# Arizona Critical Access Hospital Designation Manual





Arizona Rural Hospital Flexibility Program (AzFlex)

Revised November 2016

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Health Resources and Services Administration (HRSA), The Federal Office of Rural Health Policy,
to The University of Arizona, Mel & Enid Zuckerman College of Public Health, Center for Rural Health,
Arizona Rural Hospital Flexibility Program (AzFlex)

#### For more information:

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#### **Arizona Rural Hospital Flexibility Program (AzFlex)**

Congress established the Medicare Rural Hospital Flexibility Program in 1997. In 1999 the Health Resources and Services Administration (HRSA), Federal Office of Rural Health Policy (FORHP) provided funds to Arizona's Center for Rural Health (previously known as Rural Health Office) to establish the Arizona Rural Hospital Flexibility Program (AzFlex). The program has become Arizona's foremost technical assistance and information resource for the states' Critical Access Hospitals (CAHs) and hospital-based rural health clinics (RHCs). Currently, fourteen hospitals are designated as CAHs. As of April 2016 there were 1,332 CAHs located throughout the United States (http://www.ruralhealthinfo.org/topics/critical-access-hospitals). All Flex programs are required to organize efforts around four core areas:

- **Quality Improvement:** Support efforts to improve and sustain the quality of care provided by CAHs (i.e., quality measurement, reporting, benchmarking, and building quality and patient safety improvement systems).
- *Operational and Financial Improvement:* Support efforts to improve CAH financial and operational performance improvement (i.e., identifying potential areas of need and planning and implementing evidence-based strategies).
- *Health System Development and Community Engagement:* Support efforts to assist CAHs in developing collaborative regional or local systems of care, addressing community needs, and integrating EMS in those regional and local systems of care. CAHs can only be viable by meeting the needs of their communities.
- Conversion of Small Rural Hospitals to CAH Status: Facilitate appropriate conversion of small rural hospitals to critical access status. Flex programs must also assist hospitals in evaluating the effects of conversion to critical access status.

#### **Critical Access Hospital (CAH) Designation Criteria**

Small rural hospitals must meet the following criteria to be eligible for CAH status:

- 1. Have the characteristics noted in the 42 Code of Federal Regulations (CFR), Subpart F, Conditions of Participation: Critical Access Hospitals (<a href="www.gpo.gov/fdsys/granule/CFR-2011-title42-vol5/CFR-2011-title42-vol5-part485-subpartF">www.gpo.gov/fdsys/granule/CFR-2011-title42-vol5/CFR-2011-title42-vol5-part485-subpartF</a>);
- 2. Can be a public, not-for-profit, or for-profit hospital and should be, at the time of the application, licensed as a general acute care hospital in accordance with Arizona Revised Statutes (A.R.S.) §§ 36-401 and 36-422; (<a href="www.azleg.gov/arizonarevisedstatutes.asp?Title=36">www.azleg.gov/arizonarevisedstatutes.asp?Title=36</a>) and the Arizona Administrative Code (A.A.C.) Title 9, Chapter 10, Articles 1 and 2 (<a href="www.azsos.gov/rules/arizona-administrative-code">www.azsos.gov/rules/arizona-administrative-code</a>);
- 3. Should have a provider agreement to participate in the Medicare program as a hospital at the time it applies for designation;
- 4. Should be capable of providing emergency care necessary to meet the needs of its inpatients and outpatients;
- 5. Should contain all necessary equipment and medical items;
- 6. Should maintain no more than 25 acute care beds and also may have 10 distinct rehabilitation beds or 10 psychiatric beds (reimbursement for the distinct beds is based on a prospective payment method);

- 7. Should provide acute inpatient care for a period that does not exceed, on an annual average basis, 96 hours per patient; and
- 8. Should be located in a rural area (see Table 1), typically, should be located more than 35 miles (or, in the case of mountainous terrain or in areas with only secondary roads available, more than 15 miles) from a hospital or another CAH (see Table 2).

Table 1. Urban and Rural Definitions

Area	Definition
Urban	The Census Bureau's urban areas represent densely developed territory, and encompass residential, commercial, and other non-residential urban land uses. The Census Bureau delineates urban areas after each decennial census by applying specified criteria to decennial census and other data. The Census Bureau identifies two types of urban areas:
	<ul> <li>Urbanized Areas (UAs) of 50,000 or more people;</li> <li>Urban Clusters (UCs) of at least 2,500 and less than 50,000 people.</li> </ul>
Rural	"Rural" encompasses all population, housing, and territory not included within an urban area.

Source: www.census.gov (last revised: February 9, 2015)

**Table 2. Distance Factors** 

Facility Type	Location	Population Served	Distance Factor
Tribal or IHS	Federal reservation	Indian population only	Hospital <b>does not</b> have to be located more than 35 miles from another hospital or CAH.
2 Hospitals or 2 CAHs	Federal reservation	Indian population only	Hospitals need to be at least 35 miles from another hospital or CAH.
Hospital affiliated with IHS	Not on federal reservation	Indian population only	Hospital <b>does not</b> have to be located more than 35 miles from another hospital or CAH.
Hospital not affiliated with IHS	Not on federal reservation	Other population	Hospital needs to be at least 35 miles from another hospital or CAH.
Tribally owned and managed hospital not affiliated with IHS	Federal reservation	Indian population only	Hospital needs to be at least 35 miles from another hospital or CAH.

Distance requirements for designation include an exception for mountainous terrain. Many geographic regions include foothills and mountains that are not considered mountainous terrain by the Centers for Medicare and Medicaid Services (CMS) for CAH designation purposes. Foothills and eroded mountains may not have the fundamental characteristics of mountainous terrain. Being located at the foot of a mountain, or being able to view mountains from the CAH does not mean the CAH is located in "mountainous terrain." Slope and ruggedness, together with absolute altitude, determine the fundamental characteristics of mountainous terrain (see Table 3).

A CAH meets the 15-mile secondary road distance requirement when it is located less than 35, but more than 15 miles from a hospital or another CAH AND at least one section of the shortest route to the nearest hospital or CAH consists of more than 15 miles of continuous uninterrupted secondary roads (see Table 4). Travel distance is measured using driving

distance on the shortest possible route on federal, state, or local roads. The distance requirement is not limited to the State boundaries; it applies to ANY hospital or CAH, regardless of state boundary.

**Table 3. Mountainous Terrain** 

CAH Location	The CAH must be located in a mountain range. The CAH, or portions of the road to the nearest hospital or CAH, must be located at an elevation above 3,000 feet and the travel route is regularly or seasonally subjected to weather-related hazardous driving conditions, such as poor visibility, slippery roads, or snow-covered roads resulting in slow driving speeds, required use of snow chains, or road closures. (Being located at a high elevation, in and of itself, does not constitute "mountainous terrain.").
Road Characteristics	The roads on the travel route must be considered a mountainous terrain by the State Department of Transportation. The travel roads consist of extensive sections of roads with grades greater than 5 percent, and/or consist of continuous abrupt and frequent changes in elevation or direction. (These roads typically have frequent areas of low speed limits (15-25 mph) and warning signs denoting sharp curves and steep grades.
Speed Limits	The safe speed limit on the travel route to the nearest hospital/CAH is less than 45 mph. When calculating the mountainous terrain travel distance to the nearest hospital/CAH, subtract the total of the distances represented by those sections of the travel route that are not considered "mountainous terrain." Sections of the travel route of at least 1 mile in length, where the safe driving speed limit is 45 mph or greater, do not count toward the 15 mile mountainous terrain distance.
Road Grade	Sections of the travel route at least one mile in length, where the roads on the travel route have grades less than 5 percent and/or do not have frequent, abrupt changes in direction or elevation are not considered mountainous terrain and do not count toward the 15-mile mountainous terrain distance.

**Table 4. Federal Definitions of Roads** 

Road	Definition
Primary Road	A primary road is an interstate highway, a U.S. highway, an expressway, an intrastate highway, a State-divided highway with two or more lanes each way, or any road with at least two contiguous miles with a speed limit of 45 mph or greater.
Secondary Road	A secondary road is any state or local road, paved or unpaved, that does not meet the definition of "primary road."

#### **Application Process**

Applications for CAH status can be submitted at any time, there is **no deadline.** The following steps describe the process:

**Step One:** Submit a "Notice of Intent" letter to the AzFlex Director signed by the rural facility hospital administrator seeking to convert to CAH status:

Daniel Derksen, MD, Professor and Director

Mel and Enid Zuckerman College of Public Health Center for Rural Health Roy P. Drachman Hall, Bldg. 202A 1295 N. Martin Avenue Tucson, AZ 85724 AzFlex staff will forward a copy of the letter to the Arizona Department of Health Services (ADHS) for their information. The staff will also contact the hospital administrator to guide the facility in its submittal.

**Step Two:** Complete the required financial feasibility analysis. This analysis is necessary to ensure that hospital administration has correctly assessed the financial impact of conversion to a CAH, based on the facility's payer mix and financial standing. The assessment should include evidence that the hospital's conversion is consistent with its own Mission Statement and Bylaws including assessment of:

- a. Probable reduction in inpatient utilization resulting from service limitations (i.e., acute beds and average length of stay);
- b. Effect the probable decline in inpatient utilization would have on facility revenue and cost; and
- c. Impact on facility profitability of converting from prospective payment for inpatient and outpatient services to cost-based reimbursement for Medicare and Medicaid.

If an eligible hospital needs financial assistance with the analysis, the CEO should submit a letter of request to Daniel Derksen, MD, Professor and Director. Upon receipt of the letter, and as funding permits, AzFlex will contract with a third party to work directly with the applicant hospital. Consultants are required to send a copy of the report(s) to AzFlex.

**Step Three:** Complete the Application Form and include it, along with the Application Completion Checklist, as part of the packet (see Appendices 1 and 2). The Checklist and Application Form include a description of all the attachments required for completion of the packet. Appendices 3-6 include samples of some of the needed documentation. The Hospital must provide three copies of the application packet to Daniel Derksen, MD, Professor and Director. The completed application packet will be reviewed to ensure accuracy. After it has been determined that the application is consistent with the designation guidelines, AzFlex will submit a completed copy to ADHS, Division of Licensing Services, Office of the Medical Facilities Licensing.

Step Four: ADHS will review the application and make a site visit to complete a Medicare Survey. To view CMS policy regarding survey and certification go to the State Operations Manual: Appendix W – Survey Protocols, Regulations and Interpretative Guidelines for Critical Access Hospitals (CAHs) and Swing-Beds in CAHs (<a href="www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap\_w\_cah.pdf">wcah.pdf</a>). The Department may require a Plan of Action, and if a Plan of Action is necessary, the hospital must submit the Plan to the Department before the Department submits the application to CMS for approval. Critical Access Hospital applications received from Indian Health Services affiliated hospitals will not be submitted to ADHS for review. AzFlex staff will send the application directly to CMS unless they instruct otherwise. Indian Health Services affiliated hospitals may choose to have site reviews conducted by either CMS or The Joint Commission.

**Step Five:** Upon acceptance by ADHS of the application and completion of a successful survey, AzFlex will submit a copy of the application to CMS who will then make the final determination regarding designation. CMS will issue an approval letter, notifying the Medicare Fiscal Intermediary, the ADHS, Division of Licensing Services, Office of Medical Facilities Licensing, the applicant facility, and AzFlex of its findings. A new provider number will be issued to the hospital. The hospital will be given a choice of an implementation date within an appropriate

time frame based on the application date. The hospital representative should be prepared to suggest that the designation date take effect in a manner that synchronizes with cost reporting periods. It is recommended that the designation effect date avoid split billing periods.

#### **Technical Assistance (TA)**

AzFlex staff can provide TA in developing the application for many areas, including:

- Financial feasibility analysis;
- Community health needs assessment;
- Development of a Rural Health Network with referral hospital(s) and emergency medical services; and
- Community education support.

Other entities can also provide TA. Applicants are encouraged to use multiple sources of expertise in preparing their application (see Table 5).

**Table 5. Technical Assistance and Contact Information** 

Technical Assistance	AzFlex	Other Resources
General Questions		National Rural Health Resource Ctr. http://www.ruralcenter.org/tasc Rural Health Information Hub https://www.ruralhealthinfo.org/topics/crit ical-access-hospitals
Financial Feasibility: Assess impact of conversion; identify personnel/bed needs; compare effect of conversion on inpatient/ outpatient; and identify potential outliers to 96 hour average length of stay rule		Hospitals may contact an accountant firm directly if financial support from AzFlex is not needed or available.
Community Health Needs Assessment: Assess out- migration of services; identify community health needs; identify data sources	Jill Bullock (520) 626-3722 bullock1@email.arizona.edu Joyce Hospodar	ADHS - Bureau of Health Systems Development: Patricia Tarango (602) 542-1436/tarangp@azdhs.gov
Community Support: Educate hospital staff and board and facilitate community meetings	(520) 626-2432 hospodar@email.arizona.edu	ADHS - Bureau of Health Systems Development: Patricia Tarango (602) 542-1436/tarangp@azdhs.gov
Application Requirements: Complete application; State/CMS Medicare Survey; and develop Rural Health Network		Office of Medical Facilities Licensing: Connie Belden (602) 364-3030/beldenc@azdhs.gov
<b>Emergency Medical Services</b>		Bureau of Emergency Medical Services: Terry Mullins (602) 364-3150/Terry.Mullins@azdhs.gov
Tribal/IHS: All of the types of assistance stated above		IHS Office of Resource Access and Partnerships: Jim Driving Hawk (301) 443-1016
Medicaid (AHCCCS) Reimbursement Pool		AHCCCS: Amy Upston (602) 417-4146/amy.upston@azahcccs.gov



# Appendix 1 Checklist

### Arizona Critical Access Hospital Designation Application Completion Checklist

Completed (√)	Ite	em
	1.	Application Form
	2.	Copy of formal letter sent to the Director of the Center for Rural Health to notify of the hospital's intent to convert to a Critical Access Hospital.
	3.	Completed application, signed by authorized representatives (President/Board of Directors and Hospital Administration).
	4.	<b>Attachment A</b> : Facility status documentation, enabling legislation, or Articles of Incorporation.
	5.	Attachment B: Copy of hospital license.
	6.	<b>Attachment C</b> : Copy of the unabridged financial feasibility analysis by the hospital CFO and/or consultant that determines the fiscal benefit of CAH designation.
	7.	<b>Attachment D</b> (Proof of community support): Minutes from "town meeting" or other community function organized by the hospital and/or governing board members to explain the concept of Critical Access Hospital designation, and how the change of designation would affect hospital operations, personnel, and services.
	8.	Attachment E: Community Needs Assessment (Proof of community support).
	9.	Attachment F: List of hospital governing board members, addresses, and phone numbers.
	10.	<b>Attachment G</b> : Letter from the hospital governing board and minutes of a representative meeting where the facility's intent to seek designation as a Critical Access Hospital was approved.
	11.	<b>Attachment H</b> : Letter from the Regional EMS Council stating that the hospital meets the Council's participation requirements.
	12.	Attachment I: Copy of the EMS Plan describing how emergency services will be provided at the Critical Access Hospital.
	13.	Attachment J: Copy of hospital policies and procedures regarding patient transfers.
	14.	<b>Attachment K</b> : Memorandum of Agreement or other documentation that the facility is part of a coordinated health service delivery system (network that includes at least one larger, secondary or tertiary care facility and a local EMS provider).
	15.	<b>Attachment L</b> : Hospital's patient referral and transfer agreement with rural health network partner/s.
	16.	<b>Attachment M</b> : Copy of agreement with network partner/s for the electronic sharing of patient data, telemetry, and medical records.

17. <b>Attachment N</b> : Copy of agreement with network partner/s addressing emergency/non-emergency transport.
18. <b>Attachment O</b> : Copy of agreement with network partner/s addressing credentialing and quality assurance.
19. Attachment P: Completed Federal and State Forms.
☐ Medicare Enrollment Application - Institutional Providers  The CMS 855A form is found on <a href="http://www.cms.hhs.gov/CMSForms.">http://www.cms.hhs.gov/CMSForms.</a> However, CMS has established the Internet-based Provider Enrollment, Chain and Ownership System (PECOS) as an alternative to the form in hardcopy, <a href="https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/InternetbasedPECOS.html">https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/InternetbasedPECOS.html</a> .
<ul> <li>If you use the CMS 855 form mail the original directly to the Medicare fee-for-service contractor (fiscal intermediary of a Medicare administrative contractor). For a list of contractors servicing Arizona go to <a href="https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/Downloads/contact_list.pdf">https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/Downloads/contact_list.pdf</a>. Include a copy of the form under <b>Attachment P</b> with a notification of date that the form was mailed to the Medicare fee-for-service contractor. <b>Note:</b> Providers currently enrolled in the Medicare program and that are requesting to change their fiscal intermediary must submit their request to the Medicare Regional Office prior to submission of the CMS 855A form.</li> <li>If you use PECOS include a copy of the signed and dated Certification Statement under <b>Attachment P</b>.</li> </ul>
☐ CMS 1561: Health Insurance Benefit Agreement <a href="http://www.cms.hhs.gov/CMSForms">http://www.cms.hhs.gov/CMSForms</a>
Office of Civil Rights Forms:
☐ Medicare Certification Civil Rights Information Request Form <a href="http://www.hhs.gov/ocr/civilrights/clearance/">http://www.hhs.gov/ocr/civilrights/clearance/</a>
☐ HHS 690 – Assurance of Compliance <a href="https://www.hhs.gov/sites/default/files/hhs-690.pdf">www.hhs.gov/sites/default/files/hhs-690.pdf</a>

# Appendix 2 Application Form

#### **Arizona Critical Access Hospital Designation Application Form**

(Please **submit three original** copies to AzFlex)

### **Hospital information** Name of Hospital: Contact: Address: City: \_\_\_\_\_ State: \_\_\_\_ Zip: Telephone: \_\_\_\_\_\_ Fax: \_\_\_\_\_\_ E-mail: \_\_\_\_ • In what county is the hospital located? Check the appropriate box as to the county status. County: Status: □ Rural □ Urban • Check the appropriate hospital ownership status and attach legal proof of category selected (include as **Attachment A** in the application). □ Public □ Not-for-profit □ For Profit □ Tribal Is the hospital currently licensed in accordance with the Arizona Department of Health licensure standards? Please attach a copy of the hospital's license and include as **Attachment B** in the application. □ Yes $\square$ No $\square$ NA Please list ALL of the hospital's current Medicare and Medicaid provider members: **Eligibility Criteria** A hospital requesting designation as an Arizona Critical Access Hospital must meet the following criteria (please check all that apply), the hospital: Is a public hospital, a not-for-profit hospital, or a for-profit hospital and is currently licensed by the state, or is a tribal facility; Has a hospital provider agreement to participate in the Medicare program; П

Is in compliance with applicable federal laws and regulations related to the health and safety of patients;

Ц	Has staff licensed, certified or registered in accordance with applicable federal, state, and local laws and regulations;
	Is located more than a 35 mile drive (in the case of mountainous terrain, or, in areas with only secondary roads available, more than 15 mile drive) from a hospital or another Critical Access Hospital;
	Is a member of a Rural Health Network;
	Is capable of providing emergency care services to meet the needs of its inpatients and outpatients;
	Has available all necessary equipment and medical items;
	Maintains no more than 25 acute care beds;
	Provides acute inpatient care for a period that does not exceed, on an annual average basis, 96 hours per patient; and,
	Meets or exceeds all other federal and state standards for participation.

#### **Financial Feasibility**

• Please attach a copy of the unabridged financial feasibility analysis by the hospital's CFO and/or consultant that determines the fiscal benefit of CAH designation (include as **Attachment C** in the application).

#### **Community Involvement**

• Please attach a copy of the minutes from a "town meeting" or other community function which was held by the hospital and/or governing board members to explain the concept of Critical Access Hospital designation, and how the change of designation would affect hospital operations, personnel, and services (include as **Attachment D** in the application).

#### **Community Needs Assessment**

The purpose of a community needs assessment is to provide an objective source of data to support the development of a local health services delivery plan that addresses the primary, acute, preventive, and emergency health care needs of the community. It is not necessary for an applicant hospital to undertake a new community needs assessment process if there exists a recent (within three years of the date of the Critical Access Hospital application) assessment. At a minimum, a community health needs assessment should include:

- o Description of the geographic and demographic service area of the potential Critical Access Hospital;
- o Description of the current delivery system in terms of types of providers and services;
- Assessment of the health care services' needs within the service area:
- o Assessment of unmet needs and patient out-migration patterns; and,
- o Description of existing rural health networks including the services available at the potential Critical Access Hospital and those available by referral to hospitals within the network.
- Please attach the findings from the community needs assessment and include as **Attachment E** in the application.

#### **Organizational Structure**

• Please provide a list of all governing board members, addresses, phone numbers, and years of service and include as **Attachment F** in the application.

assume full legal responsibility for determining, implementing, and monitoring policies governing the

• Please fill in the information for the governing body and the **designated representative** that will

operations of the	Critical Access Hospital.		
Name of Governing	g Body:		
Designated Represe	entative:		
			Zip:
Telephone:		Fax:	
E-mail:			
of the minutes fro Hospital was appro-	m the meeting in which to roved (include as <b>Attach</b> )	the facility's intent ment G in the appl who will be princip	rd and/or its representative, and a copy to seek designation as a Critical Access ication).  pally responsible for the day-to-day
Name:		Title	:
Address:			
	nformation of the physici		ponsible for <b>medical direction</b> in the
Physician's Name:			License No.:
Address:			
E-mail:			

Name of Individua	1/Corporation:	
Addraga:		
City:	State:	Zip:
		Fax:
Emergency and T Each Critical Acc Services (EMS)	Cess Hospital is required to Council (see the listing be ephone number, fax number)	actively participate in its Regional Emergency Medic ow of the State EMS Councils). Please fill in the name er, and e-mail address of the <b>designated representati</b>
Emergency and To Each Critical Acc Services (EMS) Co tittle, address, tel for attendance at Designated EMS Co	cess Hospital is required to Council (see the listing be ephone number, fax number these meetings.	actively participate in its Regional Emergency Medic ow of the State EMS Councils). Please fill in the name er, and e-mail address of the <b>designated representativ</b>
Emergency and To Each Critical Acc Services (EMS) (tittle, address, telfor attendance at Designated EMS (Address:	Council Representative:	actively participate in its Regional Emergency Medic ow of the State EMS Councils). Please fill in the name er, and e-mail address of the <b>designated representativ</b>
Emergency and To Each Critical According Services (EMS) Contitute, address, tell for attendance at Designated EMS Contitute.  Address:  City:	cess Hospital is required to Council (see the listing be ephone number, fax number these meetings.  Council Representative:  State:	actively participate in its Regional Emergency Medic ow of the State EMS Councils). Please fill in the name er, and e-mail address of the <b>designated representativ</b>

#### Gila, Maricopa and Pinal

Peggy Baker, Executive Director Arizona Emergency Medical System P.O. Box 28442 • Scottsdale, AZ 85255 Phone: (623) 847-4100 www.aems.org

#### La Paz, Mohave, and Yuma

Rod Reed, Executive Director Western Arizona Council of EMS 3463 W. 13<sup>th</sup> Place • Yuma, AZ 85364 Phone: (928) 246-4208

www.wacems.org

#### Cochise, Graham, Greenlee, Pima and Santa Cruz

Sara Perotti, Executive Director Southeastern Arizona EMS Council, Board of Directors PMB321/6890 East Sunrise • Tucson, AZ 85750 Phone: (520) 444-6235

www.saems.net

#### Apache, Coconino, Navajo and Yavapai

Paul Coe, Chair

Northern Regional Arizona Emergency Medical Services

P.O. Box 2127 • Flagstaff, AZ 86003

Phone: (928) 284-2689

www.naems.org

Service	Current Number of Beds By Service (Date)	Number of Beds to be Available as a CAH
Inpatient Beds	Number of Acute Care Beds*:	#:
Staffed Beds	Number of Licensed Beds:	#:
Swing Beds	Number of Beds:	#:
Distinct Part Psychiatric	Number of Beds:	
Distinct Part Rehab	Number of Beds:	
Skilled Nursing Facility On-Campus	Number of Beds:	
Skilled Nursing Facility Off-campus	Number of Beds:	
effective October 1, 2004.	y have 25 beds plus 10 distinct part psychiatric	and distinct part rendomiat
Please include a copy of the	e policies and procedures addressing pate ation. Inpatient discharges and transfers.	
Please include a copy of the Attachment J in the application in the application of 96 hours at the alth Networks	eation. Inpatient discharges and transfers	must occur within an

• Please attach a copy of the letter from the Regional EMS Council stating that the hospital

• Do you agree to make available 24-hour-a-day emergency care?

**Attachment I** in the application).

meets the Council's participation requirements (include as **Attachment H** in the application).

• Please attach a copy of the hospital's EMS Plan that describes how emergency medical series will be provided at the Critical Access Hospital. Include the scheduled hours of staffing and the call plan for emergency services when the Critical Access Hospital is closed (include as

 $\Box$ Yes

□No

- o Patient Referral and Transfer
- o Communications System
- o Emergency and Non-Emergency Transportation
- o Credentialing and Quality Assurance
- Please include separate narratives for each of the following components:
  - Patient Referral and Transfer Agreement Please include a copy of the hospital's patient referral and transfer agreement with Rural Health Network partner/s and include as Attachment L in the application (as stated above, multiple agreements should each be labeled separately with the letter "L" followed by a sequential number).
  - Communication System Agreement Where feasible, please attach a copy of the agreement the hospital has with other area secondary and tertiary care hospitals in the network for the electronic sharing of patient data, telemetry, and medical records, and include as Attachment M in the application (as stated above, multiple agreements should each be labeled separately with the letter "M" followed by a sequential number).
  - Emergency and Non-Emergency Transportation Agreement Please attach a copy of the agreement the hospital has with another area hospital to provide or arrange for emergency and non-emergency transportation and include as Attachment N in the application (as stated above, multiple agreements should each be labeled separately with the letter "N" followed by a sequential number).
  - Credentialing and Quality Assurance Please attach agreements the hospital has with other organizations for credentialing and quality assurance and include as Attachment O in the application (as stated above, multiple agreements should each be labeled separately with the letter "O" followed by a sequential number).

### After completing the application please certify the information provided and sign by authorized representatives:

On behalf of the Board of Directors of					
President, Board of Directors	Date				
Hospital Administrator	 Date				

# Appendix 3 Sample Application Letter

Date

Daniel Derksen, MD, Professor and Director Mel and Enid Zuckerman College of Public Health Center for Rural Health Roy P. Drachman Hall, Bldg. 202A 1295 N. Martin Avenue Tucson, AZ 85724

Dear Director:

The Board of Directors of	(hospital's name)				
requests your assistance in processing the enclosed application for					
Access Hospital. This initiative was approved by the Board of Directors at its					
(date) meeting. A copy of the minutes of this me	eting is attached.				
The Board of Directors and Hospital leadership has reviewed the c support its submission. We have reviewed, understand and agree to and regulations pertaining to the Critical Access Hospital program.	the federal and state rules				
Sincerely,					
Chairman, Board of Directors					

Secretary, Board of Directors

# Appendix 4 Sample Rural Health Network Agreement

### Sample Rural Health Network Agreement A Critical Access Hospital, an EMS Provider, and a Base Hospital

This agreement, made and entered on this day and between	which is
seeking certification by the Centers for Medicare and Med Access Hospital, hereinafter referred to as (name of hosp	
administrator of the Regional Emergency Medical System Hospital's region, hereinafter referred to as the EMS, and	1 0
, wh	ich is a hospital currently accredited by
a nationally recognized commission on hospital accreditate to A.R.S. §§ 36-401 and 36-422 and A.A.C. Title 9, Chap referred to as the Supporting/Base Hospital.	tion and licensed by the state according
The parties agree to the following terms and conditions:	
WHEREAS, the Critical Access Hospital, the EMS and the establish a Rural Health Network, hereinafter called a Net 1820 of the Social Security Act relating to the Medicare R	work, in compliance with Section
WHEREAS, the Critical Access hospital, the EMS and the integrate related health care provider and service activities	
WHEREAS, the Critical Access Hospital, the EMS and the maintain and promote the availability of a range of high questions within the Critical Access Hospital and the Network	uality and cost-effective health care

WHEREAS, the Critical Access Hospital, the EMS and the Supporting/Base Hospital wish to assure the coordination of health care and service activity at a level most appropriate to a patient's need; and,

WHEREAS, the Critical Access Hospital, the EMS Provider and the Supporting/Base Hospital wish to facilitate the continuity of health care service delivery among all levels of care needed by patients in the Network; and,

NOW, THEREFORE, in consideration of the mutual covenants and principles contained herein, the Critical Access Hospital, the EMS Provider and the Supporting/Base Hospital agree as follows:

#### I. Advisory Council

The Network shall establish an advisory council comprised of representatives of both member facilities, which shall include the principal administrators and finance officers of both hospital facilities, the Regional manager of the EMS, physicians, mid-level providers, nurses, UR/QA coordinators and community representatives. The Advisory Council shall implement and monitor the covenants and protocols encompassed by this Agreement, identify and resolve issues and problems related to the delivery of services within the Network to foster the development and expansion of high quality, cost effective and appropriate services needed by the residents of the Network's combined service area.

#### **II.** Operations Plan

The Network shall develop an operations plan. The plan shall include, but not be limited to: the policies and procedures by which the services of related health care providers will be integrated to assure coordination among levels of care and promote optimal and cost-effective utilization of those services. These providers shall include, at a minimum, physicians, mid-level providers, home health providers, nursing homes, mental health providers and public health departments.

#### III. Emergency Medical Service Plan

The Network shall establish an Emergency Medical Service Plan that ensures the provision of care to patients with both urgent and emergent medical problems. The Plan shall be written, adopted and executed by the Critical Access Hospital, the EMS and the Supporting/Base Hospital. The Plan shall specify:

- a. Services provided by the EMS, the Critical Access Hospital, and the Supporting/Base Hospital;
- b. Hours of available service of each of the Network members;
- c. Qualifications and availability of appropriate medical personnel at each site, including the initial evaluation:
- d. Limited range of definitive treatments, necessary resuscitation and stabilization;
- e. Procedures for obtaining emergency services if EMS is unavailable or the Critical Access Hospital is understaffed;
- f. Necessary transport between the Critical Access Hospital and/or the Supporting/Base Hospital;
- g. Assurances that appropriate ambulance services are available, and include protocols for its role in the transfer of patients from the field to the Critical Access Hospital and from the Emergency Department at the Critical Access Hospital to the Supporting/Base Hospital; and
- h. Written protocols for the referral of emergency patients between the Critical Access Hospital and Supporting/Base Hospital, including protocols for the referral of patients for which the Supporting/Base Hospital is unable to provide appropriate, definitive treatment, to another facility that has the capacity to care for the patients in an appropriate manner.

#### IV. Patient Transfer and Referral

The Network shall establish transfer and referral agreements and protocols that facilitate and coordinate the provision of inpatient and outpatient services by the Critical Access Hospital, the EMS and the Supporting/Base Hospital. The agreement shall specify protocols that include, but are not limited to the following:

- a. Defining the level of care needed by the patient, and where the services should best be provided; this process shall include a system for the classification of the patient point-of-contact, if by emergency personnel, at admission and discharge, if by facility, that reflects the availability of staff, equipment and services in the field and at the Critical Access Hospital available physician specialties; and the limits of practice imposed on the mid-level providers by the supervising physician at the Critical Access Hospital;
- b. Determining the role and functions of those personnel who would be involved in the patient referral and transfer process; and
- c. Identifying the patient information to be exchanged in the transfer and referral process; the form/means by which it shall be transferred; and the frequency with which the information will be communicated.

#### V. Quality Assurance and Risk Management

The Network shall establish quality assurance and risk management plans or systems that involve ongoing monitoring and reporting activities related to the provision of care within the Network. The system shall be designed to enable the EMS and the Critical Access Hospital to carry out their responsibilities for quality assurance and risk management through the involvement of and support of the Supporting/Base Hospital.

#### **VI.** Credentialing Process

The Network shall establish an integrated medical staff credentialing process that supports the Critical Access Hospital governing body in carrying out its responsibilities in granting privileges to physicians, mid-level providers and allied health professionals practicing at the Critical Access Hospital. This process may involve an analysis by the medical staff administrator at the Supporting/Base Hospital of a Critical Access Hospital staff application in order to verify credentials and determine privileges which could be afforded at the Critical Access Hospital, with consulting assistance from a physician in the appropriate clinical department. This process would include a provision for Critical Access Hospital medical staff to provide recommendations on membership and privilege recommendations to the Critical Access Hospital's governing board. Critical Access Hospital physicians desiring privileges at the Supporting/Base Hospital must apply for them in accordance with the medical staff credentialing policies and procedures in place at that facility.

#### VII. Communication

The Network shall develop and use communications systems including, where feasible:

- a. Telemetry systems; and
- b. Systems for electronic sharing in patient data

#### VIII. Modifications

Nothing in this AGREEMENT shall preclude the modification of any covenants contained herein, or the formulation of supplemental covenants, provided that such modifications further the overall goals of the Network, or reflect and incorporate alterations in the applicable federal or state laws or regulations, and that any such modifications in the agreement are mutually approved and adopted by each of the Network members.

#### IX. Responsibility

Nothing in this AGREEMENT shall be construed to limit the responsibility of either the Critical Access Hospital or the Supporting/Base Hospital for assuring that all services are provided according to acceptable standards of practice, regardless of whether the services are provided by employees, medical staff members or independent contractors.

#### X. Liability for Employee Actions

Neither party to this AGREEMENT shall be held jointly and severally liable for the actions of its employees on behalf of the other party.

#### XI. Changes in Partners

Notice of any modification to this AGREEMENT involving changes in partners shall be given to the Centers for Medicare and Medicaid Services and The Center for Rural Health, AzFlex Program within 90 days.

#### XII. AGREEMENT Effective Time Frame

This AGREEMENT shall remain in effect indefinitely, unless one of the parties to this AGREEMENT provides to the other party no less than 90 days written notice of its intent to terminate the AGREEMENT.

In witness	s whereof, th	e parties hereto	have caused t	his AGREEM	IENT to be ex	ecuted on the	day
and year f	first written a	ibove.					

Critical Access Hospital Representative/Title	
EMS Regional Council Representative/Title	
Supporting/Base Hospital Representative/Title	

### Appendix 5

# Sample Rural EMS Agreement and Arizona Regional EMS Councils

### **Rural EMS Agreement**

Network agreement by and between	(Hospital) and					
(EMS	Provider).					
WHEREAS, (hospital) is a private, non-profit organization serving (service area); and						
WHEREAS, (EMS provider) is a duly licensed provider of Emergency Medical Services (EMS) to the residents of (service area); and						
24-hour emergency and non-emergency service	WHEREAS, the (EMS provider) has sufficient personnel, vehicles and equipment to provider 24-hour emergency and non-emergency services to the area, including pre-hospital services and inter-facility transfers, both now and when (hospital) converts to Critical Access Hospital status.					
BE IT THERFORE RESOLVED:						
That (hospital) recognizes the (EMS provider) a non-emergency transportation; and	as one of its principal providers of emergency and					
That the (EMS provider) both now and in the fu control; and	ture will look to (hospital) for its medical					
Both parties assert that they now have and will continue to maintain sufficient resources to operate effectively when (hospital) becomes a Critical Access Hospital; and						
Both parties pledge their full cooperation to help one another maintain appropriate levels of access to and coordination of high quality pre-hospital, hospital emergency department, and inter-hospital emergency capacities in the (service area) region; and						
Both parties stipulate that (hospital) and the (EMS provider) will collaborate with one another to assure a smooth transition to a Critical Access Hospital environment.						
BE IT FURTHER RESOLVED:						
That this Agreement shall remain in effect and s basis, unless either party gives to the other 60 d	ž					
(Hospital)	(EMS Provider)					
Ry: Date:	Ry: Date:					

#### **Arizona Regional EMS Councils (Grouped by Regional Counties)**

#### Gila, Maricopa and Pinal

Peggy Baker, Executive Director Arizona Emergency Medical System P.O. Box 28442 • Scottsdale, AZ 85255 Phone: (623) 847-4100 www.aems.org

#### Apache, Coconino, Navajo and Yavapai

Paul Coe, Chair Northern Regional Arizona Emergency Medical Services P.O. Box 2127 • Flagstaff, AZ 86003 Phone: (928) 284-2689 www.naems.org

#### La Paz, Mohave, and Yuma

Rod Reed, Executive Director Western Arizona Council of EMS 3463 W. 13<sup>th</sup> Place • Yuma, AZ 85364 Phone: (928) 246-4208 www.wacems.org

#### Cochise, Graham, Greenlee, Pima and Santa Cruz

Sara Perotti, Executive Director Southeastern Arizona EMS Council PMB321/6890 East Sunrise • Tucson, AZ 85750 Phone: (520) 444-6235 www.saems.net

# Appendix 6 Sample Community Needs Assessment Template

#### **Community Needs Assessment Template**

#### **Part I: Community Health Profile**

Please attach a copy of Arizona Department of Health Services, Office of Health Systems Development, Arizona Community Health Profile for the Hospital service region. (http://www.azdhs.gov/hsd/chpprofiles.htm)

Pa	rt II: Hospital Utiliz	ation Profile						
A.	Specify Time Period	l (most recent ca	lendar or fi	scal yea	ar):			
В.	Service Utilization b							
	Н	ospital Service			Number	Percent		
		Total				100%		
C.	Patient Mix (Number	er/Percent)						
		Medicare	AHCCCS	0	ther (specify)	Total		
	Inpatient	(#/%)	(#/%)		(#/%)	(#/%)		
	Outpatient							
_								
D.	Number and Percent	Number and Percent of Patients Using Facility by Zip Code						
	Zip Code	Inpatient (#/%	)	Outpa	tient (#/%)			
	Total							
	10tai							
E.	Type, Number, and Name of Hospital Receiving Patient Referrals							
	Type of Referral	Numbe	Number Ho		<b>Hospital Receiving Referrals</b>			
	From ER		_					
	From Inpatient Unit		_					
	From Other (specify)		_					

F.	Please include the	Please include the following information for each of the hospital's satellite clinics.							
	Name	Location	License Type	Medicare Billing Number					
	Not Applicable:								
Pa	rt III: Other Info	rmation							
G	Name/location of	Ambulance Servi	ce(s) supporting hospi	tal·					
٠.			er (e) supporting nospi						
Н.	Does the hospital employ any of the ambulance service personnel while they are "off duty?"								
	□Yes □No								
	• If yes, please	specify number ar	nd type of positions(s):						
I.	Please identify the	Please identify the type/topic of training needed for the following:							
	Category		Type/Topic of Trai	ining					
	Acute Care Nurses								
	ER Nurses								
	Physicians								
	Other Medical Person	nnel (specify)							
	Billing/Coding Staff								
	Quality/Performance	Improvement Starr							
	Compliance Staff								
	Health Information T								
	Hospital Board Mem								
	Administration/Mana	gement Staff							

(Please use additional pages to expand the Community Needs Assessment)

#### **Arizona's Critical Access Hospitals**

