPS	16.7%	\$2,196,674	15.6%	35	\$3,854,547	\$2,033,372	15.7%	32	\$3,567,998	\$2,633,901	15.4%	41	\$4,621,759
CORDOVA COMMUNITY MEDICAL CENTER	CAH	-16.6%	\$16,723	-16.8%	0	\$39,952	\$15,480	-16.8%	0	\$36,982	\$20,052	-16.9%	0	\$47,904
KANAKANAK HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
KETCHIKAN MEDICAL CENTER	CAH	-7.9%	\$1,295,988	-10.0%	23	\$2,607,309	\$1,199,644	-9.9%	22	\$2,413,480	\$1,553,943	-10.5%	28	\$3,126,270
MANILAQ HEALTH CENTER	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
MAT-SU REGIONAL MEDICAL CENTER	Rural PPS	25.5%	\$2,476,451	24.6%	39	\$4,320,639	\$2,292,351	24.6%	36	\$3,999,440	\$2,969,366	24.4%	46	\$5,180,622
MOUNT EDGECUMBE HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
NORTON SOUND REGIONAL HOSPITAL	CAH	-3.9%	\$2,123,593	-5.8%	41	\$4,547,533	\$1,965,724	-5.7%	38	\$4,209,467	\$2,546,275	-6.2%	49	\$5,452,678
PETERSBURG MEDICAL CENTER	CAH	-2.2%	\$75,704	-2.8%	1	\$146,165	\$70,076	-2.7%	1	\$135,299	\$90,772	-2.9%	2	\$175,258
PROVIDENCE KODIAK ISLAND MEDICAL CTR	CAH	6.4%	\$1,509,604	3.2%	27	\$3,037,068	\$1,397,380	3.5%	25	\$2,811,291	\$1,810,077	2.6%	33	\$3,641,569
PROVIDENCE SEWARD HOSPITAL	CAH	5.1%	\$1,437,772	-3.3%	26	\$2,892,553	\$1,330,887	-2.6%	24	\$2,677,519	\$1,723,947	-5.2%	31	\$3,468,289
PROVIDENCE VALDEZ MEDICAL CENTER	CAH	5.1%	\$551,474	1.4%	10	\$1,092,152	\$510,477	1.7%	9	\$1,010,961	\$661,240	0.7%	12	\$1,309,535
SAMUEL SIMMONDS MEMORIAL HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
SITKA COMMUNITY HOSPITAL	CAH	-12.0%	\$181,426	-12.8%	4	\$396,214	\$167,939	-12.7%	3	\$366,759	\$217,537	-12.9%	4	\$475,077
SOUTH PENINSULA HOSPITAL	CAH	-5.1%	\$2,582,183	-9.6%	42	\$4,646,538	\$2,390,222	-9.3%	39	\$4,301,112	\$3,096,143	-10.6%	50	\$5,571,389
WRANGELL MEDICAL CENTER	CAH	0.8%	\$128,132	-0.3%	3	\$330,559	\$118,606	-0.2%	3	\$305,985	\$153,635	-0.5%	4	\$396,354
YUKON KUSKOKWIM DELTA REG HOSPITAL	Rural PPS	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.

<sup>1</sup> CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

<sup>2</sup> Congressional Budget Office, 2017

<sup>3</sup> National Center for Rural Health Works, 2016

<sup>4</sup> The World Bank, 2017