

CAH PREPARATION “ON-SITE” VISIT

Illinois Department of Public Health, Center for Rural Health

This day is yours and can be flexible to the timetable of hospital staff. An additional visit can also be arranged if other areas need to be covered or time does not allow for full discussion. It is recommended that there be a coordinator/contact person for the critical access hospital (CAH) conversion process and would suggest that this individual participate in most of the site visit discussion. Generally, the coordinator of the survey is CEO, CFO, Director of Nursing, or Quality Assurance Director; however, it is up to your hospital. All senior management and staff are welcome to participate as needed.

1. Overview of the CAH conversion process: coordinator of the survey; senior management; and medical staff/board as appropriate.
2. Review of the Acute Care Conditions of Participation (C150-C343). Individuals involved with these particular hospital areas:
 - Credentialing – medical staff and allied health
 - Agreements and contracts
 - Compliance issues – licensure, practice acts, employee law, employee files, etc.
 - Emergency Department – physician coverage, equipment and setup, procedures, communications, EMTALA, scope of care, transfers
 - Physician coverage and responsibility – bylaws, supervision of non-medical staff, peer review, physician supervision cardiac rehab and therapeutic OP services, 96 hour attestation, IP order attestation
 - Pharmacy – distribution and administration of medications, medication errors, formulary controls
 - Hospital governance – leadership/administrative responsibility, CAH approval
 - Quality assurance program – annual evaluation policy, hospital monitors, department activities, logs (audit)
 - Billing and medical records – set up for CAH, provider numbers, medical record review and supervision
 - Surgery and anesthesia – guidelines for services, CRNAs, privileges for surgery, infection and traffic control
 - Plant operations – life safety issues, fire prevention, preventative maintenance, emergency preparedness

- Patient care – staffing, case management and discharge planning, occupancy control, education, policy and procedures, infection control
 - Tele-medicine – *newly added and should be reviewed if CAHs have a tele-medicine program*
 - Organ Donation – CAHs must have a policy and procedure in place and agreements with regional transplant for the various areas of transplant
3. Review of Swing bed Conditions of Participation for CAH (C350-C395).
Individuals involved with this program.
- Patient rights/restraints
 - Admission procedure
 - Discharge planning and transfer
 - Abuse policies
 - Staffing
 - MDS
 - Role of dietary, physical therapy, activities, nursing, and social services

Written Policies and Procedures

Critical Access Hospitals

Surveyors may request other policies and procedures upon their review of the hospital and its services. It is strongly recommended to have these policies available at the time of the survey to demonstrate these procedures are in place. Some of these policies are requirements of the Medicare Conditions of Participation while others are requirements of the Illinois Hospital Licensing Act.

- Ensuring that necessary supplies, drugs, and biologicals are periodically monitored and readily available; medication safety
- Rules of Storage, handling, dispersing, and administration of drugs and biologicals. Procedures for reporting adverse drug reactions and errors in administration of drugs;
- A policy or procedure, and if provided, contractually, an agreement or arrangement, for services for the procurement, safekeeping and transfusion of blood, including the availability of blood products needed for emergency patients 24 hours a day;
- A system for identifying, reporting, investigating, and controlling infections and communicable diseases of patients and personnel; hand washing important!
- Procedures that ensure that nutritional needs of inpatients are met;

- Policies and procedures regarding who is allowed to administer anesthetics to patients and how the patients are monitored during the administration of anesthesia and post recovery;
- Emergency medical procedures as a first response to common life-threatening injuries and acute illnesses;
- Agreements or arrangements with one or more providers or suppliers participating under Medicare who furnish services to patients;
- A procedure for the annual review of each department policies by the professional staff; and,
- A procedure to ensure that the confidentiality of medical records is maintained and that records are protected against loss, destruction or unauthorized use, and are retained according to legal requirements for documentation of medical records
- Transfer agreements in place as well as emergency preparedness

CAH Program – Policy and Procedure Requirements

- Written policies and/or procedures that describe how the hospital will monitor to maintain an annual average length of stay which is 96 hours or less and not exceed the limit of 25 acute care patients including swing, med/surg, OB, ICU and pediatrics. Observation patients are considered outpatients and not included in the daily count. Observation patients may be placed in inpatient beds; however, separate and additional observation patient beds cannot have any inpatient placed in those beds. Arrangements for the transfer or discharge of patients should be included in these policies and procedures to assure compliance to these requirements;
- A policy that describes the communications system at the hospital and how information is communicated to other facilities. The policy should also include the various methods of communication available and what to do if a system failed;
- A procedure which demonstrates how the CAH, in coordination with local response systems, has a doctor of medicine or osteopathy immediately available to radio or telephone on a 24 hour a day basis to receive emergency calls, provide treatment information, and refer patients to the CAH or to appropriate locations for treatment;
- Delineation of specific CAH responsibilities for the doctor of medicine or osteopathy, and for mid-level practitioners;
- Evidence that medical staff members and mid-level providers on staff are involved in the medical care policy and procedure development;

- Written policies and procedures ensuring that sufficient staff is available to provide essential services for CAH operation. Evidence that a registered nurse (RN) provides or assigns to other personnel, the nursing care for each patient; and that a RN supervises and evaluates the nursing care for each patient;
- Evidence (e.g., minutes of board meetings of governing body) which establishes that CAH governing body or responsible individual(s) assume full responsibility for determining, implementing, and monitoring all CAH policies. Evidence that the medical staff and employees have been apprised of the CAH decision and are aware of the requirements of the program;
- Written policies and procedures for all health care services provided at the CAH; (example: The Joint Commission’s Plan for the Provision of Patient Services);
- A quality assurance program to evaluate the quality and appropriateness of the diagnosis and treatment furnished at the hospital. Policies and/or documentation that explain how the hospital will evaluate its programs and services. An evaluation of the hospital’s quality assurance program is conducted annually and presented to the governing body and medical staff;
- Documentation that identifies an individual responsible for CAH operations and hospital contracted services and that such contracted services, including shared services and joint ventures, are provided in a manner that allowed the hospital to comply with the CoPs;
- A policy that describes the scope of services for the emergency department and how the department is staffed and physician coverage is provided;
- If the hospital does not have an outside organization or network hospital conducting quality assurance (QA) program, the hospital must have its own QA plan as a free standing program;
- A policy that describes the annual program evaluation of services provided as a critical access hospital. This annual evaluation is to be presented to the board;
- Written policies and procedures for the maintenance of clinical records;
- Written policies and procedures governing the use and removal of records from the hospital and conditions for release of information; and,
- Written policies and procedures as how physicians are approved to perform surgery and the types of surgery performed at a CAH.

Critical Access Hospital Site Visit Survey

CAH Conditions of Participation

1. Compliance with Federal, State and local laws and regulations 42 CF 485.608
2. Location 42 CF 485.610
3. Compliance with hospital requirements at time of application 42 CF 485.612

4. Agreement to participate in network communications system 42 CF 485.616
5. Emergency Services 42 CF 485.618
6. Number of beds and length of stay 42 CF 485.620
7. Physical plant and environment 42 CF 485.623
8. Organizational structure 42 CF 485.627
9. Staffing and staff responsibilities 42 CF 485.631
10. Provision of services 42 CF 485.635
11. Clinical records 42 CF 485.638
12. Surgical services 42 CF 485.639
13. Periodic evaluation and quality assurance review 42 CF 485.641
14. Special requirements for CAH providers of long-term care services (swing beds) 42 CF 485.645

Checklist of Written Policies, Procedures & Agreements

Use the checklist below to ensure you have all of the documents ready for review when your hospital is surveyed. This document is intended only to serve as a guide.

___ An agreement to participate in a network communications system if the CAH is in a network that participates in such a system.

___ A policy or procedure, and if provided, contractually, an agreement or arrangement, for services for the procurement, safekeeping and transfusion of blood, including the availability of blood products needed for emergency patients 24-hours-per-day.

___ A procedure which demonstrates how the CAH, in coordination with local response systems, has a doctor of medicine or osteopathy immediately available by telephone or radio on a 24-hour-a-day basis to receive emergency calls, provide treatment information and refer patients to the CAH or to other appropriate locations for treatment.

___ Evidence (e.g., minutes of board meetings of the governing body) which establishes that the CAH governing body or responsible, individual assumes full responsibility for determining, implementing and monitoring all CAH policies governing CAH operations.

___ Disclosure information showing the principal owners of the CAH, the person principally responsible for CAH operations, and the person responsible for medical direction in the CAH.

___ Written policies and procedures that cover all health care services provided at the CAH.

- ___ Rules for the storage, handling, dispensing, and administration of drugs and biologicals.
- ___ Procedures for reporting adverse drug reactions and errors in the administration of drugs.
- ___ A system for identifying, reporting, investigating and controlling infections and communicable diseases of patients and personnel.
- ___ Procedures that ensure that the nutritional needs of inpatients are met.
- ___ A procedure for the annual review of policies by the professional staff.
- ___ Emergency medical procedures as a first response to common life-threatening injuries and acute illness.
- ___ Agreements or arrangements with one or more providers or suppliers participating under Medicare to furnish other services to its patients.
- ___ Policies and procedures regarding who is allowed to administer anesthetics to CAH patients.
- ___ Policies, procedures and/or other documentation that demonstrate that the CAH carries out the periodic evaluation of its total program.
- ___ A quality assurance program to evaluate the quality and appropriateness of the diagnosis and treatment furnished at the CAH.

Certification Process Preparation

Illinois Department of Public Health, Critical Access Hospital Program

Overview of the process

The critical access hospital (CAH) program is an opportunity for rural hospitals to have greater flexibility in their delivery of services and to increase revenues through cost based reimbursement. A rural hospital will essentially provide the same services and function under the same hospital licensure standards for the state. However, a CAH applicant must meet the Medicare Conditions of Participation (CoP) specifically for CAHs to be certified. The CAH applicant will be required to complete an initial survey for compliance and then be re-surveyed every year. The Illinois Department of Public Health Division of Health Care Facilities and Programs will coordinate the survey process for initial certification. The Joint Commission, HFAP and other accrediting bodies are now approved to survey and approve CAH certification.

State surveyors will assess CoP compliance through observation, interviews with staff and patients, policy review, facility tour, and review of open and closed patient records. The surveyors will look to see if appropriate processes and procedures are in place. If the hospital applicant is requesting swing bed certification, the hospital

will be surveyed for its compliance to the CAH Medicare Conditions of Participation for swing beds by the Division of Long Term Care Field Operations staff. These conditions are similar to those for Medicare certified skilled nursing facilities.

Surveyors are required to notify the hospital prior to their initial visit and determine the hospital's readiness for each survey. The life safety survey is conducted first. The health survey is generally conducted within one to two weeks of the life safety survey. The hospital may be surveyed in response to the completion of its plan of correction. The survey division must sign off on both surveys and forward them to the Centers for Medicare and Medicaid Services (CMS) Region V Office. The date of certification will be when the life safety survey plan of correction is accepted. The Hospital will be notified by CMS when approved as a CAH.

Suggested Steps to Prepare For the Survey and CAH Certification

1. It is helpful to create a pre-survey preparation team to assess the hospital's compliance with the Hospital Licensing Act and the Medicare CoP and its readiness for the survey. The Team generally consists of: the administrator, director of nursing, financial officer or business office manager, plant operations director, a medical staff representative, and the quality assurance coordinator. Other hospital department managers and staff can be added.

The Team should first conduct an assessment as to its present level of compliance to the IDPH Hospital standards and Medicare CoP. Use the three CAH survey preparation checklists (*i.e. CAH Program – Policy and Procedure Requirements; Optional Written Policies and Procedures for CAH; and Documents to be Available for the Survey*) to assess the hospital's readiness and learn what is expected. In addition, the Team should conduct a facility tour to evaluate life safety requirements. The facility may want to hire an architectural firm to do facilities assessment as part of the life safety review if the hospital has not been inspected by the state for several years.

The Team should meet periodically and set goals and deadlines for those specific tasks necessary to complete for the survey. The Team may need to write new policies or repair areas of the physical facility in preparation.

If the hospital plans to include the ten swing beds in the CAH application, the Team will need to evaluate the hospital for its compliance to the CAH Medicare Conditions of Participation for swing beds. The MDS assessment requirement for swing beds does not start until the hospital has been certified. However, it is recommended that hospitals implement the MDS assessment procedure two

weeks prior to the initial survey. This will allow the state surveyors to evaluate the MDS procedures and assist you in meeting this particular standard. The survey team will only evaluate the hospital's compliance to those procedures in place; the team does not evaluate the hospital's compliance to those procedures. The annual survey will evaluate the implementation of the MDS assessment.

What happens with the MDS once the hospital is certified as a CAH? The MDS must be completed for each swing bed patient. The hospital is not required to transmit the MDS for billing purposes as it does for the SNF patients. The MDS needs to be initiated and completed in the assigned time frame and filed in the medical record of each swing bed patient.

2. The required CAH policies and procedures must be changed to reflect the CAH status. The approval of these changes needs to be included in the minutes of the hospital's leadership committees (board of directors, medical staff, and hospital depts.). These documents will need to be available at the time of the health survey. Other hospital and department specific policies and procedures do not have to be changed to bear the CAH designation.
3. It is important that the hospital employees are involved with the survey process. They may be asked if they understand the new CAH program and how the program will affect their job. Meetings with employees, department managers, and medical staff are highly recommended. All individuals need to be aware of the new program. Handouts posted in the different areas would be helpful for staff and others. Nursing and other professional staff may be concerned on how CAH status will affect their scope of practice, if additional training will be required, or if the care of patients will change.
4. A hospital can apply for CAH status without having a swing bed program. If a hospital does not have a swing bed program and wishes to add swing beds, the hospital must apply for certificate of need through the State Health Planning Board. Once the CON has been obtained, the hospital can then apply for swing beds through the long term care division and must be surveyed by the Department before implementing the swing bed program.
5. Because CAH is Medicare program, a hospital must assure its compliance with the CoP. It is strongly advisable for a hospital to have a compliance program, and an individual within the organization responsible for the program. Hospitals are encouraged to have an on-going review of its billing and coding processes and a review of its charge master (charges for procedures, tests, supplies,

services, etc.) to assure the hospital bills only what is authorized by Medicare and Medicaid. The individual responsible for compliance should be part of the survey preparation team. Don't forget to make sure suppliers and other associated providers are aware of your compliance program and have agreed to follow the program guidelines.

6. Effective 11/29/99, a CAH is responsible to maintain an average inpatient length of stay less than or equal to 96 hours. A waiver is no longer required for a patient to stay longer than the 96 hours as this is an annual average. Also, a CAH cannot exceed 25 acute care patients and swing bed patients at one time. The CAH must stay within the assigned patient limit even though the hospital has a larger bed capacity. Observation patients are not included in the bed count or length of stay. Patients placed in Medicare Hospice beds are counted towards the bed count but not length of stay. Also, CAHs may have distinct rehabilitation and psychiatric 10 bed units.

CAHs are strongly advised to have a case management program in place to adhere to the daily census requirement and annual length of stay. CMS will monitor compliance when a survey is done and through noting of patient days on the Medicare cost report which is filed annually.

A case management program will monitor when patients are admitted and expected to be discharged. Daily logs should be kept and an individual(s) assigned the responsibility for the case management or monitoring of each patient. Hospitals will have to assure patients are discharged within an appropriate time frame and transfer arrangements made for patients requiring additional hospital care to maintain that 96-hour average. A CAH may want to explore critical pathways or case maps and involves your medical provider staff with the development of this program.

Patients may be admitted by physician assistants or nurse practitioners, who have hospital privileges, but a physician on staff must be notified and accept care for the patient. A physician must sign and authenticate the inpatient record of the patient is under the care of a physician assistant or nurse practitioner.

7. Transfer and referral agreements are required for CAH hospitals. Hospital leadership will need to make arrangements with one or more source hospitals to accept transfers and referrals, if not already in place. A CAH hospital must comply with EMTLA standards when transferring a patient to another acute care facility whether it is through the emergency department or inpatient-nursing unit. Documentation that the transferring hospital has met the EMTLA standards

must accompany the transfer and a copy included in the hospital's medical record. It is strongly advised to include the Medical staff in the development of the transfer and referral arrangements.

The transfer and referral arrangement should address the following information but not limited to:

- a) CAH procedure for credentialing of medical and allied health professionals
- b) CAH quality assurance program
- c) What and how the patient data will be shared
- d) Referral and/or transfer protocols (CAH to resource hospital)
- e) Plan for communicating information on the patient transferred by the resource hospital after the patient is transferred, admitted, and discharged (What information will the attending physician receive and hospital staff)
- f) Plan for sharing of communication systems between the two hospitals

It is an important mandatory requirement that the CAH applicant demonstrate participation in a community assessment process. Hospital leadership can conduct its own community assessment or work in cooperation with another community or outside organization such as IRHA, extension services, and local health departments. There are several types of assessment program (i.e.: IPLAN/IL Mapping) available to use to conduct such an assessment.

Input from community members is valuable for hospital leadership to better understand the perception of the hospital within the community. The hospital leadership should be asking the community what services are needed and what people are willing to pay for. CAH applicants should take this as an opportunity to explore new services and/or re-design those presently offered.

8. An ad hoc medical record review committee should be appointed to audit both open and closed medical records to assure compliance to the hospitals documentation procedures for both hospital staff and medical staff. An audit review form should be used to systematic examine the charts. Areas to particularly monitor are physician orders for care and treatment; coordination of care; discharge planning; medication administration and response; test results; and consents. Note accuracy, timeliness, and completion of information. Joint Commission has an excellent chart audit guide which may be helpful. There are specific documentation requirements, but surveyors will particularly monitor hospital compliance to its own standard policies and procedures.
9. Contact should be made with the CAH applicant's fiscal intermediary as to the billing format to be used and a procedure to implement a cost based

reimbursement system for the hospital. The certification date assigned for your hospital will be the date the hospital is surveyed and found to be in compliance or when the hospital's plan of correction has been accepted by the Division of Health Care Facilities and Programs. Your certification date and new inpatient and swing bed Medicare numbers will be in your notification letter from HCFA. You will need to set up new accounts with the CAH Medicare numbers. You may have two cost reports for that year – one prior to CAH approval and one for after CAH approval. This, once again, will depend on your fiscal intermediary.

CAH inpatient charges will be based on a calculated per diem rate based on the hospital's inpatient costs from the previous years. Outpatient charges will be paid based on hospital's actual cost, which may or may not be the same as the outpatient charge. Your fiscal intermediary or hospital auditors should be able to assist you in the calculation of your expected rate and can be adjusted on interim basis. CAH financial staff is encouraged to contact the state Medicaid program to determine if Medicaid provides cost based reimbursement for care provided in a critical access hospital.

ANNUAL EVALUATION

(Hospital Name)

CRITICAL ACCESS HOSPITAL PROGRAM YEAR ____

Suggestions

I. Utilization of critical access hospital services

A. # acute, swing bed, and outpatients served for each area

1. % Medicare
2. % Medicaid (not swing)
3. % other (not swing)

B. Specific departments and services

1. ER visits
2. Surgeries
3. OB
4. Observation
5. Outpatient visits

C. # Transfers

1. Inpatient
2. Nursing home
3. Emergency Department
4. EMTLA compliance

II Audit of active and closed medical records - compliance and quality of the record

A. Results of the # active charts reviewed (*accuracy, signatures, etc*)

(*Suggestions or may want to develop a checklist such as the one JCAHO uses*)

1. H & P
2. Admission assessment
3. Surgical records (consents, operative reports, etc)
4. Discharge planning
5. Consents and advance directives

6. Pain management
7. Physician orders

B. Results of the # closed charts reviewed

(Suggestions or may want to develop a checklist such as the one JCAHO uses)

1. DRG based (Sims criteria)
2. H & P
3. Operative reports
4. Nursing forms
5. Clinical documentation
6. Discharge summary
7. Patient education

III. Health Care Policies

- A. Were department policies and procedures reviewed this year?
- B. Were any changes made?
- C. Were any new policies added?
- D. Were all policies related to CAH reviewed?

IV Evaluation of Services/Quality Assurance

A. Hospital wide indicators - results and action taken/CQI

1. Medication errors
2. Morbidity and Mortality
3. Falls
4. Restraints
5. Infection rates
6. Blood utilization
7. Needle sticks
8. C-section rate, if OB
9. Against Medical Advice (AMA)
10. Physician admission data

B. The Joint Commission/Other Accreditation Organization Recommendations

1. Outcomes of processes or services (clinical indicators)

2. Financial data
3. Autopsy
4. Performance measures hospital wide/department specific
5. Research data
6. Appropriateness and effectiveness of pain management
7. Patient satisfaction surveys
8. Patient Safety Organization participation and outcomes

V Does the CAH program continue to meet the needs of the hospital and community? Were any new services added or present services changed? Has the scope of care changed? What improvements have been made as a CAH?

Documents to Be Available for the Survey

Critical Access Hospital Program

This checklist will be helpful as you prepare for the IDPH survey. These documents will be requested at the time of the review.

- Facility policies and procedures covering all CAH requirements (i.e., pharmacy, infection control, emergency department, nursing, dietary, outpatient/clinics, and medical records)
- Copy of all service agreements, physician coverage agreements, and any network agreements including participation in communications systems and in the referral, admission and transport of patients
- an organizational chart and position descriptions for levels of personnel
- Staffing schedules for the past three months for the emergency department, outpatient/clinic department, and any nursing units
- List of services the facility provides directly and a list of services provided through arrangements of agreements
- On-call schedules for physicians, other staff (e.g. mid-level practitioners, laboratory, imaging, etc.) for the past three months
- Personnel files with evidence of appropriate licensure, certification, or registration. (Photo- copy of licenses must be on file). Be prepared to explain the hospital process for validation of licenses
- Credential files for physicians and mid-level providers on staff at the hospital
- Committee meeting minutes for the past six months for the following departments: pharmacy and therapeutics; CAH policy development; infection control; and quality assurance. Board of Director Minutes for the past six months

Other documents required:

- Quality Assurance Plan
- Annual Program Evaluation
- Infection Control Log
- Menus for one month for all diets offered
- Incident report for the past six months
- List of authenticated signatures and list of current and closed medical records. On the initial survey, they will obtain a list of swing bed patients for record review only

Case Management/Utilization Review

Critical Access Hospital Program

CAH Survey Preparation Guidelines

1. Does your program address patient care and discharge planning seven days a week?
2. Who contacts insurances and other third party payers for certification? Is this available seven days a week or as appropriate?
3. Is there someone responsible for case management (i.e.: discharge planning or utilization review)? 3a) When that individual is unavailable, who is responsible for this activity?
4. Are the results of diagnostic test readily available to physicians? What is the expected time frame for results reporting at your hospital? Is that reasonable?
5. Are patients able to be transferred to area nursing homes seven days a week?
6. Are transportation services available for transfers seven days a week?
7. Do physicians make daily rounds? Are the rounds conducted in a timely manner?
8. Are physicians supportive of case management? Do physicians think "discharge of the patient" and identify a specific plan of care on admission?
9. Are there case maps, care plans or pathways developed for the most common DRGs?
10. Does your hospital have a plan if the inpatient census hits 15 or above? What will be the first step? Are the physicians involved in the decision-making process or development of the procedure?
11. How streamlined is your documentation – order entry, results posting, unit faxes, electronic records, and flow sheets?
12. Does your nursing staff in the ER or the inpatient units have easy access to medical records "after hours"?

13. If a diagnostic test is delayed or not available at your facility, how is this addressed?
14. Are patient care team conference held? If so, who is involved?
15. Are ancillary departments involved with case management or discharge planning? (Dietary, physical therapy, pharmacy, respiratory care)
16. Do you have educational resources available to patient care staff?
17. Does your patient care staff understand case management? Is patient care coordinated in the most timely, cost effective manner?