Diana - file copy

THE WHITE HOUSE

WASHINGTON

March 21, 1995

Ross Hooper
Chief Executive Office
Crittenden Memorial Hospital
200 Tyler Avenue
West Memphis, Arkansas 72301

Dear Mr. Hooper:

Thank you for letting me know about the survey and certification problem that Crittenden Memorial Hospital has been facing in your letter dated March 14, 1995. I can appreciate your concern as you work to put your Mobile Rural Health Clinic and Recuperative Care Unit into operation.

According to the Health Care Financing Administration, the problem you describe was caused by a misunderstanding between the central and regional offices that has now been corrected. It is my understanding that Crittenden's new services will be surveyed shortly.

I appreciate your bringing this situation to my attention. If there is anything I can do to assist you, please let me know.

Sincerely,

Carol

Carol H. Rasco
Assistant to the President
for Domestic Policy

CHR:ram

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

14-Mar-1995 03:32pm

TO: Diana M. Fortuna

FROM: Carol H. Rasco
Economic and Domestic Policy

CC: Jeremy D. Benami

SUBJECT: see attached

Phil Mathews is a lobbyist for the Ark. Hospital Assoc. and a longtime, strong supporter of the PResident...that part does not need to be shared with HHS but I wanted you to be aware of the background facts.

I would appreciate it if you would see what you can find out based on this little bit of information in case I get a call from the named hospital and certainly to be already into the case when the mentioned letter does come.

This is the kind of thing the President could easily get a call from one of the named community's leaders and again, it puts us ahead of the game so to speak if we start inquiring now and figure out what is going on....

Thanks!

EXECUTIVE OFFICE OF THE PRESIDENT

14-Mar-1995 03:03pm

TO: Carol H. Rasco

FROM: Rosalyn A. Miller
Economic and Domestic Policy

SUBJECT: PH: Phil Matthews number not given

Caller: Phil Matthews
Of:
Phoned. Please call.
HCFA has issured an order to cease and assist initial survey
s for approving new services. Crittenden Hospital has order
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the hospital as well as the rural residence. Wants you to k
now that Ross Hooper, Hospital Admin., will write you soon.
Any help you could provide is helpful. Phil can be paged du
rin the Leg. session at (501)370-8428.

CRITTENDEN MEMORIAL HOSPITAL

Ross Hooper
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

MAR 15 1995

March 14, 1995

Ms. Carol Rasco
Domestic Policy Advisor to the President
The White House
1600 Pennsylvania Avenue, Northwest
Washington, D.C. 20500

Dear Ms. Rasco:

Attached you will find letters which I have written to the Arkansas Congressional delegation explaining my hospitals precarious position following HCFA's sudden stoppage of initial surveys and certifications.

My community hospital has invested its own money and time in these two plans...one, to provide care for rural areas which have not even had a doctor for over two decades and two, to remove patients from inappropriate acute-care settings.

If HCFA and/or HHS have a problem with implementation of their programs, they should devote extensive thought and planning time to a solution to the problem. The chosen solutions have the direct result of creating financial disaster for hospitals who have acted in good faith and who have followed prescribed procedures for these programs.

I realize that the bureaucracies of the United States are charactized by incompressibility and immobility; however, I'm writing in the hope that this sudden and unwise action can be re-considered and the harm done redressed. If the problem is with rampant and uncontrolled growth, then punish the states which do not have any controls on growth.

The rationing of healthcare may be considered inevitable and necessary; this is hardly the way in which such rationing should begin.

Sincerely,

Ross Hooper

Ross Hooper
Chief Executive Officer

RH/jpt

200 Tyler Avenue
West Memphis, Arkansas 72301
(501) 735-1204

CRITTENDEN MEMORIAL HOSPITAL

Ross Hooper
President and
Chief Executive Officer

March 9, 1995

Congresswoman Blanche Lambert Lincoln
1204 Longworth Building
Washington, D.C. 20515

Dear Congresswoman Lincoln:

Last week, HCFA announced that since it had fallen so far behind in Medicare Surveys and Certifications, it would stop the performance of all initial Medicare Surveys and Certifications for agencies scheduled to begin services.

> (HFCA contracts with states to perform these Medicare Surveys and Certifications. Over the course of years, the funds available for this contracting have dwindled, even as the requirement for more survey/certification activity has increased. In some states (Texas and Oklahoma) which have no rules in place to limit the growth of outpatient services such as Home Health Agencies, the burden has overwhelmed the amount of staff the state can afford to hire. Arkansas, in contrast, has controls in place to limit the growth of these agencies through an approval process).

Crittenden Memorial Hospital, as a part of our mission to provide access to health care for a largely rural and poverty-stricken area of the Arkansas Delta, has invested hundreds of thousands of dollars in the development of a Mobile Rural Health Clinic to provide primary care services to citizens who have been without these services for over two decades. This Rural Health Clinic is designed to serve Joiner, Arkansas, and Horseshoe Lake, Arkansas, and their surrounding areas, five days a week, and was scheduled to be Surveyed and Certified the last week in March, 1995.

Additionally, the hospital has financed and developed a Recuperative Care Unit to serve our patients who are too sick to be sent to a nursing home or to their homes, but whose coverage no longer allows for their hospitalization in an acute care unit. Our doctors cannot currently place such patients outside the hospital, due to a shortage of skilled nursing beds in our area nursing homes; this unit would allow the patient to gradually recover within a setting which can deliver a continuum of care.

200 Tyler Avenue
West Memphis, Arkansas 72301
(501) 735-1204

Due to this sudden decision by HCFA, both these programs have effectively been halted, since they must be surveyed and certified prior to licensing. The capital expenditures have already been made and employees hired...all that is needed is a Survey and Certification visit by the State Health Department (under contract with HCFA but short of funds to carry out its duties).

If the certification process is out of control and HCFA agencies are unable to withstand a flood of new agency applications, there may be a need for a temporary stop on new applications. However, a community hospital which has already invested hundreds of hours and hundreds of thousands of dollars to follow its mission of providing accessible health care should not be suddenly denied certification three weeks before the Rural Health Clinic and Recuperation Unit were scheduled to open.

I will appreciate your help in removing this sanction and allowing us to proceed with the provision of health care addressing proven and documented needs in this area.

Sincerely,

Ross Hooper
Chief Executive Officer

RH/jpt

cc: Jim Teeter, Arkansas Hospital Association

TO: Carol Rasco

FR: Diana Fortuna

RE: Phone call from Phil Matthews and letter from Ross Hooper of Crittenden Memorial Hospital

DATE: March 20, 1995

You had asked me to check into the charge by Crittenden Memorial Hospital that HCFA has stopped doing initial surveys of new services. Since Crittenden has just purchased and outfitted a new mobile rural health clinic, they are very concerned since they can't operate it without an initial survey.

According to HCFA, there was a major miscommunication between central office and this particular region. Last month all regions were given the same instructions about how to prioritize scarce survey and certification funds, but only this region interpreted that as some sort of freeze. The prioritization is necessary largely because of an explosion of new home health agencies in Texas and Oklahoma. It hit Arkansas particularly hard because the state has been more restrained in the growth of such agencies.

I am told the misperception has been corrected in general, that the head of the Arkansas Hospital Association has been notified that there was a screw-up throughout the state, and that Crittenden is near the top of the list to be surveyed.

Attached is a draft response to Ross Hooper's letter to you. (Roz: I am including a disk so that you can make any changes.) Do you want me to call back Phil Matthews?

cc: Jeremy
Roz

March 21, 1995

Ross Hooper
Chief Executive Office
Crittenden Memorial Hospital
200 Tyler Avenue
West Memphis, Arkansas 72301

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Sincerely,

Carol H. Rasco

Boulanger 3/20/95
Sokolik –
HSQ

Make sure Crittenden
gets surveyed

CO/RO/State?

This was the only major
(also nearest activity)
train I can so people
not left hanging &
moving up

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

14-Mar-1995 03:32pm

TO: Diana M. Fortuna

FROM: Carol H. Rasco
Economic and Domestic Policy

CC: Jeremy D. Benami

SUBJECT: see attached

501
224-7878

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Thanks!

explosion in HHAs in region

Gazel - artfully worded - happs ↑

Real prob Tx +OK

You set priorities, not us

Head of AHA

E X E C U T I V E   O F F I C E   O F   T H E   P R E S I D E N T

14-Mar-1995 03:03pm

TO: Carol H. Rasco

FROM: Rosalyn A. Miller
Economic and Domestic Policy

SUBJECT: PH: Phil Matthews number not given

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now that Ross Hooper, Hospital Admin., will write you soon.
Any help you could provide is helpful. Phil can be paged du
rin the Leg. session at (501)370-8428.

Gagel memo - As you det. priorities - more on HH
Regions overreacted

Crittenden: if urgent nd for cert, such as jeop care, st shld survey

Balt. 966 - 3151

CRITTENDEN MEMORIAL HOSPITAL

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Ross Hooper
Chief Executive Officer

RH/jpt

cc: Jim Teeter, Arkansas Hospital Association

THE WHITE HOUSE
OFFICE OF DOMESTIC POLICY

CAROL H. RASCO
Assistant to the President for Domestic Policy

To: Diana F.

Draft response for POTUS
and forward to CHR by: _____

Draft response for CHR by: _____

Please reply directly to the writer
(copy to CHR) by: _____

Please advise by: _____

Let's discuss: _____

For your information: _____

Reply using form code: _____

File: _____

Send copy to (original to CHR): _____

Schedule ? : ☐ Accept ☐ Pending ☐ Regret

Designee to attend: _____

Remarks: Per Emails.

HEALTH CARE FINANCING ADMINISTRATION

ADDRESSEE:	FROM: Jennifer Boulanger
Diana Fortuna	OFFICE OF THE ADMINISTRATOR 200 INDEPENDENCE AVE., S.W. ROOM 314G WASHINGTON, DC 20201
PHONE:_____	PHONE: 202-690-6726 FAX : 202-690-6262

TOTAL PAGES:	ADDRESSEE'S FAX MACHINE NUMBER:	DATE:
2		3/15

REMARKS:

HCFA reprioritized survey & cert workloads, given resource constraints. There have been some problems with this with the Dallas Region. We've been working with them to straighten the problems out.

February 22, 1995

FROM: Director
Health Standards and Quality Bureau

SUBJECT: FY 1995 Medicare State Certification Survey Requirements--ACTION

TO: Regional Administrator
Health Care Financing Administration
Regions I - X

Effective Immediately

The purpose of this memorandum is to revisit and refine the survey requirements disseminated in the FY 1995 Budget Call letter. We believe this is necessary at this time due to the extraordinarily tight fiscal constraints being placed on the Medicare State Certification Program this year.

The FY 1995 appropriation of $145.8M is the same as the FY 1994 appropriation. Although the numbers of participating providers and suppliers continue to grow and surveyors' salaries continue to increase, we did not receive additional funding for Medicare survey and certification activities. Simply put, we do not have sufficient funding to complete all projected workload requirements for the Medicare Survey and Certification Program.

This situation exists in spite of our ongoing efforts to reduce survey costs. Within the past year, we have refined the survey protocol for nursing homes and home health agencies, placed increased emphasis on effecting cost reduction in "high cost" States, and continued with the collaborative efforts of the joint RO/CO/State Budget Workgroup to further refine the State budget allocation process.

In an effort to guarantee the continued health, safety, and services of beneficiaries in facilities already certified, as well as provide relief in this time of tight fiscal contraints, we are revising the Program's survey priorities. This reprioritization reflects our focus on assuring the health and safety of services by providers and suppliers already certified for participation in the Medicare/Medicaid programs. As your States plan and conduct their FY 1995 Medicare Survey and Certification workload, please work closely with them to ensure that the following activities are accomplished in the order listed.

- recertification surveys of nursing homes and ICF/MRs on average of once per year;
- recertification surveys of home health agencies on an average of once per year;
- complaint investigations, including allegations of dumping;
- maintenance of a home health hotline;
- maintenance of the nurse aide registry and assessments of nurse aide training and competency evaluation programs;
- the 15 percent requirement for recertifications of non long-term care facilities;
- initial certifications; and
- recertifications above the 15 percent coverage level.

In addition, your States should be provided the following guidelines, effective immediately:

- Waive the requirement to survey a provider or supplier within 3 weeks of its application for an initial certification if the State budget does not permit all initial surveys to be done. Please note that providers will continue to be prohibited from being certified without an initial survey.
- Schedule initial surveys on a first-come, first-serve basis within each provider type.

When applying these guidelines, the State should determine the potential for jeopardizing beneficiaries' access to care in the service area. If postponement would endanger the delivery of needed health care in the community, the State must conduct the initial certification survey timely. However, absent this circumstance, the States are authorized to postpone initial certifications of providers and suppliers in order to accomplish the requirements stated above.

Please contact me or Anthony J. Tirone on (410) 966-6763 if you need further clarification pertaining to the information in these guidelines.

/s/

Barbara J. Gagel

cc: ARAs, DHSQ
State Survey Agencies