RURAL HEALTH REDESIGN CENTER

Rural Emergency Hospital (REH) Conversion and Technical Assistance Educational Webinar

November 2, 2023

2:00 pm ET

Agenda

Opening and welcome

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

REH Conversion

Rural Health Redesign Center Technical Assistance

Financial Reports

Questions

Resources and next steps

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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

RHRC
RURAL HEALTH REDESIGN CENTER

Mathematica

Presenters

Janice Walters (Speaker)
Interim Chief Executive Officer
Rural Emergency Hospital Technical Assistance Center

Sule Gerovich (Speaker)
Senior Fellow
Mathematica

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

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

RURAL HEALTH REDESIGN CENTER

Mathematica

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
- Offer a forum for attendees to ask questions about REH conversion

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Poll Question #1

Have you attended a previous webinar hosted by the Rural Health Redesign Center related to REH (select all that apply)?

- ❑ Yes, I **have** previously attended a webinar hosted by RHRC related REH
- ❑ No, I **have not** previously attended a webinar hosted by RHRC related to REH
- ❑ I **don't remember** if I have attended a previous webinar hosted by RHRC related to REH
- ❑ I have attended previous webinars related to REH, **not hosted by RHRC**

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Poll Question #2

What are you hoping to learn during this presentation (select all that apply)?

- ❑ Description of an REH
- ❑ Policies and requirements for converting to an REH
- ❑ REH application process
- ❑ How to access no-cost technical assistance
- ❑ Explore ways to collaborate with an REH in our community
- ❑ Something else

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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:

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

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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

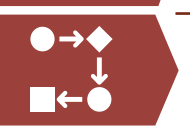
Meet staff training and certification requirements

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

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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

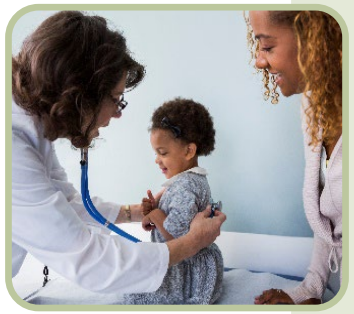
REHs do not provide inpatient care but have agreements with other hospitals to transfer patients when needed

More information: Section 485 in the Code of Federal Regulations and 1886(d)(1)(B), 1886(d)(2)(D), and 1886(d)(8)(E) of the Social Security Act

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Payment Summary

Gain

- Increased payment for REH services:
  - Outpatient Prospective Payment System (OPPS) + 5% for Medicare FFS
- $3.2M per year in monthly facility payments from CMS (scheduled to increase to $3.36M in 2024)

Lose

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

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), and1834(l) of the Social Security Act and Calculation of Rural Emergency Hospital (REH) Monthly Additional Facility Payment for 2023 (cms.gov)

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Conditions of Participation

The REH CoPs include requirements for health and safety standards similar to a CAH or PPS such as (not an exhaustive list):

- Staffing (clinical and non-clinical)
- Nursing services
- Patient rights agreements
- Blood product
- Physical requirements
- Radiological services
- Pharmaceutical services
- Laboratory services
- Emergency services
- Infection control

*This list demonstrates a sample list of CoPs and does not represent an exhaustive list.
More information: See pages 72183 – 72211 and sections 482.23, 482.55, 485.516, 485.618, 485.631, and 491.8 in the Code of Federal Regulations

RHRC RURAL HEALTH REDESIGN CENTER
Mathematica

REH Conversion

REH Enrollment and Converting Back

Enrollment status

- Enrollment is effective on the date the state agency, CMS, or CMS contractor survey is completed or on the effective date of the accreditation decision
- REH status remains effective unless:
  - Hospital elects to convert back; or
  - The Secretary determines that the facility no longer meets the REH requirements

Converting back

- REH can convert back to a CAH or PPS Rural Hospital
- Conversion back to a CAH or PPS requires an initial enrollment application and consideration for being a CAH for PPS Rural Hospital
- CAHs that received their designations through necessary provider waivers cannot convert back

More information: See sections 1866(j)(1)(A) of the Social Security Act and sections 424.500, 424.570, and 485 in the Code of Federal Regulations

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

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.

More information: Guidance for Rural Emergency Hospital Provisions, Conversion Process and Conditions of Participation memo

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

REH Rural Definition

REH must meet rural status requirements and eligible hospital definitions as of December 27, 2020*

REHs are not expected to meet the same distance or mileage requirements relative to other facilities such as CAHs

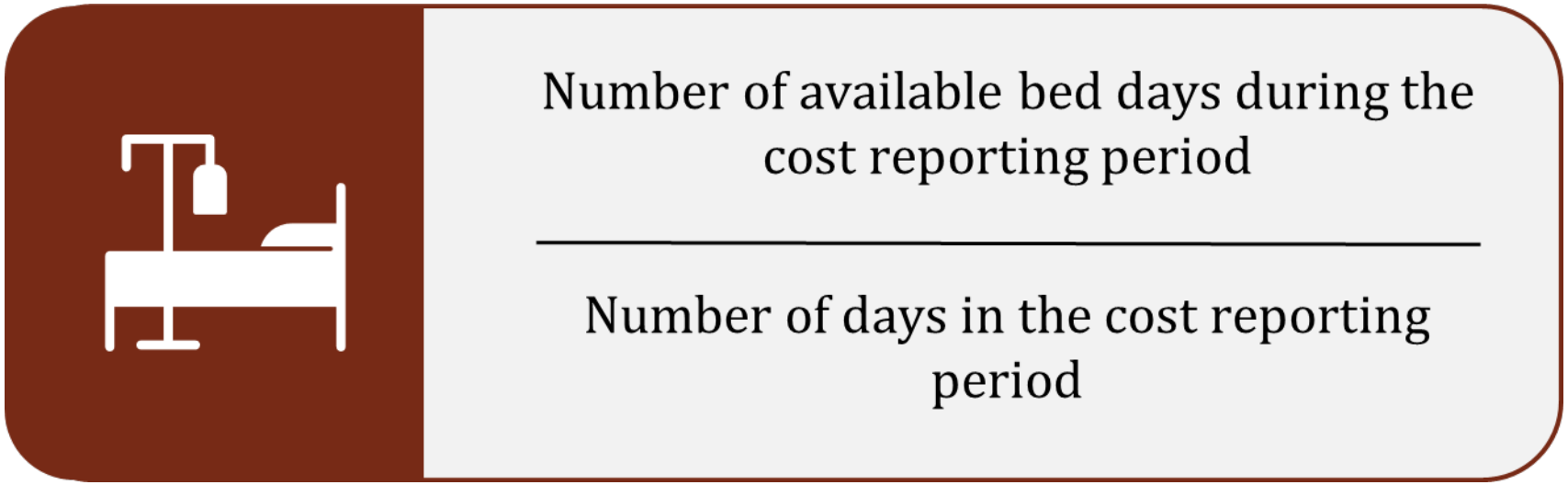
*See appendix for details on meeting rural status requirements

More Information: State Operations Manual Chapter 2, section 2256A and sections 1886(d)(2)(D), 1886(d)(8)(E), and 485.610(b) of the Social Security Act

Bed Count Calculation

To qualify as an REH, a CAH or PPS hospital must have had **no more** than 50 beds **both** at the time the REH designation was enacted (December 27, 2020) and during the most recent cost reporting period, using the calculation below

The calculation follows rules for Medicare Dependent Hospitals:



Hospitals can locate their bed count for REH eligibility on Worksheet S-3 Part 1 of their cost report which contains the date December 27, 2020

More information: Section 1886(d)(2)(D) of the Social Security Act

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Distinct Part Skilled Nursing Facility (SNF) Unit

An REH can operate a SNF as a distinct part unit

The REH must certify the distinct-part SNF unit with CMS

- Certification requires meeting separate SNF conditions of participation and staffing requirements

SNF admissions are subject to a prior 3-day inpatient stay requirement

- REHs do not provide inpatient care; therefore, SNF admissions for REHs would come from other hospitals

More Information: State Operations Manual Chapter 2, section 2256A and CMS spotlight of Skilled Nursing Facility PPS, and the RHRC REH FAQ

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Reporting Requirements

Cost reporting:

- REHs are required to file cost reports
- Cost reporting mirrors current CAH requirements
- For CY 2023, no new reporting or data collection requirements related to REH monthly facility payments

While cost reporting is required, cost-based reimbursement does not apply to REHs

Quality Reporting

- Must report quality measures (pending final approval)
- Must have an account with the Hospital Quality Reporting (HQR) secure portal and have a designated Security Official (SO) during the initial setup

More information: See section 1861(kkk)(7) of the Social Security Act and 413.24(f)(4)(ii) and 485.546 in the Code of Federal Regulations

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

REH Quality Measurement Reporting Requirements

The proposed REHQR measures are currently adopted measures as part of the Hospital Outpatient Quality Reporting (OQR) Program and are awaiting final approval

- Abdomen Computed Tomography—Use of Contrast Material
- Median Time from Emergency Department (ED) Arrival to ED Departure for Discharged ED Patients
- Facility 7-Day Risk-Standardized Hospital Visit Rate After Outpatient Colonoscopy
- Risk-Standardized Hospital Visits Within 7 Days After Hospital Outpatient Surgery

More information: Proposed rule 87 FR 72137 outlining including the proposed REH measures, considerations for selecting the measures, and feasibility of reporting information

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Poll #3

After hearing this information, do you think your hospital meets the REH eligibility requirements (select one)?

- ❑ Yes
- ❑ No
- ❑ I do not know
- ❑ Our hospital is not considering REH conversion
- ❑ I do not represent a hospital considering REH conversion

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Poll #4

How would you rate your readiness to consider REH conversion (select one)?

- ❑ Immediately
- ❑ In the next 3 to 6 months
- ❑ In the next year
- ❑ Still considering whether to convert
- ❑ Our hospital is not considering REH conversion
- ❑ I do not know
- ❑ I do not represent a hospital considering REH conversion

RURAL HEALTH REDESIGN CENTER

Mathematica

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

Guiding Principles

The Rural Health Redesign Center is passionate about its mission and looks to advance it through its guiding principles

- We are a **service** organization and exist to support rural providers and communities that need our assistance
- We perform our work with the highest degree of **excellence** with integrity and ethical standards
- We respond to all of our partners quickly through **rapid response** whenever feasible; acknowledging outreach and making a commitment to meet needs within a reasonable amount of time
- We provide **value** to our partners through providing high-quality, rural relevant technical assistance and consulting services
- We make this same commitment to **every** partner community and customer

Rural Health Redesign Center: REH Technical Assistance Center

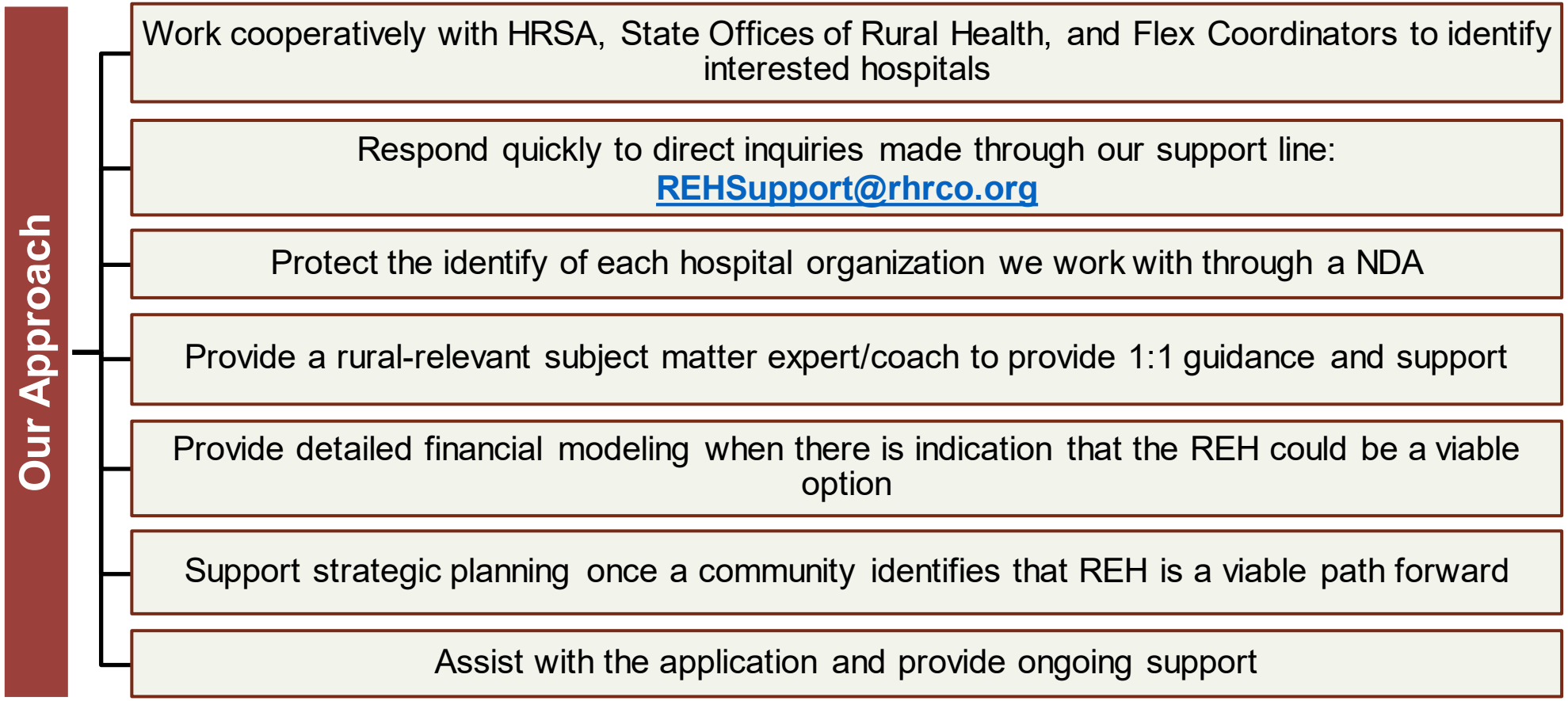
Who We Are

A collaboration of multiple organizations with unique expertise formed to provide a comprehensive catalog of technical assistance services to support REH consideration and transition

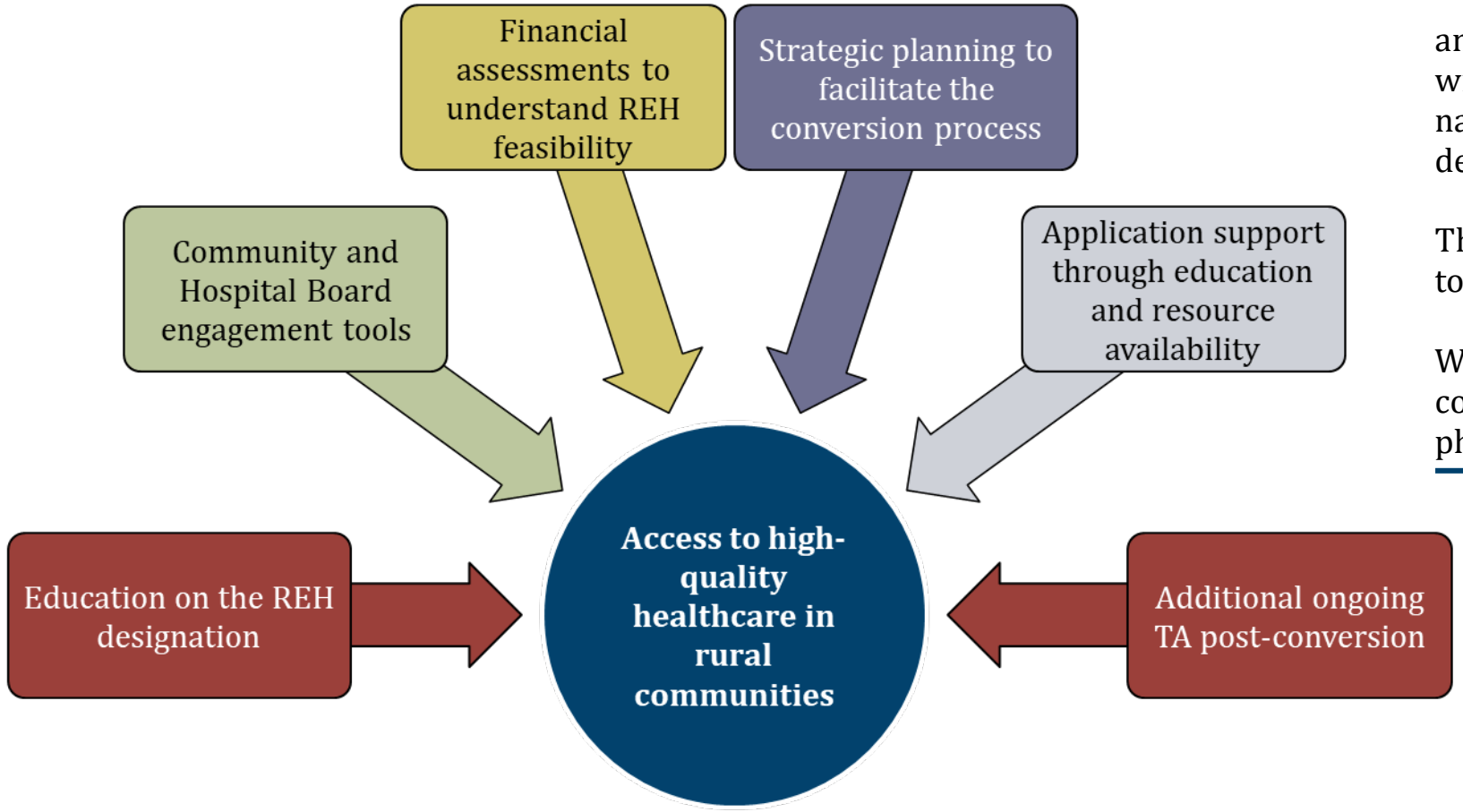
Rural Health Redesign Center
Mathematica
EMS Premier Consulting
JSR Marketing
Hall Render

Leveraging collective experience and a commitment to improving the lives within rural communities, we are equipped to provide thorough technical assistance in alignment with the terms of our cooperative agreement with the Health Services and Resources Administration (HRSA).

Rural Health Redesign Center: REH Technical Assistance Center



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

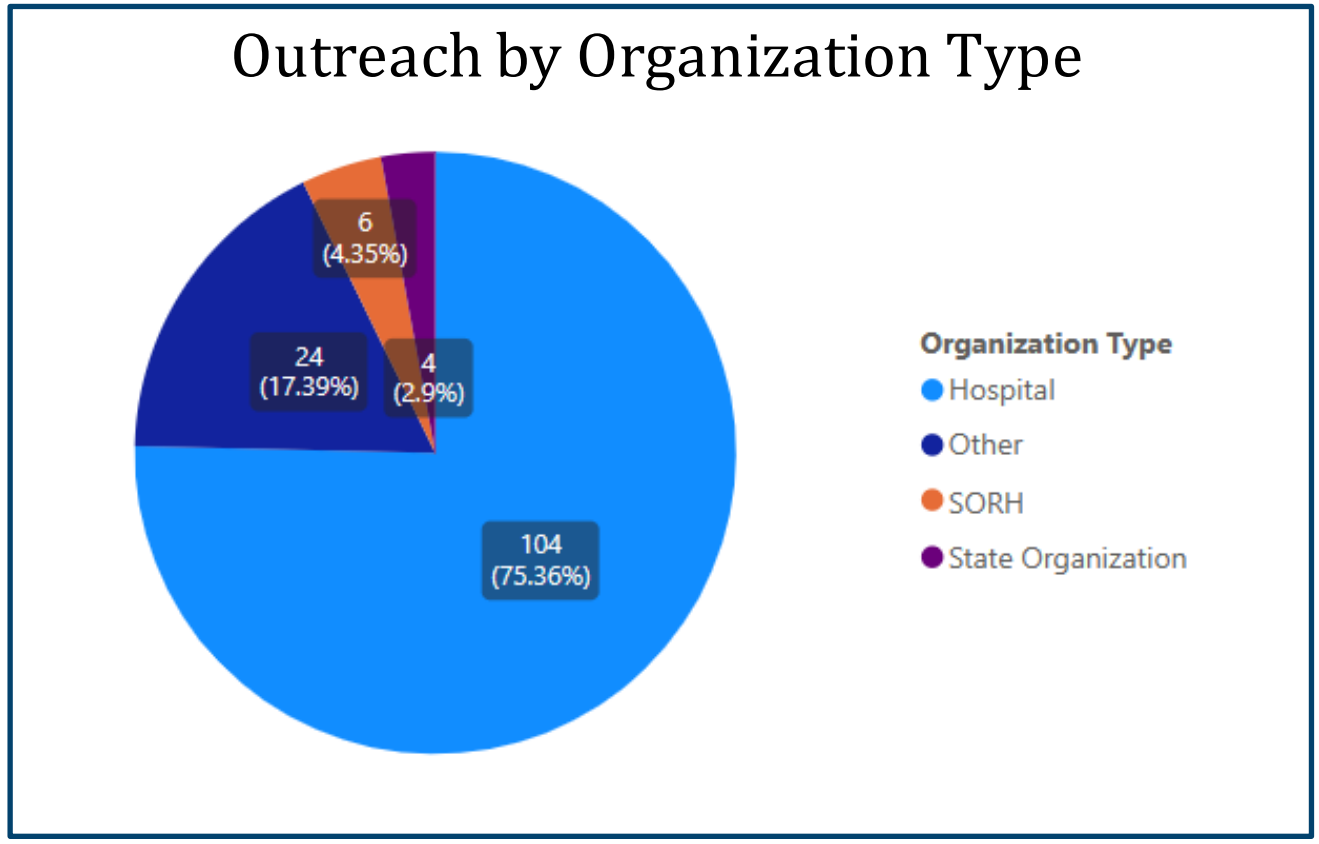
Determine Eligibility	Assess	Apply	Convert	Ongoing Support
Determine whether the hospital meets REH requirements	Assess benefits and downsides to conversion: • Financial analysis • Service line analysis • Outmigration reports Consider operational and staffing changes needed	Submit application with required documentation (action plan, transfer agreement(s), COP attestation)	• Implement operational and staffing changes • Address challenges of operational changes	Incorporate transformational systems that address ongoing challenges and build on strengths

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

RHRC Technical Assistance Services to Rural Healthcare Organizations

Hospital Financial Analysis	Clinical Transformation / Value-based Transition Support	Strategic Planning
Organizational Culture Development	Legal Advice	Marketing Toolkit
Service Line and Outmigration Analysis	Leadership and Team Development	Regulatory and Compliance Support
Grant Writing/Proposal Development	Quality Performance Management	Data Analytics and Dashboards

REH-TAC Outreach Activities



Of the 104 hospitals that have reached out, 50% have expressed interest in advancing to the financial modeling phase:

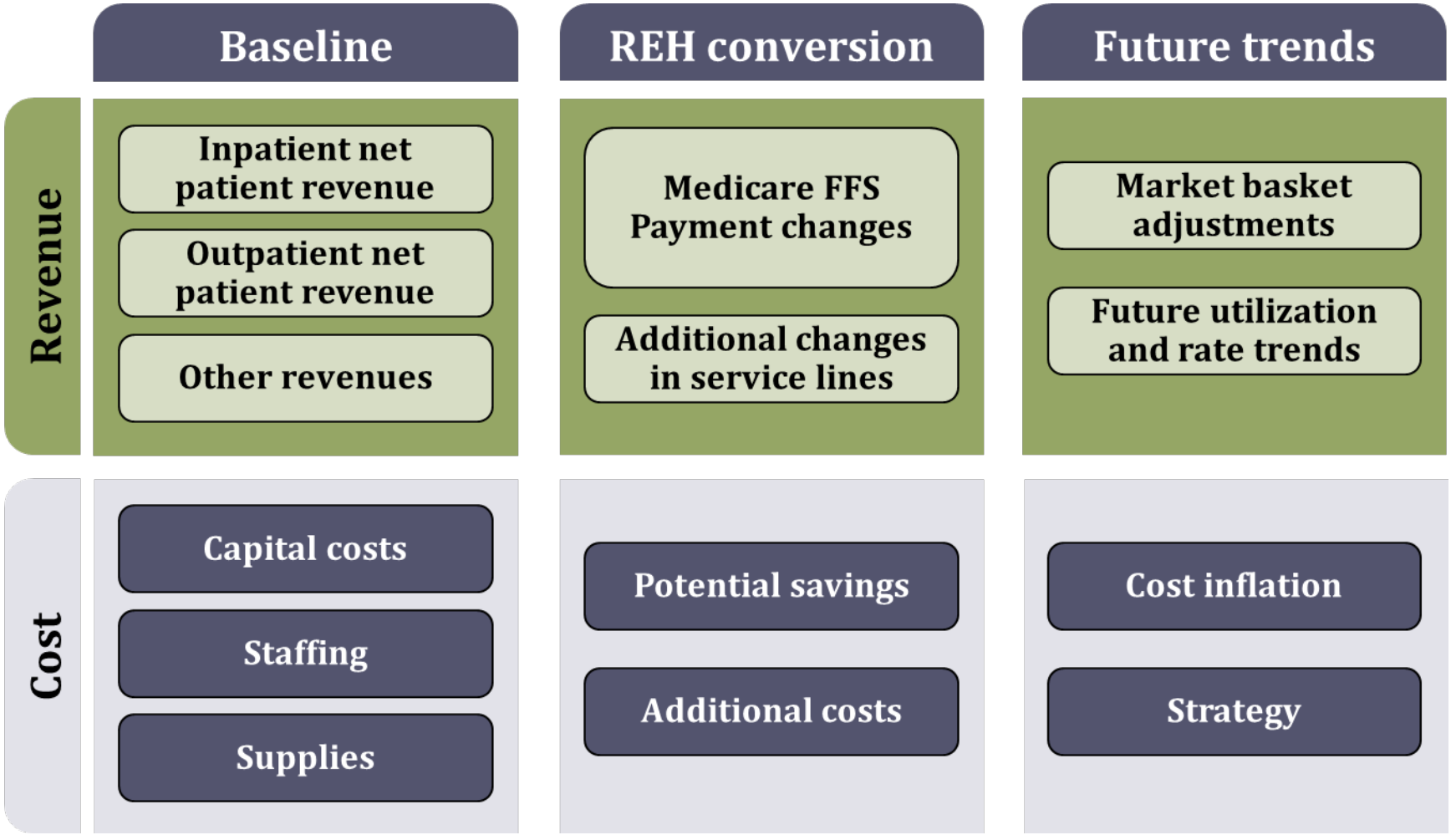
- 14 in cohort 1
- 28 in cohort 2
- 10 in cohort 3

RHRC continues to gather interest for cohort 4, which begins January 2024 (four participants already included)

There is no obligation to advance with application upon completion of financial modeling

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

RURAL HEALTH REDESIGN CENTER

Mathematica

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

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Poll #5

Beyond financial assistance, what other technical assistance might your organization need to support your rural hospital or clinic (Select all that apply)?

- ❑ Strategic Planning
- ❑ Organizational Culture Development
- ❑ Leadership and Team Development
- ❑ Community and Board Engagement
- ❑ Clinical Transformation/Value-based Transaction Support
- ❑ Marketing
- ❑ Regulatory and Compliance Support
- ❑ Data Analytics and Dashboard Management
- ❑ Quality Performance Management
- ❑ Service Line and Outmigration Analysis
- ❑ Grant Writing/Proposal Development
- ❑ Something Else

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Questions

Hospitals Considering Conversion

	CAH	PPS
Bed count	17	47
Daily IP census (days)	3.1	7.4
Net patient revenue, 2022* (millions)	$14.0	$27.6
Operating Income, 2022* (millions)	-$1.1	-$6.7
Margin, 2022* (Operating Income/NPR%)	-8.2%	-24.4%
Share of IP Gross Revenue, 2022 (%)	22%	30%
Annualized 340B Revenue (millions)[1]	$0.35	$1.2
Number of hospitals seeking financial modeling support	38	20
Total number of hospitals seeking TA[2]	104	

REH Conversion Early Learnings whitepaper is available on the RHRC website:

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

Enter your email to access the document

Data is generated from the Hospital Cost Report Information System (HCRIS) for hospital fiscal year 2021. All figures, except counts, reflect an average across TA-seeking hospitals, by type of hospital (CAH or PPS). Includes only hospitals in the first REH-TAC cohort that received financial modeling support.
11 of the 58 hospitals did not have FY2022 data available, so FY 2021 was used instead.
CAH = critical access hospital.
PPS = prospective payment system hospital.
[1] As reported by the hospital. Data does not come from HCRIS.
[2] 30 entities other than independent hospitals sought TA (not reflected in table). These include health systems, state offices of rural health and state agencies.

Registration Questions

1. What services are in the calculation for determining what gets paid at the OPPS plus 5%.

- OPPS + 5 % applies to REH services, which include emergency, observation, and other outpatient services as described in section 1833(t)(1)(B)(ii) of the Social Security Act. In other words, all services that are paid under the OPPS when furnished in an OPPS hospital, with the exception of acute inpatient services, would be REH services when furnished in a REH.
- Fee schedule applies to services not considered REH services include but are not limited to, therapy services described in subsection (a)(8) or ambulance services, for which payment is made under a fee schedule described in section 1834(k) or section 1834(l) and does not include screening mammography (as defined in section 1861(jj)), diagnostic mammography, or personalized prevention plan services (as defined in section 1861(hhh)(1)); and (v)[113] does not include applicable items and services (as defined in subparagraph (A) of paragraph (21)) that are furnished on or after January 1, 2017, by an off-campus outpatient department of a provider (as defined in subparagraph (B) of such paragraph).

2. What services are included in the annual average length of stay calculation?

- All REH services, as described above in questions 1 above are calculated into the annual average length of stay.

3. What payers are included in the annual average length of stay calculation?

- The REH length of stay requirement is applicable to all patients receiving services provided by the REH. Payer status does not impact the annual average length of stay calculation.

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Registration Questions

4. What happens if a patient has to stay over 24 hours?

- There may be times where a patient is in a observation status longer than 24 hours (e.g., unable to transfer patient to another hospital). The annual average length of stay is an aggregated calculation over a year. Documentation of why the patient is in the facility longer than 24 hours is essential to maintain in the medical record.

5. If my state does not have approved legislation, for the REH, do I have to wait to participate in a Cohort?

- No, you do not have to wait. Hospitals interested in learning more about the REH designation as well as the application and conversion processes are welcome to join a Cohort along with other practices also interested in REH conversion. However, the hospital may not apply for REH conversion until it is approved at the state level.

6. Will the RHC grandfathered payment change if I become an REH?

- Yes. An RHC does maintain their exception status after an REH conversion, as outlined in the REH Final Rule (72167) and further explained in section 1861(kkk)(6)(B) of Social Security Act.

RURAL HEALTH REDESIGN CENTER

Mathematica

Questions

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=BHLZIcNZ2UKCyp4eaZXLPqSZmLZ2E35EkDiggktEGiJUMERWUE85T1NJS1Q2MUhSUlBIUTFIMkRBOS4u
REH technical support email	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

Next Steps

Reach out to Rural Health Redesign Center, if you have questions or would like assistance determining feasibly for conversion

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

RHRC
RURAL HEALTH REDESIGN CENTER
Mathematica

Appendix

REH Action Plan Must Include

Description of Services

Detailed description of outpatient services that the facility intends to provide

Provisions for Staffing and Services

Provisions for staffing and services provided by the REH

Transition Plan

Plan outlining transitions for all services that the facility will retain, modify, add, or discontinue

A proposed rule supports allowing REHs to be Graduate Medical Education (GME) training sites. See CMS-1785-P for more information

RURAL HEALTH REDESIGN CENTER

Mathematica

Transfer Agreement

A transfer agreement with **at least one** Medicare certified level I or level II trauma center is required

Transfer agreements ensure there is a process to transfer patients who require emergency and continued care services beyond the capabilities of the REH

More Information: Section 1861(kkk)(2) of the Consolidated Appropriations Act and at new 42 CFR § 485.538 Social Security Act and the [Guidance for Rural Emergency Hospital Provisions, Conversion Process and Conditions of Participation] memo

RURAL HEALTH REDESIGN CENTER

Mathematica

Self-attest to Conditions of Participation (CoPs)

Hospitals that were eligible to convert to an REH prior to December 27, 2020, can self-attest to meeting REH CoPs

Eligible hospitals are not automatically subject to on-site initial survey*

*Facilities that were eligible as of December 27, 2020, which subsequently closed and re-enrolled in Medicare would require an initial on-site survey by the state agency.

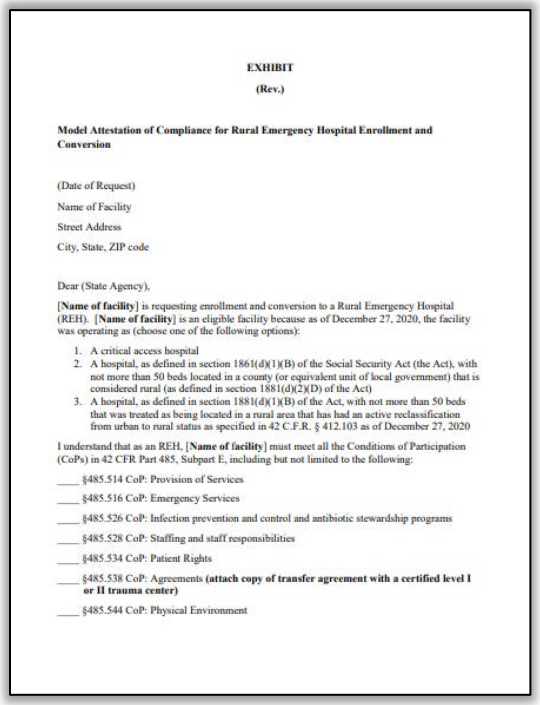
More information: Subpart E of 42 CFR Part 485 (§ 485.500 - § 485.546) Social Security Act and the Guidance for Rural Emergency Hospital Provisions, Conversion Process and Conditions of Participation memo

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Templates and Sample Forms

CoP Attestation Template



EXHIBIT

(Rev.)

Model Attestation of Compliance for Rural Emergency Hospital Enrollment and Conversion

(Date of Request)

Name of Facility

Street Address

City, State, ZIP code

Dear (State Agency),

[**Name of facility**] is requesting enrollment and conversion to a Rural Emergency Hospital (REH). [**Name of facility**] is an eligible facility because as of December 27, 2020, the facility was operating as (choose one of the following options):

1. A critical access hospital
2. A hospital, as defined in section 1861(d)(1)(B) of the Social Security Act (the Act), with not more than 50 beds located in a county (or equivalent unit of local government) that is considered rural (as defined in section 1881(d)(2)(D) of the Act)
3. A hospital, as defined in section 1881(d)(1)(B) of the Act, with not more than 50 beds that was treated as being located in a rural area that has had an active reclassification from urban to rural status as specified in 42 C.F.R. § 412.103 as of December 27, 2020

I understand that as an REH, [**Name of facility**] must meet all the Conditions of Participation (CoPs) in 42 CFR Part 485, Subpart E, including but not limited to the following:

____ §485.514 CoP: Provision of Services

____ §485.516 CoP: Emergency Services

____ §485.526 CoP: Infection prevention and control and antibiotic stewardship programs

____ §485.528 CoP: Staffing and staff responsibilities

____ §485.534 CoP: Patient Rights

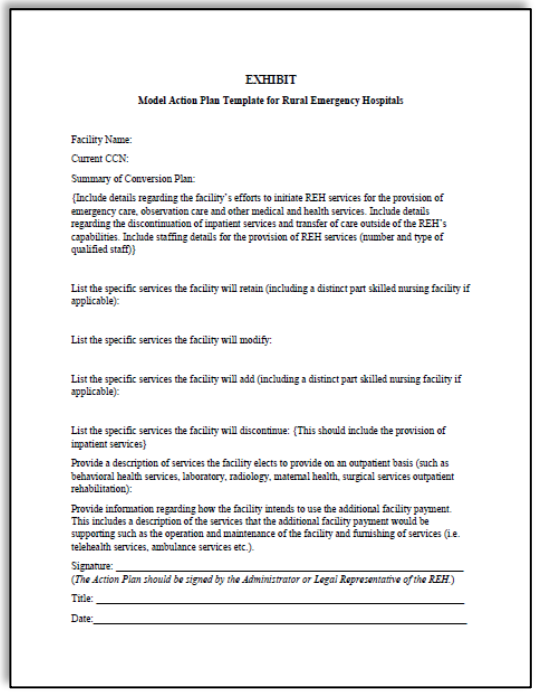
____ §485.538 CoP: Agreements **(attach copy of transfer agreement with a certified level I or II trauma center)**

____ §485.544 CoP: Physical Environment

Double-click the icon to download the template

Adobe Acrobat Document

Action Plan Template



EXHIBIT

Model Action Plan Template for Rural Emergency Hospitals

Facility Name:

Current CCN:

Summary of Conversion Plan:

(Include details regarding the facility's efforts to initiate REH services for the provision of emergency care, observation care and other medical and health services. Include details regarding the discontinuation of inpatient services and transfer of care outside of the REH's capabilities. Include staffing details for the provision of REH services (number and type of qualified staff))

List the specific services the facility will retain (including a distinct part skilled nursing facility if applicable):

List the specific services the facility will modify:

List the specific services the facility will add (including a distinct part skilled nursing facility if applicable):

List the specific services the facility will discontinue: (This should include the provision of inpatient services)

Provide a description of services the facility elects to provide on an outpatient basis (such as behavioral health services, laboratory, radiology, maternal health, surgical services outpatient rehabilitation):

Provide information regarding how the facility intends to use the additional facility payment. This includes a description of the services that the additional facility payment would be supporting such as the operation and maintenance of the facility and furnishing of services (i.e. telehealth services, ambulance services etc.).

Signature: _____
(*The Action Plan should be signed by the Administrator or Legal Representative of the REH.*)

Title: _____

Date: _____

Double-click the icon to download the template

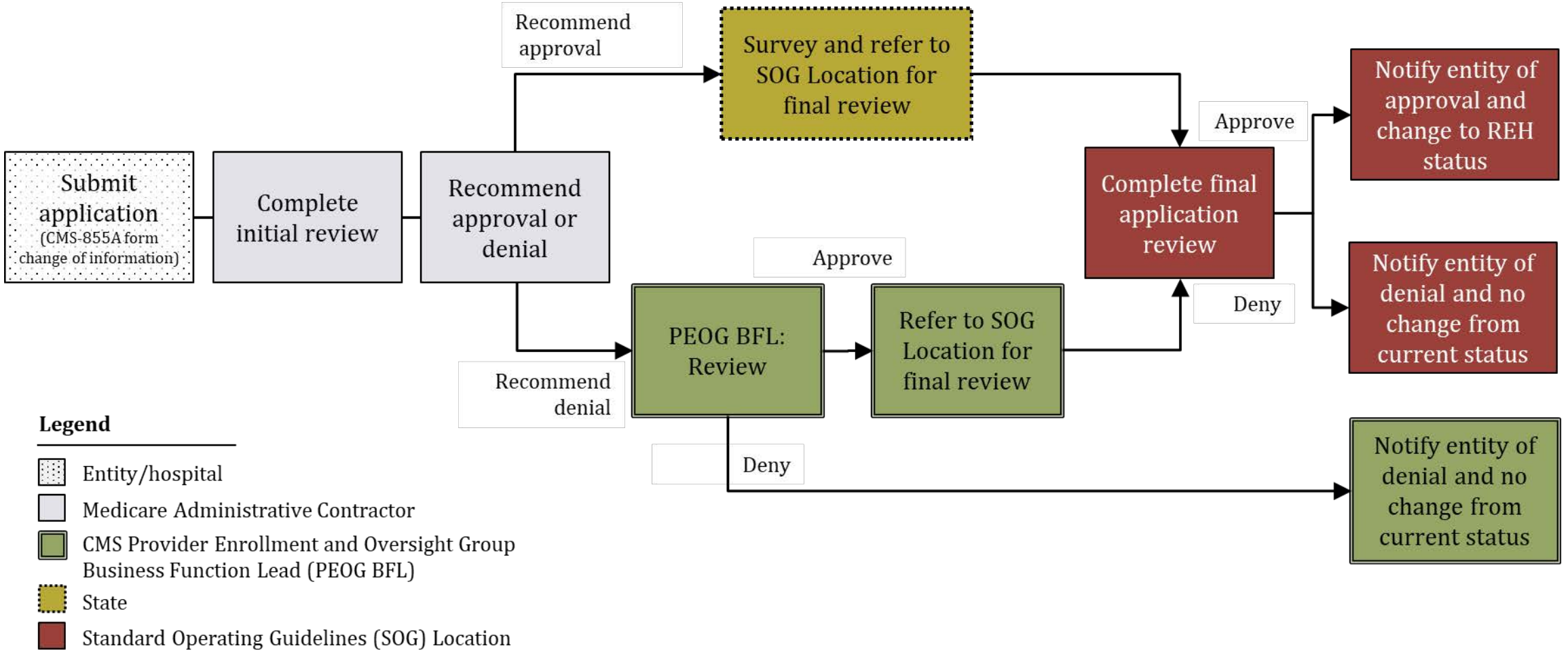
Adobe Acrobat Document

Templates are also available in the Guidance for Rural Emergency Hospital Provisions, Conversion Process and Conditions of Participation memo

RURAL HEALTH REDESIGN CENTER

Mathematica

Application Process



More information: Medicare Enrollment of Rural Emergency Hospitals (REHs) https://www.cms.gov/files/document/r11694pi.pdf

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

REH Eligibility Requirement: Rural Status

Hospitals must be classified as rural to be REH eligible. "Rural," under the REH definition, is defined using the Social Security Act by one of two ways:

Geographic:

[Hospital's] location in a county (or equivalent unit of local government) is considered rural as defined in section 1886(d)(2)(D) of the Act

- Section 1886(d)(2)(D) of the Act defines "urban area" as an area within a Metropolitan Statistical Area, and a "rural area" as any area outside of such an area.
- Hospitals can determine their standard geographic classification on Worksheet S-2 Part 1 of the Cost Report containing the date 12/27/2020.

Reclassification*:

[Hospital] is treated as being located in a rural area that had an active reclassification from urban to rural status (section 1886(d)(8)(E) of the Act)

- Hospitals that applied and received reclassification by 12/27/2020 from urban to rural are considered REH eligible.
- Hospitals can determine if they received reclassification on Worksheet S-2 Part 1 of the Cost Report containing the date 12/27/2020 or via the FY 2021 Impact File.

This rural definition differs from the Federal Office of Rural Health Policy (FORHP) and other state/federal programs' definitions of rural. To ensure REH eligibility, hospitals should review their cost report and reach out to RHRC to confirm their status before applying.

*To be eligible to apply for reclassification the hospital must meet one of the following criteria: 1) located in a rural census tract of a metropolitan statistical area, 2) located in an area designated by any law or regulation of such State as a rural area, 3) would qualify as a rural regional, or nation referral center or as a sole community hospital if the hospital were in a rural area, 4) meets other criteria the Secretary may specify.

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Conditions of Participation

Category	REH Rules	Changes from Current Rules	
		Critical Access Hospital	Prospective Payment Systems Rural Hospital
Emergency services	REH must provide the emergency care necessary to meet the needs of its patients in accordance with acceptable standards of practice	Similar to current rules	Similar to current rules
Staffing and staff responsibilities	• Governing body to oversee operations • Individual staffed 24/7 with the clinical skills that address emergency medical care • Must always have a physician or other practitioner on-call and available on site within 30 – 60 minutes depending on the location of the hospital (as in Pioneer versus rural)	Similar to current rules	Staffing requirements are slightly different rules for advanced care practitioners
Nursing services	• 24/7 organized nursing service for patient care • Nursing care supervised by a registered nurse • Must meet patient care needs • Considers Conditions for Coverage (CfCs) for ambulatory surgery centers (ASCs)	Similar to current rules without inpatient nursing requirements	Similar to current rules without inpatient nursing requirements
Discharge planning	• Discharge to other facility or home with planning process focusing on patient's goals, treatment preferences, and caregiver support	Similar to current rules	Similar to current rules

*This presentation includes a sample list of REH Conditions of Participation (CoP). See the REH final rule for a complete list of CoPs

More information: See pages 72183 – 72211 and sections 482.23, 482.55, 485.516, 485.618, 485.631, and 491.8 in the Code of Federal Regulations

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Conditions of Participation*

Category	REH Rules	Changes from Current Rules	
		Critical Access Hospital	Prospective Payment or Rural Hospital
Laboratory and imaging	• **Laboratory**: Consistent with nationally recognized standards of care for emergency services • **Imaging**: Aligns with standard hospital requirements	Similar to current rules	Similar to current rules
Quality Assessment and Performance Improvement (QAPI)	• Ongoing QAPI program that includes program and scope, data collection and analysis, program activities for improvement, measures, and reports of staff, residents, and families	Similar to current rules	Similar to current rules
Infection control and antibiotic stewardship programs	• Must meet patient care needs • Infection control and antibiotic stewardship program performance monitored through QAPI program	Similar to current rules	Similar to current rules
Pharmacy	• Must have a pharmacy or drug storage area in accordance with accepted professional principles and laws • A registered pharmacist or other qualified individual	Similar to current rules	Similar to current rules

*This presentation includes a sample list of REH Conditions of Participation (CoP)

More information: See sections 485.518, 485.520, 485.526, and 485.536 in the Code of Federal Regulations

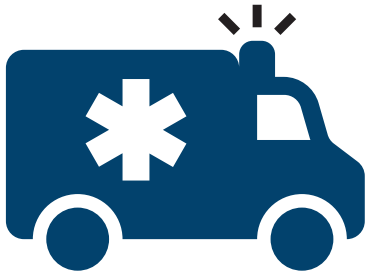
RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Emergency Medical Transportation Services

For REH's offering emergency medical transportation services:

- There are no requirements for obtaining a separate NPI for EMS.
- The REH should contact their local Medicare Administrative Contractor (MAC) to ensure that enrollment information is updated to include the ambulance services.
- Emergency medical transportation services are not paid under the OPPS and therefore not subject to a 5 percent payment increase under REH statutes.



More Information: Consolidated Appropriations Act, 2021 Section" 485.524(d)(3)(i) , and the RHRC REH FAQ

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica

Other REH Conversion Considerations

Potential staffing changes or requirements and flexibility with clinical staff for the ED, specifically non-physician providers

Collaboration with other potential community partners that could fill care gaps (e.g., nursing homes, other hospitals)

State-level rules and requirements*

Other payers:

- **Medicaid** - Each state will consider REH requirements individually. Some states may choose to offer Medicaid payments for REH and non-REH services.
- **Medicare Advantage -** REH provider status is recognized only by Medicare FFS. Some hospitals may have Medicare Advantage contracts that require new negotiations.
- **Commercial Payers -** Commercial contracts tied to Medicare payments may require new negotiations and/or a change in the current contract agreement.

*The National Conference of State Legislatures tracks legislation at the Health Costs, Coverage and Delivery State Legislation database and filter on "Payment and Delivery Reform" under "Market" in the topic search section.

RHRC RURAL HEALTH REDESIGN CENTER

Mathematica