



North Carolina Rural Hospital Program
2025 Profile (Data from State Fiscal Year 2025)

Grant Facts

\$1.3M

Total grant funding from SHIP and FLEX Federal (HRSA)

100%

Eligible hospitals that participate in SHIP Initiatives such as Value Based Purchasing (13 Hospitals) and Payment Bundling, Prospective Payment Systems (18 Hospitals)

95%

CAHs report Medicare Beneficiary Quality Improvement Project

90%

CAHs report Outpatient Core Measures

95%

CAHs report Emergency Department Transfer Communications

42% (\$1.42)

Return on Investment for each Rural Hospital grant dollar's economic impact

Overview

Since 1997, the Office of Rural Health's Rural Hospital Assistance program has supported 12 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 32 hospitals to improve quality outcomes, financial results, and population health management. According to the Centers for Disease Control, studies suggest health behaviors 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 health behaviors.

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 is 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.

North Carolina Statewide Telepsychiatry Program (NC-SteP)

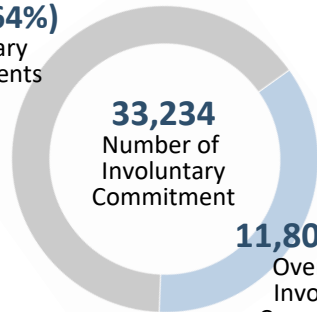
The N.C. Statewide Telepsychiatry Program (NC-SteP) was developed in response to Session Law 2013-360, directing ORH to oversee a statewide telepsychiatry program. The use of this technology can reduce patients' length of stay in the emergency department (which can last for days in some cases) and overturn 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.

NC-SteP Data (2013-2025)

67,543 Telepsychiatry Assessments
36% Overturned Involuntary Commitments

\$63.7M Return on Investment to state psychiatric facilities through overturned IVCs

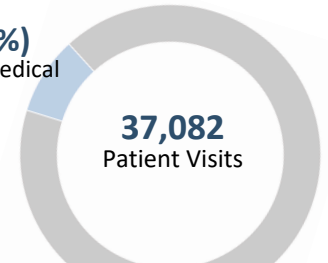
21,432 (64%) Involuntary Commitments



11,802 (36%) Overturned Involuntary Commitments

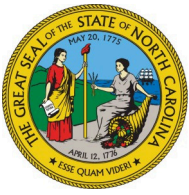
Hospital Sites

3,126 (8%) Visits with a medical doctor



33,956 (92%) Visits with a mid-level provider

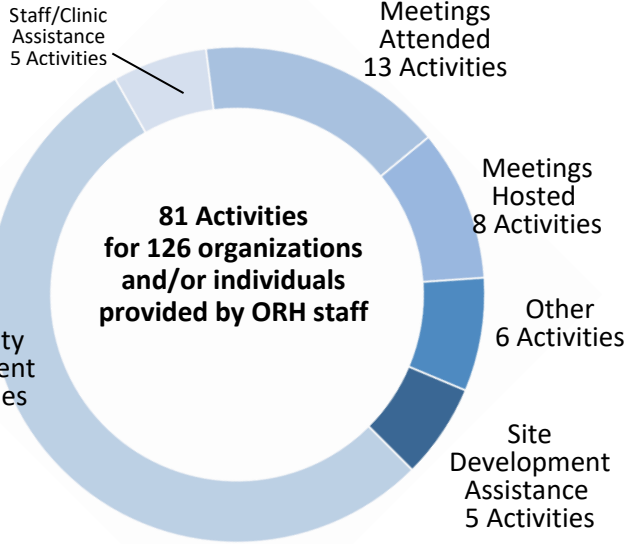
Community Based Sites



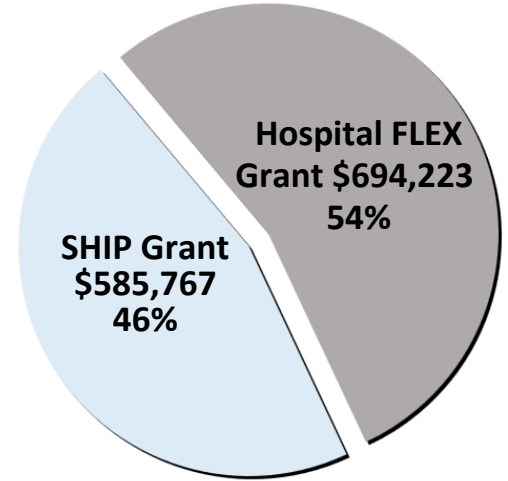
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Technical Assistance



Total Program Funding

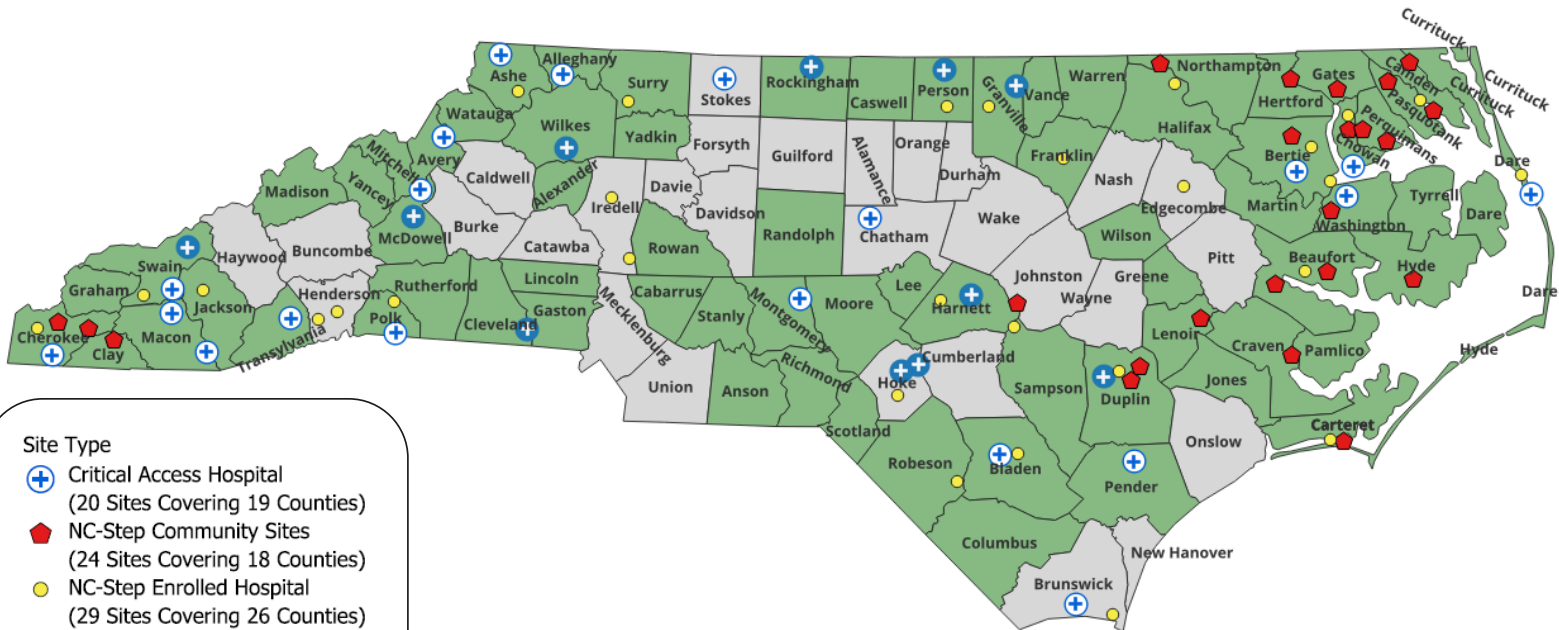


Program Reach

84 Supported Sites

47 Total Counties Covered

42 Rural Counties Covered



If you have further questions, please contact: Nick Galvez, Rural Hospital Program Manager
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