

**CMS Interim Final Rule: Additional Policy and Regulatory Revisions
in Response to the COVID-19 Public Health Emergency**

Key Hospital Provisions
April 30, 2020

Provisions to Support and Expand COVID-19 Diagnostic Testing for Medicare and Medicaid Beneficiaries

- The Centers for Medicare & Medicaid Services (CMS) will pay hospitals and practitioners to assess beneficiaries and collect laboratory samples for COVID-19 testing and make separate payment when that is the only service the patient receives.
- COVID-19 tests may be covered by Medicare when ordered by any health care professional authorized to do so under state law and a written practitioner's order is no longer required for the COVID-19 test for Medicare payment purposes.

Provisions to Increase Hospital Capacity

- Provide teaching hospitals, inpatient psychiatric facilities, and inpatient rehabilitation facilities flexibility to increase the number of beds for COVID-19 patients without impacting indirect medical education or teaching status payments.
- Allow rural health clinics to increase bed capacity without affecting the rural health clinic's payments.
- Enable freestanding inpatient rehabilitation facilities to accept patients from acute care hospitals experiencing a surge, even if the patients do not require rehabilitation care.
- Allow certain provider-based hospital outpatient departments that relocate off-campus to obtain a temporary exception from site-neutral payment rates. Hospitals may also relocate outpatient departments to more than one off-campus location, or partially relocate off-campus while still furnishing care at the original site.
- Allow long-term acute care hospitals to accept any acute care hospital patients and be paid at a higher Medicare payment rate, as mandated by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Provisions to Augment Workforce

- CMS will not reduce Medicare payments for teaching hospitals that shift their residents to other hospitals to meet COVID-related needs or penalize hospitals without teaching programs that accept these residents.
- Allow physical and occupational therapists to delegate maintenance therapy services to physical and occupational therapy assistants in outpatient settings.

Provisions to Reduce Administrative Burden

- Allow payment for certain partial hospitalization services that are delivered in temporary expansion locations, including patients' homes.

Provisions to Further Expand Medicare Telehealth Services

- Allow hospitals to bill for services furnished remotely by hospital-based practitioners to Medicare patients registered as hospital outpatients, including when the patient is at home if the home is serving as a temporary provider-based department of the hospital.
- CMS will waive limitations on the types of clinical practitioners that can furnish Medicare telehealth services, allowing additional practitioners to provide telehealth services, including physical therapists, occupational therapists, and speech language pathologists.
- Allow hospitals to bill as the originating site for telehealth services furnished by hospital-based practitioners to Medicare patients registered as hospital outpatients, including when the patient is located at home.
- CMS will increase the list of audio-only telephone services to include many behavioral health and patient education services and increasing payments for telephone visits to match payments for similar office and outpatient visits retroactive to March 1.
- CMS will pay for Medicare telehealth services provided by rural health clinics and federally qualified health clinics, as required by the CARES Act.

Additional Flexibility for Medicare Shared Savings Program Accountable Care Organizations (ACOs)

- CMS will adjust the financial methodology to account for COVID-19 costs so that ACOs will be treated equitably regardless of the extent to which their patient populations are affected by the pandemic.
- CMS will forgo the annual application cycle for 2021 and allow ACOs whose participation is set to end this year the option to extend for another year.
- ACOs required to increase their financial risk over the course of their current agreement period in the program will have the option to maintain their current risk level for next year, instead of being advanced automatically to the next risk level.

CHA is reviewing the [interim final rule](#) and will provide members with a more detailed summary. For questions, contact Megan Howard, senior policy analyst, at mhoward@calhospital.org or (202) 488-3742.