US rural hospitals close amid COVID-19 pandemic

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Already reeling from decades of cutbacks and austerity, rural community hospitals in the US are teetering on the brink of collapse in the face of the COVID-19 pandemic, with many facing the possibility of closure, despite the increased need for their services.

According to the "fast facts" provided by the American Hospital Association (AHA), there are 6,146 hospitals in the United States. Of these, 5,198 are community hospitals, nonfederal medical facilities that are open to the public, providing short-term care or specialty services.

There are 1,821 rural community hospitals in the country, providing health care to 15 percent of the population, or 46 million people. However, the population within these regions has become older, poorer and sicker, with a significantly higher prevalence of chronic disease and numbers of uninsured than in urban areas.

According to the North Carolina Rural Health Research Program, a part of the Sheps Center at the University of North Carolina at Chapel Hill, 170 rural hospitals have closed since 2005, with 128 closing since 2010. The number of rural hospital closures consistently reached double digits starting in 2013, with a high of 19 closures in 2019. There have already been eight closures so far this year, despite the global pandemic.

For example, earlier this month the Decatur County Hospital in Tennessee announced that it would close down on April 15. Established in 1963, the hospital had employed 100 and served a community of 12,000. It is the 14th rural hospital to close its doors in that state in the last 10 years. With this hospital closure, the state, which has only one hospital bed per 73,000 state residents, now has 21 counties with no hospital.

In West Virginia, which does not have a city over 50,000 and where 20 percent of the residents are senior citizens, two hospitals have recently closed.

According to a study released earlier this year by the Chartis Center for Rural Health, 453 rural hospitals are "vulnerable" to closure.

"None of the metrics we track to measure the stability of the rural health safety net are improving," Michael Topchik, national leader of the organization, said in a statement, "and this research allows us to quantify just how severe the implications could be if the current situation worsens."

Rural hospitals across the country have been overwhelmed by COVID-19 patients. In Blaine County, Idaho, a popular ski tourist destination, there were 351 confirmed cases of COVID-19, with many patients seeking care at the local 25-bed hospital. A hospital in Eagle County, Colorado, with a 56-bed capacity faced 314 confirmed COVID-19 cases virtually overnight.

Most hospitals, including rural facilities, maintain their solvency by selling access to imaging, emergency care, lab tests, physical therapy and outpatient procedures such as colonoscopy and upper gastrointestinal exams. However, these traditional sources of income have dried up as a result of the pandemic.

"If we're not able to address the short-term cash needs in rural hospitals, we're going to see hundreds of them close before this crisis ends," Alan Morgan, chief of the National Rural Health Association (NRHA), told WGBH News in Boston on March 21. "This is not hyperbole."

In an April 6 letter to the US Congress, the NRHA warned:

"The loss of revenue of the last few weeks due to the inability to provide non-emergency care is destabilizing

core health services in rural America. Prior to the COVID-19 outbreak, nearly half of all rural hospitals were operating at a financial loss, and now these hospitals are facing catastrophic cash shortages. The rate of rural hospital closures was at crisis levels prior to the pandemic; it will soon become cataclysmic."

Included in the recently passed CARES act is $100 billion in funds vaguely committed to reimbursing hospitals and providers for care of COVID-19 patients, to be reimbursed at Medicare rates, but few details have been provided as to how these funds will be dispersed.

The Kaiser Family Foundation estimates that between 2 and 7 percent of the uninsured will require hospitalization due to COVID-19, which translates to 670,000 to 2 million admissions. The average cost for non-ICU admission is $13,297, not including an additional 10 percent or more in physician fees, while an ICU bed and ventilator support for 96 hours could run as high as $40,218.

"This virus, and what it is causing for these hospitals, is the perfect storm that will close these hospitals at a time when this country really needs them," Robin Rau, CEO of Miller County Hospital in southwestern Georgia, told WGBH.

"This is going to be the death blow to them," she said. "We can talk all we want about the cost of health care in this country with this ridiculous health care system we have. But at a time like this, who for a minute would think about getting rid of rural hospitals.

Randy Tobler, chief administrator at Scotland County Hospital in northeastern Missouri, said that his facility will not make payroll to the end of May without immediate cash assistance. Another hospital administrator in northwest Missouri noted that its facility is being price-gouged, with critical items like N95 respirators costing $5 a piece, 16 times the usual price of 30 cents.

Michael Purvis, CEO of Candler County Hospital in Metter, Georgia, about 65 miles outside Savannah, reported a negative cash flow, with the loss of at least half of its customary care revenue. "If my billers and coders stay healthy, I can make it through April, maybe end of June," Purvis told Kaiser Health News.

About 60 percent of the rural hospitals lost so far in the United States are in the South.

Governors Tate Reeves (Mississippi), Mike Parson (Missouri) and Kay Ivey (Alabama), however, have rejected self-quarantine recommendations for their states. Reeves issued an order to keep most businesses open, a marked hazard for Mississippi residents and neighboring Louisiana where COVID-19 infectivity is soaring.