

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid
Services Center for Medicare
7500 Security Boulevard
Baltimore, Maryland 21244-1850



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: October 23, 2024
TO: Medicare Advantage Regional Preferred Provider Organizations
FROM: Kathryn A. Coleman, Director
SUBJECT: Contract Year 2025 Essential Hospital Designation and Attestation

This memo advises Medicare Advantage organizations that offer Regional Preferred Provider Organizations (RPPOs) how to request approval to designate non-contracting hospitals as essential hospitals.

Pursuant to 42 CFR 422.112(c), RPPOs may request CMS's approval to designate non-contracting hospitals as "essential hospitals" in rural areas to ensure adequate access to inpatient hospital services for Medicare beneficiaries enrolled in RPPOs. RPPOs requesting essential hospital designation for one or more non-contracted hospitals must submit the following information to CMS by **Monday, December 2, 2024**:

- An RPPO Hospital Designation Table;
- Signed Attestation demonstrating the RPPO's "good faith" effort to establish a contract pursuant to Section 1858(h) of the Social Security Act (the Act) and 42 CFR 422.112(c)(3); and
- Written documentation, such as emails or letters to and from each hospital on the table demonstrating the RPPO's attempts at contracting.

The RPPO Essential Hospital Designation Table and attestation are attached to this memo. Please note that RPPOs that received approval of their essential hospital designations for contract year (CY) 2024 must re-submit those hospitals for re-approval for CY 2025. RPPOs should submit the completed attestation to the "Network Adequacy" category located under the Medicare Advantage Operations tab at: <https://dmao.lmi.org>. Please use "Essential Hospital Designation Request" as the issue title.

CMS will review and approve the table and attestation requests prior to December 27, 2024. RPPOs that receive CMS approval and designate a non-contracting hospital as an essential hospital must establish a HIPAA-compliant electronic claims transmission connection with Noridian Healthcare Solutions, LLC (Noridian). Noridian serves as the Medicare Administrative Contractor responsible for administering essential hospital bonus payments on behalf of CMS.

ESSENTIAL HOSPITAL DESIGNATION TABLE

NOTE: This attestation form must be signed by any organization that seeks to designate one or more hospitals as “essential.”

Please complete this table for each hospital the RPPO seeks to have designated as “essential.” The attestation also must be submitted with the completed table(s).

Hospital name and address (including county)	Contact person and phone	NPI Number	CCN	Hospital Type (42 CFR 422.112(c)(1))	Method by which offer was communicated (42 CFR 422.112(c)(3))	Date(s) offer refused/how refused (42 CFR 422.112(c)(3))	Why hospital is needed to meet RPPO’s previously submitted access standards (42 CFR 422.112(c)(2))	Demonstration that no other competing Medicare participating hospital is available for reasonable enrollee referral (42 CFR 422.112(c)(4))
Happy Care Medical Center 123 Happy Street, City, State 12345 ABC County	Name, CFO (123) 456-7890			Acute Care	2 letter offers followed by 2 phone calls <i>(NOTE: RPPO must also provide copies of the letters or emails sent to the hospital)</i>	Letter dated 8/02/18. Confirmed by phone call with CFO <i>(NOTE: RPPO must also provide copies of letters or emails sent from the hospital)</i>	The RPPO must demonstrate that the hospital is needed to meet access standards at 42 CFR 422.112(a). The RPPO may submit documentation such as: <ul style="list-style-type: none"> • County/Countries in which the hospital will provide services in; • County type designation (pursuant to the HSD reference file); • Description of geography of county or counties for which the hospital will provide services; • Demonstration that network access standards cannot be met, such as organization’s internal mapping results; • Description of the location of the hospital to include the total travel time and distance for enrollees and the increased travel time and distance over the network adequacy criteria. 	The RPPO must demonstrate that no other Medicare participating hospital is available within a reasonable travel time/distance for enrollees. The RPPO may submit documentation such as: <ul style="list-style-type: none"> • Description of beneficiary utilization patterns, including claims • Description of the overall landscape of Medicare participating acute care hospitals potentially available in the county or counties for which the hospital will provide services, to include the total travel time and distance for a beneficiary to receive access at each facility.

REGIONAL PREFERRED PROVIDER ORGANIZATION (RPPO) ESSENTIAL HOSPITAL ATTESTATION

The Organization named below attests that it made a good faith effort consistent with Section 1858(h) of the Social Security Act (the Act) and 42 CFR 422.112(c)(3) to contract with each hospital identified by the Organization in the attached table at rates no less than current Medicare inpatient fee-for-service amounts and that, in each case, the hospital refused to enter into a contract with the Organization.

CMS is authorized to inspect any and all books or records necessary to substantiate the information in this attestation and the corresponding designation requests.

The Organization agrees to notify CMS immediately upon becoming aware of any occurrence or circumstance that would make this attestation inaccurate with respect to any of the designated hospitals.

I possess the requisite authority to execute this attestation on behalf of the Organization.

Name of Organization: _____

Printed Name of CEO: _____

Signature: _____

Medicare Advantage RPPO Application/Contract Number(s):

R# _____

NOTE: This attestation form must be signed by any organization that seeks to designate one or more hospitals as “essential.”