CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11740	**Date: December 9, 2022**
	Change Request 12970

Transmittal 11660 issued October 21, 2022, is being rescinded and replaced by Transmittal 11740, dated, December 9, 2022 to revise implementation date for business requirements (BRs) 12970.3 and 12970.5 from 11/1/2022 to 12/17/2022, and allow additional time to implement BR 12970.6 (change from 30 days to 45 days). All other information remains the same.

SUBJECT: Extensions of Certain Temporary Changes to the Low-Volume Hospital Payment Adjustment and the Medicare Dependent Hospital (MDH) Program under the Inpatient Prospective Payment System (IPPS) provided by the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023

I. SUMMARY OF CHANGES: This change request provides information and implementation instructions for sections 101 and 102 of Division D of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023. This instruction applies to publication 100-04, chapter 3, sections 20.3.4.

EFFECTIVE DATE: October 1, 2022
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: November 1, 2022 - for implementation of the statutory extensions (business requirements 12970.1, 12970.2, 12970.4 and 12970.6); December 17, 2022 - for the expiration of the statutory extensions (business requirements 12970.3 and 12970.5)

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
D	n/a

III. FUNDING:
For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 11740	Date: December 9, 2022	Change Request: 12970

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I. GENERAL INFORMATION

A. Background: On September 30, 2022, President Biden signed into law the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 (Public Law 117-180). Division D of this new law includes the extension of certain Medicare IPPS fee-for-service provisions, through December 16, 2022, that would have expired October 1, 2022. Specifically, section 101 provides an extension of increased inpatient hospital payment adjustment for certain low-volume hospitals and section 102 provides an extension of the MDH program.

B. Policy:

1. <u>Low-Volume Hospitals – Criteria and Payment Adjustments for FY 2023</u>

The regulations implementing the low-volume hospital payment adjustment policy are at § 412.101. The Bipartisan Budget Act of 2018 modified the definition of a low-volume hospital and the methodology for calculating the payment adjustment for low-volume hospitals under section 1886(d)(12) of the Act for FYs 2019 through 2022. Under these changes, to qualify a hospital must have less than 3,800 total discharges and be located more than 15 road miles from the nearest IPPS hospital, and the applicable percentage increase is based on a continuous, linear sliding scale ranging from an additional 25 percent payment adjustment for low-volume hospitals with 500 or fewer discharges to a zero percent additional payment for low-volume hospitals with more than 3,800 discharges. (For additional information, refer to the FY 2019 IPPS/Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) final rule (83 FR 41398 through 41401).) These specific amendments were extended through December 16, 2022, by section 101 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 (Public Law 117-180).

Section 1886(d)(12)(C)(i) of the Act, as amended by Public Law 117-180, provides that for the portion of FY 2023 beginning on October 1, 2022 and ending on December 16, 2022 (that is, occurring before December 17, 2022), a low-volume hospital must be more than 15 road miles from another subsection (d) hospital. In accordance with the existing regulations at § 412.101(a), the term "road miles" is defined to mean "miles" as defined at § 412.92(c)(1) (75 FR 50238 through 50275 and 50414).

Section 1886(d)(12)(C)(i)(III) of the Act, as amended by Public Law 117-180, provides that for the portion of FY 2023 occurring before December 17, 2022, a low-volume hospital must have less than 3,800 discharges during the fiscal year. Consistent with the requirements of section 1886(d)(12)(C)(ii) of the Act, the term ''discharge'' for purposes of this provision refers to total discharges, regardless of payer (that is, Medicare and non-Medicare discharges). We note that the low-volume hospital criteria and payment

adjustment for FYs 2019 through FY 2022 was also based total discharges, regardless of payer. Under § 412.101(b)(2)(iii), for FYs 2019 through 2022, the hospital's most recently submitted cost report is used to determine if the hospital meets the discharge criterion to receive the low-volume payment adjustment in the current year. For purposes of the low-volume hospital adjustment for FY 2023 discharges occurring before December 17, 2022, the number of total discharges is determined in a manner consistent with how it was determined for FY 2019 through FY 2022. That is, to implement the extension of these temporary changes in the low-volume hospital payment policy for FY 2023 discharges occurring before December 17, 2022, in accordance with the existing regulations at § 412.101(b)(2)(iii) and consistent with our implementation of the changes in FYs 2019 through 2022, the hospital's most recently submitted cost report is used to determine if the hospital meets the discharge criterion to receive the low volume payment adjustment in the current year. We use cost report data to determine if a hospital meets the discharge criterion because this is the best available data source that includes information on both Medicare and non-Medicare discharges.

Section 1886(d)(12)(D)(ii) of the Act, as amended by Public Law 117-180, provides that for the portion of FY 2023 occurring before December 17, 2022, the low-volume hospital payment adjustment is determined using a continuous linear sliding scale ranging from 25 percent for low-volume hospitals with 500 or fewer discharges to 0 percent for low-volume hospitals with greater than 3,800 discharges. To implement the extension of these temporary changes in the low-volume hospital payment policy for FY 2023 discharges occurring before December 17, 2022, in accordance with the existing regulations at § 412.101(c)(3) and consistent with our implementation of those changes in FYs 2019 through 2022:

- For low-volume hospitals with 500 or fewer total discharges, the low-volume hospital payment adjustment is 0.25.
- For low-volume hospitals with more than 500 total discharges but less than 3,800 total discharges, the low volume hospital payment adjustment is calculated as 0.25 - [0.25/3300] × (number of total discharges - 500) = (95/330) - (number of total discharges/13,200).

(For additional information, refer to the FY 2019 IPPS/LTCH PPS final rule (83 FR 41399).)

In order to receive a low-volume payment adjustment for FY 2023 discharges occurring before December 17, 2022, consistent with our previously established process, a hospital must make a written request to its MAC. This request must contain sufficient documentation to establish that the hospital meets the applicable mileage and discharge criteria so that the MAC can determine if the hospital qualifies as a low-volume hospital in accordance with the provisions of section 101 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, and consistent with existing requirements set forth in the regulations at § 412.101(b)(2)(iii) (in conjunction with § 412.101(e) as applicable). (For additional information on our established process, refer to the FY 2023 IPPS/LTCH PPS final rule (87 FR 49062 through 49063).) Under this procedure, a hospital that received the low-volume hospital payment adjustment in FY 2022 may continue to receive a low-volume hospital payment adjustment for FY 2023 discharges occurring before December 17, 2022 without reapplying if it continues to meet both the applicable discharge criterion and the mileage criterion (described above). However, such a hospital must send written verification stating that it continues to meet the applicable mileage criterion for FY 2023 discharges occurring before December 17, 2022, and that, based upon the most recently submitted cost report, the hospital meets the discharge criterion applicable for FY 2023 discharges occurring before December 17, 2022. (Note, if a hospital submitted a written request for low-volume hospital status for FY 2023 under the process described in the FY 2023 IPPS/LTCH PPS final rule prior to the enactment of Public Law 117-180 and that request was approved, it is not necessary for such a hospital to provide any additional written notification to its MAC in order to receive the low-volume hospital payment adjustment under the provisions of Public Law 117-180.)

In order for the applicable low-volume percentage increase to be applied to payments for its FY 2023 discharges occurring before December 17, 2022, a hospital's written request or verification must be received by its MAC no later than November 16, 2022. If a hospital's written request or written verification for low-volume hospital status for FY 2023 discharges occurring before December 17, 2022 is

received after this date, and if the MAC determines the hospital meets the criteria to qualify as a low-volume hospital, the MAC will apply the low-volume hospital payment adjustment to determine the payment for the hospital's FY 2023 discharges occurring before December 17, 2022, effective prospectively within 30 days of the date of the MAC's low-volume hospital status determination.

The Pricer applies the applicable low-volume hospital payment adjustment factor from the Provider Specific File (PSF) for hospitals that have a value of 'Y' in the low-volume hospital indicator field on the PSF. Therefore, for hospitals that meet both the discharge criterion and the mileage criterion applicable for FY 2023 discharges occurring before December 17, 2022, MACs shall enter a value of 'Y' for the low-volume payment adjustment factor field in the PSF (position 74) and shall update the low-volume adjustment factor field in the PSF (positions 252-258) with a value greater than 0 and less than or equal to 0.250000 calculated in accordance with the existing regulations at § 412.101(c)(3) as described above.

Any hospital that does not meet either the discharge or mileage criteria is not eligible to receive a low-volume payment adjustment for FY 2023 discharges occurring before December 17, 2022, and the MAC must ensure the low-volume hospital indicator field on the PSF contains a value of 'blank' and shall update the low-volume payment adjustment factor field on the PSF to hold a value of 'blank'.

As noted above, the provisions of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 extended the low-volume hospital qualifying criteria and payment adjustments through December 16, 2022. Consistent with current law, the low-volume hospital definition and payment adjustment methodology will revert back to the policy established under statutory requirements that were in effect prior to the amendments made by the Affordable Care Act and extended through subsequent legislation, as discussed in the FY 2023 IPPS/LTCH PPS final rule (87 FR 49061 through 49062). Therefore, for FY 2023 discharges occurring on or after December 17, 2022, to qualify for the low-volume hospital payment adjustment of 25 percent a hospital must have less than 200 total discharges and be located more than 25 road miles from the nearest IPPS hospital. For hospitals that meet both the discharge criterion and the mileage criterion for the low-volume hospital payment adjustment applicable for FY 2023 discharges occurring on or after December 17, 2022, the MAC shall ensure the low-volume indicator field on the PSF continues to hold a value of 'Y' and the low-volume payment adjustment factor field on the PSF continues to hold the value of 0.25. Likewise, if a hospital qualified for the low-volume hospital payment adjustment for FY 2023 discharges occurring before December 17, 2022, but no longer meets the low-volume hospital definition for FY 2023 discharges occurring on or after December 17, 2022, and therefore the hospital is no longer eligible to receive a low-volume hospital payment adjustment effective December 17, 2022, the MAC shall update the low-volume indicator field to hold a value of 'blank' and shall update the low-volume payment adjustment factor field on the PSF to hold a value of 'blank'.

2. Extension of the Medicare-Dependent Hospital (MDH) Program

a. General

Prior to the enactment of section 102 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, the MDH program authorized by section 1886(d)(5)(G) of the Act was set to expire at the end of FY 2022 (83 FR 41429). Section 102 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 extends the MDH program through December 16, 2022. The regulations governing the MDH program are found at §412.108. (For additional information, refer to the **Federal Register** announcement Extension of the Payment Adjustment for Low-volume Hospitals and the MDH Program Under the IPPS for Acute Care Hospitals for Fiscal Year 2018 (83 FR 18303 through 18307)).

b. Continuity of MDH Status

Because the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 was signed into law prior to the October 1, 2022 expiration of the MDH program, MDHs did not experience a lapse in

classification.

The regulations at § 412.92(b)(2)(v) allowed MDHs to apply for classification as a Sole Community Hospitals (SCH) by September 1, 2022, (that is, 30 days prior to the anticipated expiration of the MDH program), and if approved, to be granted such status effective with the expiration of the MDH program. However, since the MDH program did not, in fact, expire as of October 1, 2022, any hospitals that applied in this manner would not be classified as SCH as of October 1, 2022 and would retain MDH classification. Therefore, providers that were classified as MDHs as of September 30, 2022 will continue to be classified as MDHs effective October 1, 2022 through December 16, 2022, with no need to reapply for MDH classification. There is one exception:

- *MDHs that requested a cancellation of their rural classification under §412.103(b)* - In order to meet the criteria to become an MDH, generally a hospital must be located in a rural area. To qualify for MDH status, some MDHs may have reclassified as rural under the regulations at §412.103. With the anticipated expiration of the MDH provision, some of these providers may have requested a cancellation of their rural classification.

Any provider that falls within the exception listed above will not have its MDH status automatically reinstated retroactively to October 1, 2022. All other hospitals with MDH status as of September 30, 2022 will continue to be classified as MDHs effective October 1, 2022 through December 16, 2022. Providers that fall within the exception mentioned above would have to reapply for MDH classification in accordance with the regulations at 42 CFR 412.108(b) and meet the classification criteria at 42 CFR 412.108(a) in order to be classified as a MDH.

The existing Provider Type field on the PSF (position 55 – Provider Type) must be updated by the MAC to hold a value of "14" or "15" (as applicable) if the provider was classified as an MDH as of September 30, 2022. Any hospital that requested a cancellation of its rural classification under §412.103(b) will not be eligible for MDH classification as of October 1, 2022, and the MAC must ensure the Provider Type field on the PSF (position 55 – Provider Type) has been updated to hold a value of "00"or "07" (as applicable).

As described above, the amendments provided by section 102 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, extend the MDH program through December 16, 2022. Therefore, beginning on December 17, 2022, all hospitals that previously qualified for MDH status will no longer have MDH status. Accordingly, for FY 2023 discharges occurring on or after December 17, 2022, Provider Types 14 and 15 will no longer be valid. MACs shall update the PSF to the appropriate provider type with an effective date of December 17, 2022.

We note, the regulations at § 412.108(b)(5) require MACs to evaluate on an ongoing basis whether or not a hospital continues to qualify for MDH status. However, due to the COVID-19 public health emergency (PHE), CMS issued a blanket waiver of certain MDH eligibility requirements at § 412.108(a). When the PHE ends, MACs will resume their standard practice for evaluation of all eligibility requirements. (Refer to *https://www.cms.gov/files/document/covid-19-emergency-declaration-waivers.pdf* or Change Request 12070 (Transmittal 10530, December 23, 2020) for additional information.)

c. <u>MAC Implementation Files</u>

In conjunction with this CR, we have published files to assist the MACs in implementing the requirements of this CR. These files can be found in MAC Implementation File 10 available on the FY 2023 MAC Implementation Files webpage at: https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipps-final-rule-home-page#MAC.

The following attachments will be available in **MAC Implementation File 10**:

- Attachment 1 outlines the various possible actions to be followed for each former MDH and the corresponding examples for each scenario.
- Attachment 2 contains a draft letter with text corresponding to the applicable scenarios outlined in Attachment 1. Each MAC shall add to each letter information specific to that provider regarding how it is affected by the MDH program extension; that is,notifying the provider of its status under the extension of the MDH program.

Notification to providers is necessary only if (1) the provider applied for SCH classification per the regulations at §412.92(b)(2)(v) or (2) the provider cancelled its rural reclassification under §412.103.

d.Hospital Specific (HSP) Rate Update for MDHs

For the payment of FY 2023 discharges occurring on or after October 1, 2022 and before December 17, 2022, the Hospital Specific (HSP) amount for MDHs in the PSF will continue to be entered in FY 2018 dollars. The Pricer will apply all updates and other adjustment factors to the HSP amount for FY 2019 and beyond.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
12970.1	Medicare contractors shall update the Provider Specific File (PSF), Low-Volume Indicator (File Position 74) with a 'Y' and Low-Volume Adjustment Factor (File Positions 252-258) for those IPPS hospitals that meet both the discharge and mileage criteria for a low-volume hospital for Fiscal Year (FY) 2023 discharges occurring before December 17, 2022 (as described in the policy section) within 2 weeks of the implementation date of this CR or the receipt of the hospital's notification, whichever is later.	X								IPPS Pricer
12970.2	Medicare contractors shall update the PSF, Provider Type (File Position 55) with a '14' or '15' for those IPPS hospitals that qualify as a MDH for discharges on or after October 1, 2022, with an effective date of October 1, 2022, within 2 weeks of the implementation date of this change request.	X								
12970.3	Effective December 17, 2022, Medicare contractors shall remove both the 'Y' in the Low-Volume Indicator in the PSF (position 74) and the value in the Low-Volume Adjustment Factor field in the PSF (positions 252 - 258) for providers that no longer qualify as a low volume hospital as described in the	X								

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	policy section.									
12970.4	Medicare contractors shall notify impacted IPPS hospitals with the letter in Attachment 2.	X								
12970.5	Due to the statutory expiration of the MDH program, effective December 17, 2022, Medicare contractors shall update the provider type in the PSF (positions 55-56) for providers classified as MDHs. Providers with a provider type value of '14' shall be updated to '00' and providers with a provider type value of '15' shall be updated to '07'.	X								
12970.6	Medicare contractors shall reprocess IPPS claims impacted by this change request with a discharge date on or after October 1, 2022, through the implementation of this change request within 60 days of the implementation date of this change request.	X								

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
12970.7	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the "MLN Connects" listserv to get MLN content notifications. You don't need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X				

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Ashli Clark, ashli.clark@cms.hhs.gov , Shevi Marciano, shevi.marciano@cms.hhs.gov , Michele Hudson, michele.hudson@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 2

Examples:

Example 1: Hospital A was classified as an MDH prior to the September 30, 2022 expiration of the MDH program. Hospital A retained its rural classification and did not reclassify as an SCH. Hospital A's MDH status will continue to apply from October 1, 2022.

Example 2: Hospital B was classified as an MDH prior to the September 30, 2022 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 September 1, 2022, and was approved for SCH status effective on October 1, 2022. However, since the SCH approval was contingent on the expiration of the MDH program and the program did not, in fact, expire, Hospital B's MDH status will continue to apply from October 1, 2022 and its SCH classification will not take effect.

Example 3: Hospital D was classified as an MDH prior to the September 30, 2022 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, 2022. Hospital D's MDH status will therefore be cancelled as of October 1, 2022. 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 4: Hospital E was classified as an MDH prior to the September 30, 2022 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 November 1, 2022. Hospital E's MDH status will continue to apply but only for the portion of time in which it met the criteria for MDH status. Since Hospital E cancelled its rural status and became urban effective November 1, 2022, MDH status will only continue to apply October 1, 2022 through October 31, 2022 and will be cancelled effective November 1, 2022. 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).

[DATE]

HOSPITAL CONTACT
HOSPITAL NAME
HOSPITAL ADDRESS
CITY, STATE, ZIP

Re: Section 102 of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023; Extension of the Medicare-Dependent Hospital Program

Provider Name:
CMS Certification Number(CCN): xx-xxxx

Dear {Contact Name},

As part of the Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023, Congress reinstated the Medicare Dependent Hospital (MDH) program through December 16, 2022. Prior to enactment of that legislation, the MDH program had been set to expire October 1, 2022. Generally, providers that were classified as MDHs as of September 30, 2022 will continue to be classified as MDHs with no need to reapply for MDH classification. This letter serves as notification regarding {Provider Name's} MDH status.

<Insert any of the following paragraphs, as applicable:>

a) <*{Provider Name}* had requested classification for SCH status and was approved effective with an expiration of the MDH program on October 1, 2022. However, since the MDH program was extended prior to October 1, 2022 and did not in fact expire, the SCH classification will not take effect. *{Provider Name}'s* MDH classification will continue to apply.

b) <*{Provider Name}* requested a cancellation of its rural status under 42 CFR 412.103 and was approved for the cancellation effective October 1, 2022. This cancellation precludes {*Provider Name}* from continuing to be classified as a MDH. Therefore, in order to be classified as an MDH, *{Provider Name}* must submit a request for reclassification as a rural hospital under the regulations at 42 CFR 412.103 (b) then and reapply for MDH classification in accordance with the regulations at 42 CFR 412.108(b).>

c) < {*Provider name}* requested a cancellation of its rural status under 42 CFR 412.103 and was approved for the cancellation effective *{effective date - after October 1, 2022}*. *{Provider Name's}* will continue to be classified as a MDH from October 1, 2022 through *{enter date of day immediately prior to effective date of cancellation of rural classification}* and its MDH status will be cancelled effective *{enter effective date of cancellation of rural classification}*. In order to be classified as an MDH, {*Provider Name}* must submit a request for reclassification as a rural hospital under the regulations at 42 CFR 412.103 (b) and then reapply for MDH classification in accordance with the regulations at 42 CFR 412.108(b).>

Per the regulations at 42 CFR 412.108(b)(7), in order to be reclassified as an MDH, a hospital may reapply only after another cost report has been audited and settled.>

If you have any questions, please contact me at *{insert phone number}*.

Sincerely,