# Medicaid & Rural Health: What's the Evidence?

Healthy rural communities depend on a strong Medicaid program that **provides health coverage for residents, funding for rural hospitals, and jobs for rural workers.**

1. Rural working-age adults and children are **more likely to be covered by Medicaid** than urban residents. Rural residents have <u>lower income</u>, are <u>less connected to the workforce</u>, and work for <u>smaller business,</u> making them less likely to have <u>employer-sponsored insurance</u> and more likely to be <u>uninsured</u>.

2. Rural hospitals **depend on Medicaid for their survival**. Increased Medicaid coverage leads to <u>fewer hospital closures</u>, <u>lower rates of uncompensated care</u>, and <u>financial stability</u>. Preventing rural hospital closures is critical: closures have been shown to <u>increase preventable admissions</u> and lead to longer <u>ambulance travel</u> times.

Figure 1. Medicaid coverage is higher in rural areas than in urban areas
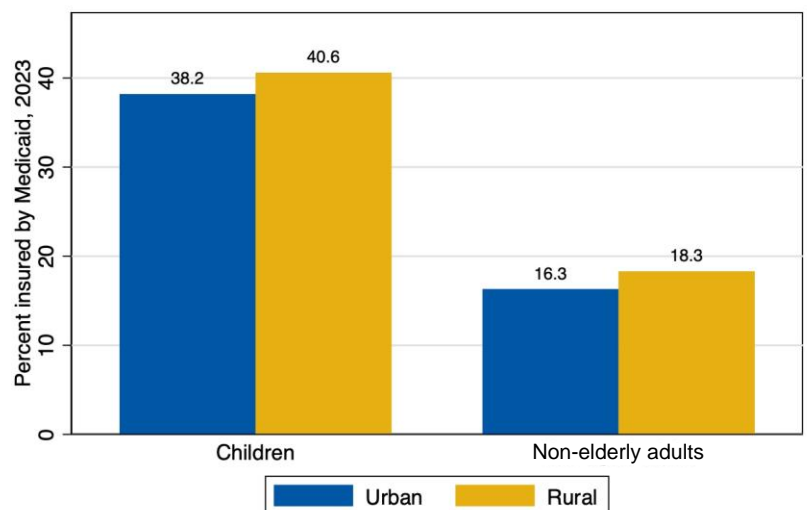
Source: Alker, Osorio, and Park. Medicaid's Role in Small Towns and Rural Areas. Georgetown Center for Children and Families. 2025. https://ccf.georgetown.edu/2025/01/15/medicaids-role-in-small-towns-and-rural-areas/

3. Medicaid bolsters rural economies, creating local jobs and staving off hospital closures. <u>One study</u> found that for every **1,000 Medicaid enrollees, 125 jobs are created,** mostly in healthcare but also in other industries, like construction and retail. Healthcare jobs are much harder to export, so **employment increases remain where people get their healthcare**, namely rural communities. Preventing rural hospital closures is important, as closures have been shown to <u>reduce population</u> and <u>per capita income</u>, outcomes rural areas can ill afford.

To ensure a strong, vibrant, and healthy rural America, Congress must protect Medicaid coverage for rural communities and reject policies that reduce Medicaid coverage or increase bureaucratic red tape, like work requirements and block grants.

For more information:
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