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HHS Takes Action to Help Medicare Beneficiaries and Providers in Iowa and Indiana

HHS Secretary Mike Leavitt today declared a public health emergency in the flood-stricken states of Iowa and Indiana. The action gives HHS' Centers for Medicare & Medicaid Services' (CMS) Medicare beneficiaries and their health care providers greater flexibility in meeting emergency health needs.

"The flooding in Iowa and Indiana is devastating to each individual and to their communities," Secretary Leavitt said. "This designation will allow HHS to immediately assist our beneficiaries and providers in the areas where hospitals and other health care delivery systems have been disrupted. It will help ensure that medical assistance is provided promptly and effectively."

Secretary Leavitt acted under his authority in the Public Health Service Act.

Because of flood damage to local health care facilities, many beneficiaries have been evacuated to neighboring communities, where receiving hospitals and nursing homes may have no health care records, information on current health status or even verification of the person's status as a Medicare beneficiary. CMS is assuring those facilities that in this circumstance, the normal burden of documentation will be waived and that they can act under a presumption of eligibility.

"In emergencies such as this, CMS has the flexibility to ensure that vital health care services can be maintained and utilized," said CMS Acting Administrator Kerry Weems. "Many of the agency's normal operating procedures will be relaxed to speed provision of health care services to the elderly and persons with disabilities who depend upon these services."

CMS will undertake the following actions to the extent necessary to ensure sufficient items and services are available to meet the needs of Medicare beneficiaries. The agency will make certain that health care providers that provide items and services in good faith are exempt from sanctions from noncompliance with otherwise applicable requirements, provided there is no fraud or abuse.

1. CMS will waive certain program requirements for the following institutional providers:
 - Critical Access Hospitals: Allow these hospitals to take more than the statutorily mandated limit of 25 patients and not count the expected longer lengths of stay for evacuated patients against the 96-hour average;
 - Skilled Nursing Facilities: Waive the three-day prior hospitalization requirement for admission for evacuated patients and relax limitations on the benefit period for those evacuated patients;
 - Long-Term Care Hospitals: Not count the evacuated patients in calculating the 25-day average length of stay;

-- Inpatient Rehabilitation Facilities: Not count the evacuated patients in determining compliance with the 60 percent rule requirement. The 60 percent rule says at least 60 percent of the population in a facility must be deemed eligible for that facility.

2. CMS will expand the definition of “home” to allow those Medicare beneficiaries who are receiving home health services to receive those services in alternative sites.
3. For the Medicare Part D prescription benefit, CMS will ensure that rules that prevent early refills are waived. This will assist those beneficiaries who left prescriptions in evacuated homes or lost their prescription during the evacuation.
4. Certain sanctions under the Emergency Medical Treatment and Labor Act (EMTALA) will not be imposed for 72 hours after a hospital implements a hospital disaster protocol so long as actions by the hospital do not discriminate among individuals on the basis of their source of payment, ability to pay, or on the basis of race, color, or national origin.
5. Beneficiaries in health plans will be able to go out of network during this emergency. CMS is working with the health insurance industry to ensure there are no barriers to this service for those in plans.
6. The End Stage Renal Disease (ESRD) network has been activated, and CMS may grant further waivers if needed.
7. CMS will be working with the Federal Emergency Management Agency (FEMA) to manage lost, stolen, or left behind DME equipment.

More information about CMS’ emergency relief activities will be made available on the CMS Web site -- www.cms.gov -- in the coming days.

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