



# FACT SHEET

## What is Critical Access?

### **The Critical Access Model (CAH)**

The Critical Access reimbursement model is one of the few remaining options we have to offset the trend of declining reimbursement! This model will allow us to continue to provide acute care services in a more financially sustainable manner. “Critical Access Hospital” (CAH) is a designation given to certain rural hospitals by the Centers for Medicare and Medicaid Services (CMS). This designation was created by Congress in the 1997 Balanced Budget Act in response to a string of hospital closures in the 1980’s and early 1990’s.

The CAH designation is designed to reduce the financial vulnerability of rural hospitals and improve access to healthcare by keeping essential rural services through cost-based Medicare reimbursement.

### **What are the CAH rules?**

**To ensure that CAHs deliver services to improve access to rural areas that need it most, restrictions exist concerning what types of hospitals are eligible for the CAH designation. The primary eligibility requirements for CAHs are:**

- \* A CAH must be located more than 35 miles from another hospital (other exceptions apply that do not affect us).
- \* Furnish 24-hour emergency care services 7 days a week.
- \* We will be required to demonstrate compliance with the applicable Conditions of Participation (COP's), just as we are currently. CAH status would require us to comply with a new set of regulations.
- \* Maintain no more than 25 acute inpatient beds that may also be used for swing bed services (dually licensed).
- \* Our current license is for 29 acute care beds.
- \* Newborns do not count as using a licensed bed.
- \* Observation patients do not have to be in a licensed bed.  
We plan to create an observation unit next to the ED.

For the last year our average inpatient census has been 14.3 (FY16) and 12.9 for FY17 YTD. During that time we NEVER exceeded 25 inpatients!