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Biden-Harris Administration Takes Action to Expand Access to Emergency Care Services in Rural Communities

CMS proposes new rule that creates a pathway for rural hospitals and critical access hospitals to increase access to emergency and outpatient care

Today, as part of the Biden-Harris Administration’s ongoing effort to strengthen rural health, the Centers for Medicare & Medicaid Services (CMS) is releasing a new proposed rule protecting access to emergency care and additional outpatient services for people in rural communities. CMS is establishing the Conditions of Participation (CoPs) for Rural Emergency Hospitals (REHs). The proposed rule will allow small rural hospitals to seek this new health care provider designation and provide continued access to emergency services, observation care, and additional medical and outpatient services. In accordance with the statutory legislation, REHs will be eligible to receive payment for services provided on or after January 1, 2023. This is a significant step in building on the Administration’s efforts to reduce health care disparities and maintain access to services in rural communities.

Rural communities represent a fifth of the U.S. population, and the Department of Health and Human Services (HHS) is committed to improving health outcomes and promoting health equity in rural America. Since 2010, 138 rural hospitals have closed — with a record-breaking 19 hospitals closing in 2020 alone. These closures occur disproportionately within communities with a higher proportion of people of color and communities with higher poverty rates. Rural communities experience shorter life expectancy, higher mortality, and have fewer local health care providers, leading to worse health outcomes than in other communities. Rural hospital closures deprive people living in rural areas of crucial services, including access to emergency care.

“The availability of the new Rural Emergency Hospital provider type will maintain access to essential health care services and help to reduce disparities in rural communities,” said CMS Administrator Chiquita Brooks-LaSure. “CMS is committed to advancing health equity, driving high-quality person-centered care, and promoting the sustainability of our programs. Today’s action to strengthen rural health furthers our goal of ensuring everyone served by our programs the has access to quality, affordable health care.”

To address these concerns, CMS is implementing a new Medicare provider designation called Rural Emergency Hospitals (REHs), which will provide an opportunity for small rural hospitals and CAHs to right-size their service footprint and avoid potential closure so they can continue to provide essential services for their communities. The REH provider type was established by the Consolidated Appropriations Act of 2021 to address the growing concern over closures of rural hospitals.

Allowing providers to take advantage of the new designation will ensure that people in rural communities will be able to receive critical outpatient services, including emergency, maternal health, behavioral health, and substance use disorder services.

Today's action takes steps to ensure the health and safety of all patients, while accounting for the access and quality of care needs of rural communities. In addition, the proposed rule includes several updates for CAHs. Specifically, CMS is proposing to add a definition of "primary roads" to the current location and distance requirements, which is used to determine if facilities qualify as CAHs. The proposed rule also contains proposals allowing CAHs that are a part of a larger health system (containing other hospitals and/or CAHs) to unify and integrate their infection control and prevention and antibiotic stewardship programs, medical staff, and quality assessment and performance improvement programs (known as QAPI) to ensure consistent and safe care. Finally, and importantly, CMS is proposing to establish a patient's rights Condition of Participation for CAHs to provide for clear requirements for the protection and promotion patient's rights.

The release of this proposed rule, which is a result of multiple engagements with stakeholders and a Request for Information (RFI), is the first step in the implementation of this new provider type. CMS anticipates including further discussion on important aspects for REHs, such as Medicare enrollment, payment, quality reporting, and more in the upcoming Calendar Year 2023 Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System Proposed Rule. Stakeholders are encouraged to review both proposed rules, as applicable, and submit formal comment by each respective deadline. All feedback will be taken into consideration as CMS develops its final, comprehensive policies for REHs later this year. For today's rule, the comment period closes on August 29, 2022.

For more information on the Rural Emergency Hospital and Critical Access Hospital Conditions of Participation, visit: <https://www.federalregister.gov/public-inspection/current>

To read the Fact Sheet on the Rural Emergency Hospital and Critical Access Hospital Conditions of Participation, visit: <https://www.cms.gov/newsroom/fact-sheets/conditions-participation-rural-emergency-hospitals-and-critical-access-hospital-cop-updates-cms-3419>.

To read the Fact Sheet on HHS actions to strengthen rural health, click here: <https://www.hhs.gov/sites/default/files/rural-health-fact-sheet.pdf>

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