Last year, Iowa hospitals employed more than 70,000 people and created nearly $8 billion in economic impact. But, in many ways, Iowa hospitals are in crisis. Rural hospitals especially face low volumes, treat an older population and have a heavier Medicare and Medicaid payer mix.

The Iowa Hospital Association and its members have developed a proposal to address rural hospitals’ growing financial challenges:

- Creation of the Rural Emergency Hospital (REH) designation allowing hospitals to preserve access to essential services while no longer providing inpatient care.

- Modify the Critical Access Hospital (CAH) Program to provide a window for hospitals to apply for CAH status and offer increased reimbursement for home health care and emergency medical services.

- Provide infrastructure funding to allow rural hospitals to right-size to smaller or more efficient facilities.