Impact of 6/28 Senate Budget Text on Urban vs. Rural Medicaid Hospital Expenditures (Total Computable), FFYs 2025-2034 ($ Millions)

Note: The below analysis distributes the impact of select provisions of the Senate Budget text on total Medicaid **hospital** expenditures proportionately based on the urban/rural distribution of Medicaid hospital revenues in each state. We leverage Medicare Cost Report data crosswalked with Core-Based Statistical Areas (CBSA) to develop an allocation of Medicaid hospital expenditures by urban and rural geographies by state. See footnote 1 below for additional detail on our allocation approach.

	Share of Medicaid Hospital Expenditures[1]			Impact on Medicaid Hospital Spend of 6.28 Senate Bill (Prior to Application of Rural Hospital Fund Support)					Rural Health Fund Part #1	Rural Health Fund Part #2	Total Rural Hospital Fund	Impact on Medicaid Hospital Spend of 6.28 Senate Bill (After Application of Rural Hospital Fund)	
	Urban	Rural	Unknown	Total	Total	Urban	Rural	Unknown	Equally Distributed Grants to States[3]	Grants Made Proportionally Based on Rural Hospital Expenditures[4]	Total Grant	Rural	Percentage of Rural Cut Addressed by Rural Health Fund
State	% of Expenditures	% of Expenditures	% of Expenditures	$ Millions	% from Baseline[2]	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	$ Millions	%
Total	***91%***	***9%***	***0%***	***$ (667,939)***	***-22%***	***$ (609,939)***	***$ (57,461)***	***$ (539)***	***$ 12,500***	***$ 12,500***	***$ 25,000***	***$ (32,461)***	**43.51%**
Alaska	63%	37%	0%	$ (881)	-12%	$ (553)	$ (329)	$ -	$ 250	$ 117	$ 367	$ 38	111.61%
Wyoming	26%	74%	0%	$ (61)	-3%	$ (16)	$ (45)	$ -	$ 250	$ 77	$ 327	$ 282	724.92%
North Dakota	86%	14%	0%	$ (413)	-12%	$ (355)	$ (58)	$ -	$ 250	$ 21	$ 271	$ 213	466.59%
South Dakota	75%	25%	0%	$ (369)	-11%	$ (278)	$ (91)	$ -	$ 250	$ 36	$ 286	$ 195	315.33%
Massachusetts	99%	1%	0%	$ (15,569)	-18%	$ (15,452)	$ (117)	$ -	$ 250	$ 25	$ 275	$ 158	235.31%
Connecticut	98%	2%	0%	$ (5,744)	-16%	$ (5,606)	$ (138)	$ -	$ 250	$ 33	$ 283	$ 145	205.58%
Alabama	88%	12%	1%	$ (1,204)	-3%	$ (1,057)	$ (140)	$ (7)	$ 250	$ 199	$ 449	$ 308	319.69%
Florida	98%	2%	0%	$ (12,025)	-9%	$ (11,784)	$ (182)	$ (59)	$ 250	$ 90	$ 340	$ 157	186.21%
Delaware	83%	16%	1%	$ (1,032)	-12%	$ (859)	$ (166)	$ (7)	$ 250	$ 57	$ 307	$ 141	185.06%
Idaho	85%	15%	0%	$ (1,241)	-10%	$ (1,059)	$ (182)	$ -	$ 250	$ 74	$ 324	$ 142	178.32%
Vermont	42%	58%	0%	$ (388)	-7%	$ (164)	$ (224)	$ -	$ 250	$ 132	$ 382	$ 158	170.63%
Maryland	96%	4%	0%	$ (5,549)	-11%	$ (5,319)	$ (230)	$ -	$ 250	$ 83	$ 333	$ 103	144.86%
Nevada	96%	4%	1%	$ (6,881)	-21%	$ (6,581)	$ (243)	$ (58)	$ 250	$ 42	$ 292	$ 50	120.41%
Kansas	78%	22%	0%	$ (1,538)	-9%	$ (1,194)	$ (341)	$ (3)	$ 250	$ 155	$ 405	$ 65	118.97%
Wisconsin	78%	22%	0%	$ (2,385)	-6%	$ (1,849)	$ (536)	$ -	$ 250	$ 363	$ 613	$ 77	114.31%
South Carolina	93%	7%	0%	$ (5,414)	-10%	$ (5,062)	$ (352)	$ -	$ 250	$ 149	$ 399	$ 46	113.16%
Nebraska	67%	33%	0%	$ (1,078)	-10%	$ (726)	$ (352)	$ -	$ 250	$ 144	$ 394	$ 42	111.92%
Utah	91%	9%	0%	$ (3,994)	-19%	$ (3,619)	$ (375)	$ -	$ 250	$ 77	$ 327	$ (48)	87.09%
Maine	65%	35%	0%	$ (1,452)	-11%	$ (945)	$ (507)	$ -	$ 250	$ 184	$ 434	$ (73)	85.51%
Georgia	88%	12%	0%	$ (6,086)	-9%	$ (5,330)	$ (731)	$ (24)	$ 250	$ 330	$ 580	$ (151)	79.30%
Texas	94%	6%	0%	$ (20,645)	-9%	$ (19,434)	$ (1,209)	$ (3)	$ 250	$ 551	$ 801	$ (407)	66.29%
Minnesota	81%	19%	0%	$ (5,367)	-11%	$ (4,336)	$ (1,031)	$ -	$ 250	$ 384	$ 634	$ (396)	61.55%
West Virginia	79%	21%	0%	$ (3,071)	-18%	$ (2,414)	$ (646)	$ (11)	$ 250	$ 139	$ 389	$ (257)	60.24%
Arkansas	76%	24%	0%	$ (3,586)	-14%	$ (2,714)	$ (867)	$ (5)	$ 250	$ 257	$ 507	$ (359)	58.54%
Tennessee	90%	10%	0%	$ (10,146)	-13%	$ (9,136)	$ (1,002)	$ (8)	$ 250	$ 327	$ 577	$ (425)	57.55%
Hawaii	76%	24%	0%	$ (3,013)	-20%	$ (2,294)	$ (719)	$ -	$ 250	$ 134	$ 384	$ (334)	53.46%
New York	97%	3%	0%	$ (40,959)	-14%	$ (39,745)	$ (1,206)	$ (7)	$ 250	$ 338	$ 588	$ (619)	48.73%
Pennsylvania	94%	6%	0%	$ (22,454)	-15%	$ (21,036)	$ (1,408)	$ (11)	$ 250	$ 363	$ 613	$ (794)	43.56%
Colorado	86%	14%	0%	$ (8,235)	-18%	$ (7,101)	$ (1,135)	$ -	$ 250	$ 240	$ 490	$ (645)	43.16%
Mississippi	62%	38%	0%	$ (4,777)	-14%	$ (2,954)	$ (1,822)	$ (1)	$ 250	$ 538	$ 788	$ (1,035)	43.22%
Montana	53%	47%	0%	$ (2,286)	-24%	$ (1,213)	$ (1,073)	$ -	$ 250	$ 159	$ 409	$ (663)	38.15%
New Hampshire	44%	56%	0%	$ (1,809)	-29%	$ (796)	$ (1,012)	$ -	$ 250	$ 115	$ 365	$ (647)	36.04%
Missouri	87%	13%	0%	$ (10,894)	-21%	$ (9,512)	$ (1,383)	$ -	$ 250	$ 245	$ 495	$ (888)	35.79%
Indiana	91%	9%	0%	$ (12,558)	-25%	$ (11,377)	$ (1,181)	$ (1)	$ 250	$ 169	$ 419	$ (761)	35.52%
Arizona	96%	4%	0%	$ (31,807)	-27%	$ (30,564)	$ (1,203)	$ (40)	$ 250	$ 155	$ 405	$ (797)	33.70%
Oklahoma	77%	23%	0%	$ (10,719)	-18%	$ (8,246)	$ (2,472)	$ -	$ 250	$ 526	$ 776	$ (1,696)	31.39%
Illinois	92%	8%	0%	$ (31,312)	-20%	$ (28,935)	$ (2,378)	$ -	$ 250	$ 460	$ 710	$ (1,668)	29.85%
California	98%	2%	0%	$ (118,919)	-20%	$ (116,428)	$ (2,329)	$ (161)	$ 250	$ 434	$ 684	$ (1,645)	29.36%
North Carolina	90%	10%	0%	$ (28,222)	-19%	$ (25,265)	$ (2,957)	$ -	$ 250	$ 746	$ 996	$ (1,961)	33.69%
Ohio	87%	13%	0%	$ (22,402)	-19%	$ (19,447)	$ (2,892)	$ (63)	$ 250	$ 581	$ 831	$ (2,061)	28.74%
New Mexico	82%	18%	0%	$ (10,485)	-25%	$ (8,587)	$ (1,870)	$ (27)	$ 250	$ 266	$ 516	$ (1,354)	27.60%
Michigan	92%	8%	0%	$ (28,431)	-22%	$ (26,173)	$ (2,250)	$ (8)	$ 250	$ 364	$ 614	$ (1,636)	27.30%
Louisiana	90%	10%	0%	$ (22,660)	-23%	$ (20,428)	$ (2,229)	$ (4)	$ 250	$ 354	$ 604	$ (1,625)	27.10%
Virginia	94%	6%	0%	$ (36,923)	-24%	$ (34,794)	$ (2,098)	$ (31)	$ 250	$ 312	$ 562	$ (1,536)	26.76%
Oregon	86%	14%	0%	$ (17,201)	-26%	$ (14,764)	$ (2,436)	$ -	$ 250	$ 332	$ 582	$ (1,855)	23.88%
Iowa	63%	37%	0%	$ (8,912)	-22%	$ (5,634)	$ (3,279)	$ -	$ 250	$ 535	$ 785	$ (2,493)	23.95%
Washington	88%	12%	0%	$ (21,788)	-25%	$ (19,127)	$ (2,661)	$ -	$ 250	$ 366	$ 616	$ (2,045)	23.16%
Kentucky	80%	20%	0%	$ (26,652)	-26%	$ (21,276)	$ (5,376)	$ -	$ 250	$ 722	$ 972	$ (4,404)	18.09%
District of Columbia	100%	0%	0%	$ (1,058)	-10%	$ (1,058)	$ -	$ -	$ -	$ -	$ -	$ -	N/A
New Jersey	100%	0%	0%	$ (24,331)	-27%	$ (24,331)	$ -	$ -	$ 250	$ -	$ 250	$ 250	N/A
Rhode Island	100%	0%	0%	$ (3,012)	-22%	$ (3,012)	$ -	$ -	$ 250	$ -	$ 250	$ 250	N/A

1. We calculate the share of Medicaid hospital expenditures in urban and rural geographies using hospital net Medicaid revenues as reported on 2023 Medicare Cost Reports (made available through HCRIS). We allocate net Medicaid revenues for each hospital to an urban or rural geography using the hospital's address crosswalked to Core-Based Statistical
2. We only include the percentage impact from baseline for total expenditures since the percentage impacts are the same across the urban, rural, and unknown categories.
3. 50% of the $25 billion rural health transformation fund will be distributed equally to all states that submit an application. We assume that all states will submit an application and receive an award. Note that entities other than rural hospitals are eligible to receive a portion of this funding (e.g., FQHCs, RHCs, CCBHCs) so this allocation overestimates the amount of funding that will be made available to rural hospitals.
4. 50% of the $25 billion rural health transformation fund will be distributed to states at the discretion of the CMS administrator. For modeling purposes, we assume that these funds would be distributed based on the share of Medicaid rural hospital expenditures from each state compared to total Medicaid rural hospital expenditures.