



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Every Day"*

## ***COMPLIANCE ALERT 11-25***

# ***CMS Issues Proposed Rule: Reform of Conditions of Participation for Hospitals and CAHs***

CMS issued on October 18, 2011 a *Proposed Rule* that would revise the requirements that hospitals and critical access hospitals (CAHs) must meet to participate in the Medicare and Medicaid programs. Comments for the *Proposed Rule* will be taken for 60 days from this date. The *Proposed Rule* identifies a number of "conditions of participation" (CoP) that CMS felt could be "reformed, simplified, or eliminated to reduce unnecessary burden and costs" placed on hospitals, including CAHs.

**Summary:** Key Changes from the *Proposed Rule* include:

- Hospitals with more than one CMS Certification Number will be able to be governed by a single governing body.
- Hospitals would be required to notify CMS of deaths, when soft two-point wrist restraints were used and there was no use of seclusion, within seven days after the date of death through a log or other system. The record would include, at a minimum, the patient's name, date of birth, date of death, attending physician, primary diagnosis(es), and medical record number. We propose that hospitals make the log or other system accessible to CMS upon request at all times.
- A hospital may grant privileges to both physicians and non-physicians to practice within their State scope of practice, regardless of whether they are also appointed to the hospital's medical staff. That is, technical membership in a hospital's medical staff would not be a prerequisite for a hospital's governing body to grant practice privileges to practitioners.
- Clarifying that being a member of a hospital's medical staff is not a prerequisite to being granted privileges in the hospital, regardless of whether a practitioner is a physician or a non-physician. However, these physicians and non-physicians would be subject to the same hospital requirements, medical staff bylaws, and medical staff oversight as

appointed medical staff members are also subject unless a hospital establishes special category for those who could be classified as having “associate,” “special,” or “limited” membership.

- Doctors of podiatric medicine may responsible for the organization and accountability of the medical staff.
- Revise nursing care plan requirements for hospitals that use an interdisciplinary plan of care in providing patient care so that the care plan for nursing services can be developed and kept current as part of the hospital’s overall interdisciplinary care plan.
- Broaden the allowances for preparation and administration of drugs and biologicals by a wider group of practitioners.
- Revise the rules to allow hospitals to use standing orders to prepare and administer drugs and biologicals specifically in the ED, immunizations, and post-op areas.
- Eliminate the requirements that non-physicians must have special training in administering blood transfusions and intravenous medications.
- Simplify the requirements for use of verbal orders and standing orders.
- Allow hospitals greater flexibility in determining the management structure of outpatient services that would be tailored to the scope and complexity of the services offered by an individual hospital. Allowing hospitals to assign one or more individuals to be responsible for outpatient services and adding a measure of flexibility such that hospitals would make their personnel decisions based on the scope and complexity of outpatient services offered.
- CAHs will be allowed to provide certain services, such as diagnostic, therapeutic, laboratory, radiology and emergency services, under service arrangements and allow advanced practice practitioners to serve in an expanded role.
- Eliminate the requirement for CAHs that certain services be provided only by employees and not through contractual arrangements with entities such as community physicians, laboratories, or radiology services.

For further information, including the process for submitting comments, please review to the full text of the *Proposed Rule*.

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