

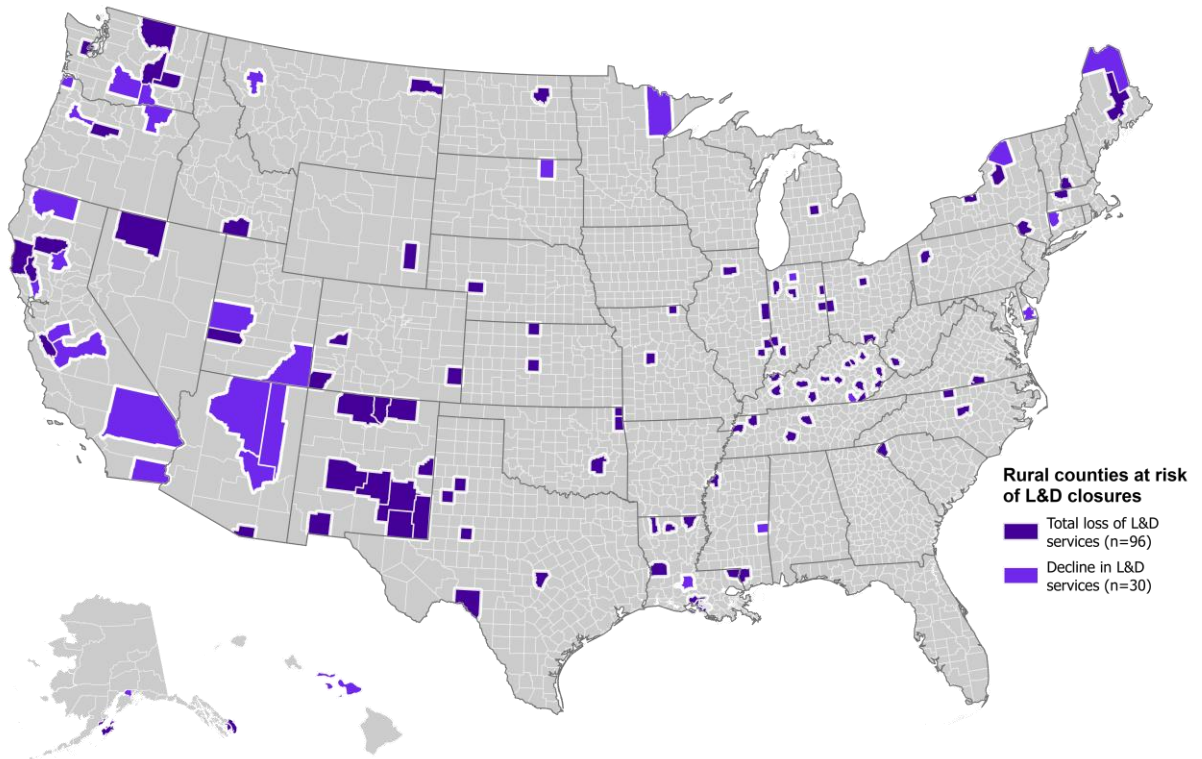
Key takeaway: Enacted Medicaid cuts could accelerate rural labor and delivery unit closures, further limiting access to maternity care for families in rural communities.

In 2024, 35% of U.S. counties had no access to maternity care, impacting over 2.3 million women of reproductive age.¹ From 2011 to 2023, 293 rural hospitals stopped providing obstetric care,² and during 2021 and 2022, approximately 1 in every 25 obstetric units in the U.S. closed.¹ Rural communities are much more likely to have inadequate access to maternity care compared to urban communities, with approximately two-thirds lacking a birthing facility or obstetrician.¹

This trend is likely to worsen as H.R.1 cuts Medicaid by \$911 billion over a decade³ further impacting payments to rural hospitals. Medicaid finances a large share of births and Medicaid reimbursement is a key source of funding for rural hospitals to sustain labor and delivery services. While the Rural Health Transformation Program's \$50 billion⁴ infusion will mitigate some of these harsh cuts, there will be a direct effect on hospital closures that will reduce access to maternal and infant care over time.⁵

March of Dimes examined the impact of closures among hospitals with labor and delivery services that were determined to be at risk due to recent Medicaid cuts.

There are 131 at-risk hospitals where closures would result in 96 rural U.S. counties losing their only labor and delivery unit



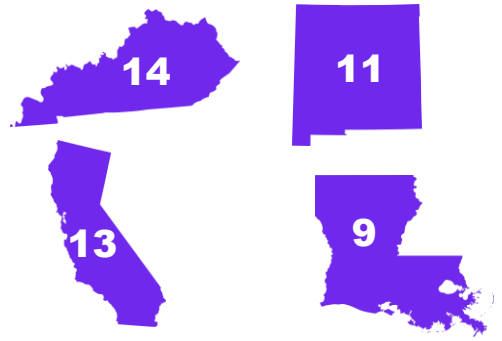
Source: March of Dimes analysis using data from the Cecil G. Sheps Center for Health Services Research (2025), National Partnership for Women & Families (2025), American Hospital Association Annual Survey Database (2022), and National Center for Health Statistics Natality Data File (2024).

Note: "At-risk" hospitals identified using Cecil G. Sheps Center financial risk indicators (Medicaid share, negative margins, and projected distress) and applied to hospitals with labor and delivery services.

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While all but 10 U.S. states are at risk for rural hospital labor and delivery unit closures, some states face greater risks

Number of at-risk labor and delivery units by top 4 states impacted (KY, CA, NM, LA)



March of Dimes estimates Medicaid cuts will have devastating impacts for rural communities across the U.S.

Number of counties, reproductive aged women, and babies in areas with labor and delivery units at risk of closure



126
counties



2,481,095
women



124,463
babies

Families in rural counties at risk of closures already face systemic barriers like greater rates of poverty (<200% federal poverty level (FPL)), unstable housing, and food insecurity.

Births covered by Medicaid in at-risk counties

51%

vs. 40% of U.S. births

Families with incomes <200% FPL in at-risk counties

38%

vs. 31% of U.S. families

Implications of worsening access to care

Families living in rural communities will face more significant barriers accessing needed healthcare with declining access to obstetric services. The loss of labor and delivery units means fewer facilities for high-risk pregnancies and may increase the rate of poor birth outcomes in the U.S.^{6,7} Strengthening financial support for rural hospitals is essential to maintaining labor and delivery services and ensuring families in rural communities can access maternity care close to home.

March of Dimes leads the fight for the health of all moms and babies. We will continue to monitor access to care across U.S. counties, advocate for policies that expand Medicaid to more families in need, and support the obstetric workforce and hospitals providing rural labor and delivery care.

Sources:

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