

Equitable Access to Health and Health Care: The Rural Hospital Climate

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Overview

- ❖ Rural Hospital Closures
 - ❖ What
 - ❖ Studies
- ❖ Our Research
 - ❖ Rural Hospital Closure Rate
 - ❖ Comparison of Closed Rural Hospitals
 - ❖ Community Characteristics and Closure
- ❖ Case Study

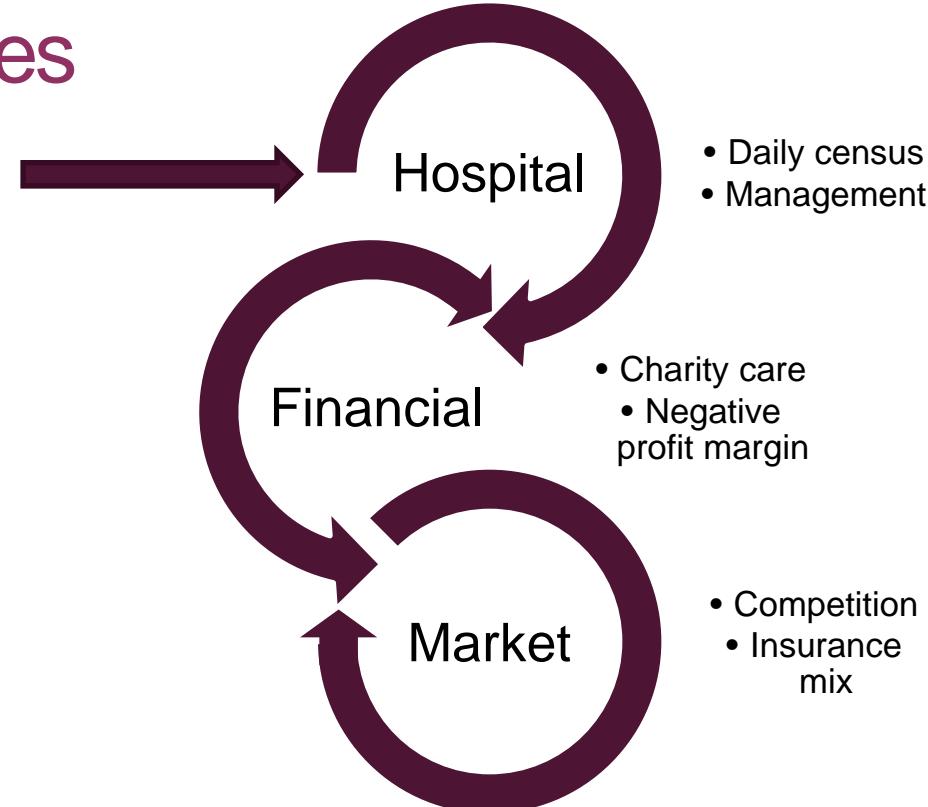
Rural Hospital Closures

- ❖ We define closure as **permanent cessation of acute inpatient care**
- ❖ A **closed** hospital can be considered as:
 - ❖ **Abandoned**- no health services remain in the closed hospital building
 - ❖ **Converted**- becomes an ER or urgent care facility; outpatient facility; rehabilitation or nursing facility

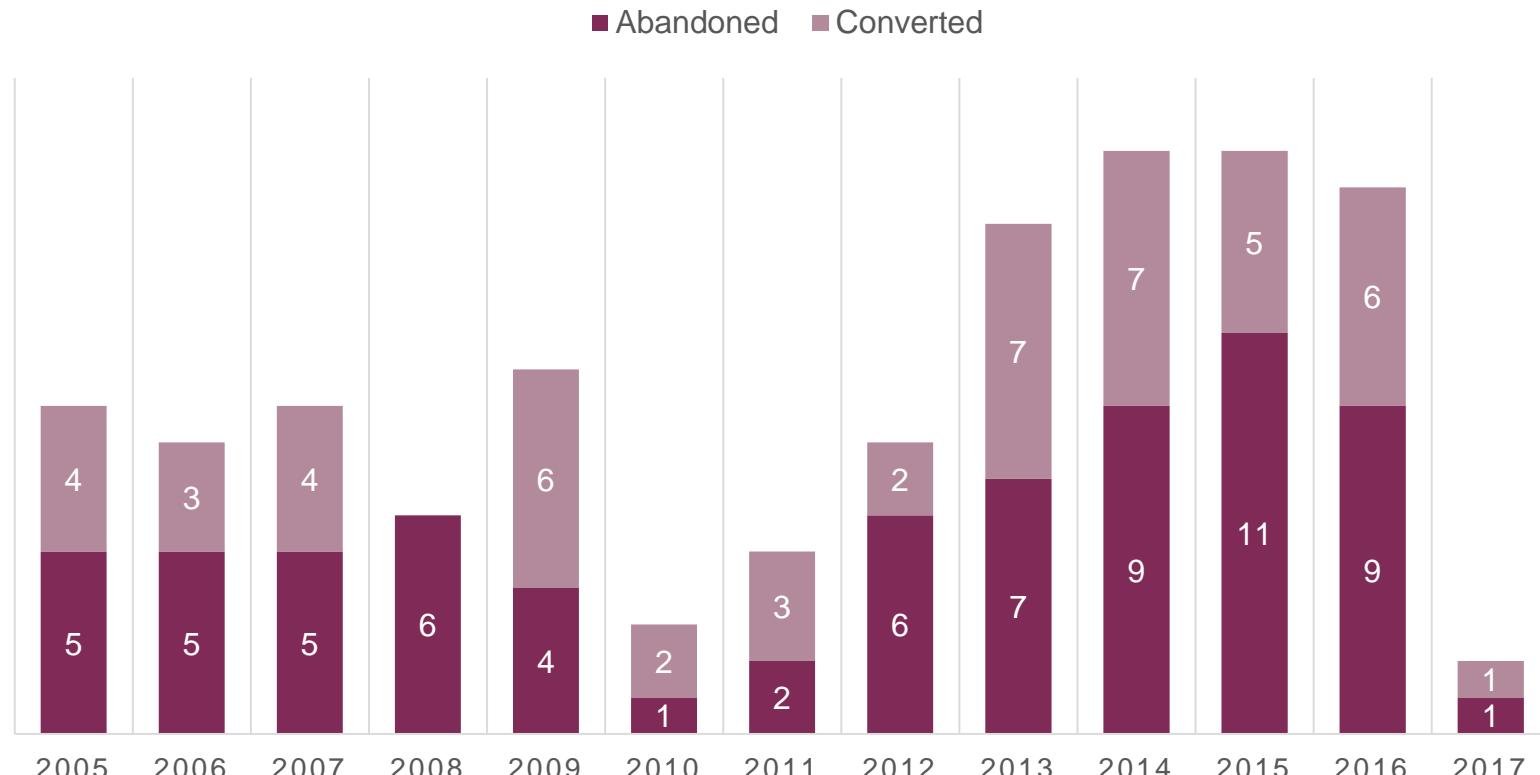
Rural Hospital Closures

❖ Why rural hospitals **close**:

- ❖ Rural residents:
 - ❖ Older
 - ❖ Poorer
 - ❖ Sicker
 - ❖ Face More barriers

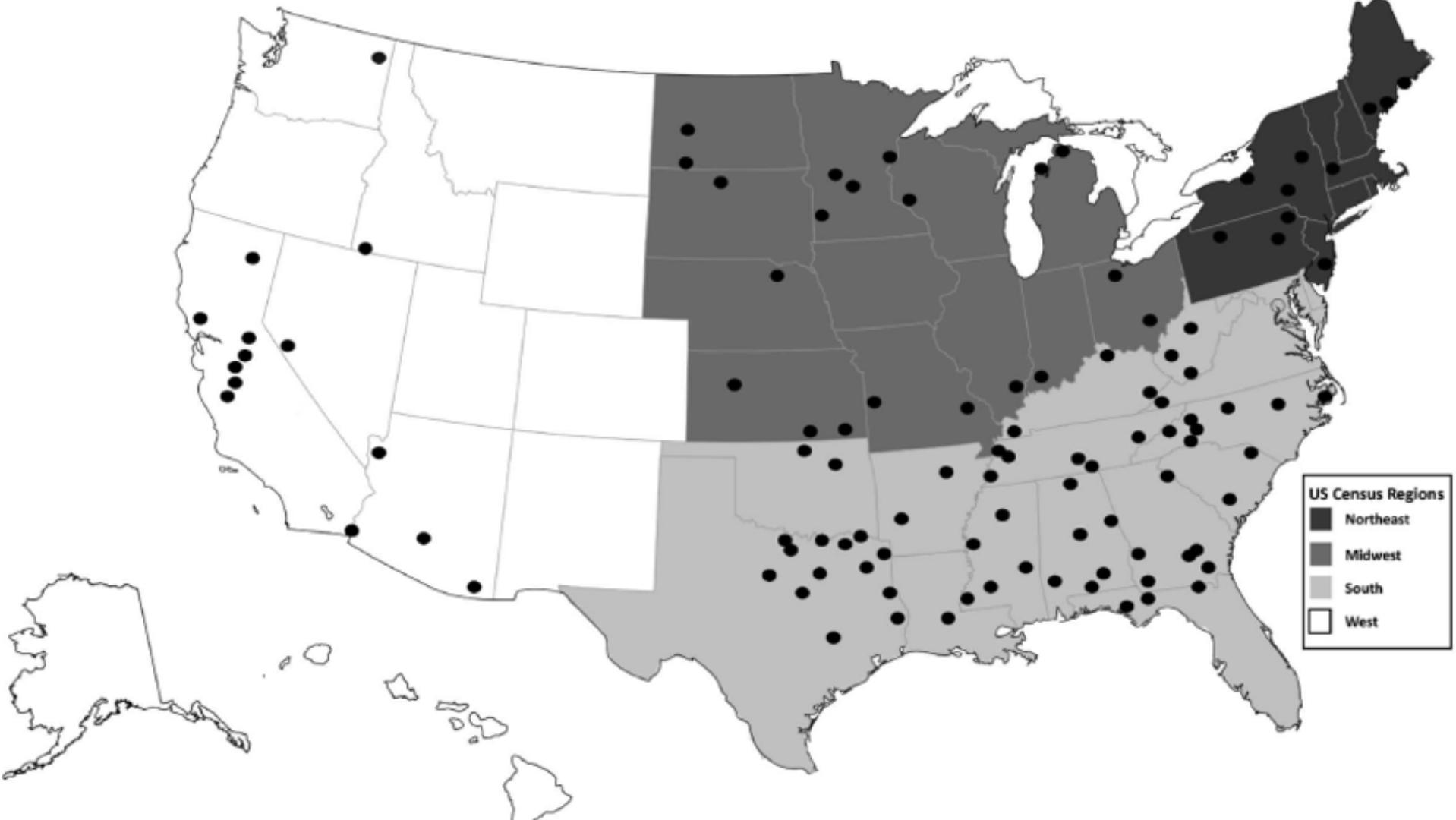


Rural Hospital Closures



Rural Hospital Closures- Alabama

Hospital	City	Closure Year	% Black	% Hispanic	Poverty Rate	Unemployment Rate	High School Grad Rate	Closure Type
Floralia Mem Hospital	Floralia	2013	11.0 %	1.1%	16.6%	12.1%	74.4%	Outpatient
Elba General Hospital	Elba	2013	24.3%	0.4%	20.6%	8.7%	69.8%	Rehabilitation
Chilton Medical Center	Chilton	2012	10.0 %	3.2%	14.5%	10.3%	76.1%	None
SW Alabama Med Ctr	Thomasville	2011	51.6%	1.2%	22.2%	10.8%	78.5%	None
Randolph Medical Ctr	Roanoke	2011	30.8%	1.0 %	14.3%	5.4%	62.2%	None
Woodland Medical Ctr	Cullman	2009	1.6%	3.0 %	9.8%	4%	71%	None



Other Studies

- ❖ Other hospital health facility studies show:
 - ❖ that closure of trauma centers, emergency departments, and public urban hospitals disproportionately burden race/ ethnic minorities
 - ❖ Medicaid beneficiaries disproportionately impacted

The Rising Rate of Rural Hospital Closures

- ❖ Rate of closures since 2010 **increasing**
- ❖ Formative step to understand **rural hospitals closures** and their **markets**
- ❖ Compared to **open** rural hospitals, **closed** rural hospitals:
 - ❖ Had lower levels of **profitability**
 - ❖ Had smaller **market shares**
 - ❖ Served a smaller **population**
- ❖ Approximately **half** of closed rural hospitals were **abandoned**

The Rising Rate of Rural Hospital Closures

- ❖ Next steps:
- ❖ This study compared **closed** with all open
- ❖ Identified that **market characteristics** are associated with closure:
 - ❖ Did not look at **race/ ethnicity**
 - ❖ Identified **policy gap** to provide alternative healthcare delivery

Comparison of Closed Rural Hospitals

- ❖ Same study population but looked **only at closures**
 - ❖ Distinguished between **abandoned** and **converted**
- ❖ Considered: **race/ ethnicity**; **miles to nearest hospital**; **community voice**
 - ❖ Perceived closure to: impact **vulnerable**, increase **barriers**
- ❖ **Abandoned markets had:**
 - ❖ Higher proportion of **non-whites** (ab:26%; con:11%)- **Blacks** (ab:14%; con:2%) in particular

Comparison of Closed Rural Hospitals

- ❖ Next steps:
- ❖ How did market characteristics impact closure
- ❖ How did closures impact populations

Community Characteristics and Closure

- ❖ 105 closures from 2005 to 2015:
 - ❖ Compared to open hospitals with similar profitability
- ❖ Markets of closed rural hospitals have :
 - ❖ Smaller market share; Higher rate of unemployment; Higher percentage of Blacks and Hispanics
- ❖ Implication:
 - ❖ Rural closures may disproportionately impact Blacks and Hispanics

Research: Inequities in Rural Hospital Closure

- ❖ Next steps:
 - ❖ Racial segregation and political power
 - ❖ Health outcomes
 - ❖ Other methods of health care delivery

Case Study: A Tale of Two Cities

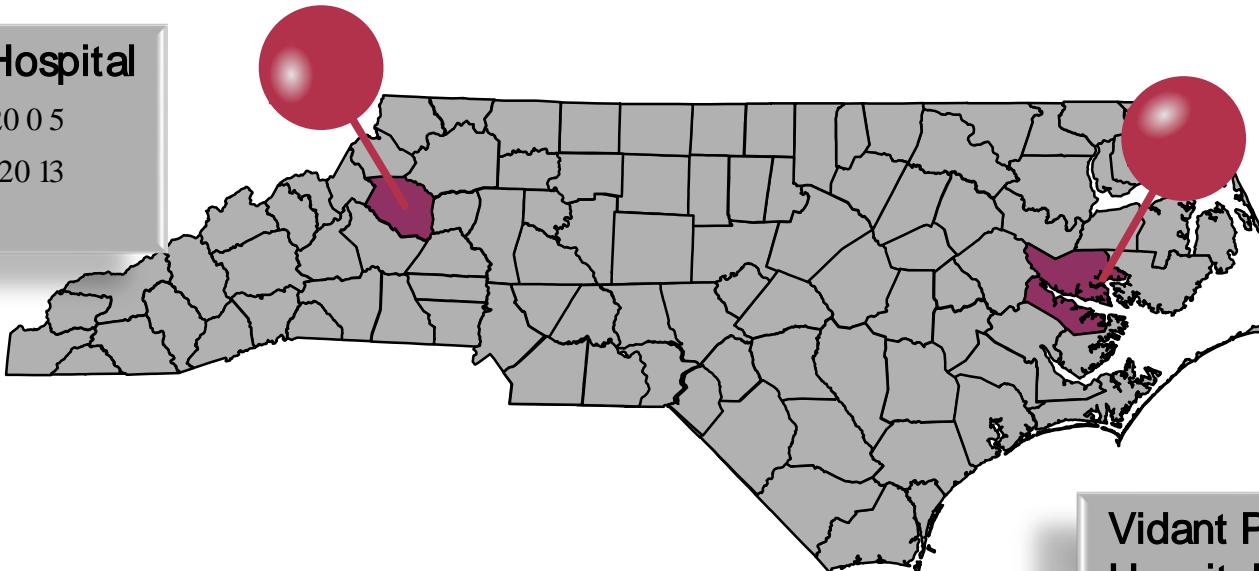


- ❖ Two rural hospital closures hint at inequities
- ❖ Race and political power

A Tale of Two Cities: Hospital Comparison

Blowing Rock Hospital

- **Opened:** March 2005
- **Closed:** October 2013
- **FDI:** High



Vidant Pungo Hospital

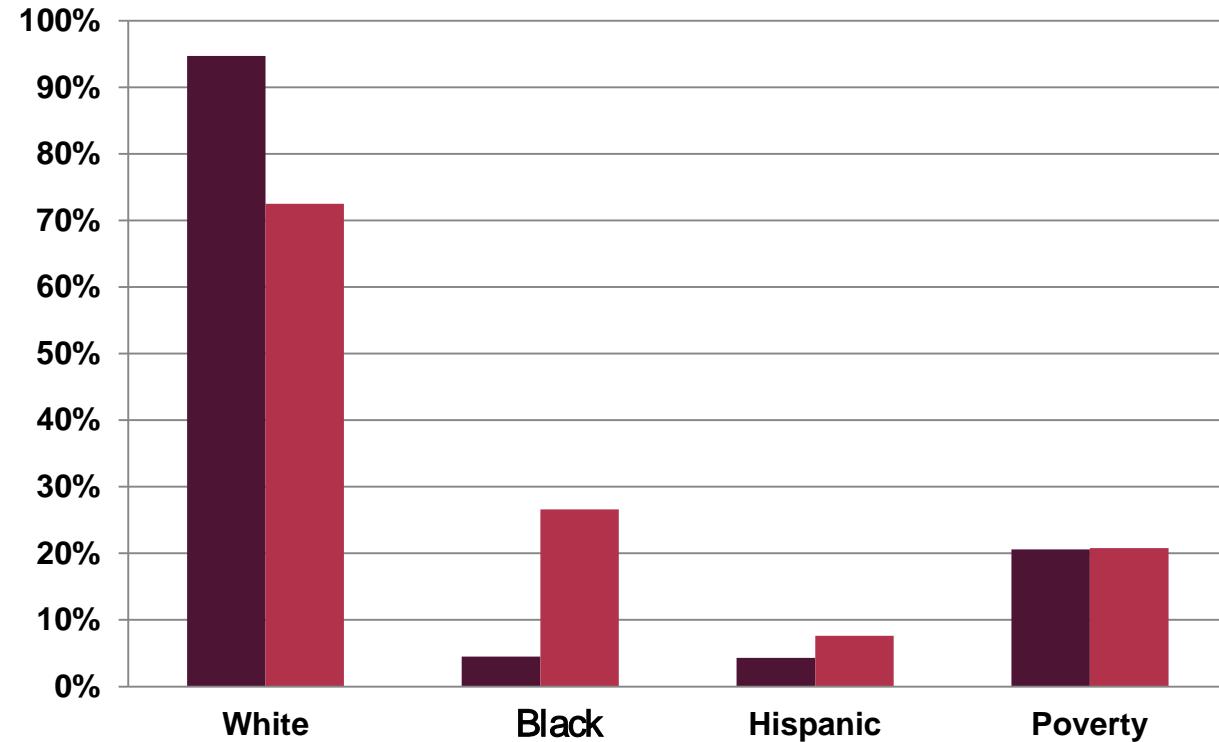
- **Opened:** February 2002
- **Closed:** June 2014
- **FDI:** High

Financial distress index includes: financial performance, government reimbursement, hospital characteristics, and market characteristics

A Tale of Two Cities: Demographic Comparison

■ Blowing Rock- 133,728 total population*

■ Vidant Pungo- 53,513 total population*



*Sources: 2012 Small Area Income and Poverty Estimates (SAIPE)
State and County Estimates. U.S. Census Bureau. 2013

SAIPE 2012, Census Bureau. 2013

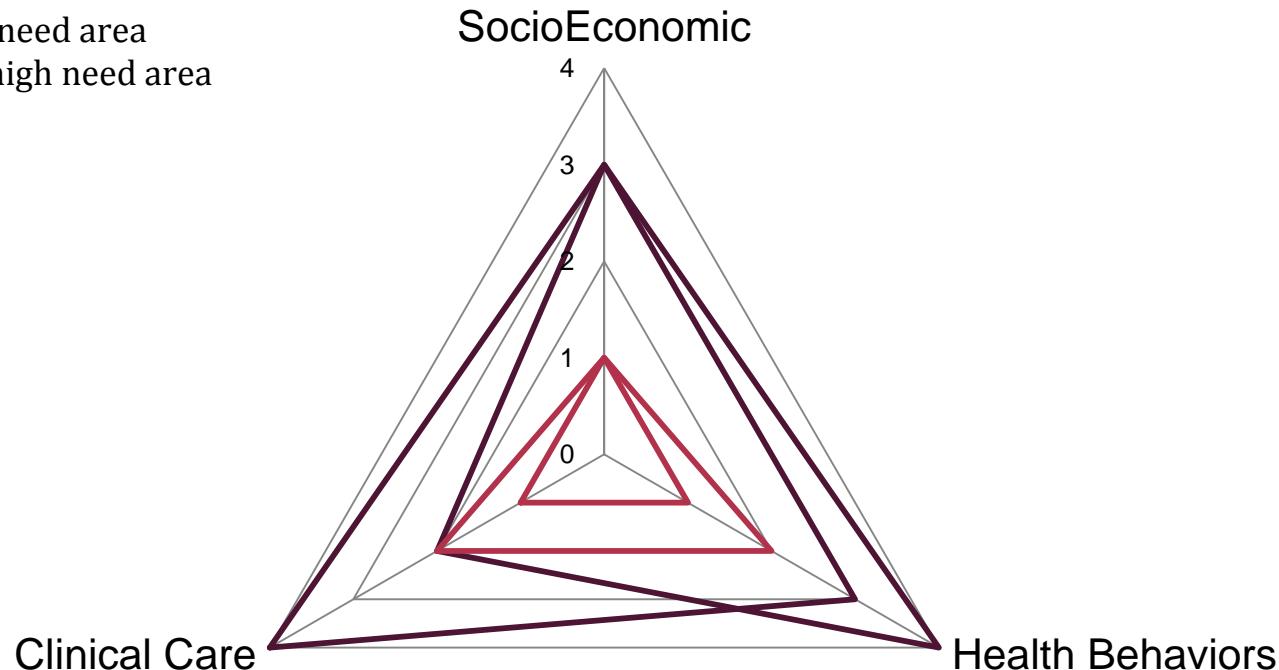
Annual County Resident Population Estimates by Age, Sex, Race,
and Hispanic Origin: April 1, 2010 to July 1, 2013, U.S. Census
Bureau. 2014

2013 Population Estimates, Census Bureau. 2014

A Tale of Two Cities: Health Status Comparison

1 = Top quartile, low need area

4 = Bottom quartile, high need area



A Tale of Two Cities: Social Context of Blowing Rock

“transition,” “closing soon”

- ❖ **Transparency:** early **community involvement**
 - ❖ town hall meeting minutes
 - ❖ Chamber of Commerce and community leaders actively involved
- ❖ **Social Action:** 2012 capital campaign to **raise \$10 million**
 - ❖ Town pursued grants (\$1.2 million water and sewer)
 - ❖ NC Transportation Secretary helped secure road grant (\$2.58 million)
 - ❖ NC Rural Economic Development Center awarded town grant (\$586,000)

“It’s a great day for Blowing Rock.”

A Tale of Two Cities: Social Context of Pungo

“closing” “outrage,” “rally,” “save,” “economy...”

- ❖ **Transparency:** **discrepancy** on community and public officials involvement:
 - ❖ Mayor says they were not informed or involved prior to the decision
 - ❖ Vidant says consulted with: Pungo Director’s Council (residents of Beaufort and Hyde, no regulatory voice) twice, and lease holders, Pantego Creek, LLC
 - ❖ Pungo voting board has no members that reside or hold a practice in Beaufort or Hyde counties
- ❖ **Social Action:** **Grassroots efforts**
 - ❖ Committee
 - ❖ Social media
 - ❖ March to D.C.

“Vidant's leadership is immoral. You don't make \$100 million and close a critical access hospital.”

North Carolina Rural Health Research Program

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