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Recommendations from Critical Access Hospitals to manage during the coronavirus outbreak.

There are about 1300 CAHs in the United States that serve 62 million people in rural America. CAHs receive allowable cost-based Medicare reimbursement of 101% - minus 2% for budget sequestration. (NOTE: not ALL costs are reimbursed at that rate...only those deemed allowable by CMS.)

CAHs are on the front line of public health issues in rural communities across the United States. CAHs today have razor thin margins. More CAHs have closed in the past 10 years than any other type of hospital.

CAHs currently comprise approximately only 3% of the Medicare budget.

Recommendations:

- Increase CAH reimbursement to 125% of costs – for a specific time period (perhaps in 3-month increments.)
 - Consider reviving Periodic Interim Payments (first implemented in 1986) – to infuse CAHs with immediate financial help. This will be adjudicated in CAH cost reports.
 - Payment should also be made for home health and transportation services provided by CAHs, which are currently not reimbursed.
- Waive 25-bed limit on CAHs to allow for inpatient surges.
- Supply chain. Some CAHs are already running low on critical supplies, i.e. surgical gowns, caps, other sterile products.
- Cross-state licensure limitations. Due to likely staffing shortages, CMS should provide flexibility on cross-state licensure limitation to allow CAHs to hire temporary clinical staff from other states.
- Expedite the processing of current Medicare and Medicaid claims to assure that CAHs maintain cash flow – allowing them to pay employees.
- Waive 96-hour-average stay requirement.

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