

RURAL **HEALTH** WORKSHOP

# The Rural Emergency Hospital Designation — Look Before You Leap!



# Speaker

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  - Executive Vice President and Director
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# Rural Emergency Hospital Designation

## Look before you Leap

### An Overview with Commentary

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*EVP for Rural and Community Health and Director*

*F Marie Hall Institute for Rural Health*

*Professor, Family Medicine – School of Medicine*

*Professor – School of Population and Public Health*

# Declarations

I, Dr Billy U Philips, Jr, declare to the best of my knowledge that:

- I have accurately represented the titles and appointments that I hold at Texas Tech University Health Sciences Center.
- I have no personal financial interests associated with this presentation.
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## Introduction

The Consolidated Appropriations Act (CAA), 2021 established Rural Emergency Hospitals (REHs) as a new Medicare provider and allows REHs to participate in the Medicare program and receive payment for items and services furnished on or after January 1, 2023.

# Designation Definition

Provision of Emergency Dept. Services



```
graph TD; A[Provision of Emergency Dept. Services] --> B[Observation Care]; B --> C[Additional Outpatient Medical and Health Services, if elected by REH, that do not exceed an annual per patient average LOS of 24 hours]; C --> D[Prohibited from providing Inpatient Services except those provided in a unit distinct part licensed as a skilled nursing facility to provide post-hospital extended care services];
```

Observation Care

Additional Outpatient Medical and Health Services, if elected by REH, that do not exceed an annual per patient average LOS of 24 hours

Prohibited from providing Inpatient Services except those provided in a unit distinct part licensed as a skilled nursing facility to provide post-hospital extended care services

# Eligibility

- Must have been enrolled and certified to participate in Medicare as of 12/27/2020 and meet the following:
  - CAH
  - PPS no more than 50 beds in a rural area
  - Facilities that met the above criteria and subsequently closed may re-enroll in Medicare and meet all the CoPs and requirements for REHs
  - Meet COPs applicable to hospital emergency department and CAHs for emergency services

## Current Criteria

- Must have a clinician, MD, DO, PA, NP or CNS with training in emergency care on-call at all times and immediately available by phone or radio contact and available on-site within 30-60 minutes depending on if the facility is located in a frontier area
- Must be staffed 24 hours per day and seven days per week by an individual(s) competent in the skills needed to address emergency medical care, and be able to activate appropriate medical resources to meet the care needed by the patient

# Services

Emergency Dept. Services,  
Observation Care, and if elected  
other outpatient medical and health  
services that do not exceed an  
annual per patient average LOS of  
24 hours

CMS defined REH services to include all  
covered outpatient services such as  
radiology, laboratory, rehabilitation,  
surgical, maternal health, and  
behavioral health and additional  
medical and health services if they align  
with the health care needs of the  
community served by the REH

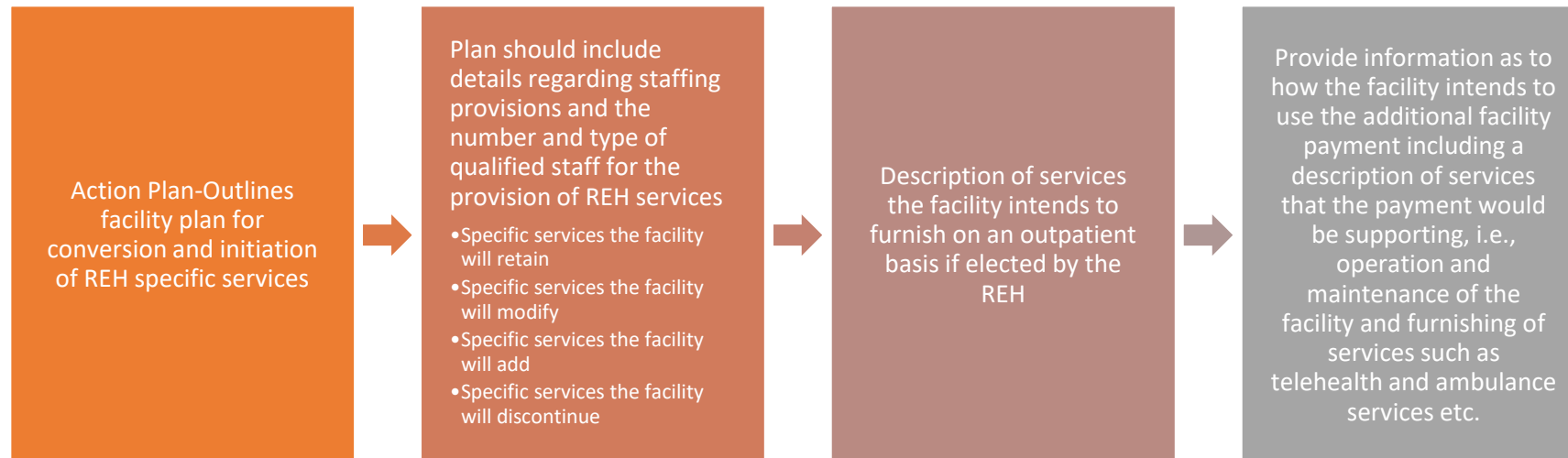
# Application Process

Required to enroll in Medicare

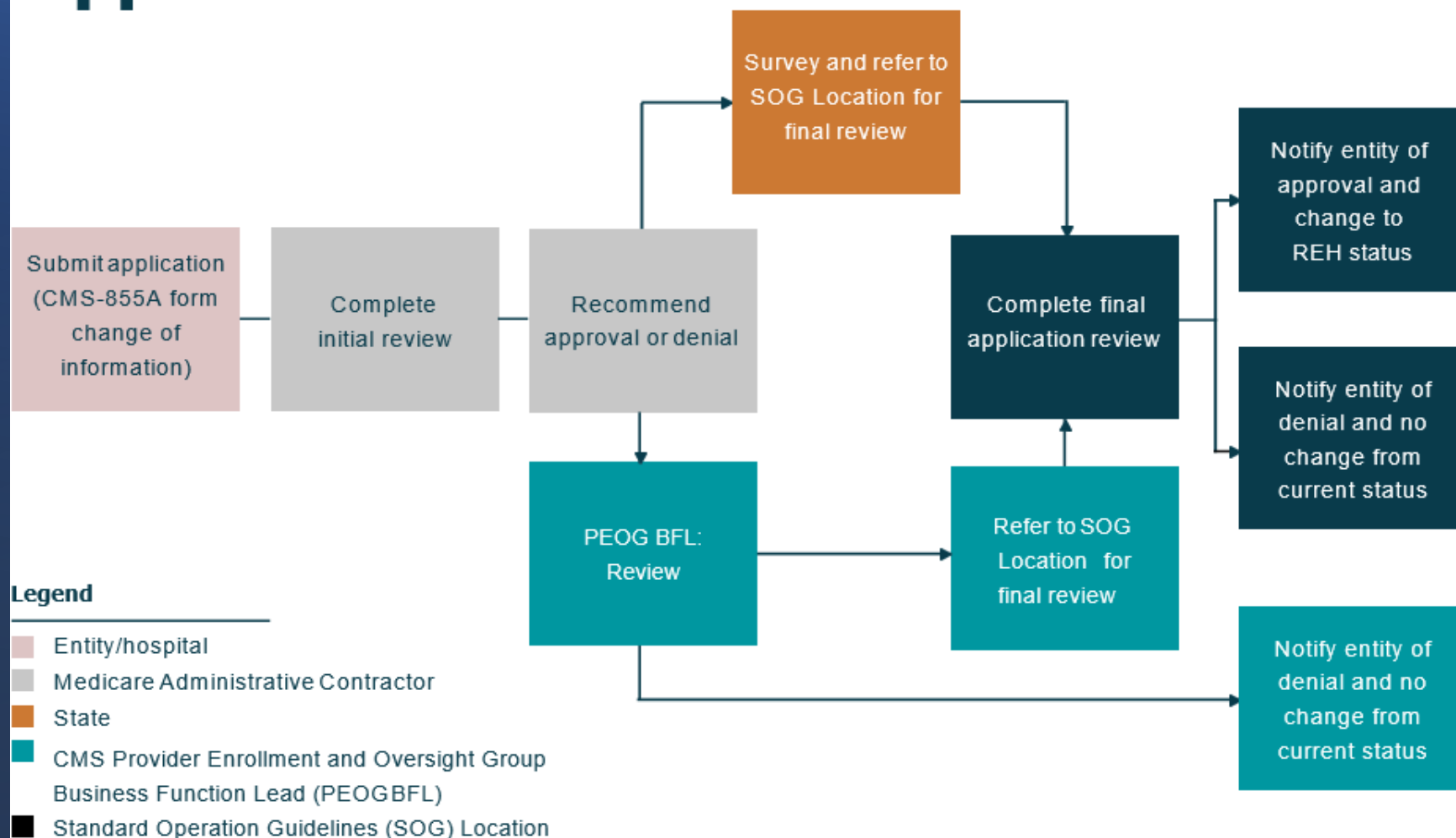
regulation 42 CFR 424.575  
states must submit a change of  
information application For  
CMS-855A

Submit application to the  
designated Medicare  
Administrator Contractor  
(MAC) for review and approval;  
the MAC will then send  
recommendation to the  
designated State Agency

# Application Process Continued



# Application Process



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

# Transfer Agreement

Required to have a transfer agreement with at least one Medicare certified hospital designated as a level I or II trauma center

Copy of the transfer agreement should be submitted to the State Agency along with the action plan

## EMS Support Considerations

Patient Transfers to Designated Trauma  
Center Will Rely Heavily on Community EMS  
Providers



Providers Are Often Trained Volunteers In  
Some Rural Settings



REH Will Increase Use of Services Impact EMS  
Delivery...Needed Funding, Workforce, and  
Individualized Community Solutions

# Attestation

Required to meet the CoPs for REH

May self-attest to meeting CoPs and will not require an “automatic” on-site initial survey as eligible facilities are expected to be in full compliance with the existing CAH and hospital requirements at time of request for conversion

Those facilities that closed and re-enrolled in Medicare would require an initial on-site survey the State Agency

# Gain/Loss

## Gain:

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

## Loss:

- Inpatient Services-All Payors
- Close Swing Bed Services/Shift to SNF
- Not eligible for 340 (B) drug pricing

# National Resources/Contacts

## Resources Provided by The Rural Health Design Center and Mathematica Teams

### CMS Additional Clarification and Guidance Memo released January 26, 2023

[Guidance for Rural Emergency Hospital Provisions, Conversion Process and Conditions of Participation memo](#)

### Rural Health Redesign Center:

#### Recordings

1. You will find the recording to the original webinar here: [https://www.youtube.com/watch?v=-i1CivWp\\_2Y](https://www.youtube.com/watch?v=-i1CivWp_2Y)

2. The short recording that highlights details from the CMS memo is here: <https://www.youtube.com/watch?v=Wpx0oQyzCS8>

#### Slides

You can access the slides from both webinars here (password **REHTAC**):

<https://mathematicaorg.webex.com/webappng/sites/mathematicaorg/meeting/info/61fb6925bca54878a5eb55beec5d07d8>

### FAQ and other resources

The most recent version of the FAQ is available on the RHRC website here: <https://www.rhrco.org/rehresources>

### Contacts:

Rural Emergency Hospital Technical Assistance Center:

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

REH Support

<mailto:REHSupport@rhrco.org>

# State Contacts

Texas State Office of Rural Health

- Eva Cruz: [Eva.Cruz@TexasAgriculture.gov](mailto:Eva.Cruz@TexasAgriculture.gov)

Louisiana Office of Rural Health

- Nicole Coarsey: [Nicole.coarsey@la.gov](mailto:Nicole.coarsey@la.gov).

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Rural and Community Health

- Dr. Billy Philips: [Billy.Philips@ttuhsc.edu](mailto:Billy.Philips@ttuhsc.edu)

Comments/Questions



# We want to hear from you!

<https://www.surveymonkey.com/r/RCYLXYT>



RURAL **HEALTH** WORKSHOP

**Break with Exhibitors**  
**2:15 – 2:45 p.m.**

