

MEMORANDUM

Texas Department of Aging and Disability Services

TO: Regulatory Services Division
Regional Directors and State Office Managers

FROM: Linda Lothringer, Unit Manager
Policy, Rules and Curriculum Development Unit
State Office MC E-370

SUBJECT: Regional Survey and Certification (RS&C) Letter No. 09-05

DATE: March 30, 2009

The referenced Centers for Medicare and Medicaid Services (CMS), Regional Survey and Certification (RS&C) Letter was issued on March 27, 2009. It replaces RS&C Letter 09-04, issued March 6, 2009. This letter, which was distributed by e-mail on the date of its issue is being provided to you for information and action purposes and should be shared with all professional staff.

- RS&C Letter No. 09-05 – Procedural Instructions for Processing Non-Long Term Care (NLTC) Certification Actions Related to Recent Changes to the Program Integrity Manual (Supersedes RS&C Letter 09-04)

If you have any questions, please contact a home health agency/hospice program specialist in the Policy, Rules and Curriculum Development unit at 512-438-3161.

Attachment

Division of Survey and Certification, Region VI

March 27, 2009

REGIONAL SURVEY AND CERTIFICATION LETTER NO. 09-05

To: All State Survey Agencies (Action/Information)

Subject: **Procedural Instructions for Processing Non-Long Term Care (NLTC) Certification Actions Related to Recent Changes to the Program Integrity Manual**

This Regional Survey and Certification (RS&C) letter supersedes RS&C letter 09-04.

To improve consistency in processing NLTC certification actions within the region, the Dallas Regional Office (RO) is providing clarification for the States regarding implementation of recent changes to the Program Integrity Manual via Change Request 6151. This Change Request is located at <http://www.cms.hhs.gov/transmittals/downloads/R272PI.pdf>. We expect revisions to the State Operations Manual to occur at some time during the current fiscal year; however, in the interim, we've identified the need for more immediate direction.

The Medicare Administrative Contractor (MAC) will continue to await notification from CMS regarding the following actions, so the State should follow current procedures in sending recommendations to the RO using the CMS-1539:

- Initial certification actions.
- Changes of ownership (CHOW).
- Voluntary and involuntary terminations.
- Addition or deletion of alternative sites including Outpatient Physical Therapy extension sites, Hospice satellites and Home Health Agency branches.
- Conversion of a hospital from one type to another.
- Any actions involving units and hospitals that are exempt from the Inpatient Prospective Payment System (IPPS-E).
- Addition of practice locations for Critical Access Hospitals (CAH).
- Stock transfers.
- Change in practice location or subunit address in cases where a survey of the new site is required.
 - Note: Follow established procedures in determining the requirement for a survey. Notify the RO if the relocation is to a site in a different geographic area serving a different population than previously served and employing different personnel.

The State Survey Agency (SA) and the provider may receive notice from the MAC regarding the actions listed below but the SA will no longer send a recommendation to the RO. The SA should file the MAC recommendation letter but may choose to dispose of the CMS-855 from the MAC. The SA will update the ASPEN system, if applicable, for:

- Deletions or voluntary terminations of acute hospital practice locations or subunits. (Excluding primary practice sites.)
- Addition of acute hospital practice locations.
- Changes in number of acute hospital beds. (This information may or may not come from the MAC.)
- Address changes that do not require a survey of the new location.
 - Note: Notify the MAC via e-mail or letter that the determination has been made that no survey is required. Do not notify the RO.
- Changes in tax identification number (TIN), legal business name or doing business as (DBA) name that do not involve a CHOW.
- Change in management (addition or deletion).
- Change in correspondence address.
- Change in fiscal year end date
- Revalidation, deactivation or reactivation of the CMS-855A – Medicare Provider Enrollment Application that does not fall into any of the categories listed above.

In addition we've recognized the need to provide clarification for processing other actions such as changes in stations and services for ESRD providers.

- For ESRD changes in services, the SA should input and upload the changes in ASPEN through the CMS-3427 form and notify the facility via letter with a courtesy copy to the MAC.
- For ESRD changes in stations, the SA should input and upload the changes in ASPEN through the CMS-3427 form and notify the facility via letter.

The instructions in this letter are effective immediately.

We appreciate your cooperation and support in implementing a consistent certification process for NLTC providers/suppliers. If you have any questions regarding NLTC certification actions please contact us at 214.767.6301 to speak to the appropriate staff or manager.

Sincerely,

/s/

David Wright
Associate Regional Administrator
Division of Survey and Certification