

Attachment 1—CR 10547

If the provider was classified as an MDH as of the September 30, 2017 expiration of the MDH provision and the provider	Then	Corresponding Example #
Did not reclassify as an SCH since October 1, 2017 and is still classified as a rural provider	MDH status will be automatically reinstated to October 1, 2017.	1
Reclassified as an SCH immediately following the expiration of the MDH provision with SCH status effective October 1, 2017	The provider's MDH status will not be automatically reinstated and the provider will have to reapply for MDH classification (§412.108(b)).	2
Reclassified as an SCH, but the effective date of SCH status was a date after October 1, 2017	The provider's MDH status will be reinstated, effective October 1, 2017 for the portion of time during which it was not classified as an SCH. The provider's MDH status will be cancelled effective with the effective date of its SCH status. The provider will have to reapply for MDH classification (§412.108(b)).	3
Cancelled its rural classification under §412.103 effective October 1, 2017	The provider's MDH status will not be automatically reinstated and the provider will have to reapply for rural classification (§412.103(b)) and then reapply for MDH classification (§412.108(b)).	4
Cancelled its rural classification under §412.103, but the effective date of the rural status cancellation was a date after October 1, 2017	The provider's MDH status will be reinstated for the portion of time during which it was classified as rural. The provider's MDH status will then be cancelled effective with the date that its rural classification cancellation became effective. The provider will have to reapply for rural classification (§412.103(b)) and then reapply for MDH classification (§412.108(b)).	5
Did not reclassify as an SCH and is still classified as a rural provider but has a Medicare utilization rate < 60% in the 3 most recently settled cost reports	MDH status will be automatically reinstated to October 1, 2017. The contractor will then notify the provider that it no longer meets MDH criteria and will cancel MDH status in accordance with the regulations at §412.108(b)(6).	6

Examples:

Example 1: Hospital A was classified as an MDH prior to the September 30, 2017 expiration of the MDH program. Hospital A retained its rural classification and did not reclassify as an SCH. Hospital A's MDH status will be automatically reinstated to October 1, 2017.

Example 2: Hospital B was classified as an MDH prior to the September 30, 2017 expiration of the MDH program. In accordance with the regulations at §412.92(b)(2)(v) and in anticipation of the expiration of the MDH program, Hospital B applied for classification as an SCH by March 1, 2015, and was approved for SCH status effective on October 1, 2017. Hospital B's MDH status will not be automatically

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reinstated. In order to reclassify as an MDH, Hospital B must cancel its SCH status, in accordance with §412.92(b)(4), and reapply for MDH status in accordance with the regulations at §412.108(b).

Example 3: Hospital C was classified as an MDH, prior to the September 30, 2017 expiration of the MDH program. Hospital C missed the application deadline of March 1, 2015 for reclassification as an SCH under the regulations at §412.92(b)(2)(v) and was not eligible for its SCH status to be effective as of October 1, 2017. Hospital C's Medicare contractor approved its classification request for SCH status effective May 16, 2015. Hospital C's MDH status will be reinstated but only for the portion of time in which they met the criteria for MDH status. Hospital C's MDH status will be reinstated effective April 1, 2014 through May 15, 2015 and will be cancelled effective May 16, 2015. In order to reclassify as an MDH, Hospital C must cancel its SCH status, in accordance with §412.92(b)(4), and then reapply for MDH status in accordance with the regulations at §412.108(b).

Example 4: Hospital D was classified as an MDH prior to the September 30, 2017 expiration of the MDH program. In anticipation of the expiration of the MDH program, Hospital D requested that its rural classification be cancelled in accordance with the regulations at §412.103(g). Hospital D's rural classification was cancelled effective October 1, 2017. Hospital D's MDH status will not be automatically reinstated. In order to reclassify as an MDH, Hospital D must request to be reclassified as rural under §412.103(b) and must reapply for MDH status under §412.108(b).

Example 5: Hospital E was classified as an MDH prior to the September 30, 2017 expiration of the MDH program. In anticipation of the expiration of the MDH program, Hospital E requested that its rural classification be cancelled in accordance with the regulations at §412.103(g). Hospital E's rural classification was cancelled effective July 1, 2015. Hospital E's MDH status will be reinstated but only for the portion of time in which they met the criteria for MDH status. Since Hospital E cancelled its rural status and became urban effective July 1, 2015, MDH status will only be reinstated effective October 1, 2017 through June 30, 2015 and will be cancelled effective July 1, 2015. In order to reclassify as an MDH, Hospital E must request to be reclassified as rural under §412.103(b) and must reapply for MDH status under §412.108(b).

Example 6: Hospital F was classified as an MDH prior to the September 30, 2017 expiration of the MDH provision. The hospital's Medicare contractor found that Hospital F had a Medicare utilization rate of less than 60 percent in all three of the most recently settled cost reports. Hospital F did not reclassify as an SCH nor did it drop its rural status with the expiration of the MDH provision. In this case, Hospital F's contractor will automatically reinstate its MDH status retroactive to October 1, 2017. The contractor will then notify Hospital F that it no longer qualifies for MDH status. The change in Hospital F's status (i.e., disqualification from MDH status) will become effective 30 days after the date the contractor's written notification to Hospital F.