**Attachment 1**

Example 1: Hospital A was classified as an MDH prior to the September 30, 2025 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, 2025.

Example 2: Hospital B was classified as an MDH prior to the September 30, 2025 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, 2025, and was approved for SCH status effective on October 1, 2025. Because the program expired, and a hospital cannot hold SCH and MDH status simultaneously, the hospital will have to reapply for MDH status.

Example 3: Hospital D was classified as an MDH prior to the September 30, 2025 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, 2025. Hospital D’s MDH status will therefore be cancelled as of October 1, 2025. 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, 2025 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, 2025. 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, 2025, MDH status will only continue to apply October 1, 2025 through October 31, 2025 and will be cancelled effective November 1, 2025. 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).