# Health Care By the Numbers



Updated April 9, 2020

## **HOSPITAL CLOSURES**

### Lack of Hospital Beds During COVID-19

1,373,248

Projected shortage of hospital beds during the COVID-19 pandemic in a 6-month period<sup>1</sup>

6,402

Number of hospital beds lost to hospital closures since 2005 in rural areas alone<sup>2</sup>

#### At least 805

Number of hospital beds lost to hospital closures in the first 3 months of 2020 alone<sup>3</sup>

9.2 to 2.9

Decrease in number of hospital beds for every 1,000 people from 1960 to 2013<sup>4</sup>

#### 11 million

Number of people who live in counties with no hospitals<sup>5</sup>

#### 53%

Percentage of counties with no ICU beds. These counties are home to 18 million people:<sup>6</sup>

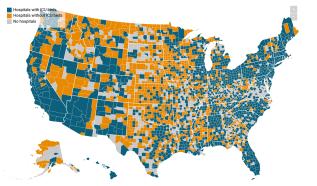


Image: Kaiser Family Foundation

## **Nationwide Hospital Closures**

135

Number of nationwide hospital closures in the last five years (2015-2019).<sup>7</sup> 73 of these hospitals were in rural areas and 62 in urban ones.<sup>8</sup>

#### 46

Number of hospitals closed in 2019.9

#### At least 12

Number of hospitals closed in the first 3 months of 2020.<sup>10</sup>

#### 430 to 557

Number of rural hospitals currently at risk of closure because of lack of funding.<sup>11,12,13</sup> 196 are considered especially high risk.<sup>14</sup>

#### 170

Number of rural hospitals closed since 2005:15



Image: Cecil G. Sheps Center for Health Services Research

#### 81%

Percentage of rural hospitals at high financial risk that are considered "highly essential" to communities .<sup>16</sup> 64% of all rural hospitals are considered "essential."<sup>17</sup>

#### 16

Number of states in which 100% of high-risk hospitals are considered "highly essential" <sup>18</sup>

#### 62%

Less likelihood of closure if a hospital is located in a state that has expanded Medicaid<sup>19</sup>

#### 2x

Rate at which hospital closures accelerated after the Affordable Care Act went into effect (2013-2017, in comparison to all prior five-year periods)<sup>20</sup>

#### 100%

Percentage of at-risk hospitals eligible for federal funds under Medicare for All<sup>21</sup>

## Disparities in Geography, Race, Class, Gender

#### 83%

Percentage of rural hospital closures that took place in states that did not expand Medicaid<sup>22</sup>

#### 77%

Percentage of rural hospital closures that have taken place in the South<sup>23</sup>

#### 77

Number of rural hospitals at risk in Texas alone (followed by Kansas with 31, Oklahoma with 28, Mississippi with 27, Missouri with 26)<sup>24</sup>

#### 21%

Percentage of vulnerable hospitals located in rural areas<sup>25</sup>

#### 41%

Increased odds of an emergency department closing for every 10% increase in the Black population<sup>26</sup>

#### 5:1 and 8.5:1

Odds of Black-majority census tracts in Los Angeles and Chicago of being located in a traumacenter desert relative to White-majority tracts<sup>27</sup>

#### 2/3

Fraction of the 230 hospitals opened across the country since 2000 opened in wealthier areas<sup>28</sup>

#### 70%

Percentage of rural women and transgender people who have to travel more than 30 miles for neonatal care<sup>29</sup>

#### 89%

Counties in the U.S. without a known abortion clinic<sup>30</sup>

## **Health and Economic Impacts**

#### 11.7 million

Fewer medical visits that would occur with widespread (673) hospital closures<sup>31</sup>

#### 236,000

Number of health care and community jobs that would be lost to widespread rural hospital closures<sup>32</sup>

#### \$277 billion

Loss in GDP over 10 years due to projected widespread hospital closures<sup>33</sup>

#### 18%

Difference in mortality rates between rural and urban areas  $(2015)^{34}$ 

#### 3x

Rate at which the difference in mortality between rural and urban areas has increased over the last fifteen years (18% mortality disparity in 2015, up from 6% in 2000)<sup>35</sup>

#### \$1,400

Average decline in a county's per-capita income when its only hospital shuts down<sup>36</sup>

## Hospital Ownership, Profitability and Closures

#### 4 in 10

Portion of rural hospitals considered unprofitable<sup>37</sup>

#### 2.5x

Odds of a for-profit rural hospital being in financial distress relative to a non-profit hospital<sup>38</sup>

#### 15-25%

Percentage increase in the share of hospitals owned by for-profit companies from 1999 to 2018<sup>39</sup>

#### 59.3%

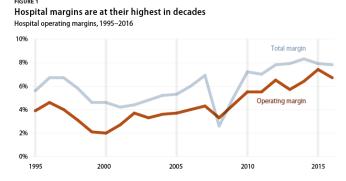
Percentage of hospital revenue paid by Medicare and Medicaid (59.3%)<sup>40</sup>

#### 33.4%

Percentage of hospital revenue paid by private payers<sup>41</sup>

#### 7.8%

Hospitals' average profit margin (2016)<sup>42</sup>



Source: American Hospital Association, "Trendwatch Chartbook 2018: Table 4.1: Aggregate Total Hospital Margins and Operating Margins; Percentag of Hospitals with Negative Total Margins; and Aggregate Non-operating Gains as a Percentage of Total Net Revenue, 1995 – 2016" (Chicago: 2018),

Image: Center for American Progress

#### \$8-24 million

Amount the State of Pennsylvania will pay private equity firm Cerberus Capital Management to keep Easton Hospital open for three months Cerberus threatened closure on March 27 in the midst of the pandemic<sup>43</sup>

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