

Many Rural Hospitals Close in the Face of Mounting Financial Pressures

Health Equity

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The Center for Healthcare Payment & Quality Reform (CHPQR) [reports](#) that over 100 rural hospitals have closed during the past 10 years. Rural hospitals in the Midwest and southern states are particularly at risk of immediate closure. The end result is that millions of people living in rural areas will be without access to more specialized inpatient and outpatient care. And it is not just the patients themselves who are impacted; family members will have to travel up to two hours to visit or accompany them to appointments. Myriad reasons contribute to these hospitals' financial challenges, including trouble recruiting and retaining sufficient qualified staff for certain service lines; ceasing to receive extra federal assistance that was available during the COVID pandemic; receiving insufficient payor reimbursement to cover the larger overhead costs experienced by rural hospitals; and lacking sufficient financial reserves to ride out economic downturns.