

Center for Medicaid and State Operations/Survey and Certification Group

Ref: S&C-08-11

DATE: February 8, 2008

TO: State Survey Agency Directors

FROM: Director
Survey and Certification Group

SUBJECT: Accreditation Option for Critical Access Hospital (CAH) Distinct Part Units

Memorandum Summary

- The Centers for Medicare & Medicaid Services (CMS) has approved the American Osteopathic Association (AOA) for recognition as a national accreditation program for CAHs. This recognition includes CAH distinct part units. The final notice of approval for AOA's deeming authority was published in the Federal Register November 23, 2007 (72 FR 65738) and was effective December 28, 2007.
- CAH distinct part units will now have a deemed accreditation option.
- States may continue to treat CAH distinct part surveys as a Tier 3 priority

CMS published a final notice in the Federal Register November 23, 2007 (72 FR 65738) announcing its decision to approve the AOA for recognition as a national accreditation program for CAHs requesting participation in the Medicare program. This recognition includes CAH distinct part units. This approval is effective December 28, 2007 through December 28, 2013. The final notice is available at <http://edocket.access.gpo.gov/2007/pdf/E7-22628.pdf>.

Guidance regarding initial surveys for new Medicare providers was released November 5, 2007 (S&C-08-03). In this memo, an initial survey for a distinct part psychiatric or rehabilitation unit in a CAH was given a Tier 3 priority since at that time neither of the accreditation organizations approved for CAH deeming authority had been approved to deem the distinct part units. The memo further stated that initial certification of all provider/supplier types that have the option to achieve deemed Medicare status by demonstrating compliance with Medicare health and safety standards through a survey conducted by a CMS-approved accreditation organization is a Tier 4 priority, and, thus, the lowest priority for the Medicare program. The AOA's deeming authority for CAHs and their distinct part units is effective December 28, 2007. **Although a deemed accreditation option is available for CAH distinct part units, we will not lower the CAH distinct part priority in any mid-year action.** States may, therefore, continue to treat CAH distinct part surveys as a Tier 3 priority until further notice when we have a better sense of the actual availability of the distinct part deemed accreditation option.

Effective Date: Immediately. Please ensure that all appropriate staff are fully informed within 30 days of the date of this memorandum, and disseminate the information to affected providers.

Training: The information contained in this announcement should be shared with all CAH surveyors and supervisors.

For questions concerning this memorandum, please contact Patricia Chmielewski by telephone at (410) 786-6899 or via e-mail at patrica.chmielewski@cms.hhs.gov.

/s/

Thomas E. Hamilton

Attachment

cc: Survey and Certification Regional Office Management