Rural Livability Through the Lens of Rural Healthcare

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Rural Healthcare as a Driver of Rural Livability

THE GOOD

• Preservation of rural healthcare access

• Very high quality hospitals

THE CHALLENGING

• Workforce shortages now + in future

• Cost Challenges

• Revenue Limitations
How are hospitals thinking about improving rural livability?
Providing Clinical Care

Meeting Health Related Social Needs

Addressing Social Determinants of Health

Changing Community Conditions
SYSTEMIC

SYSTEMIC CAUSES
The fundamental causes of the social inequities that lead to poor health.

COMMUNITY

SOCIAL DETERMINANTS OF HEALTH
Underlying social & economic conditions that influence people's ability to be healthy.

PERSON

SOCIAL NEEDS
Individuals' non-medical, social or economic circumstances that hinder their ability to stay healthy and/or recover from illness.

Source: AHA
Why?
Hospital – Community Connection
**Conclusions:** Socioeconomic disadvantage was markedly associated with hospital closure across all racial/ethnic and urban/rural classifications. Rural classification was associated with a larger disparity in hospital closure for both high ADI and Black majority census tracts.

**Implications for Policy or Practice:** Hospital closure is occurring disproportionately in geographies with higher socioeconomic disadvantage in the U.S.; effects are larger in rural than urban geographies, with especially alarming trends in Black rural geographies.
Research Alert: January 30, 2023

Community Sociodemographics and Rural Hospital Survival Analysis

This study examines which community sociodemographic characteristics were associated with increased risk of rural hospital closure between 2010-2019.

Key Findings:

- Survival analysis results show that rural hospitals at risk of financial distress were more likely to experience closure if their communities had: higher unemployment rates and higher uninsurance rates for those younger than 65.

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ECONOMIC IMPACT

A Critical Access Hospital...

- Increases local retail sales by 28% compared to towns without a CAH
- Increases total number of retail establishments as well as the number of small and micro businesses
- Can contribute between $20k and $1.3m per year to the local economy via telemedicine services, with the average CAH contributing $522k
- Generates an average of $1.8m in taxable local retail sales
- Creates .34 jobs in local businesses for every 1 job within the hospital
- Supports $2.30 of local business activity with every $1 they spend in the community
- Generates 170 jobs, $7.1m in salaries, wages and benefits
Rural Hospital Closure

- Reduces local income by $703/person or 4%
- Increase unemployment rate by 1.6%
- Increase in poverty levels + unemployment levels
- Median rent values decrease
- Management, business and science occupations decreased by 1.63%
- Construction, information, sales, finance + professional occupations also significantly decreased
- Reduces employment by an average of 99 full and part time positions, with a range from 26 to 188 positions
- Reduces wages, salaries and benefits by $5.3m on average with a range from $902k to $9.5m

Sources
Rural Anchor Institutions

Tangible + Intangible Benefits to Rural Communities
What is an anchor institution?
What is an anchor institution strategy?
Intangible Roles of Anchor Institutions

- Convener / Leader
- Advocate / Educator
- Leveraging Existing Non-Financial Assets
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