

Impact of Current Health Policy on Rural Hospitals and Communities

Arizona

Hospital	Hospital Type	Operating Profit Margin ¹	Sequestration ² <i>2% Inpatient and Outpatient Medicare Revenue Cut</i>			Bad Debt Reimbursement Cut ³ <i>35% Medicare Bad Debt Reimbursement Cut</i>			PPS Coding Offset ⁴ <i>0.5% PPS Medicare Inpatient Revenue Cut</i>			340B Reimbursement Cuts ^{5,6} <i>27% Outpatient Drug Reimbursement Cut for 340B PPS Participants</i>		
			Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸
BANNER PAYSON MEDICAL CENTER	Rural PPS	-9.2%	\$230,170	5	\$503,182	\$10,384	0	\$22,701	\$31,182	1	\$68,169	\$76,943	2	\$168,208
BENSON HOSPITAL	CAH	-14.1%	\$11,874	0	\$29,903	\$17,159	0	\$43,214	-	-	-	-	-	-
CHINLE COMPREHENSIVE HEALTH CARE FACILITY	Rural PPS	-	\$195,098	5	\$603,275	-	-	-	\$18,004	0	\$55,672	-	-	-
COBRE VALLEY REGIONAL MEDICAL CENTER	CAH	2.1%	\$137,989	2	\$277,358	\$27,031	0	\$54,332	-	-	-	-	-	-
COPPER QUEEN COMMUNITY HOSPITAL	CAH	17.8%	\$7,702	0	\$17,959	\$20,518	0	\$47,843	-	-	-	-	-	-
HOLY CROSS HOSPITAL	CAH	6.6%	\$3,232	0	\$6,906	-	-	-	-	-	-	-	-	-
HOPI HEALTH CARE CENTER	CAH	-	\$24,457	1	\$58,422	-	-	-	-	-	-	-	-	-
HUHU KAM MEMORIAL HOSPITAL	CAH	-	\$6,429	0	\$14,412	-	-	-	-	-	-	-	-	-
LA PAZ REGIONAL HOSPITAL	CAH	4.3%	\$129,815	4	\$400,573	\$115,052	3	\$355,018	-	-	-	-	-	-
LITTLE COLORADO MEDICAL CENTER	CAH	4.2%	\$36,969	1	\$92,796	-	-	-	-	-	-	-	-	-
MT. GRAHAM REGIONAL MEDICAL CENTER	Rural PPS	2.8%	\$130,213	3	\$311,050	\$23,130	0	\$55,253	\$17,527	0	\$41,869	\$105,131	2	\$251,135
NORTHERN COCHISE COMMUNITY HOSPITAL	CAH	-5.8%	\$14,403	0	\$43,978	\$15,692	0	\$47,912	-	-	-	-	-	-
PAGE HOSPITAL	CAH	20.6%	\$14,460	0	\$32,383	\$23,706	0	\$53,088	-	-	-	-	-	-
PARKER INDIAN HEALTH CENTER	CAH	-	\$7,716	0	\$22,998	-	-	-	-	-	-	-	-	-
SAGE MEMORIAL HOSPITAL	CAH	-	\$36,274	1	\$86,201	-	-	-	-	-	-	-	-	-
SUMMIT HEALTHCARE REGIONAL MEDICAL CENTER	Rural PPS	4.0%	\$603,342	11	\$1,249,912	\$6,208	0	\$12,861	\$91,752	2	\$190,079	\$303,695	6	\$629,149
TUBA CITY REGIONAL HEALTH CARE CORPORATION	Rural PPS	-	\$320,366	8	\$898,304	-	-	-	\$42,796	1	\$119,998	-	-	-
VALLEY VIEW MEDICAL CENTER	Rural PPS	-5.6%	\$217,236	4	\$457,505	\$33,033	1	\$69,568	\$31,797	1	\$66,965	-	-	-
VERDE VALLEY MEDICAL CENTER	Rural PPS	15.1%	\$806,699	15	\$1,693,571	\$63,550	1	\$133,415	\$136,247	3	\$286,036	\$263,307	5	\$552,782
WESTERN ARIZONA REGIONAL MEDICAL CENTER	Rural PPS	-	\$572,583	13	\$1,403,872	\$210,468	5	\$516,030	\$102,033	2	\$250,166	-	-	-
WHITE MOUNTAIN REGIONAL MEDICAL CENTER	CAH	-10.7%	\$25,295	1	\$64,830	\$15,441	0	\$39,574	-	-	-	-	-	-
WICKENBURG COMMUNITY HOSPITAL	CAH	-9.5%	\$40,028	1	\$100,544	\$40,607	1	\$102,000	-	-	-	-	-	-

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

¹ 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.

² Budget Control Act of 2011

³ Middle Class Tax Relief and Job Creation Act of 2012

⁴ American Taxpayer Relief Act of 2012

⁵ MedPAC, 2015

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

⁷ National Center for Rural Health Works, 2016

⁸ The World Bank, 2017

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

Arizona

Hospital	Hospital Type	Operating Profit Margin ¹	Eligible and Would Benefit? ^{1,2}	Save Rural Hospitals Act ²			
				Proposed Community Outpatient Hospital Status would Preserve Outpatient Services			
				Annual Hospital Revenue Preserved ¹	Potential Median Margin ¹	Potential Jobs Preserved ³	Potential GDP Preserved ⁴
BANNER PAYSON MEDICAL CENTER	Rural PPS	-9.2%	Yes	\$2,099,382	-3.9%	41	\$4,589,526
BENSON HOSPITAL	CAH	-14.1%	Yes	\$259,159	-12.0%	6	\$652,663
CHINLE COMPREHENSIVE HEALTH CARE FACILITY	Rural PPS	-	No	-	-	-	-
COBRE VALLEY REGIONAL MEDICAL CENTER	CAH	2.1%	Yes	\$866,187	3.9%	16	\$1,741,043
COPPER QUEEN COMMUNITY HOSPITAL	CAH	17.8%	Yes	\$160,962	18.2%	3	\$375,318
HOLY CROSS HOSPITAL	CAH	6.6%	Yes	\$27,997	6.7%	1	\$59,825
HOPI HEALTH CARE CENTER	CAH	-	Yes	\$303,555	-	6	\$725,125
HUHU KAM MEMORIAL HOSPITAL	CAH	-	Yes	\$165,558	-	3	\$371,146
LA PAZ REGIONAL HOSPITAL	CAH	4.3%	Yes	\$739,553	7.1%	20	\$2,282,051
LITTLE COLORADO MEDICAL CENTER	CAH	4.2%	Yes	\$309,402	5.2%	7	\$776,629
MT. GRAHAM REGIONAL MEDICAL CENTER	Rural PPS	2.8%	Yes	\$57,864	2.9%	1	\$138,224
NORTHERN COCHISE COMMUNITY HOSPITAL	CAH	-5.8%	Yes	\$270,937	-4.0%	7	\$827,268
PAGE HOSPITAL	CAH	20.6%	Yes	\$152,172	21.2%	3	\$340,784
PARKER INDIAN HEALTH CENTER	CAH	-	Yes	\$93,100	-	2	\$277,492
SAGE MEMORIAL HOSPITAL	CAH	-	Yes	\$204,320	-	4	\$485,542
SUMMIT HEALTHCARE REGIONAL MEDICAL CENTER	Rural PPS	4.0%	No	-	-	-	-
TUBA CITY REGIONAL HEALTH CARE CORPORATION	Rural PPS	-	No	-	-	-	-
VALLEY VIEW MEDICAL CENTER	Rural PPS	-5.6%	No	-	-	-	-
VERDE VALLEY MEDICAL CENTER	Rural PPS	15.1%	No	-	-	-	-
WESTERN ARIZONA REGIONAL MEDICAL CENTER	Rural PPS	-	No	-	-	-	-
WHITE MOUNTAIN REGIONAL MEDICAL CENTER	CAH	-10.7%	Yes	\$265,701	-8.8%	6	\$680,995
WICKENBURG COMMUNITY HOSPITAL	CAH	-9.5%	Yes	\$483,067	-7.7%	11	\$1,213,392

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

¹ 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.

² Save Rural Hospitals Act, 2017

³ National Center for Rural Health Works, 2016

⁴ The World Bank, 2017

Impact of Pending Health Policy on Rural Hospitals and Communities

Arizona

Hospital	Hospital Type	Operating Profit Margin ¹	Tax Cuts and Jobs Act: Minimum 2% Medicare Revenue Cut Imposed by PAYGO ² <i>2% Medicare Revenue Cut, in addition to existing Sequester</i>				Tax Cuts and Jobs Act: Maximum 4% Medicare Revenue Cut Imposed by PAYGO ² <i>4% Medicare Revenue Cut, in addition to existing Sequester</i>				Ways and Means-Proposed Swing Bed Reimbursement Cut ^{3,4} <i>OIG-Recommended CAH Swing Bed Reimbursement at SNF Rate (\$275 per Swing Day)</i>			
			Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶
BANNER PAYSON MEDICAL CENTER	Rural PPS	-9.2%	\$228,061	-9.8%	4	\$498,571	\$456,122	-10.4%	9	\$997,142	-	-	-	-
BENSON HOSPITAL	CAH	-14.1%	\$56,399	-14.6%	1	\$142,034	\$112,798	-15.1%	3	\$284,069	\$729,229	-20.4%	16	\$1,836,478
CHINLE COMPREHENSIVE HEALTH CARE FACILITY	Rural PPS	-	\$192,636	-	5	\$595,663	\$385,273	-	11	\$1,191,326	-	-	-	-
COBRE VALLEY REGIONAL MEDICAL CENTER	CAH	2.1%	\$189,327	1.7%	3	\$380,550	\$378,655	1.3%	7	\$761,099	-	-	-	-
COPPER QUEEN COMMUNITY HOSPITAL	CAH	17.8%	\$18,404	17.7%	0	\$42,912	\$36,807	17.7%	1	\$85,824	\$522,765	16.4%	11	\$1,218,941
HOLY CROSS HOSPITAL	CAH	6.6%	\$1,912	6.6%	0	\$4,085	\$3,824	6.6%	0	\$8,170	\$19,525	6.5%	0	\$41,722
HOPI HEALTH CARE CENTER	CAH	-	\$93,984	-	2	\$224,508	\$187,968	-	4	\$449,015	-	-	-	-
HUHU KAM MEMORIAL HOSPITAL	CAH	-	\$65,511	-	1	\$146,861	\$131,022	-	3	\$293,722	-	-	-	-
LA PAZ REGIONAL HOSPITAL	CAH	4.3%	\$108,015	3.9%	3	\$333,303	\$216,029	3.5%	6	\$666,605	\$642,308	1.7%	18	\$1,981,980
LITTLE COLORADO MEDICAL CENTER	CAH	4.2%	\$48,580	4.1%	1	\$121,941	\$97,160	3.9%	2	\$243,882	\$251,500	3.4%	6	\$631,289
MT. GRAHAM REGIONAL MEDICAL CENTER	Rural PPS	2.8%	\$129,011	2.6%	3	\$308,178	\$258,021	2.4%	6	\$616,356	-	-	-	-
NORTHERN COCHISE COMMUNITY HOSPITAL	CAH	-5.8%	\$45,009	-6.1%	1	\$137,429	\$90,018	-6.4%	2	\$274,857	\$981,201	-12.9%	27	\$2,995,964
PAGE HOSPITAL	CAH	20.6%	\$38,874	20.4%	1	\$87,056	\$77,747	20.2%	2	\$174,112	-	-	-	-
PARKER INDIAN HEALTH CENTER	CAH	-	\$36,224	-	1	\$107,970	\$72,449	-	2	\$215,940	\$2,584,553	-	69	\$7,703,469
SAGE MEMORIAL HOSPITAL	CAH	-	\$63,519	-	1	\$150,946	\$127,038	-	3	\$301,892	\$236,484	-	5	\$561,977
SUMMIT HEALTHCARE REGIONAL MEDICAL CENTER	Rural PPS	4.0%	\$598,615	3.6%	11	\$1,240,118	\$1,197,230	3.3%	22	\$2,480,237	-	-	-	-
TUBA CITY REGIONAL HEALTH CARE CORPORATION	Rural PPS	-	\$317,383	-	8	\$889,940	\$634,766	-	16	\$1,779,880	-	-	-	-
VALLEY VIEW MEDICAL CENTER	Rural PPS	-5.6%	\$215,435	-6.1%	4	\$453,712	\$430,870	-6.6%	8	\$907,424	-	-	-	-
VERDE VALLEY MEDICAL CENTER	Rural PPS	15.1%	\$801,465	14.6%	15	\$1,682,582	\$1,602,929	14.1%	30	\$3,365,164	-	-	-	-
WESTERN ARIZONA REGIONAL MEDICAL CENTER	Rural PPS	-	\$569,294	-	12	\$1,395,808	\$1,138,588	-	25	\$2,791,616	-	-	-	-
WHITE MOUNTAIN REGIONAL MEDICAL CENTER	CAH	-10.7%	\$61,808	-11.1%	1	\$158,415	\$123,616	-11.6%	3	\$316,830	\$2,362,898	-30.3%	54	\$6,056,133
WICKENBURG COMMUNITY HOSPITAL	CAH	-9.5%	\$119,383	-10.0%	3	\$299,873	\$238,766	-10.5%	5	\$599,746	\$949,088	-13.4%	21	\$2,383,970

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

¹ 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.

² Budget Enforcement Act of 1990

³ House Ways and Means Committee, 2017

⁴ Office of Inspector General, 2015

⁵ National Center for Rural Health Works, 2016

⁶ The World Bank, 2017

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

Arizona

Hospital	Hospital Type	Operating Profit Margin ¹	House-Approved American Health Care Act (AHCA) ² \$834B Cut to Medicaid Funding over Ten Years				Senate-Proposed Better Care Reconciliation Act (BCRA) ² \$772B Cut to Medicaid Funding over Ten Years				Senate-Proposed Graham-Cassidy Bill ² \$1T Cut to Medicaid Funding over Ten Years			
			Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴
BANNER PAYSON MEDICAL CENTER	Rural PPS	-9.2%	\$144,877	-9.6%	3	\$316,720	\$134,106	-9.6%	3	\$293,175	\$173,713	-9.7%	3	\$379,760
BENSON HOSPITAL	CAH	-14.1%	\$365,589	-17.2%	8	\$920,694	\$338,411	-17.0%	8	\$852,249	\$438,356	-17.8%	10	\$1,103,949
CHINLE COMPREHENSIVE HEALTH CARE FACILITY	Rural PPS	-	-	-	-	-	-	-	-	-	-	-	-	-
COBRE VALLEY REGIONAL MEDICAL CENTER	CAH	2.1%	\$2,258,208	-2.9%	41	\$4,539,015	\$2,090,332	-2.6%	38	\$4,201,582	\$2,707,684	-4.0%	49	\$5,442,464
COPPER QUEEN COMMUNITY HOSPITAL	CAH	17.8%	\$985,809	15.2%	21	\$2,298,630	\$912,524	15.4%	19	\$2,127,748	\$1,182,026	14.6%	25	\$2,756,151
HOLY CROSS HOSPITAL	CAH	6.6%	\$1,513,682	0.3%	29	\$3,234,468	\$1,401,154	0.8%	27	\$2,994,016	\$1,814,967	-1.1%	35	\$3,878,260
HOPI HEALTH CARE CENTER	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
HUHU KAM MEMORIAL HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
LA PAZ REGIONAL HOSPITAL	CAH	4.3%	\$698,442	1.5%	19	\$2,155,195	\$646,520	1.7%	18	\$1,994,977	\$837,461	0.9%	23	\$2,584,167
LITTLE COLORADO MEDICAL CENTER	CAH	4.2%	\$1,152,089	0.4%	26	\$2,891,856	\$1,066,442	0.7%	24	\$2,676,874	\$1,381,402	-0.4%	31	\$3,467,453
MT. GRAHAM REGIONAL MEDICAL CENTER	Rural PPS	2.8%	\$1,260,033	0.7%	27	\$3,009,942	\$1,166,361	0.8%	25	\$2,786,182	\$1,510,831	0.2%	32	\$3,609,044
NORTHERN COCHISE COMMUNITY HOSPITAL	CAH	-5.8%	\$417,000	-8.7%	11	\$1,273,252	\$386,000	-8.5%	11	\$1,178,598	\$500,000	-9.3%	14	\$1,526,681
PAGE HOSPITAL	CAH	20.6%	\$631,963	17.7%	13	\$1,415,264	\$584,983	17.9%	12	\$1,310,053	\$757,750	17.1%	15	\$1,696,960
PARKER INDIAN HEALTH CENTER	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
SAGE MEMORIAL HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
SUMMIT HEALTHCARE REGIONAL MEDICAL CENTER	Rural PPS	4.0%	\$1,809,756	2.9%	34	\$3,749,176	\$1,675,218	3.0%	31	\$3,470,461	\$2,169,972	2.7%	40	\$4,495,415
TUBA CITY REGIONAL HEALTH CARE CORPORATION	Rural PPS	-	-	-	-	-	-	-	-	-	-	-	-	-
VALLEY VIEW MEDICAL CENTER	Rural PPS	-5.6%	\$1,281,099	-8.5%	24	\$2,698,032	\$1,185,862	-8.3%	22	\$2,497,459	\$1,536,090	-9.1%	29	\$3,235,051
VERDE VALLEY MEDICAL CENTER	Rural PPS	15.1%	\$2,213,929	13.7%	42	\$4,647,888	\$2,049,344	13.8%	39	\$4,302,361	\$2,654,591	13.5%	50	\$5,573,007
WESTERN ARIZONA REGIONAL MEDICAL CENTER	Rural PPS	-	\$2,260,427	-	50	\$5,542,166	\$2,092,386	-	46	\$5,130,159	\$2,710,345	-	59	\$6,645,283
WHITE MOUNTAIN REGIONAL MEDICAL CENTER	CAH	-10.7%	\$161,714	-11.8%	4	\$414,474	\$149,692	-11.7%	3	\$383,661	\$193,901	-12.1%	4	\$496,971
WICKENBURG COMMUNITY HOSPITAL	CAH	-9.5%	\$250,181	-10.5%	6	\$628,418	\$231,583	-10.4%	5	\$581,702	\$299,977	-10.7%	7	\$753,499

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

¹ 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.

² Congressional Budget Office, 2017

³ National Center for Rural Health Works, 2016

⁴ The World Bank, 2017