

H North Carolina Rural Hospital Program
2024 Profile (Data from State Fiscal Year 2024)

Grant Facts
\$2.3M
Total grant funding from SHIP and FLEX Federal (HRSA)

Overview
Since 1997, the Office of Rural Health's Rural Hospital Assistance program supports 11 Small Rural Hospitals and 20 Critical Access Hospitals (CAHs). A CAH has a special designation from the Centers for Medicare and Medicaid Services (CMS). CAHs have 25 beds or fewer and receive cost-based reimbursement. Small Rural Hospitals have 49 available beds or fewer.
ORH administers two federal grants on behalf of these 31 hospitals to improve quality outcomes, financial results, and population health management. According to the World Health Organization and the Centers for Disease Control, studies suggest social drivers of health (SDOH) factors account for up to 55% of health outcomes. The Rural Hospital Flexibility Grant Program (FLEX) and the Small Rural Hospital Improvement Grant Program (SHIP) receive recurring federal funding to address both direct and non-clinical drivers of health.
Small Rural Hospitals and CAHs are more financially vulnerable than larger hospital systems and are often the only medical facility in a rural community - if they close there will be reduced access to acute care and emergency room services. The number of rural hospitals (either in North Carolina or in the US) at "high" financial distress was 20% according to the Cecil G. Sheps Center for Health Research. ORH assists SHIP hospitals to use grant funds for projects to address: Value Based Purchasing, Accountable Care Organizations and Payment Bundling Activities. ORH administers the FLEX and SHIP grants with internal and external partners.

100%
Eligible hospitals that participate in SHIP Initiatives such as Value Based Purchasing (14 Hospitals) and Payment Bundling, Prospective Payment System (16 Hospitals)

90%
CAHs report Medicare Beneficiary Quality Improvement Project

North Carolina Statewide Telepsychiatry Program (NC-STeP)

The N.C. Statewide Telepsychiatry Program (NC-STeP) was developed in response to Session Law 2013-360, directing ORH to oversee a statewide telepsychiatry program. The use of this technology can reduce patients' length of stay in the emergency department (which can last for days in some cases) and overturn unnecessary involuntary commitments (IVCs), thereby reducing the burden on staff and reducing costs to the state and federal governments, as well as the private sector. To learn more about the program, and the participating sites, visit the annual report submitted to the Joint Legislative Oversight Committee on Health and Human Services and Fiscal Research Division.

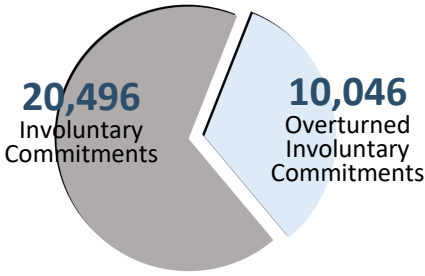
90%
CAHs report Outpatient Core Measures

85%
CAHs report Emergency Department Transfer Communications

43% (\$1.43)
Return on Investment for each Rural Hospital grant dollar's economic impact

Emergency Department Data (2013-2024)

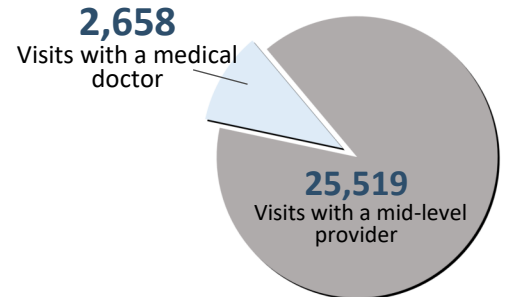
63,356 Telepsychiatry assessments



\$59.1M Return on Investment to state psychiatric facilities through overturned IVCs

Community Sites Data (2018-2024)

28,177 Patient Visits



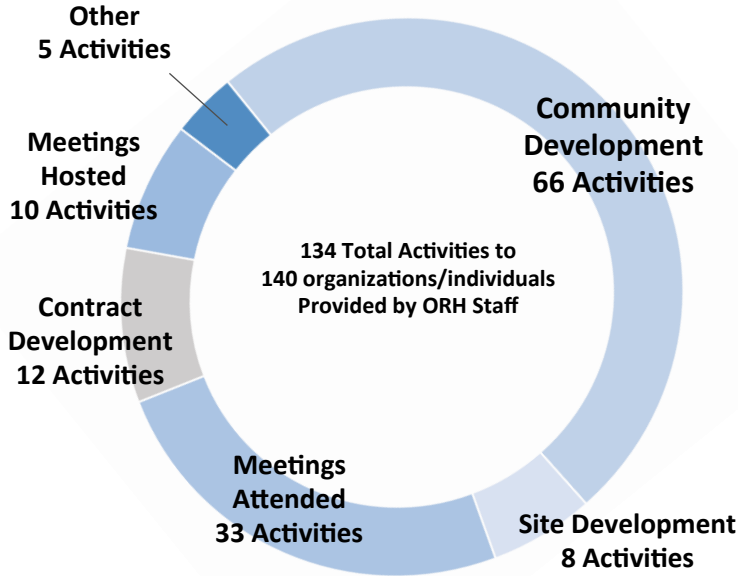
22,216 Patient return visits with a provider



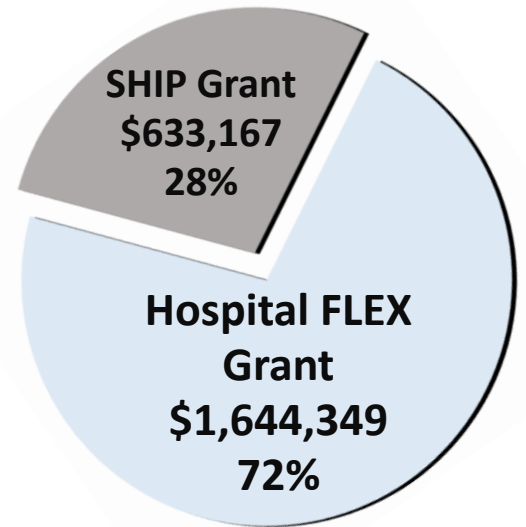
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Technical Assistance

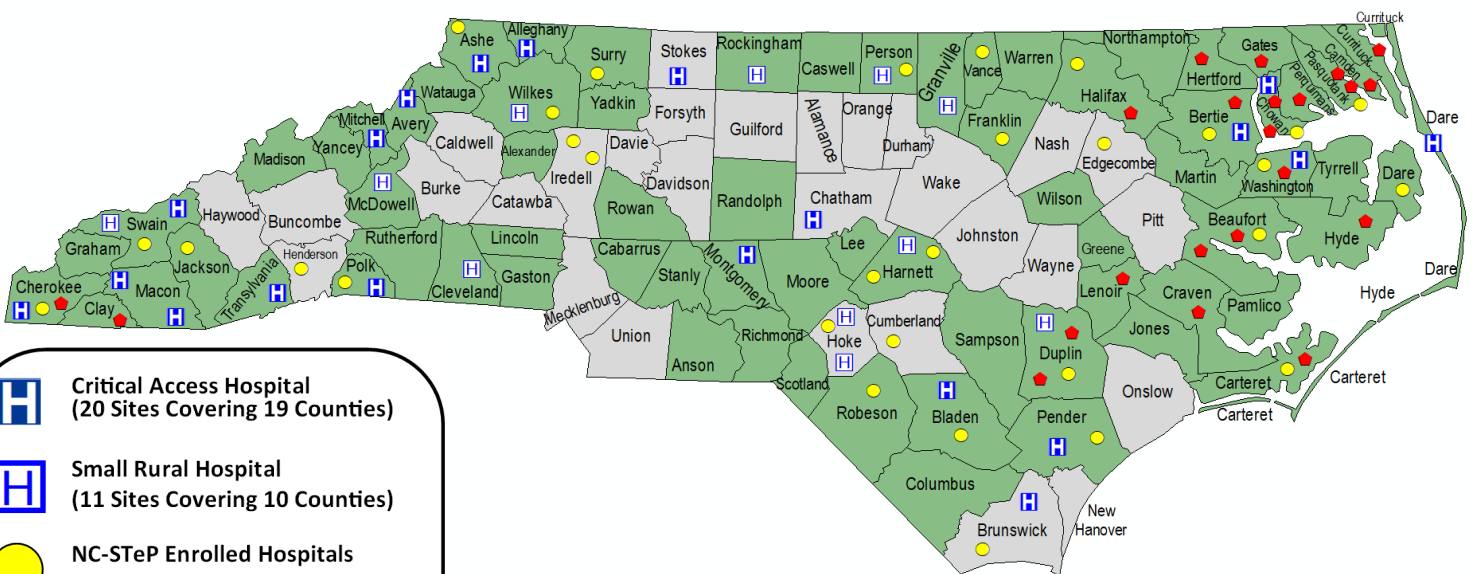


Total Program Funding



Program Reach

83 Supported Sites **50** Total Counties Covered **42** Rural Counties Covered



- Critical Access Hospital (20 Sites Covering 19 Counties)
- Small Rural Hospital (11 Sites Covering 10 Counties)
- NC-STeP Enrolled Hospitals (31 Sites Covering 29 Counties)
- NC-STeP Community Sites (21 Sites Covering 19 Counties)
- Rural County (71 Counties)
- Urban County (29 Counties)

If you have further questions, please contact:
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