

Critical Access Hospital Designation in Nevada

Revised: January 2015

A key role played by the Nevada Rural Hospital Flexibility Program (Nevada Flex Program) based in the Nevada Office of Rural Health has been the facilitation of “Critical Access Hospital” or CAH designation for CAH-eligible facilities in Nevada. As of January 1, 2015, there are 11 Critical Access Hospitals in Nevada. Since 1999, the Nevada Flex Program has performed financial impact evaluations for facilities considering CAH designation, undertaken community outreach and board education activities for hospitals pursuing CAH certification, and provided “mock certification surveys” for those facilities that have scheduled CAH/Medicare surveys with the State of Nevada Bureau of Health Care Quality and Compliance.

Description of the Application Process

In accordance with the regulations in 42 Code of Federal Regulation (CFR) 485, Subpart F and provisions set forth in this plan, a hospital or other health facility electing Critical Access Hospital status in Nevada must meet the following requirements. The hospital or facility:

1. Must apply for CAH designation with the Nevada Office of Rural Health (NORH) – Appendix contains a copy of the preliminary application for CAH eligibility in Nevada that must be completed and submitted to NORH.
2. Must complete and submit CMS 855A Form to the fiscal intermediary.
3. Must (a) be located outside any area that is a Metropolitan Statistical Area (MSA), as defined by the Office of Management and Budget, – or – (b) be located outside an urban area as defined by the Census Bureau, – or – (c) if located in a MSA or urban area (“Metropolitan CAH”), be treated as being located in a rural area. Hospitals located in MSA or urban areas of Nevada are “treated as being located in a rural area” if the hospital (a) is located in a rural census tract of a MSA as determined by the most recent version of the Goldsmith Modification; – or – (b) is located in an area designated as a rural area by any law or regulation of the State within which it is located; – or – (c) is designated as a rural hospital by State law or regulation; – or – (d) would qualify as a rural referral center if the hospital were located in a rural area; – or – (e) would qualify as a sole community hospital if the hospital were located in a rural area.
4. Must be located more than a 35 mile drive from any other hospital or CAH; – or – in the case of mountainous terrain or in areas with only secondary roads available, a 15 mile drive from another hospital or CAH.
5. Must make available 24 hour emergency care services that the Nevada State Bureau of Health Care Quality and Compliance (BHCQC) determine are necessary for ensuring access.

6. Must have a stated plan for the coverage of Emergency Medical Treatment and Active Labor Act (EMTALA) regulations upon conversion as a CAH.
7. Must have a plan for the delivery of emergency medical services (EMS) for the defined service area of the CAH including air transport. The CAH will additionally participate in the further development of EMS planning for the network of CAHs within Nevada when such planning efforts are initiated by the NORH.
8. Agrees to limit inpatient acute care beds to no more than 25 designated beds. If swing-bed approval has been granted, all 25 beds can be used interchangeably for acute care or swing-bed services. CAHs are allowed to establish distinct part rehabilitation and psychiatric units of up to 10 beds each, which will not be included in the revised total 25 CAH bed count.
9. Agrees to provide inpatient care for an annual average of 96 hours or less per admission. The average 96-hour stay does not apply to beds in distinct part rehabilitation and psychiatric units.
10. Must meet CAH staffing requirements – in particular, a CAH must have nursing services available on a 24-hour basis, but need not otherwise staff the facility except when an inpatient is present.
11. Must be a member of a rural health network and have an agreement with at least one full service hospital in the network for: (a) Patient referral and transfer – this agreement will specify practitioners that are eligible to possess transfer privileges including evidence of practice protocols if they are non-physician practitioners (Must have a transfer agreement to another full service hospital should the CAH lose their Medicare certification); (b) the development and use of communications systems; (c) the provision of emergency and non-emergency transportation; and (d) the use of DRG (Diagnosis Related Groups) codes for use between the urban and rural facility.
12. Agrees to participate in ongoing quality-of-care improvement and community health planning activities, including the Nevada Rural Hospital Quality Improvement Network, a committee organized by the Nevada Flex Program in partnership with HealthInsight (QIO) and Nevada Rural Hospital Partners (NRHP).
13. Must be a full or foundation member of NRHP, the state rural hospital association – any substitution for this condition must be submitted in writing to and approved by NORH.
14. Must ensure appropriate mechanisms for credentialing and quality assurance – a process for Nevada CAHs overseen by NRHP – the network; (b) HealthInsight (Nevada’s QIO); or (c) an appropriate and qualified entity identified by NORH. Any substitution for these conditions must be submitted in writing to and approved by the advisory committee. The NORH will identify and approve “qualified entities for the purpose of quality assurance and credentialing” on the basis of their expertise in developing quality-of-care improvement activities, incident/trend reporting, preparing quality-assurance plans, risk management consultation, and/or credentialing for small rural and frontier hospitals.
15. Must have evidence of protocols for all non-physician practitioners credentialed by the CAH that would be applicable to the practice acts in force within Nevada and applicable to medical staff participation in the facility according to staff policies and procedures.

16. Agrees to participate in the planning for and application of telecommunications technology, including the delivery of telehealth services, administrative connectivity, trauma assessments and other applications such as protocols for the supervision of non-physician practitioners.
17. Agrees to participate in all Medicare Beneficiary Quality Improvement Project (MBQIP) activities coordinated by the Nevada Flex Program.
18. Agrees to comply with CMS rules and regulations that apply to the Critical Access Hospital program that are in effect at the time of application and thereafter as long as they are designated as a CAH.
19. Agrees to undertake a financial feasibility study and community health care needs assessment. A preliminary financial feasibility study must be completed and accompany the application to NORH. The community health care needs assessment should include a description of the current services available, identified gaps in services, and proposed services and their impact upon the CAH service area. The community health care needs assessment must evaluate the availability and utilization of health care services including acute care, primary care and emergency medical services.
20. Understand that a hospital license issued by the BHCQC is non-transferable.

State of Nevada Designation Process

The Nevada Office of Rural Health (NORH) – in coordination with the Nevada Rural Hospital Partners and the Nevada State Bureau of Health Care Quality and Compliance (BHCQC) – administer and oversee the following Nevada Flex Program and CAH-related activities, including the:

1. Identification of prospective hospital candidates whose average daily census, length of stay, and fiscal situation warrant their potential for conversion to a CAH.
2. Provision of public information and education regarding the program and subsequent health planning activities to rural communities in the state. These methods would include both written advertisements as well as program updates at identified meetings and conferences; and would extend to site specific activities to inform and educate communities regarding potential program impacts.
3. Provision of technical assistance to health facilities and other interested parties in efforts aimed at network development, community needs assessment and education, financial feasibility and other pertinent health planning. Future federal funding aimed at technical assistance for the purposes of this program would be integrated into these technical assistance efforts.
4. Identification and development of network partners that either must be an element of specific program criteria, or would aid in the execution of a rural health system.

Criteria for Application Review

Any hospital requesting review as a Critical Access Hospital (CAH) shall complete the “Preliminary Application for CAH Eligibility Determination” including a financial impact assessment of CAH designation and requested attachments, to the Nevada Office of Rural Health (NORH). This application is contained in the Appendix. Application review and eligibility determination shall be made within 30 working days and forwarded onward to the Nevada State Bureau of Health Care Quality and Compliance (BHCQC). Application criteria deemed incomplete shall be returned with comments to the applicant for necessary modification and if responded to appropriately, shall be resubmitted to the NORH and reviewed expeditiously for completeness and forwarded onward to the BHCQC. Application to the NORH can be delayed upon request by the submitting facility within the thirty day review period.

The application forwarded to the BHCQC by the NORH shall have the eligibility determination marked upon the face cover and must include all information on the applicant’s ability to meet all federal and state criteria for designation as a CAH. Within 30 days of receiving a completed and eligible application, the BHCQC will contact the prospective CAH to determine the readiness for the CAH survey. BHCQC assures that no hospital will be surveyed for CAH designation until all federal eligibility criteria and state-specific criteria have been met. If eligibility criteria have been met, the BHCQC will send documentation to the CMS Region IX Office and the NORH that verifies that the hospital meets all eligibility requirements and is ready for the CAH survey. The BHCQC in conjunction with the NORH shall verify to the CMS Region IX Office regarding the applicant’s compliance to the program criteria. The CMS regional office will authorize a survey, and the BHCQC will notify the facility that a survey will take place at some unannounced time in the near future. The survey will verify that the CAH meets the federal facility requirements and CAH Conditions of Participation. Details about the survey process are available in Appendix W of the CMS State Operations Manual and the Nevada Flex Program’s “Checklist for the Medicare Critical Access Hospital (CAH) Certification Survey.” Copies of both documents can be obtained from the Nevada Flex Program Office in the NORH.

CAH accreditation is also available through the Joint Commission or the American Osteopathic Association's (AOA) Healthcare Facilities Accreditation Program. Any facility seeking CAH accreditation from the Joint Commission or AOA must complete the preliminary application contained in the Appendix and notify the NORH in writing of their intent to seek CAH accreditation from either accrediting organization. The final phase of the Medicare certification process begins when the BHCQC, Joint Commission, or AOA completes the survey and sends the results to CMS Regional Office in San Francisco for approval. Finally, CMS will send a letter to the hospital informing of CAH certification approval and of the hospital’s new Medicare provider number.

Public Understanding of the Process

Public information will be sent to interested and eligible facilities by the Nevada Office of Rural Health (NORH). On-site consultations will be done for community education purposes, as requested by interested facilities, groups or individuals, by the NORH. Documentation of the entire process will be kept on file at the NORH. NORH shall be responsible for the following monitoring activities of CAHs and prospective CAHs in meeting community health needs:

1. Ongoing review of the effectiveness of the program, in conjunction with the partner organizations, and make modifications regarding the regulatory or process components;
2. Ongoing identification of network issues that represent concerns pertinent to the operation of state policies and programs;
3. Ongoing review of reimbursement issues affecting Medicare and Medicaid pertinent to the CAH program; and
4. Ongoing review and assessment of a CAH-designated facility's performance in meeting identified health needs from ongoing or completed community health needs assessments

The Nevada State Bureau of Health Care Quality and Compliance (BHCQC) shall be responsible for the following activities:

1. Provide ongoing monitoring of a CAH facility to confirm compliance with state and federal regulations; and
2. Provide ongoing comment to the NORH and collaborating entities regarding program operation, suggestions for improvement of community outreach and education, quality assurance and quality improvement, health planning, and other CAH network activities.

In general, the Nevada Flex Program and Nevada Office of Rural Health assume primary responsibility for overseeing and monitoring Nevada Flex Program activities and the CAH designation process in Nevada.

Conclusion – Critical Access Hospital Designation in Nevada

CAH designation is a crucial element of continued financial and economic viability for most rural and frontier hospitals in Nevada. Likewise, resources provided to the Nevada Rural Hospital Flexibility Program are a key source of the limited assistance available to vulnerable rural and frontier hospitals and health care providers in Nevada. The Nevada Office of Rural Health believes that the designation process guidelines embodied in this document, as well as the ongoing assessment and refinement of Nevada Flex Program activities are essential to the program's success and the continuity of our state's federal appropriation, our credibility among rural health care providers and communities in Nevada, and our advocacy efforts with state policymakers.

**Appendix: Preliminary Application for CAH Eligibility Determination
Nevada Rural Hospital Flexibility Program**

Submit completed application and attachments to:

John Packham
Nevada Flex Program Coordinator
Nevada Office of Rural Health
University of Nevada School of Medicine
411 West Second Street / Mailstop 150
Reno, Nevada 89503
Phone: 775-784-1235 / Fax: 775-784-1137 / jpackham@medicine.nevada.edu

Date Submitted: _____

Name of Facility: _____

Administrator: _____

Physical address: _____

Telephone: _____

Fax: _____

Email: _____

Current Number of Acute Beds: _____

Current Number of Long Term Care Beds: _____

Current Number of Swing Beds: _____

Current CMS Provider Type(s) / Number:

Provider Type: _____ / CMS Provider No. : _____

Provider Type: _____ / CMS Provider No. : _____

Most recent date Certified by Bureau of Health Care Quality and Compliance as an acute care facility:

Copy of Current License Attached: yes _____ no _____

Certification as a Hospital Attached: yes _____ no _____

Distance to closest hospital facility: _____ miles

Name of closest hospital: _____

Physical address: _____
