

# Republicans' Big Ugly Bill Will Shutter Rural Hospitals, Slash Vital Care, And Leave Entire Communities in Crisis

Over 330 Hospitals May Be Forced To Close Under The GOP Bill

# EMERGENCY

PROTECT OUR CARE

# FOREWORD

#### BY SENATOR CHRIS MURPHY

When I was elected to the Senate, I made a commitment to stand up for the middle-class and for working families. That promise has never felt more urgent. With the passage of their big, ugly bill, Donald Trump and Republicans in Congress made the largest health care cuts in American history, stripping health coverage from 15 million Americans to fund tax breaks for the wealthy and massive corporations. This bill will raise costs on middle- and low-income families and leave seniors, people with disabilities, and millions of children without the lifesaving care they need. With the GOP's cuts, hundreds of hospitals, nursing homes, clinics, and care facilities around the country will have to cut services, lay off providers and staff, or close their doors entirely.

Trump and the Republicans just sold off our hospitals in order to give tax breaks to the wealthiest individuals and corporations. When hospitals close, people lose jobs, patients have to travel further for care, families face longer wait times in overwhelmed emergency rooms, expectant moms are left without accessible maternity care, and costs go up for everyone. Entire communities will be left without access to care while CEOs and billionaires get even richer.

At a time when too many hardworking Americans are struggling just to get by, we need leaders who fight to make health care more affordable and accessible — not politicians who put CEOs and corporate profits over people. We need to crack down on corporate greed and hold insurance companies and Big Pharma accountable for profit seeking and exploiting everyday Americans. Instead of shuttering hospitals and taking health care away from eligible people to fund even more tax breaks for the wealthy, we need to make our health care programs more efficient and effective.

Ever since my days in Connecticut's General Assembly, I've fought against corporate greed and worked to stop profit-driven companies from overcharging patients and taking care from everyday people just to boost profits. I've taken on private equity firms that raid our hospitals and nursing homes — draining resources, slashing staff, and putting care at risk — all to give massive payouts to wealthy executives and shareholders. These Wall Street takeovers leave communities with fewer services, overworked caregivers, and no accountability. Republican policies that shut down our hospitals and clinics will only make life more difficult and unaffordable for everyday Americans.

Donald Trump and Congressional Republicans need to be held accountable for ripping coverage away from millions of hardworking Americans while shutting down hospitals and clinics around the country, only to give tax breaks to the rich. With Hospital Crisis Watch, I am working with Protect Our Care to expose the damage the GOP budget bill is doing to health care — community by community, hospital by hospital – in the hopes that we can put a stop to this crisis.



America's hospitals are under attack. Donald Trump and Congressional Republicans have rammed through the largest health care cuts in American history, gutting critical funding that keeps hospital doors open, emergency rooms staffed, and maternity wards running. In exchange, they have handed massive tax breaks to billionaires and big corporations. The result is a GOP-created health care crisis: hundreds of hospitals on the brink of closure, countless others preparing deep service cuts, and millions of health care workers facing the loss of their jobs.

By slashing \$1 trillion from Medicaid and the Affordable Care Act (ACA), Republicans are pulling the plug on entire communities' access to care. More than 15 million Americans are expected to lose health care coverage, while costs rise for millions more. Uncompensated care will soar, pushing already cash-strapped medical centers, clinics, hospital wards, and long-term care facilities to the breaking point. As rural medical centers close their doors and shutter services, patients will be forced to travel hours, sometimes hundreds of miles, to reach the nearest emergency room – even in life-or-death situations.

Communities are already feeling the devastating effects of the GOP health care cuts. From California to Texas to Maine, hospitals are closing wards, cutting services, and shutting their doors, leaving millions of Americans stranded and communities without essential care.

Every service cut and closure is a direct result of Republicans putting billionaires' tax cuts ahead of the health and safety of the American people. By gutting the funding that keeps hospitals open, Republicans are gambling with lives in every corner of the country. The consequences will be measured not in dollars lost, but in lives cut short.

Protect Our Care's <u>Hospital Crisis Watch</u> is tracking the harm Donald Trump and Republicans' spending bill is inflicting on American health care in real time – community by community, hospital by hospital.

#### By The Numbers:

- Over 330 hospitals are at immediate risk of closing or scaling back their services and over 750 hospitals total are at risk of closing in the years to come, after GOP policies gut over \$400 billion in critical funding forcing more Americans to travel further for maternity care and emergency rooms, and face longer wait times.
- Hospitals count on Medicaid to keep their doors open. Medicaid accounts for one fifth of spending on
  hospitals, one fifth of hospital discharges, and at least one in five inpatient days in nearly every state.
- Hospitals are the <u>sixth largest employer</u> in the country. Republicans will undermine an industry that
  employs nearly <u>7 million community servants</u>, from doctors to nurses to social workers, to hand out tax
  breaks to the ultrawealthy. An estimated <u>477,000</u> health workers will lose their jobs as a result of GOP
  cuts to Medicaid.



## How GOP Policies Will Hurt Local Hospitals And The Patients Who Rely On Them

GOP Policies Will Kick Over 15 Million Americans Off Their Coverage, Increasing The Burden Of Uncompensated Care And Driving Up Health Care Costs For Everyone. The GOP tax scam takes a sledgehammer to Medicaid and the ACA, which will raise costs and make health care unaffordable for millions of seniors and families. Over 15 million Americans from seniors to children to people with disabilities, are expected to lose their health care. When people are thrown off of their health care, they won't seek treatment for their chronic conditions until they're severe and more costly to treat. This means more ER visits, more late-stage cancer diagnoses, and more complications from lack of preventive care. Everyone will pay the price because Republicans put tax breaks for billionaires and big corporations above the needs of real people. Emergency rooms will become packed with patients who are unable to pay their bills due to loss of health coverage, forcing higher bills for everyone. A recent study by the Urban Institute found the House reconciliation bill will result in hospitals dealing with an estimated \$63 billion in uncompensated care. The financial burden of uncompensated care for those will likely then get passed on to others through higher bills and increased premiums, increasing costs for everyone. Health care costs will also spike for everyone as rural hospitals close, driving up costs at nearby facilities by an estimated \$500 per hospital stay.

#### Republicans Want To Gut And Deeply Restrict The Funding That Helps Hospitals Keep Their Doors

Open. The GOP tax scam will limit the ways states fund Medicaid and reimburse hospitals for care, including provider taxes and state-directed payments, which will shutter struggling hospitals and make it nearly impossible for states to manage the burden of the largest cuts to Medicaid in history without kicking millions off their coverage and taking away benefits. 49 states rely on taxes on health care providers to finance their share of Medicaid spending. The American Hospital Association, the nation's largest health care provider association, opposes restrictions on provider taxes and warns that it will increase the burden of uncompensated care on hospitals and force facilities to close. Republicans also want to restrict states' ability to provide state-directed payments. State-directed payments allow states to provide supplemental funding to Medicaid medical providers to preserve access to health care and ensure facilities have the resources to stay open and meet the unique needs of their communities. States are expected to lose at least \$340 billion in essential funding for hospitals thanks to these policies. Republicans' big, ugly bill also takes away critical financial incentives for states to expand Medicaid at a time when hospitals in non-expansion states are deeply struggling. 10 states have yet to fully expand Medicaid: Georgia, Wisconsin, Texas, Florida, Tennessee, Wyoming, Kansas, Alabama, Mississippi, and South Carolina. 45 hospitals across these states are already at grave risk of closure and will be further than ever from the financial relief they need if this critical incentive to expand Medicaid is eliminated.

### The Devastating Consequences Of The Republican Scheme To Gut Medicaid

"This unprecedented level of Medicaid cuts would devastate the program, undermining the ability of essential hospitals to provide critical services, including trauma care, behavioral health, maternal health, and public health emergency response. These hospitals, which already operate on thin margins, cannot absorb such losses without reducing services or closing their doors altogether. We urge lawmakers to reconsider this dangerous path. Cutting Medicaid to pay for tax breaks is not fiscal responsibility — it is a direct assault on our nation's health care system."

- Bruce Siegel, M.D. M.P.H, President and CEO of America's Essential Hospitals

"The sheer magnitude of the level of reductions to the Medicaid program alone will impact all patients, not just Medicaid beneficiaries, in every community across the nation. Hospitals — especially in rural and underserved areas — will be forced to make difficult decisions about whether they will have to reduce services, reduce staff, and potentially consider closing their doors. Other impacts could include longer waiting times to receive care, more crowded emergency departments, and hospitals not being able to invest in technology and innovations for clinical care."

-Rick Pollack, President and CEO of the American Hospital Association

- Hundreds Of Hospitals Will Be Forced To Close Or Cut Back On Their Services. From 2010 to 2022, over 130 rural hospitals have closed. Since 2020 alone, 36 rural hospitals have closed, and as of 2024, over 700 rural hospitals were found to be at risk of closing in the near future, almost all of which were within non-Medicaid expansion states. In Medicaid expansion states, rural hospitals are 62 percent less likely to close, though Republicans are dead set on stopping 10 states from ever expanding. A 2025 analysis from the University of North Carolina found that over 338 rural hospitals are at particular risk of closure, conversion, or service reduction from substantial health care cuts because the hospitals either take a high relative share of Medicaid patients, or have experienced 3 years of negative total margins, or both. Republican cuts will force these hospitals to gravely cut back on services or close entirely, shutting entire communities off from health care.
- Patients Will Face Longer Travel Times And Wait Times In Emergency Rooms. A 2023 NICHM study found that around 80 percent of rural Americans are medically underserved and that 12 percent of rural residents had to drive 60 minutes or more to the nearest hospital. With Republicans gutting Medicaid and hundreds of hospitals in the crosshairs, more Americans will be further from the care they need. Since GOP proposals will also cause over 15 million Americans to go uninsured, everyone will face

- longer <u>wait times</u> at the emergency room since countless Americans will lack the health care they need to see a primary care doctor for their conditions.
- Maternity Care Deserts Will Expand Across The Country. Rural hospitals rely on Medicaid funding to keep their doors open. The GOP proposal means states will lose over \$800 billion in federal Medicaid funding and be forced to cut back on how much they pay hospitals, putting more moms at risk of losing access to care at a time when 35 percent of counties already lack birthing hospitals and birth centers.
- Rural Economies Will Be Devastated. Hospitals employ 10 percent of all employees in rural counties
  that report having any hospital employment. When rural hospitals close, communities can lose a
  staggering number of jobs, both within and outside of the health care sector. The closure of one rural
  hospital can eliminate 220 jobs immediately.

## The Crisis Has Already Begun To Unfold Across The Country

Cash-strapped hospitals, emergency departments, and maternity wards have already begun to close across <u>Texas</u>, <u>Nebraska</u>, <u>Oklahoma</u>, <u>Missouri</u>, <u>Montana</u>, <u>Indiana</u>, <u>Florida</u>, <u>California</u>, <u>and Maine</u>, leaving thousands in their communities without reliable care. Thanks to Trump and Republicans' Big, Ugly Bill, this is only the beginning. Once millions begin to lose their Medicaid and ACA coverage due to onerous paperwork and deep cuts to provider taxes and state-directed payments take effect, the crisis will only worsen, leaving millions of Americans in the dust.

"Unfortunately, the current financial environment, driven by anticipated federal budget cuts to Medicaid, has made it impossible for us to continue operating all of our services, many of which have faced significant financial challenges for years."

Troy Bruntz, President and CEO of Community Hospital, on the closure of the Curtis Medical Center in Nebraska,

7/3/25

"Despite the dedication and hard work of our team members, the hospital has faced persistently low utilization and increasing financial pressures, making continued operation as an acute care facility no longer viable for St.

Luke's."

St. Luke's Health System, on the closure of St. Luke's Des Peres Hospital in Missouri, 7/23/25

### Appendix A: Likely Rural Hospital Closures by State

The increase in rural hospital closures over the past decade is a national crisis. With over 130 rural hospitals closing between 2010 and 2022, thousands more Americans every year are at risk of having no access to vital medical care. 2024 has seen even more hospital closures than in previous years, indicating a "startling new phase" of this crisis where half of all rural hospitals are operating at a loss and 20 percent are at risk of closure in the next few years. Rural hospitals have consistently seen higher rates of uncompensated care, especially within states that have refused to expand Medicaid where uncompensated care is nearly 2.5 times higher than in expansion states. Click here to see the full list of rural hospitals across the country at risk of closure from devastating GOP cuts to Medicaid.

The following is the number of hospitals that meet one or both of two financial criteria: (1) the hospital is in the top 10% Medicaid payer mix of rural hospitals across the country, (2) the hospital has experienced three consecutive years of negative total margin. This means these rural hospitals face greater risk of being forced to stop providing some services, converting, or closing.

STATE	NUMBER OF AT-RISK RURAL HOSPITALS
ALABAMA	5
ALASKA	5
ARIZONA	5
ARKANSAS	1
CALIFORNIA	28
COLORADO	6
CONNECTICUT	1
DELAWARE	1
FLORIDA	1
GEORGIA	4
HAWAII	6
IDAHO	3
ILLINOIS	9
INDIANA	12
IOWA	2
KANSAS	6
KENTUCKY	35
LOUISIANA	33
MAINE	2
MASSACHUSETTS	1
MICHIGAN	4
MINNESOTA	2
MISSISSIPPI	8
MISSOURI	4
MONTANA	8
NEBRASKA	2
NEVADA	2
NEW HAMPSHIRE	1
NEW MEXICO	15
NEW YORK	11
NORTH CAROLINA	5
NORTH DAKOTA	3
оню	11
OKLAHOMA	21
OREGON	4
PENNSYLVANIA	5
SOUTH CAROLINA	5
SOUTH DAKOTA	2
TENNESSEE	9
TEXAS	15
UTAH	3
VIRGINIA	6
WASHINGTON	14
WEST VIRGINIA	7
WISCONSIN	3
WYOMING	2
TOTAL	338
101112	330

