

Impact of Current Health Policy on Rural Hospitals and Communities

Virginia

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
BATH COMMUNITY HOSPITAL	CAH	-	\$31,541	1	\$81,889	\$20,415	0	\$53,004	-	-	-	-	-	-
BEDFORD MEMORIAL HOSPITAL	Rural PPS	1.4%	\$155,502	4	\$480,144	\$49,219	1	\$151,975	\$26,002	1	\$80,285	-	-	-
BUCHANAN GENERAL HOSPITAL	Rural PPS	0.0%	\$117,194	3	\$372,456	\$80,461	2	\$255,715	\$18,583	1	\$59,059	-	-	-
CARILION GILES COMMUNITY HOSPITAL	CAH	4.8%	\$68,599	2	\$172,454	\$106,493	2	\$267,717	-	-	-	-	-	-
CARILION STONEWALL JACKSON HOSPITAL	CAH	7.3%	\$93,202	2	\$239,115	\$153,631	4	\$394,151	-	-	-	-	-	-
CARILION TAZEWELL COMMUNITY HOSPITAL	Rural PPS	-16.1%	\$65,615	2	\$182,883	\$22,885	1	\$63,786	\$11,451	0	\$31,916	-	-	-
CLINCH VALLEY MEDICAL CENTER	Rural PPS	0.9%	\$315,293	7	\$819,184	\$144,876	3	\$376,411	\$45,837	1	\$119,092	-	-	-
DICKENSON COMMUNITY HOSPITAL	CAH	-	\$395	0	\$1,263	\$78,479	2	\$250,868	-	-	-	-	-	-
LEWISGALE HOSPITAL PULASKI	Rural PPS	-7.6%	\$261,730	6	\$631,019	\$120,280	3	\$289,989	\$38,622	1	\$93,115	-	-	-
LONESOME PINE HOSPITAL	Rural PPS	2.7%	\$357,351	11	\$1,209,444	\$148,609	5	\$502,963	\$31,313	1	\$105,977	\$137,344	4	\$464,836
NORTON COMMUNITY HOSPITAL	Rural PPS	12.5%	\$254,863	6	\$690,010	\$99,908	2	\$270,489	\$46,900	1	\$126,976	\$106,209	3	\$287,549
NOVANT HEALTH UVA HEALTH SYSTEM CULPEPER MED CENTE	Rural PPS	7.5%	\$412,119	10	\$1,093,395	\$98,278	2	\$260,741	\$33,843	1	\$89,788	-	-	-
PAGE MEMORIAL HOSPITAL INC	CAH	-12.9%	\$27,541	1	\$57,335	\$125,571	2	\$261,412	-	-	-	-	-	-
RAPPAHANNOCK GENERAL HOSPITAL	CAH	-16.1%	\$115,620	3	\$348,992	\$68,000	2	\$205,255	-	-	-	-	-	-
RIVERSIDE SHORE MEMORIAL HOSPITAL	Rural PPS	13.4%	\$324,752	8	\$877,240	\$130,281	3	\$351,923	\$46,697	1	\$126,140	\$121,299	3	\$327,660
RIVERSIDE TAPPAHANNOCK HOSPITAL	Rural PPS	18.5%	\$322,323	7	\$784,796	\$114,546	2	\$278,898	\$48,634	1	\$118,414	-	-	-
RUSSELL COUNTY MEDICAL CENTER	Rural PPS	-16.9%	\$112,414	3	\$324,976	\$68,655	2	\$198,473	\$20,018	1	\$57,871	-	-	-
SENTARA HALIFAX REGIONAL HOSPITAL	Rural PPS	4.7%	\$553,132	15	\$1,684,770	\$199,178	5	\$606,670	\$79,545	2	\$242,283	-	-	-
SHENANDOAH MEMORIAL HOSPITAL	CAH	-9.8%	\$140,965	3	\$307,742	\$211,815	4	\$462,415	-	-	-	-	-	-
SMYTH COUNTY COMMUNITY HOSPITAL	Rural PPS	-5.5%	\$196,667	5	\$575,549	\$104,947	3	\$307,129	\$30,398	1	\$88,960	-	-	-
SOUTHERN VIRGINIA REGIONAL MEDICAL CENTER	Rural PPS	-	\$118,334	3	\$330,183	\$97,025	2	\$270,726	\$20,492	1	\$57,177	-	-	-
SOUTHSIDE COMMUNITY HOSPITAL INC	Rural PPS	19.2%	\$367,869	9	\$957,073	\$218,244	5	\$567,797	\$61,916	1	\$161,084	\$139,440	3	\$362,776
TWIN COUNTY REGIONAL HOSPITAL	Rural PPS	-6.9%	\$318,556	8	\$899,080	\$159,903	4	\$451,303	\$52,586	1	\$148,416	-	-	-
WARREN MEMORIAL HOSPITAL	Rural PPS	-10.2%	\$215,124	5	\$550,036	\$57,132	1	\$146,076	\$33,869	1	\$86,598	-	-	-
WYTHE COUNTY COMMUNITY HOSPITAL	Rural PPS	6.9%	\$236,741	5	\$583,623	\$83,229	2	\$205,178	\$37,182	1	\$91,662	-	-	-

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

¹ CMS Healthcare Cost Report Information System (HCRIIS), 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

Virginia

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
BATH COMMUNITY HOSPITAL	CAH	-	Yes	\$300,640	-	7	\$780,546
BEDFORD MEMORIAL HOSPITAL	Rural PPS	1.4%	Yes	\$2,134,318	6.8%	59	\$6,590,147
BUCHANAN GENERAL HOSPITAL	Rural PPS	0.0%	Yes	\$425,941	1.7%	12	\$1,353,690
CARILION GILES COMMUNITY HOSPITAL	CAH	4.8%	Yes	\$620,552	6.6%	14	\$1,560,032
CARILION STONEWALL JACKSON HOSPITAL	CAH	7.3%	Yes	\$942,870	9.8%	22	\$2,418,990
CARILION TAZEWELL COMMUNITY HOSPITAL	Rural PPS	-16.1%	No	-	-	-	-
CLINCH VALLEY MEDICAL CENTER	Rural PPS	0.9%	No	-	-	-	-
DICKENSON COMMUNITY HOSPITAL	CAH	-	Yes	\$149,300	-	4	\$477,257
LEWISGALE HOSPITAL PULASKI	Rural PPS	-7.6%	No	-	-	-	-
LONESOME PINE HOSPITAL	Rural PPS	2.7%	No	-	-	-	-
NORTON COMMUNITY HOSPITAL	Rural PPS	12.5%	No	-	-	-	-
NOVANT HEALTH UVA HEALTH SYSTEM CULPEPER MED CENTE	Rural PPS	7.5%	No	-	-	-	-
PAGE MEMORIAL HOSPITAL INC	CAH	-12.9%	Yes	\$561,396	-10.6%	10	\$1,168,712
RAPPAHANNOCK GENERAL HOSPITAL	CAH	-16.1%	Yes	\$1,661,005	-10.0%	45	\$5,013,644
RIVERSIDE SHORE MEMORIAL HOSPITAL	Rural PPS	13.4%	No	-	-	-	-
RIVERSIDE TAPPAHANNOCK HOSPITAL	Rural PPS	18.5%	No	-	-	-	-
RUSSELL COUNTY MEDICAL CENTER	Rural PPS	-16.9%	No	-	-	-	-
SENTARA HALIFAX REGIONAL HOSPITAL	Rural PPS	4.7%	No	-	-	-	-
SHENANDOAH MEMORIAL HOSPITAL	CAH	-9.8%	Yes	\$1,322,559	-6.8%	26	\$2,887,290
SMYTH COUNTY COMMUNITY HOSPITAL	Rural PPS	-5.5%	No	-	-	-	-
SOUTHERN VIRGINIA REGIONAL MEDICAL CENTER	Rural PPS	-	No	-	-	-	-
SOUTHSIDE COMMUNITY HOSPITAL INC	Rural PPS	19.2%	No	-	-	-	-
TWIN COUNTY REGIONAL HOSPITAL	Rural PPS	-6.9%	No	-	-	-	-
WARREN MEMORIAL HOSPITAL	Rural PPS	-10.2%	Yes	\$655,257	-9.1%	15	\$1,675,380
WYTHE COUNTY COMMUNITY HOSPITAL	Rural PPS	6.9%	No	-	-	-	-

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

Virginia

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
BATH COMMUNITY HOSPITAL	CAH	-	\$73,992	-	2	\$192,104	\$147,984	-	3	\$384,209	\$1,894,296	-	44	\$4,918,130
BEDFORD MEMORIAL HOSPITAL	Rural PPS	1.4%	\$154,473	1.0%	4	\$476,966	\$308,945	0.6%	9	\$953,931	-	-	-	-
BUCHANAN GENERAL HOSPITAL	Rural PPS	0.0%	\$116,337	-0.5%	3	\$369,731	\$232,673	-0.9%	7	\$739,462	-	-	-	-
CARILION GILES COMMUNITY HOSPITAL	CAH	4.8%	\$77,729	4.6%	2	\$195,406	\$155,458	4.4%	3	\$390,812	\$2,096,671	-1.6%	47	\$5,270,914
CARILION STONEWALL JACKSON HOSPITAL	CAH	7.3%	\$123,916	6.9%	3	\$317,915	\$247,832	6.6%	6	\$635,830	\$733,756	5.2%	17	\$1,882,496
CARILION TAZEWELL COMMUNITY HOSPITAL	Rural PPS	-16.1%	\$65,219	-16.8%	2	\$181,778	\$130,437	-17.4%	3	\$363,555	-	-	-	-
CLINCH VALLEY MEDICAL CENTER	Rural PPS	0.9%	\$312,653	0.6%	7	\$812,325	\$625,307	0.2%	15	\$1,624,651	-	-	-	-
DICKENSON COMMUNITY HOSPITAL	CAH	-	\$26,656	-	1	\$85,208	\$53,311	-	2	\$170,416	-	-	-	-
LEWISGALE HOSPITAL PULASKI	Rural PPS	-7.6%	\$259,585	-8.3%	6	\$625,847	\$519,169	-9.0%	11	\$1,251,693	-	-	-	-
LONESOME PINE HOSPITAL	Rural PPS	2.7%	\$352,709	2.2%	11	\$1,193,733	\$705,418	1.8%	21	\$2,387,467	-	-	-	-
NORTON COMMUNITY HOSPITAL	Rural PPS	12.5%	\$253,518	12.2%	6	\$686,367	\$507,035	11.8%	12	\$1,372,735	-	-	-	-
NOVANT HEALTH UVA HEALTH SYSTEM CULPEPER MED CENTE	Rural PPS	7.5%	\$205,755	7.3%	5	\$545,890	\$411,511	7.1%	10	\$1,091,781	-	-	-	-
PAGE MEMORIAL HOSPITAL INC	CAH	-12.9%	\$75,048	-13.2%	1	\$156,234	\$150,096	-13.5%	3	\$312,469	\$1,770,271	-20.9%	33	\$3,685,343
RAPPAHANNOCK GENERAL HOSPITAL	CAH	-16.1%	\$223,110	-17.0%	6	\$673,444	\$446,220	-17.9%	12	\$1,346,888	\$715,644	-18.9%	19	\$2,160,128
RIVERSIDE SHORE MEMORIAL HOSPITAL	Rural PPS	13.4%	\$321,992	13.0%	8	\$869,785	\$643,984	12.6%	16	\$1,739,570	-	-	-	-
RIVERSIDE TAPPAHANNOCK HOSPITAL	Rural PPS	18.5%	\$319,768	18.1%	7	\$778,574	\$639,536	17.6%	14	\$1,557,148	-	-	-	-
RUSSELL COUNTY MEDICAL CENTER	Rural PPS	-16.9%	\$111,768	-17.5%	3	\$323,108	\$223,535	-18.2%	6	\$646,215	-	-	-	-
SENTARA HALIFAX REGIONAL HOSPITAL	Rural PPS	4.7%	\$548,433	4.0%	15	\$1,670,458	\$1,096,866	3.4%	30	\$3,340,915	-	-	-	-
SHENANDOAH MEMORIAL HOSPITAL	CAH	-9.8%	\$249,717	-10.4%	5	\$545,160	\$499,434	-11.0%	10	\$1,090,320	\$791,373	-11.7%	15	\$1,727,653
SMYTH COUNTY COMMUNITY HOSPITAL	Rural PPS	-5.5%	\$195,166	-5.9%	5	\$571,156	\$390,332	-6.3%	10	\$1,142,312	-	-	-	-
SOUTHERN VIRGINIA REGIONAL MEDICAL CENTER	Rural PPS	-	\$117,607	-	3	\$328,155	\$235,214	-	6	\$656,311	-	-	-	-
SOUTHSIDE COMMUNITY HOSPITAL INC	Rural PPS	19.2%	\$365,465	18.9%	9	\$950,817	\$730,929	18.5%	17	\$1,901,635	-	-	-	-
TWIN COUNTY REGIONAL HOSPITAL	Rural PPS	-6.9%	\$316,392	-7.5%	8	\$892,973	\$632,784	-8.2%	16	\$1,785,945	-	-	-	-
WARREN MEMORIAL HOSPITAL	Rural PPS	-10.2%	\$213,532	-10.6%	5	\$545,964	\$427,063	-11.0%	10	\$1,091,928	-	-	-	-
WYTHE COUNTY COMMUNITY HOSPITAL	Rural PPS	6.9%	\$234,980	6.5%	5	\$579,282	\$469,960	6.1%	10	\$1,158,564	-	-	-	-

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

¹ CMS Healthcare Cost Report Information System (HCRIIS), 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

Virginia

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
BATH COMMUNITY HOSPITAL	CAH	-	\$2,824	-	0	\$7,332	\$2,614	-	0	\$6,787	\$3,386	-	0	\$8,791
BEDFORD MEMORIAL HOSPITAL	Rural PPS	1.4%	\$860,328	-0.9%	24	\$2,656,440	\$796,371	-0.7%	22	\$2,458,959	\$1,031,569	-1.4%	29	\$3,185,180
BUCHANAN GENERAL HOSPITAL	Rural PPS	0.0%	\$273,766	-1.1%	8	\$870,061	\$253,414	-1.0%	7	\$805,381	\$328,257	-1.4%	9	\$1,043,239
CARILION GILES COMMUNITY HOSPITAL	CAH	4.8%	\$448,575	3.5%	10	\$1,127,692	\$415,227	3.6%	9	\$1,043,858	\$537,859	3.2%	12	\$1,352,148
CARILION STONEWALL JACKSON HOSPITAL	CAH	7.3%	\$216,855	6.7%	5	\$556,356	\$200,734	6.7%	5	\$514,996	\$260,018	6.6%	6	\$667,093
CARILION TAZEWELL COMMUNITY HOSPITAL	Rural PPS	-16.1%	\$194,954	-18.0%	5	\$543,378	\$180,461	-17.9%	5	\$502,983	\$233,758	-18.4%	6	\$651,532
CLINCH VALLEY MEDICAL CENTER	Rural PPS	0.9%	\$1,272,569	-0.6%	30	\$3,306,345	\$1,177,965	-0.5%	27	\$3,060,550	\$1,525,862	-0.9%	35	\$3,964,443
DICKENSON COMMUNITY HOSPITAL	CAH	-	\$87,582	-	3	\$279,966	\$81,071	-	2	\$259,153	\$105,014	-	3	\$335,691
LEWISGALE HOSPITAL PULASKI	Rural PPS	-7.6%	\$403,062	-8.6%	9	\$971,763	\$373,098	-8.6%	8	\$899,522	\$483,287	-8.9%	10	\$1,165,184
LONESOME PINE HOSPITAL	Rural PPS	2.7%	\$1,265,217	1.0%	38	\$4,282,090	\$1,171,160	1.1%	35	\$3,963,757	\$1,517,046	0.7%	46	\$5,134,401
NORTON COMMUNITY HOSPITAL	Rural PPS	12.5%	\$776,081	11.4%	19	\$2,101,141	\$718,386	11.5%	17	\$1,944,941	\$930,552	11.1%	23	\$2,519,354
NOVANT HEALTH UVA HEALTH SYSTEM CULPEPER MED CENTE	Rural PPS	7.5%	\$970,024	6.5%	23	\$2,573,575	\$897,912	6.6%	21	\$2,382,254	\$1,163,098	6.3%	28	\$3,085,821
PAGE MEMORIAL HOSPITAL INC	CAH	-12.9%	\$228,792	-13.8%	4	\$476,299	\$211,784	-13.8%	4	\$440,891	\$274,331	-14.0%	5	\$571,102
RAPPAHANNOCK GENERAL HOSPITAL	CAH	-16.1%	-	-	-	-	-	-	-	-	-	-	-	-
RIVERSIDE SHORE MEMORIAL HOSPITAL	Rural PPS	13.4%	\$294,201	13.0%	7	\$794,715	\$272,330	13.1%	7	\$735,635	\$352,759	13.0%	9	\$952,895
RIVERSIDE TAPPAHANNOCK HOSPITAL	Rural PPS	18.5%	\$227,289	18.2%	5	\$553,406	\$210,392	18.2%	5	\$512,265	\$272,529	18.1%	6	\$663,556
RUSSELL COUNTY MEDICAL CENTER	Rural PPS	-16.9%	\$352,858	-18.9%	9	\$1,020,073	\$326,627	-18.8%	8	\$944,241	\$423,092	-19.4%	11	\$1,223,110
SENTARA HALIFAX REGIONAL HOSPITAL	Rural PPS	4.7%	\$898,866	3.6%	25	\$2,737,831	\$832,044	3.7%	23	\$2,534,299	\$1,077,777	3.4%	29	\$3,282,771
SHENANDOAH MEMORIAL HOSPITAL	CAH	-9.8%	\$419,559	-10.8%	8	\$915,943	\$388,369	-10.7%	8	\$847,851	\$503,068	-11.0%	10	\$1,098,253
SMYTH COUNTY COMMUNITY HOSPITAL	Rural PPS	-5.5%	\$336,335	-6.2%	9	\$984,290	\$311,332	-6.2%	8	\$911,117	\$403,280	-6.4%	11	\$1,180,203
SOUTHERN VIRGINIA REGIONAL MEDICAL CENTER	Rural PPS	-	\$414,368	-	10	\$1,156,197	\$383,564	-	10	\$1,070,245	\$496,844	-	12	\$1,386,328
SOUTHSIDE COMMUNITY HOSPITAL INC	Rural PPS	19.2%	\$1,643,964	17.5%	38	\$4,277,047	\$1,521,751	17.6%	35	\$3,959,089	\$1,971,180	17.1%	46	\$5,128,354
TWIN COUNTY REGIONAL HOSPITAL	Rural PPS	-6.9%	\$792,519	-8.5%	20	\$2,236,774	\$733,602	-8.4%	19	\$2,070,491	\$950,262	-8.8%	24	\$2,681,983
WARREN MEMORIAL HOSPITAL	Rural PPS	-10.2%	\$581,955	-11.3%	13	\$1,487,961	\$538,693	-11.2%	12	\$1,377,345	\$697,788	-11.5%	16	\$1,784,126
WYTHE COUNTY COMMUNITY HOSPITAL	Rural PPS	6.9%	\$471,723	6.1%	10	\$1,162,908	\$436,654	6.2%	10	\$1,076,457	\$565,615	5.9%	12	\$1,394,374

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¹ CMS Healthcare Cost Report Information System (HCRIIS), 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