Orientation to Rural Emergency Hospital Conversion and Technical Assistance

January 18, 2023

12:30 – 2:00 pm ET

Agenda

- **Opening and welcome**
- **Rural Emergency Hospital (REH) policy and requirements**
- **REH Technical Assistance Center (TAC) services**
- **Participant questions**
- **Next steps and closing**

Disclaimer

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

Meet the Presenters

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Webinar Registrants*

Job role	Percent of Registrants
Executive, administrator, or director	54%
Consultant	11%
Clinician	1%
Other (e.g., quality, billing, state agency, QIA/QIO, program managers)	33%

Organization Type	Percent of Registrants
Critical Access Hospital	34%
State official	15%
Consulting organization	10%
Rural Hospital	10%
Medicaid	1%
Rural Health Clinic	1%
Commercial payer	0%
Other (e.g., hospital associations, state/federal agencies, university hospitals)	30%

*Represents registrants as of Noon ET on January 13, 2023

Webinar Objectives

Introduce the REH provider type

Review key REH policy and requirements

Describe REH-TAC services

Assess understanding of REH conversion and potential concerns

Offer a forum for attendees to ask questions about REH conversion

Poll #1

Rate your understanding of REH regulations and conversion

How would you rate your understanding of REH regulations?

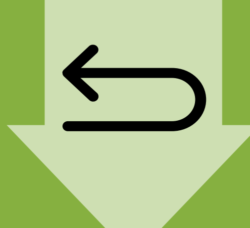
How would you rate your understanding of what it takes to convert to an REH?

REH Policies and Requirements

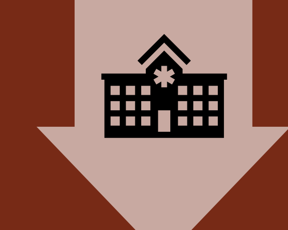
Rural Emergency Hospital (REH)

New Medicare provider type established on December 27, 2020

Effective January 1, 2023



Avert potential closure of rural hospitals



Continue offering essential services for the rural communities

Advance health equity in rural communities

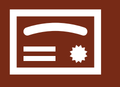
More information: REH provider type rules outlined in the Social Security Act and the Code of Federal Regulations

Eligibility

Licensed as a critical access hospital (CAH) or rural prospective payment system (PPS) hospital with fewer than 50 beds (see next slide for bed count calculation) in a rural area

Enrolled in the Medicare

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



Meets state licensure requirements for REH

Meets requirements of a staffed emergency department

Meets staff training and certification requirements

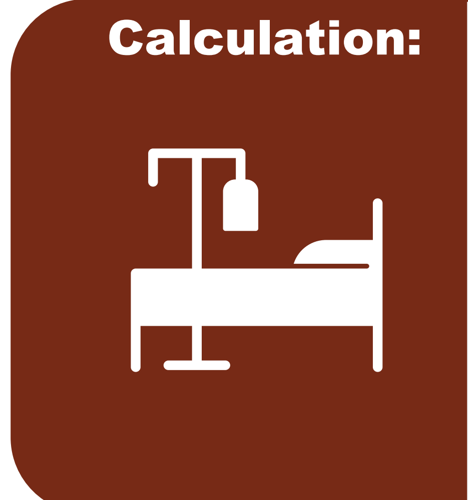
Meets conditions of participation (CoPs) applicable to hospital emergency department and CAHs for emergency services

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

Bed Count Calculation

A facility is eligible to be an REH if it was a CAH or rural hospital with not more than 50 beds as of the date of enactment of the Consolidated Appropriations Act, 2021 (December 27, 2020)

Calculation follows rules for Medicare Dependent Hospitals:



$$\frac{\text{Number of available bed days during the most recent cost reporting period}}{\text{Number of days in the most recent cost reporting period}}$$

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

REH Requirements

Provide 24/7 emergency and observation services

Offer diagnostic lab and radiological services, pharmacy drug storage area, and discharge planning overseen by a qualified professional

Meet average length of stay requirements: Annual average length of stay per patient for REH services cannot exceed 24 hours*

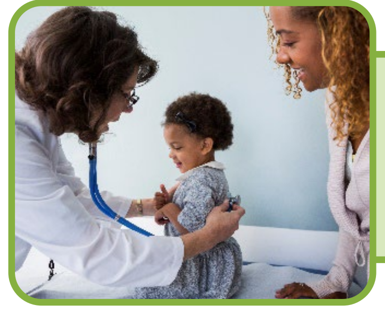
Be enrolled in Medicare and registered as a REH

* The patient’s length of stay 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 length of stay

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

REHs Can Offer:

Outpatient department services including behavioral health, radiology, laboratory, telehealth, and outpatient rehabilitation



Off-campus provider-based and rural health clinic care

Ambulatory services, post-hospital, and distinct part SNF care

Payment Rules

Gain

- Outpatient Prospective Payment System (OPPS) + 5% for Medicare FFS
- $3.2 million per year in monthly facility payments from CMS

Lose

- Close inpatient services (all-payors).
- Close swing bed services/Shift to SNF
- Not eligible for 340(B) drug pricing

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)

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

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

REH Enrollment

Application

- Use Form CMS-855A* as a change of information, not as a new enrollee
- There is no application fee

Screening

- Subject to the limited screening, similar to CAH and PPS Rural Hospital current screening requirements

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 requires an initial enrollment application and consideration for being a CAH for PPS Rural Hospital
- CAHs that received their designations through necessary provider waivers can not transition 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

Application Process

Legend

- Entity/hospital
- Medicare Administrative Contractor
- CMS Provider Enrollment and Oversight Group Business Function Lead (PEOG BFL)
- State
- Standard Operating Guidelines (SOG) Location

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

REH Quality Measurement Reporting Requirements

Proposed measures align with CAH quality reporting requirements and are awaiting final approval

- Submit quality measures for each year beginning in 2023 or each year on or after measures are first specified
- Make data available to the public on the CMS website
- Report on quality measures and reporting requirements outlined in proposed rule 87 FR 44755
- Meet CMS requirements for provider and supplier certification

More information: See section 1861(kkk)(7) of the Social Security Act

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

Quality Reporting

- Must have an account with the Hospital Quality Reporting (HQR) secure portal and have a designated Security Official (SO) during the initial setup
- A new SO is required for the new CMS Certification Number (CCN)

More information: See sections 413.24(f)(4)(ii) and 485.546 in the Code of Federal Regulations

Poll #2

What do you anticipate being a challenge related to converting and operationalizing an REH? (select top three)

- ❑ Payment details
- ❑ Changes in state regulations
- ❑ Transferring patients to and from inpatient care when needed
- ❑ Timing of conversion to a REH
- ❑ Lack of community engagement
- ❑ Access to inpatient care in local area
- ❑ Access to SNF care in local area
- ❑ Medicaid and commercial insurance payment
- ❑ Low-risk labor and maternity services
- ❑ Converting back to CAH or PPS
- ❑ Forfeiture of 340(B), swing bed, and RHC revenues

Poll #3

What assistance would be most helpful in addressing the challenges you identified?
(select all that apply)

- ❑ Virtual education sessions such as webinars
- ❑ Discussion-based peer-sharing affinity groups
- ❑ Financial modeling resources
- ❑ Individualized one-on-one technical assistance
- ❑ Written materials such as guides or FAQs for REHs
- ❑ Materials to educate the community

REH Technical Assistance

Rural Health Redesign Center: REH Technical Assistance Center

Who We Are

A collaboration of three 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
Wellness Equity Alliance

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).

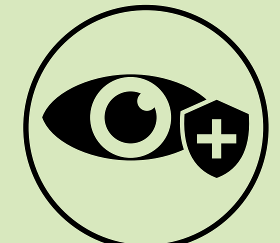
Rural Health Redesign Center: Mission and Vision

The Rural Health Redesign Center Organization (RHRCO) was established in May of 2020 for the purpose of advancing rural health care both within Pennsylvania and beyond. It operates as a 501(c)3, not-for-profit organization.

RHRC Mission

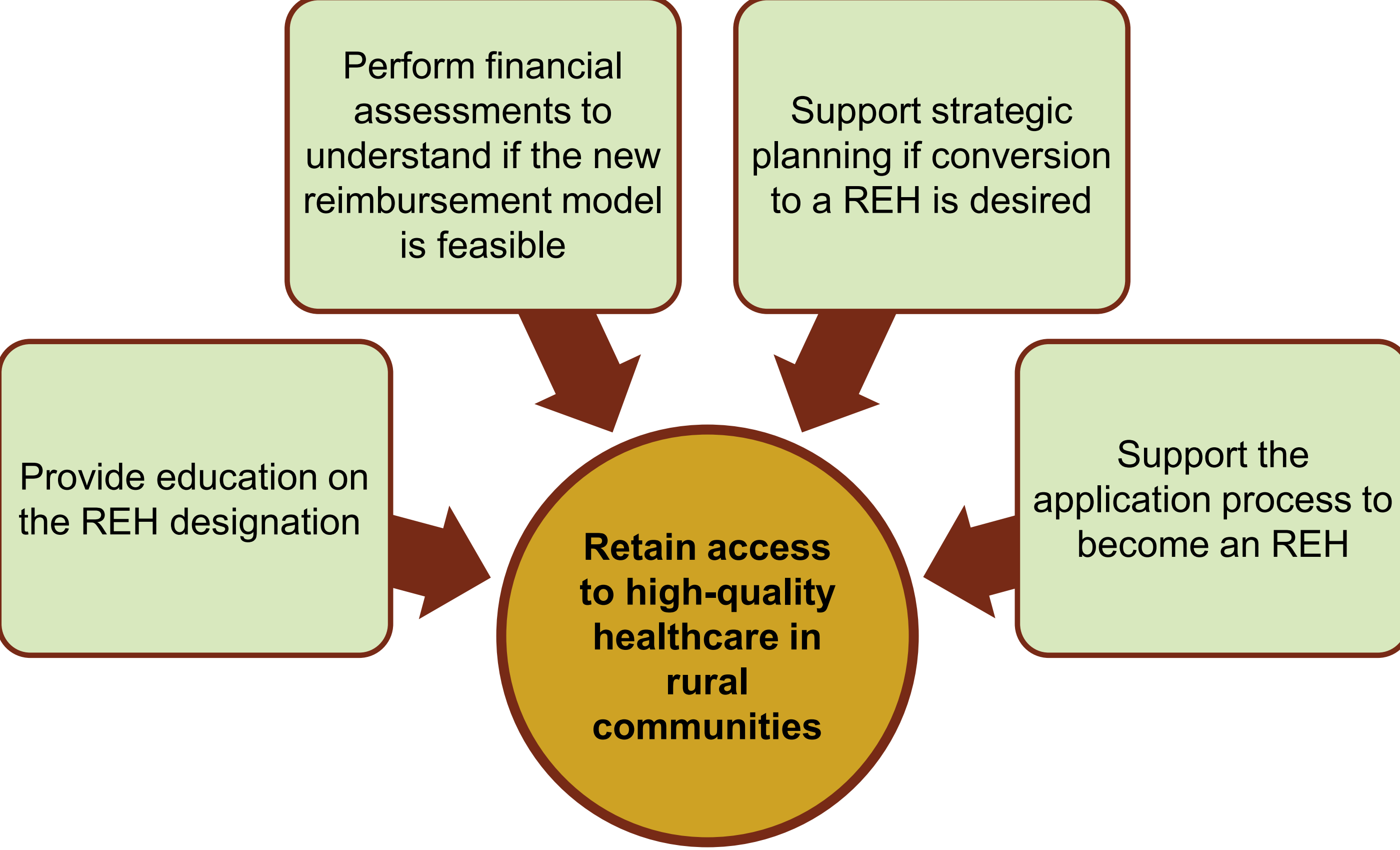
To protect and promote access to high-quality health care for rural residents

RHRC Vision



To help rural communities thrive through improved health

Rural Health Redesign Center: REH Technical Assistance Center



Rural Health Redesign Center: REH Technical Assistance Center

Our Approach

- Work cooperatively with HRSA, State Offices of Rural Health, and Flex Coordinators to identify interested hospitals
- Respond quickly to direct inquiries made through our support line: REHSupport@rhrco.org
- Provide education and perform an initial intake assessment
- Provide a rural-relevant subject matter expert/coach to provide 1:1 guidance and support
- Perform financial assessments where there is indication that the REH could be a viable option
- Support strategic planning once a community identifies that REH is a viable path forward
- Assist with the application and provide ongoing support throughout the conversion process

Financial Assessment

How does REH conversion impacts financial health of your hospital?

	Baseline	REH Conversion	Future Trends
Revenue	Inpatient Net Patient Revenue Outpatient Net Patient Revenue Other Revenues	Medicare, and other payer payment changes Additional changes in service lines	Market Basket Adjustments Future utilization and rate trends
Cost	Capital Costs Staffing Supplies	Potential savings Additional costs	Cost inflation Strategy

Enrollment and Engagement Timeline

(Cohorts 1 and 2)

	October-December 2022	January- March 2023	April-June 2023	July-September 2023	October-December 2023	January-March 2024	April-June 2024
Cohort 1	Engagement and Education	Engagement and Education					
Cohort 1		Financial Assessment	Financial Assessment				
Cohort 1			Application and Conversion Strategy Development	Application and Conversion Strategy Development			
Cohort 2			Engagement and Education				
Cohort 2			Financial Assessment	Financial Assessment			
Cohort 2				Application and Conversion Strategy Development	Application and Conversion Strategy Development		

Questions

Attendee 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 support

REHSupport@rhrco.org

Consolidated Appropriations Act, 2021

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

REH Fact Sheet (CMS)

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

Calculation of REH Monthly Additional Facility Payment for 2023

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

Next Steps

Reach out to Rural Health Redesign Center, if you are interested in assessing feasibility of REH provider designation

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

Poll #4

After hearing the information provided during this webinar:

- ❑ I have a better understanding of REH regulations
- ❑ I have a better understanding of what it takes to convert to an REH
- ❑ I have gained clarity about what questions to ask about converting
- ❑ I know who to contact about my questions
- ❑ I am closer to making a decision about REH conversion