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Release: Enforcement Instruction on Supervision Requirements for Outpatient Therapeutic Services in Critical Access Hospitals and Small Rural Hospitals

Beginning on March 18, 2010, the Centers for Medicare & Medicaid Services (CMS) instructed its contractors not to evaluate or enforce the supervision requirements for therapeutic services provided to outpatients in Critical Access Hospitals from January 1, 2010 through December 31, 2010. CMS extended this instruction for 2011 and expanded it to include small rural hospitals with 100 or fewer beds beginning in 2011. For purposes of this enforcement instruction, CMS defines “small rural hospitals” as hospitals with 100 or fewer beds that are geographically located in a rural area or that are paid under the hospital outpatient prospective payment system with a rural wage index. The enforcement instruction has been extended by Congress several times through 2016.

The Bipartisan Budget Act of 2018 now extends this enforcement instruction through 2017, beginning January 1, 2017 and ending on December 31, 2017. In addition, the CY 2018 OPPS/ASC final rule with comment period continues the enforcement instruction for calendar years 2018 and 2019.