



Impact of Policies on Rural Communities

Delaware

Provider Name/Number	Provider Type	Operating Margin ¹	Sequestration ² 2% Inpatient and Outpatient Medicare Revenue Cut			Bad Debt Reimbursement Cut ³ 35% Medicare Bad Debt Reimburesment Cut		
			Annual Revenue Lost ¹	Potential Job Loss ⁴	Potential GDP Loss ⁵	Annual Revenue Lost ¹	Potential Job Loss ⁴	Potential GDP Loss ⁵
Bayhealth Hospital - Sussex Campus (080009)	RPPS	9.9%	\$1,481,880	17	\$2,607,916	\$192,391	2	\$338,583
Beebe Healthcare - Margaret H Rollins Lewes Campus (080007)	RPPS	7.0%	\$3,954,780	61	\$9,194,295	\$215,750	3	\$501,588

¹ CMS Healthcare Cost Report Information System (HCRIS) Q4 2025. Operating margin is computed in accordance with Flex Monitoring Team guidance. Reported Covid-19 PHE Funds (Worksheet G-3 line 24,50) excluded from operating margin. Adjustments made to operating margin to reflect full 2% sequester.

² Budget control Act of 2011

³ Middle class Tax Relief and Job Creation Act of 2012

⁴ National Center for Rural Health works, 2016

⁵ The World Bank, 2023

