

Cecile Erwin Young *Executive Commissioner*

Health Facility Licensing Guidance Letter

Number: GL 23-1003-A

Title: Hospitals Participating in the Centers for Medicare and Medicaid Services Acute Hospital Care at Home Program (HB 1890-88R) [Amended]

Provider Types: General and Special Hospitals

Date Issued: January 29, 2024

1.0 Subject and Purpose

This amended guidance letter replaces the previous GL 23-1003, issued on July 28, 2023, to notify providers the Texas Health and Human Services Commission (HHSC) adopted a rule in Texas Administrative Code Title 25 (25 TAC) Chapter 133 to implement House Bill (HB) 1890, which is described in this guidance letter. This rule, which took effect January 25, 2024, was published in the January 19, 2024, issue of the *Texas Register* (49 TexReg 247). Refer to new Section 3.1 below for more information about these rules.

HHSC provides guidance to licensed providers on enacted legislation impacting their provider type. HB 1890, relating to the operation of a hospital at home program by certain hospitals; authorizing a fee, was proposed during the 88th Legislature, Regular Session (88-R) in 2023, and took effect on May 27, 2023.

This letter provides instruction to general and special hospitals regarding HB 1890 and outlines provider responsibilities and expectations.

2.0 Background and History

The Centers for Medicare & Medicaid Services (CMS) created the Acute Hospital Care at Home program, originally called the Hospitals Without Walls

program, in March 2020 to increase hospital capacity during the COVID-19 pandemic.¹

In response to the state of disaster declared in Texas and the United States of America relating to COVID-19, HHSC previously adopted a temporary emergency rule at Texas Administrative Code Title 26 (26 TAC) Chapter 500, Subchapter A, Section 500.4, relating to Participating in the Centers for Medicare and Medicaid Services Acute Hospital Care at Home Program During the COVID-19 Pandemic.

Under the emergency rule, a currently licensed hospital was permitted to apply to HHSC to temporarily participate in the CMS Acute Hospital Care at Home program to expand the hospital's capacity in response to the COVID-19 pandemic.

Resulting from the 2023 Texas Legislative Session (88-R), HB 1890, in part, codifies into law the requirement for a licensed hospital to obtain HHSC and CMS approval to operate a hospital at home (HAH) program before operating the program.

Effective July 28, 2023, HHSC allowed emergency rule Section 500.4 to expire.

3.0 Legislative Details and Provider Responsibilities

HB 1890 amended <u>Texas Health and Safety Code (HSC) Chapter 241</u> by adding Subchapter M, relating to the Hospital at Home Program, which allows a hospital to operate a HAH program with approval from CMS and HHSC.

To apply for HHSC approval to operate a HAH program, a hospital must email the following documents to infohflc@hhs.texas.gov and Hospital Licensing@hhs.texas.gov and receive written approval from HHSC before operating a HAH program:

- Form 3230, Application to Treat Eligible Patients at Their Residence
 Under the Centers for Medicare and Medicaid Services Acute Hospital
 Care at Home Program,
- A nonrefundable application fee of \$350, and

¹ CMS Announces Comprehensive Strategy to Enhance Hospital Capacity Amid COVID-19 Surge.

• Proof of CMS's approval for participation in the CMS Acute Hospital Care at Home Waiver program.

HHSC may approve an application to operate a HAH program at its sole discretion and may require an inspection or additional documentation before granting approval. HHSC may withdraw HHSC's approval to operate a HAH program at any time.

If HHSC approves a hospital's application to operate a HAH program, HHSC will provide the hospital with HHSC's written approval after HHSC approves the application.

A hospital that has already received HHSC approval to operate a HAH program must reapply for HHSC approval to operate the hospital's HAH program when applying to renew the hospital's license under <u>25 TAC Section</u> <u>133.23</u>. A hospital must pay a nonrefundable renewal application fee of \$390 per 10 beds the hospital designates for the HAH program in the renewal application. This fee is in addition to the hospital's license renewal fee.

Hospitals must inform HHSC if they are no longer participating in the HAH program by providing written notice to infohflc@hhs.texas.gov and Hospital Licensing@hhs.texas.gov.

3.1 HHSC Rule Implementing HB 1890

To comply with HB 1890's provisions, HHSC adopted a new rule at <u>25 TAC Section 133.54</u>, which took effect January 25, 2024.

4.0 Resources

Review HB 1890 (88th Legislature, 2023) at: https://capitol.texas.gov/tlodocs/88R/billtext/html/HB01890F.htm.

Review the CMS Announces Comprehensive Strategy to Enhance Hospital Capacity Amid COVID-19 Surge press release at:

https://www.cms.gov/newsroom/press-releases/cms-announces-comprehensive-strategy-enhance-hospital-capacity-amid-covid-19-surge.

Review expired emergency rule Section 500.4 at:

https://texreg.sos.state.tx.us/public/regviewer\$ext.RegPage?sl=R&app=1&pdir=&prloc=416052&ptloc=&pploc=&pg=1&preg=416052&ti=26&pt=1&ch=500&rl=4&issue=02/03/2023&zchk=.

Review HSC Chapter 241 at:

https://statutes.capitol.texas.gov/Docs/HS/htm/HS.241.htm.

Review Form 3230, Application to Treat Eligible Patients at Their Residence Under the Centers for Medicare and Medicaid Services Acute Hospital Care at Home Program at: https://www.hhs.texas.gov/regulations/forms/3000-3999/form-3230-application-treat-eligible-patients-their-residence-under-centers-medicare-medicaid.

Review 25 TAC Chapter 133 at:

https://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac_view=4&ti=2 5&pt=1&ch=133.

Review 25 TAC Section 133.23 at:

https://texreg.sos.state.tx.us/public/readtac\$ext.TacPage?sl=R&app=9&p_d ir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=25&pt=1&ch=133&rl=23.

Review 25 TAC Section 133.54 at:

https://texreg.sos.state.tx.us/public/readtac\$ext.TacPage?sl=R&app=9&p_d ir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=25&pt=1&ch=133&rl=54.

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5.0 Contact Information

Email the Policies and Rules Unit at HCR_PRU@hhs.texas.gov if you have any questions about this letter.