



CMS Releases New Rural Health Model – CHART

August 12, 2020

The new model, called the Community Health Access and Rural Transformation (CHART) Model, has a track for rural communities and a track for accountable care organizations. The model was mentioned in the President's August 3 Executive Order. Click [here](#) for the Executive Order, [here](#) for the CMS press release and [here](#) for the CMS fact sheet.

Click [here](#) for information on a webinar scheduled for Tuesday, August 18 from 1:00 – 2:30 EDT.

Community Transformation Track

CMS plans to invest up to \$75 million in 15 rural communities. Each community will be led by an organization, such as the state Medicaid agency, local public health departments or academic medical centers, among others. The lead organization will work closely with community participations such as hospitals or non-profits to change the health care delivery strategy for the community.

- Upfront investment of up to \$2 million from CMS, with up to an additional \$3 million available as the model progress.
- Capitated payments for hospitals based on historic spending.
- Increased Medicare and Medicaid flexibilities:
 - Would allow participating hospitals to waive cost-sharing for Part B services; provide beneficiaries with transportation; and offer gifts and cash rewards for chronic disease management programs;
 - Additional options include waiving the required 3-day inpatient hospital stay before Medicare will pay for a nursing home admission; allowing post-discharge home visits; allowing care management visits; waiving the CAH 96-hour stay rule; and waiving some Medicare COPs for hospitals, including restrictions on the number of beds a CAH may have.
 - Expands telehealth, including waiver of originating site requirements and allowing patients to access telehealth from home.
- CMS selected two quality metrics to be measured – emergency room visits and community hospital admissions; participants will select the remaining three.

- Applications for the first track, which will run for 18 months, will likely open in September, with communities selected for the model announced in December or early 2021.
- Savings from the model will be returned to participants through the lead organization.

ACO Transformation Track

Building upon the Medicare Shared Savings Program, up to 20 rural Medicare ACOs will be selected for the second track and ACOs in the rural health demonstration and will receive:

- upfront payment of at least \$200,000 plus \$36 per beneficiary. Participants will also receive a prospective per-beneficiary-per-month payment of at least \$8 for up to 24 months. The amount an ACO receives will vary based on the level of risk.
- Medicare flexibility and the opportunity to waive some Medicare requirements.
- Applications are expected to open in the Spring of 2021, with participants starting the new model in January 2022.

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