Record number of rural hospitals closed in 2019

More rural hospitals closed in 2019 than in any other year since 2005, even though the year isn’t officially over yet. Nineteen rural hospitals had closed as of Dec. 22—a new record since 17 hospitals closed in 2015. Hospital closures are heavily concentrated in the South, with 64 percent of all closures. Overall, 162 rural hospitals have closed in 35 states since 2005—120 of which have closed since 2010, according to the Sheps Center for Health Services Research at UNC-Chapel Hill, which defines a closure as any facility that permanently ceases to provide acute inpatient care or moves by at least 15 miles.

Rural hospitals will likely continue to close in 2020. Nationwide, 21 percent of all rural hospitals face significant financial distress and are at a high risk of closing, according to an analysis conducted by Navigant, a consulting firm. Closures are especially likely to continue in Mississippi, Alabama, Georgia and Connecticut, where more than 40 percent of existing rural hospitals face a high financial risk of closing.

The Sheps Center estimates that 38 percent of rural hospitals are unprofitable. Rural hospitals are small facilities that are often the only sites within rural counties and serve a high share of low-income and uninsured patients with chronic health conditions. Of the 430 rural hospitals that Navigant identified as facing a high financial risk of closing, nearly two thirds (64 percent) are also considered to be essential to their communities.

Sources: The Cecil G. Sheps Center for Health Services Research at UNC-Chapel Hill; Navigant; HHS; map elements via Census Bureau, Google Maps Geocoding API and Texas A&M University Geoservices