

Background: CMS Hospital Flexibilities during the Pandemic

In response to the COVID-19 public health emergency (PHE), the Centers for Medicare & Medicaid Services (CMS) issued several flexibilities via its waiver and regulatory authorities aimed at helping hospitals maximize their capacity to treat patients. In March 2020, CMS launched the Hospitals without Walls Initiative, a broad range of waivers and flexibilities to allow hospitals to treat patients in alternate care settings outside the hospital – such as ambulatory surgery centers, inpatient rehabilitation hospitals, and hotels – while still receiving hospital reimbursement rates for services. For example, a healthcare system could use a hotel to take care of patients needing less intensive care while using its inpatient beds for COVID-19 patients. The Initiative aimed to enable hospitals to transition patients to other care settings as appropriate in order to have space for the influx of COVID-19 patients.

In November 2020, as part of the broader Hospitals without Walls Initiative, CMS created a specific program – the Acute Hospital Care at Home (AHCAH) waiver program – that enabled certain hospitals to provide inpatient-level services for certain specified conditions to patients in their homes. The main goal of the AHCAH program was to relieve congested emergency rooms and hospital inpatient departments by allowing patients with conditions that could safely be managed outside the hospital to be treated in their homes instead. The program allows hospitals to treat more than 60 enumerated acute conditions, including asthma, congestive heart failure, and pneumonia, in the patient’s home.

To create the AHCAH program, CMS waived two additional requirements that had not yet been waived under the broader Hospitals without Walls Initiative. Typically, as conditions of receiving payment for hospital services, Medicare requires hospitals to provide 24-hour nursing care services and immediate patient access to nurses on the physical premises of the hospital. CMS waived these requirements for the AHCAH program, allowing hospitals approved for the waiver to provide a combination of in-person and virtual patient visits and requiring that the hospital provide virtual access to the care team on a 24/7 basis. The waiver program allows participating hospital providers to deliver inpatient-level care for certain conditions to patients at home and still receive hospital reimbursement rates for those services.

Hospitals without Walls – a Broad Initiative to Extend Care Outside the Hospital

As part of its Hospitals without Walls Initiative, CMS authorized new regulatory flexibilities to enable hospitals to provide care in non-hospital settings, sometimes referred to as “temporary expansion sites” or “alternate care settings.” CMS’s waivers allow any non-hospital space to be used for patient care and quarantine sites as long as the site is approved by the state and is consistent with the state’s emergency preparedness or pandemic plan, to ensure patient and provider safety. To provide these flexibilities, CMS waived several (but not all) Medicare hospital conditions of participation (CoPs), the minimum standards hospitals must meet in order to receive Medicare reimbursement for hospital services.

The Hospitals without Walls Initiative is a multi-pronged approach aimed at relieving pressure from hospitals and enabling them to treat patients in different locations. The initiative consists of several strategies and flexibilities, including the following:

- **Allowing hospitals to provide services, including routine hospital services, outside the hospital:** Medicare typically requires “routine” hospital services – including bed, board, and nursing

services – to be provided in the hospital. During the PHE, CMS’s waiver is relatively broad, generally allowing any non-hospital space to be used for patient care, including routine hospital services, and to be used for quarantine as long as the site is approved by the state and the site is consistent with the state’s emergency preparedness plan.

- **Allowing ambulatory surgery centers (ASCs) to provide more services:** CMS is allowing ASCs to contract with local hospitals and healthcare systems to provide surge capacity or to temporarily enroll in Medicare as hospitals during the pandemic. While ASCs typically do not provide services that require 24-hour care, CMS waivers enable ASCs to provide more services as long as the ASC has appropriate staffing.
- **Allowing off-site patient screening:** The Emergency Medical Treatment and Labor Act (EMTALA) generally requires hospitals that offer emergency services to provide a medical screening examination and stabilize a patient’s emergency medical condition. During the PHE, CMS is allowing hospitals to screen patients at offsite locations to prevent the spread of COVID-19, as long as this practice is consistent with the state’s emergency preparedness or pandemic plan.
- **Increasing the use of telemedicine:** CMS issued broad waivers of Medicare coverage rules for services provided via telemedicine to enhance access to necessary care for hospital patients.
- **Easing direct supervision requirements for diagnostic services:** Hospital diagnostic services are typically covered only if provided under “direct supervision,” which generally requires the physical presence of a physician. During the PHE, CMS is allowing this direct supervision requirement to be satisfied via virtual presence (through audio/video real-time communications technology) when use of such technology is indicated to reduce exposure risks for the beneficiary or healthcare provider.
- **Enabling off-site and at-home COVID-19 testing:** CMS is allowing hospitals, laboratories, and other entities to perform COVID-19 tests on patients at home and in other community-based settings outside of the hospital. CMS is also allowing hospital emergency departments to test and screen patients for COVID-19 at drive-through and off-campus test sites.

Acute Hospital Care at Home (AHCAH) – A Specific Program to Treat Certain Acute Conditions at Home

As part of the broader initiative to allow hospitals to provide care outside their walls and still receive hospital reimbursement rates for that care, CMS created an additional program – the Acute Hospital Care at Home (AHCAH) program – that specifically enables participating hospitals to provide inpatient-level care for certain specified conditions to patients in their homes. The program allows hospitals to treat more than 60 different acute conditions, such as asthma, congestive heart failure, pneumonia, and chronic obstructive pulmonary disease (COPD), appropriately and safely in patients’ homes with proper monitoring and treatment protocols.

To create the program, CMS waived two additional requirements that had not yet been waived as part of the Hospitals without Walls Initiative. To enable AHCAH, CMS also waived the Medicare hospital CoPs (see 42 CFR §482.23(b) and (b)(1)) that require hospitals to provide 24/7 nursing services to patients, and that require a registered nurse be immediately available for patient care, on-site at the hospital. Instead, the AHCAH program puts in place other stringent requirements to ensure patient safety and access to their care team.

To participate, hospitals must apply for an individual waiver from CMS (i.e., there is not a blanket waiver that allows all hospitals to participate). Hospitals that have substantial prior experience implementing hospital at home programs can apply via an expedited process, to allow experienced hospitals to rapidly expand care to Medicare and Medicaid beneficiaries. These hospitals must submit certain monitoring data monthly, including the AHCAH patient census, escalations requiring the patient to transition from care in the home to care in the hospital, and unanticipated mortality. Hospitals with limited or no prior experience providing at-home acute hospital services must submit a more detailed application and must submit monitoring data weekly. **As of April 25, 2022, 215 hospitals in 34 states are currently participating in the AHCAH program.**

The main requirements of the AHCAH program are as follows:

- **Patient Screening.** Participating hospitals must have appropriate screening protocols before care at home begins to assess both medical and non-medical factors. Patients are eligible for acute hospital care at home as long as they have power, running water, and their residence satisfies basic safety requirements.
- **Restricted Admissions.** Beneficiaries can only be admitted into the program from emergency departments and inpatient hospital beds. AHCAH is for beneficiaries who require acute inpatient admission to a hospital and at least daily rounding by a physician and a medical team monitoring their care needs on an ongoing basis. Additionally, only patients with certain enumerated conditions, such as congestive heart failure and pneumonia, can be admitted to the AHCAH program. These patient eligibility restrictions are intended to ensure that only appropriate patients – those who require acute level care but who also have medical conditions that can safely be treated in the home setting – are admitted to the program.
- **Patient Evaluation.** An in-person history and physical is required prior to the patient starting care at home.
- **Daily Patient Visits.** A registered nurse must evaluate each patient at least once daily either in person or remotely. Additionally, two in-person visits must occur daily by either registered nurses or mobile integrated health paramedics, based on the patient’s nursing plan and hospital policies.
- **Services Provided in the Home.** Participant hospitals are required to provide several acute care services for patients at home, including pharmacy, infusion, respiratory care (including oxygen delivery), diagnostics (e.g., labs and radiology), patient monitoring and vital signs (including heart rate, blood pressure, respiratory rate, oxygen saturation, and temperature, with at least two sets of patient vitals taken daily), durable medical equipment, social work and care coordination, physical, occupational, and speech therapy, transportation, and food services (including meal availability as needed by the patient).

Reporting Requirements and Program Integrity. To ensure that hospitals are using the waiver program appropriately, CMS has included several important reporting requirements. Providers with prior experience must report monthly. Providers with limited or no prior experience must report weekly. In addition to reporting quality and safety data, hospitals must report their patient census and a list of the patients in the program. Additionally, hospitals must report

escalations (i.e., when a patient admitted to the program must return to the hospital) and unanticipated mortality events. These reporting measures are intended to ensure that hospitals are only admitting appropriate patients into the program and are not diverting disproportionate numbers of patients into the program.

- **Patient Choice.** Patients who do not wish to receive services in the home are not required to.

Additional Resources:

CMS Interim Final Rules:

[March 2020 CMS Interim Final Rule](#)

[April 2020 CMS Interim Final Rule](#)

[M+ Overview](#) of March 2020 Interim Final Rule flexibilities

[M+ Overview](#) of April 2020 Interim Final Rule flexibilities

Hospitals without Walls Initiative:

Hospitals without Walls CMS [Fact Sheet](#)

Hospitals without Walls CMS [Press Release](#)

[CMS Alternative Care Sites Fact Sheet](#)

Acute Hospital Care at Home:

[Resources](#) website

Required [Reporting Measures](#)

Acute Hospital Care at Home [FAQs](#)

[AHA Bulletin](#) on Acute Hospital Care at Home Waiver program

[List](#) of approved AHCAH hospitals