

# 25 states at most risk of rural hospital closures

Rural hospital closures picked up in 2023 and nearly 700 rural hospitals face continued risk of closing due to serious financial challenges, with some states facing critical conditions in the short term.

The finding comes from the Center for Healthcare Quality and Payment Reform's latest report, "Rural Hospitals at Risk of Closing." Eight rural hospitals closed in 2023, as many as in 2022 and 2021 combined, according to the report. This followed a landmark 18 rural hospital closures in 2020, more than any year in the previous decade.

Based on the latest hospital financial information released by CMS in April 2024, CHQPR analyzes rural hospitals' financial vulnerability in two ways: risk of closure and immediate risk of closure.

For the first category, there are hospitals at risk of closure in nearly every state. This is partly measured by financial reserve limitations that cannot offset hospital losses on patient services for more than six to seven years. In more than half of states, 25% or more of the rural hospitals are at risk of closing; in eight states, the majority of rural hospitals are at risk.

Immediate risk of closure is partly measured by tougher financial reserve limitations: those that could offset hospital losses on patient services two to three years at most. Over 300 rural hospitals are at immediate risk of closing because of the severity of their financial problems, with nearly half of rural hospitals in New York and Alabama facing such an outlook.

Given that immediate risk of closure is the more urgent of the two categories, *Becker's* has ranked 25 states by the percentage of their rural hospitals at risk of closure in the next two to three years maximum. The listing for each state also contains broader information about the number of hospitals at risk of closure over the next six to seven years. The report from CHQPR assessing each state's rural hospital health and risks can be found in full [here](#).

## **New York**

45% of rural hospitals — 23 — are at immediate risk of closure in the next 2-3 years

57% of rural hospitals — 29 — are at risk of closure in the next 6-7 years

## **Alabama**

44% of rural hospitals — 23 — are at immediate risk of closure in the next 2-3 years

58% of rural hospitals — 30 — are at risk of closure in the next 6-7 years

## **Mississippi**

34% of rural hospitals — 25 — are at immediate risk of closure in the next 2-3 years

52% of rural hospitals — 38 — are at risk of closure in the next 6-7 years

## **Connecticut**

33% of rural hospitals — 1 — are at immediate risk of closure in the next 2-3 years

67% of rural hospitals — 2 — are at risk of closure in the next 6-7 years

## **Tennessee**

31% of rural hospitals — 17 — are at immediate risk of closure in the next 2-3 years

35% of rural hospitals — 19 — are at risk of closure in the next 6-7 years

## **Vermont**

31% of rural hospitals — 4 — are at immediate risk of closure in the next 2-3 years

62% of rural hospitals — 8 — are at risk of closure in the next 6-7 years

**Oklahoma**

29% of rural hospitals — 23 — are at immediate risk of closure in the next 2-3 years

43% of rural hospitals — 34 — are at risk of closure in the next 6-7 years

**Arkansas**

29% of rural hospitals — 14 — are at immediate risk of closure in the next 2-3 years

53% of rural hospitals — 26 — are at risk of closure in the next 6-7 years

**Maine**

28% of rural hospitals — 7 — are at immediate risk of closure in the next 2-3 years

44% of rural hospitals — 11 — are at risk of closure in the next 6-7 years

**Virginia**

27% of rural hospitals — 8 — are at immediate risk of closure in the next 2-3 years

30% of rural hospitals — 9 — are at risk of closure in the next 6-7 years

**Kansas**

26% of rural hospitals — 26 — are at immediate risk of closure in the next 2-3 years

56% of rural hospitals — 57 — are at risk of closure in the next 6-7 years

**Florida**

24% of rural hospitals — 5 — are at immediate risk of closure in the next 2-3 years

38% of rural hospitals — 8 — are at risk of closure in the next 6-7 years

**Nevada**

23% of rural hospitals — 3 — are at immediate risk of closure in the next 2-3 years

38% of rural hospitals — 5 — are at risk of closure in the next 6-7 years

**New Mexico**

21% of rural hospitals — 6 — are at immediate risk of closure in the next 2-3 years

25% of rural hospitals — 7 — are at risk of closure in the next 6-7 years

**West Virginia**

21% of rural hospitals — 6 — are at immediate risk of closure in the next 2-3 years

36% of rural hospitals — 10 — are at risk of closure in the next 6-7 years

**South Carolina**

20% of rural hospitals — 5 — are at immediate risk of closure in the next 2-3 years

40% of rural hospitals — 10 — are at risk of closure in the next 6-7 years

**Massachusetts**

20% of rural hospitals — 1 — are at immediate risk of closure in the next 2-3 years

40% of rural hospitals — 2 — are at risk of closure in the next 6-7 years

**Texas**

18% of rural hospitals — 29 — are at immediate risk of closure in the next 2-3 years

48% of rural hospitals — 77 — are at risk of closure in the next 6-7 years

**California**

18% of rural hospitals — 10 — are at immediate risk of closure in the next 2-3 years

32% of rural hospitals — 18 — are at risk of closure in the next 6-7 years

**Louisiana**

17% of rural hospitals — 9 — are at immediate risk of closure in the next 2-3 years

44% of rural hospitals — 23 — are at risk of closure in the next 6-7 years

## **Pennsylvania**

**17%** of rural hospitals — **7** — are at immediate risk of closure in the next 2-3 years

**32%** of rural hospitals — **13** — are at risk of closure in the next 6-7 years

## **Missouri**

**16%** of rural hospitals — **9** — are at immediate risk of closure in the next 2-3 years

**38%** of rural hospitals — **21** — are at risk of closure in the next 6-7 years

## **Georgia**

**15%** of rural hospitals — **10** — are at immediate risk of closure in the next 2-3 years

**32%** of rural hospitals — **22** — are at risk of closure in the next 6-7 years

## **Colorado**

**12%** of rural hospitals — **5** — are at immediate risk of closure in the next 2-3 years

**21%** of rural hospitals — **9** — are at risk of closure in the next 6-7 years

## **Alaska**

**12%** of rural hospitals — **2** — are at immediate risk of closure in the next 2-3 years

**18%** of rural hospitals — **3** — are at risk of closure in the next 6-7 years

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