



# **Rural Emergency Hospital Education and Fireside Chat with an REH CEO**

**February 8, 2024**

2:00 pm ET

# Agenda

---

**Opening and welcome**

---

**Rural Emergency Hospital (REH) overview, policy, and requirements**

---

**Rural Health Redesign Center Technical Assistance**

---

**Financial Reports**

---

**Fireside Chat: Hospital CEO Names and Hospital Name**

---

**Resources and next steps**

---



# REH Technical Assistance Center

REH-TAC is funded by the  
Health Resources and  
Services Administration  
(HRSA) of the U.S. Department  
of Health and Human Services



# Presenters



**Janice Walters (Speaker)**  
Interim Chief Executive Officer  
Rural Health Redesign Center



**Anna Anna (Speaker)**  
Program Director  
Rural Health and Redesign Center



**Candice Talkington (Moderator)**  
Strategic Planning Manager  
Rural Health and Redesign Center



# Housekeeping and Logistics



## Logging in

- Participants are on mute to prevent inadvertent background noise
- When possible, log into the webinar link rather than using the call-in option



## Participate

- Use the Q&A feature at the bottom of your screen to submit questions
- Participate in polls throughout the presentation and survey at the end



## Accessibility

- Closed captioning is available during this session. If you do not see the transcription:
- Go to “More” at the top of the screen
  - Select “Language and Speech”
  - Then select the preferred language



## Slides

Slides and recording will be available at RHRCO.org within one week after the event

Rural Health and Redesign Center information

[REHSupport@rhrco.org](mailto:REHSupport@rhrco.org)



# Webinar Objectives



**Provide an overview of the REH provider type**



**Review key REH policy and requirements**



**Learn about technical assistance needs for hospitals considering REH conversion**



**Describe REH-TAC services available at no cost to hospitals**



**Learn from other hospitals that have converted to an REH**

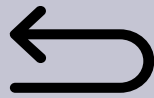




# REH Overview

# Rural Emergency Hospital (REH)

The REH is a new Medicare provider type established on December 27, 2020 offering payment flexibilities for Medicare FFS and is designed to serve rural communities by:



Averting  
potential closure  
of rural hospitals



Allowing  
continuation of  
essential services



Advancing  
health equity  
through access  
to care

Effective January 1, 2023

This is not a temporary or demonstration model

More information: REH provider type rules outlined in the Social Security Act and the [Code of Federal Regulations](#) was effective January 1, 2023



# Eligibility Criteria

To qualify as an REH, the hospital must:



Be in a rural area and licensed as a critical access hospital (CAH) or rural prospective payment system (PPS) hospital as of December 27, 2020, with fewer than 50 beds



Be a licensed Medicare provider



Meet staff training and certification requirements



Meet annual average length of stay requirements\*



Meet state licensure requirements for REH



Have an established transfer agreement with a level I or level II trauma center



Meet conditions of participation (similar to a CAH or PPS hospital for emergency services)



Have an action plan including provisions for staffing, a transition plan, and description of services offered

\*The annual per patient average length of stay (LOS) cannot exceed 24 hours. The LOS begins at the time of registration, check-in, or triage of the patient, whichever occurs first, and ends upon discharge from the REH. District part SNFs are not subject to 24-hour annual average LOS.

More information: Sections 1886(d)(1)(B), 1886(d)(2)(D), and 1886(d)(8)(E) of the Social Security Act

# The REH must provide:



24/7 emergency and observation services with an annual average length of stay of less than 24 hours for all REH services



Diagnostic lab and radiological services



A pharmacy drug storage area

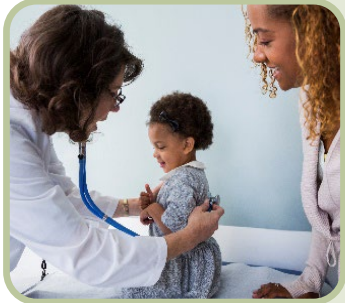


Discharge planning overseen by a qualified professional



REHs do not provide inpatient care but have agreements with other hospitals to transfer patients when needed

# REHs can also offer services such as:



- Ambulatory and transport services
- Behavioral health services (including substance use treatment)
- Care through a rural health clinic
- Care through a distinct part skilled nursing facility
- Low-risk labor and delivery services (supported by the necessary emergency surgical procedures)
- Maternal health
- Outpatient surgery
- Post-hospital care (non-inpatient)
- Primary care services
- Routine laboratory services\*
- Telehealth

\*Tests such as complete blood count, basic metabolic panel, liver function test, and other routine laboratory tests

# Payment Summary



Gain

- Increased payment for REH services:
  - Outpatient Prospective Payment System (OPPS) + 5% for Medicare FFS
- \$3.314M per year in monthly facility payments from CMS as of January 2024

- Close inpatient services (all-payers)
- Close swing bed services/shift to SNF
- Not eligible for 340(B) drug pricing
- Cost-based reimbursement for CAHs



Lose

**No payment changes to** rural health clinics, physicians, non-REH services for PPS hospitals (paid under Medicare respective fee schedules)


**No Medicare required changes to** Medicaid, Medicare Advantage, or Commercial payers (see later slide for more information about other payers)

**No changes to beneficiary cost sharing**


**More information:** [Section 1833\(t\)\(1\)\(B\)\(v\) and \(t\)\(21\), 603 amendments to section 1833\(t\), and 1834\(l\) of the Social Security Act and Calculation of Rural Emergency Hospital \(REH\) Monthly Additional Facility Payment for 2023 \(cms.gov\)](#)

# REH Application Requirements

Hospitals applying to convert to an REH must submit with their application:



An **action plan** including description of services, staffing provisions, and a transition plan



At least one **transfer agreement** with level I or II trauma centers



**Attestation** for meeting REH **conditions of participation**



**Application timing:** The application process can take several months or more. Timing depends on multiple factors such as application completeness, hospital eligibility status/readiness, and state office staff availability.



# Rural Health Redesign Center Technical Assistance

# Mission and Vision



## MISSION

Our mission is to protect and promote access by the residents of the Commonwealth, and other states, to high-quality health care in rural communities by encouraging innovation in health care delivery

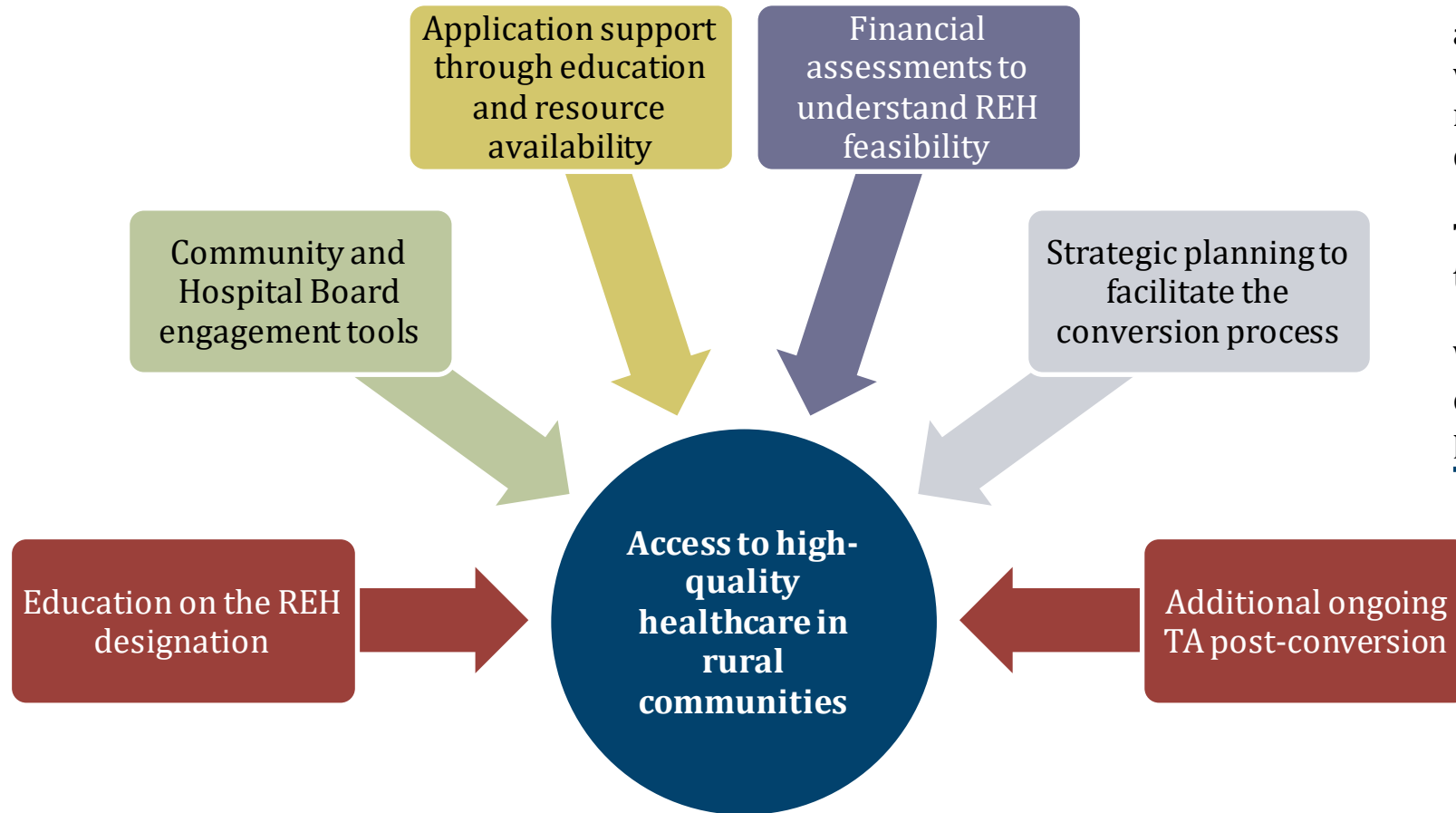


## VISION

To help rural communities thrive through improved health



# REH Technical Assistance Center



“ [We] participated in the Cohort process and found it extremely beneficial to network with other organizations across the country navigating similar issues with the new designation.

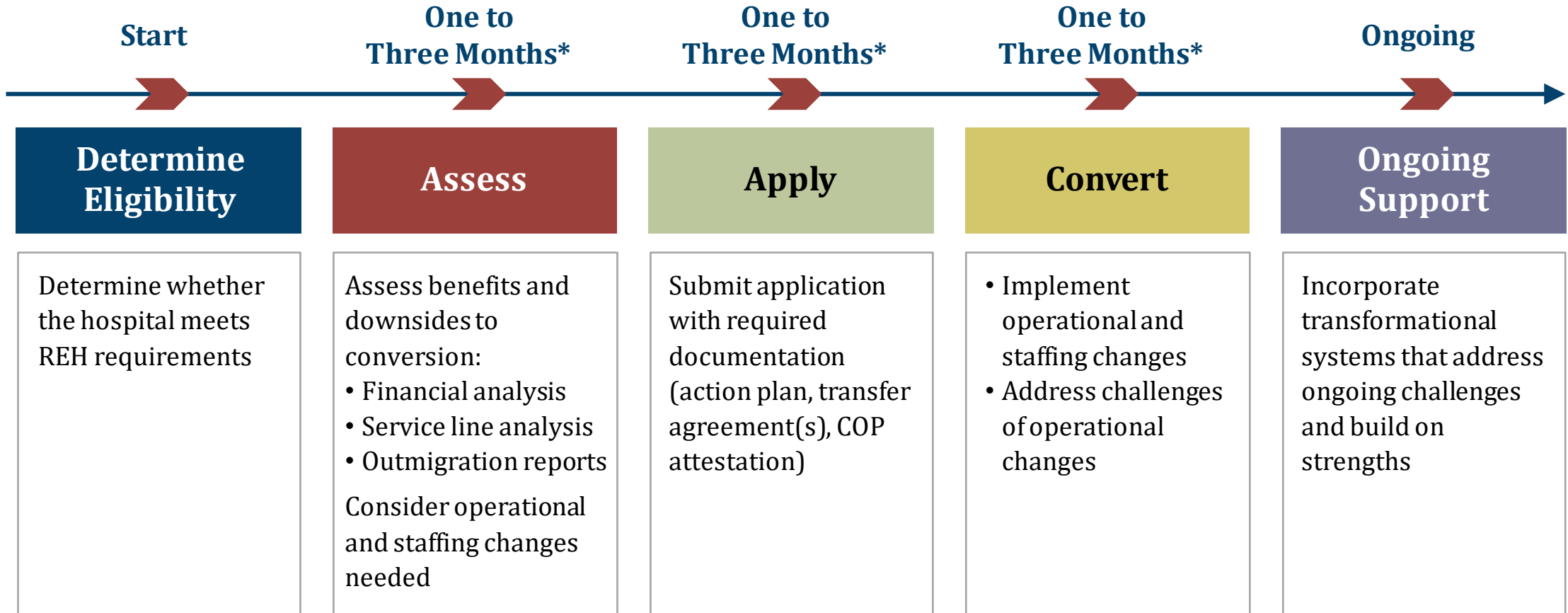
The website has been a valuable reference tool in our journey.

We look forward to continuing the conversation as we move into the execution phase of the REH.

Technical Assistance Services Provided at **NO COST** to hospitals



# REH Conversion Process



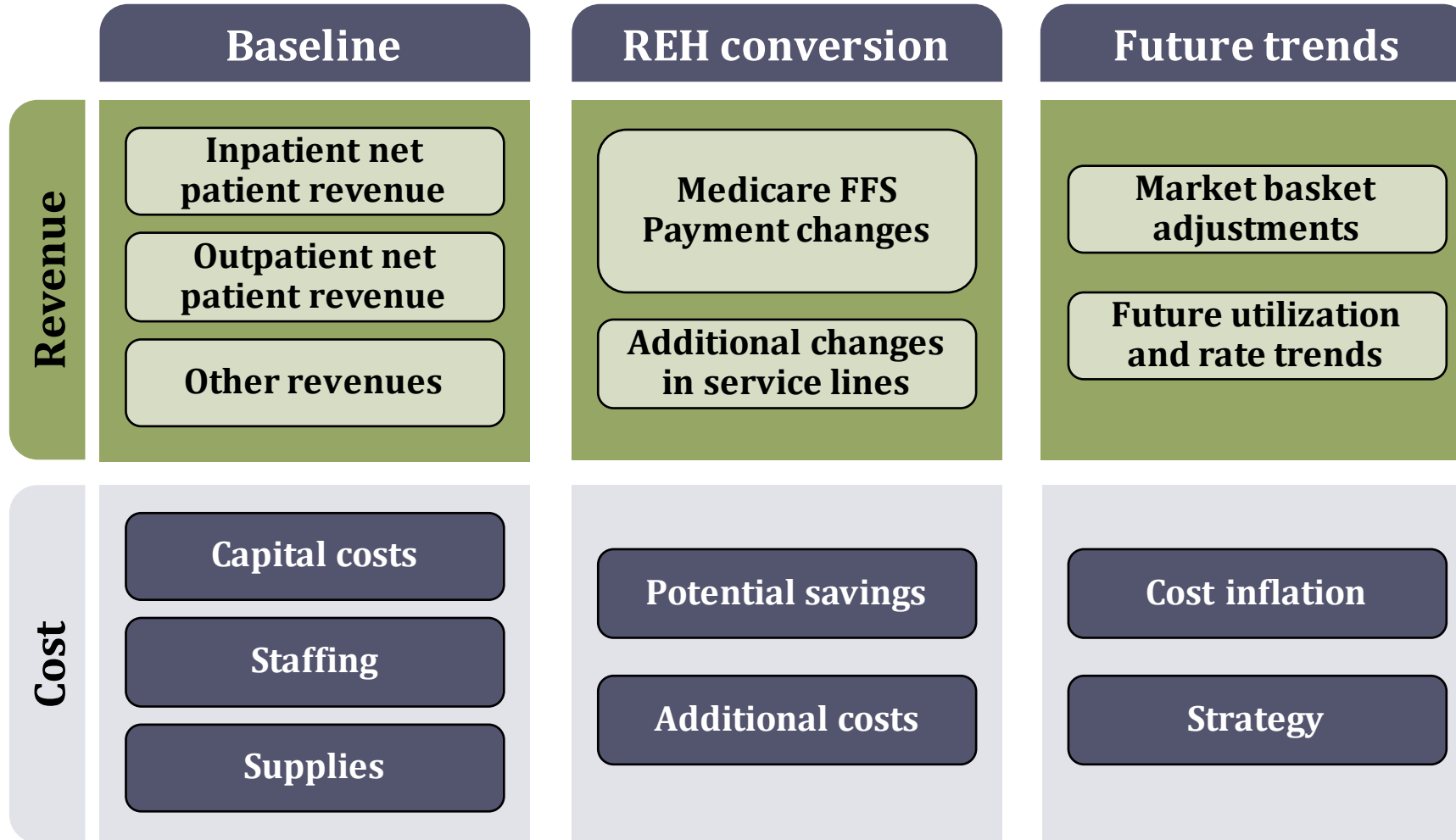
**Please reach out to the RHRC if this timeline creates a barrier to consideration**

\*Timelines are approximate and may vary depending on multiple factors



# Financial and Other Reports

# Financial Assessment



## Data sources:

### Revenue

- Medicare cost reports
- Hospital intake forms
- Medicare FFS claims
- Repriced CAH Medicare claims

### Cost

- Medicare cost reports

# Additional Reports to Support Data Driven Decision Making

Provides an analysis of potential utilization and payments for the service line(s) and market shares.

Each report (per hospital service line) includes:

- ❖ Estimated visits and payments for the service line; and
- ❖ A breakdown of where patients in that geographic area currently obtain service.

The results of this analysis can be used by the hospital to:

- Support discussions with the Board and community members
- Evaluate the potential financial impact of adding new service line(s) as part of the hospital's REH conversion strategy



# Fireside Chat

# Guest Speaker



**Jeff Bowman**

*Chief Executive Officer*

South Central Kansas Medical Center

## Speaker Questions

How has the transition to the REH designation affected your facility; has it been beneficial, based on what you have seen so far?



## Speaker Questions

What have been the most significant changes to your facility since the transition to an REH?





## Speaker Questions

What has been the most significant challenges or barriers you have faced so far related to the conversion?

How have you addressed those challenges?



# Speaker Questions

How did the RHRC technical assistance center help you on your journey?



## Speaker Questions

If you could waive a magic wand and change the REH statute, what changes would you make?



# Speaker Questions

What advice would you give to a hospital who is considering the conversion to an REH?





# Resources and Next Steps

# Resources and Contact Information

Rural Emergency Hospital Technical Assistance Center

<https://www.rhrco.org/reh-tac>

Form to Request REH Technical Assistance

<https://forms.office.com/pages/responsepage.aspx?id=BHLZlcnZ2UKCyp4eaZXLpQSZmLZ2E35EkDiggktEGiJUMERWUE85T1NJS1Q2MUhSUIBIUTFIMkRBOS4u>

REH technical support email

[REHSupport@rhrco.org](mailto:REHSupport@rhrco.org)

REH Resources from RHRC  
(fact sheet, FAQ, and more)

<https://www.rhrco.org/rehresources>

Consolidated Appropriations Act, 2021

<https://www.congress.gov/116/plaws/publ260/PLAW-116publ260.pdf>

Calculation of REH Monthly Additional Facility  
Payment for 2023

<https://www.cms.gov/files/document/supplemental-documentation-reh-additional-facility-payment-calculation.pdf>

REH-FACT Fact Sheet (CMS)

<https://www.cms.gov/newsroom/fact-sheets/rural-emergency-hospitals-proposed-rulemaking>

Guidance for Rural Emergency Hospital Provisions,  
Conversion Process and Conditions of Participation

<https://www.cms.gov/files/document/qso-23-07-reh.pdf>

Guidance on REH Quality Reporting

<https://www.govinfo.gov/content/pkg/FR-2023-07-31/pdf/FR-2023-07-31.pdf> (starting on page 49825)

REH Conversion Early Learnings whitepaper  
(enter email to access the document)

<https://www.rhrco.org/reh-tac>

# Contact Information



Reach out to RHRC, if you have questions or would like assistance determining feasibility for conversion

[REHSupport@RHRCO.org](mailto:REHSupport@RHRCO.org)



Sign up to receive email updates from the Rural Health Redesign Center

[RHRCO.org](https://RHRCO.org)

Follow us:

