

## **CAH/FLEX**

**National  
Tracking  
Project**

### **FINDINGS FROM THE FIELD**

**Volume 1, Number 1  
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## **From Idaho: The CAH Start-Up Kit**

### ***What is the Strategy? Who is Doing it?***

Eligible rural hospitals must meet conditions of certification to obtain "Critical Access Hospital" designation from state and federal agencies. To assist these facilities in making the transition, the Idaho Hospital Association (IHA) designed a "Start-Up" Kit to pull together various elements of the program for its members.

### ***How is the New Strategy Different from Previous Practice?***

Targeted elements that are new to this program include:

- ◆ Application form for designation as a CAH
- ◆ Relevant state and federal rules
- ◆ Feasibility tool for evaluating financial benefits of conversion to CAH
- ◆ Model policies and procedures for hospitals
- ◆ Model agreement with IHA to oversee the CAH's credentialing processes
- ◆ Model agreement with IHA to oversee the hospital's quality assurance program

This is the first in a series of periodic reports of findings from tracking actions taken by states, hospitals, communities, federal agencies, and others to implement the Rural Hospital Flexibility Program (including supporting Critical Access Hospitals (CAHs)). This series will report interesting and useful strategies used, and specific actions taken, in various states.

### ***How Does the Strategy or Action Work?***

The financial feasibility tool is a quick assessment of the financial benefits to the hospital of converting to the new payment formula from Medicare. It requires the user to enter cost report data from Medicare cost reports.

The model policies and procedures address the following:

- ◆ licensure of personnel
- ◆ credentialing
- ◆ quality improvement program
- ◆ emergency room care
- ◆ lack of availability of blood type cross-matching
- ◆ ER call schedule plans and response times
- ◆ EMS communications
- ◆ length of stay
- ◆ nurse staffing compliance
- ◆ commitment to annual review of policies
- ◆ requirement that physicians who delegate care to midlevels review 10% of those charts
- ◆ prohibition on removing medical charts from the facility
- ◆ designated time to retain inactive charts
- ◆ commitment to annual scope of services review
- ◆ patient rights
- ◆ data set documentation for patients in swing beds

The Idaho Hospital Association works with the Maryland Quality Improvement Project to provide quality assurance oversight to state CAHs that are not receiving this oversight from a network partner. The program requires member hospitals to report data which is compared to norms. When coupled with an agreement with an external physician to review 10% of the discharges, this program meets the quality assurance provisions of CAH legislation.

Critical Access Hospitals are required to have “an agreement with respect to credentialing...with...one other appropriate and qualified entity identified in the state rural health care plan.” IHA has been approved by the state as a qualified entity for this purpose, and will conduct on-site reviews of CAH credentialing files in facilities that have not handled this role within their network arrangements. This involves a 100% review of credentialing files to ensure that practitioners in CAHs are qualified, licensed and registered with all appropriate regulatory agencies.

### ***What are the Potential Benefits?***

This is a very nuts-and-bolts approach to supporting rural hospitals in converting to Critical Access Hospitals. It can seem a daunting task to rural hospitals to make a decision to convert to a new licensure status, completely revamp policies and procedures, come into compliance with new regulations, form agreements with new partner organizations, prepare for a licensure survey, revise the quality assurance program, and go through other changes required to become a Critical Access Hospital. Rural hospitals are typically thinly staffed with administrative personnel.

Idaho has 15-20 hospitals that are likely to be eligible to convert to CAH status. As of this date, seven are certified, although another two have been surveyed and are recommended for designation. The remainder are still considering the issues. Idaho progressed quickly in converting hospitals, relative to many other states. The Start-Up Kit is likely one of the reasons hospitals have been able to convert so quickly.

### ***Where Can I Get More Information?***

About this report: Details about this report are on our project website. You may also contact Amy Hagopian at (206) 685-3676.

About this project: Check our website: <http://www.rupri.org/srhf-eval/>  
You will find all the instruments and policies in detail on this site.

Other contacts: For further information, contact Bonnie Haines at the Idaho Hospital Association, (208) 338-5100, ext. 207, or <[bhaines@teamiha.org](mailto:bhaines@teamiha.org)>.

### **Background**

The Rural Hospital Flexibility Program is a federal initiative to strengthen rural health. It:

1. Allows small hospitals the flexibility to reconfigure operations and be licensed as Critical Access Hospitals (CAHs).
2. Offers cost-based reimbursement for Medicare acute inpatient and outpatient services.
3. Encourages the development of rural-centric health networks.
4. Offers grants to states to help implement a CAH program in the context of broader initiatives to strengthen the rural health care infrastructure.

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