Changes in obstetrical services among Critical Access Hospitals

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Introduction
Obstetrical services are important health services to communities. Previous surveys by the Flex Monitoring Team have found that obstetrical services are a line of service commonly discontinued by Critical Access Hospitals (CAHs). Furthermore, in a recent survey of financial improvement strategies, administrators of CAHs reported “increasing OB beds” as having a negative impact on financial performance.

The purpose of this study was to identify any change in the provision of obstetrical services by CAHs and to determine whether any changes could be explained by particular factors facing CAHs. Medicare Cost Report data on nursery patient days were used as a measure of provision of obstetrical services.

Method
Using Medicare Cost Report data, we identified all Cost Reports from 2000 to 2009 for rural hospitals with fewer than 50 beds. A hospital was deemed to provide obstetrical services in a reporting period if at least one nursery day was reported on its Medicare Cost Report. The sample was limited to hospitals reporting at least eight fiscal years of data with at least 360 days between 2000 and 2009 (N=1,374). The sample included hospitals that were CAHs before 2000, hospitals that became CAHs during the study period, and rural PPS hospitals with less than 50 beds that did not become CAHs.

Results
Figure 1 displays the percent of CAHs with at least one nursery day between 2000 and 2009. The figure shows a sharp increase in hospitals offering OB services between 2000 and 2003 and a small decrease after 2007. However, these results are difficult to interpret because the total hospital number, the average number of beds, and the average daily census of CAHs changed substantially over the ten-year period. In 2000, there were

Key Findings
• The percent of CAHs with at least one nursery day increased markedly between 2000 and 2006 and only a small decrease occurred after 2007. However, this was due to substantial changes in the number of CAHs, the average number of CAH beds, and the average daily census of CAHs over the ten-year period.
• Among hospitals that were or would become CAHs, the percent with at least one nursery day decreased from 64.0 percent pre-conversion to 55.5 percent within three years after conversion.
• No similar change in OB service provision occurred among rural hospitals that did not convert from PPS to CAH during the same time period. Thus, reduction of OB services cannot be readily explained by other factors facing rural hospitals generally, such as OB provider shortages or malpractice rates.
• Despite the reduction in the number of CAHs with nursery days, there was little change in the total number of nursery days in CAHs. Hospitals that continued to offer OB services experienced a roughly 20 percent increase in their average number of annual nursery days.

3. Alternative definitions, such as more than twelve nursery days or the OSCAR definition, provided qualitatively similar results.

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Despite the decrease in the number of rural hospitals offering OB services, the total number of nursery days did not change substantially within cohorts. The total number of nursery days in 2009 was within 10 percent of the number in 2000 for all cohorts except hospitals that converted to CAH pre-2002. This suggests that nursery days were transferred from CAHs that closed OB services to other CAHs (and perhaps other larger hospitals) that retained OB services. As a consequence, the total number of nursery days was distributed among fewer CAHs.

Further study, such as the effect of malpractice rates and population changes and the effect on access and outcomes, is ongoing. Meanwhile, this issue warrants monitoring by policymakers and program officials.

Figure 1

Percent of CAHs with at least one nursery day
By calendar year

Number of hospitals ranges from 84 in 2000 to 1087 in 2008

Figure 2

Percent of CAHs with at least one nursery day
By years since conversion to CAH

Data only for CAHs with at least two years of pre-conversion data.
Number of hospitals ranges from 298 (year 0) to 564 (year –2)

Figure 3

Percent of hospitals with at least one nursery day

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