

hospice services under the Medicare program.

Generally, in order to enter into an agreement, a hospice facility must first be certified by a State survey agency as complying with the conditions or requirements set forth in part 418 of our regulations. Then, the hospice facility is subject to regular surveys by a State survey agency to determine whether it continues to meet those requirements. There is an alternative, however, to surveys by State agencies.

Section 1865(b)(1) of the Act provides that, if a provider entity demonstrates through accreditation by an approved national accreditation organization that all applicable Medicare conditions are met or exceeded, we would “deem” those provider entities as having met the requirements. Accreditation by an accreditation organization is voluntary and is not required for Medicare participation.

If an accreditation organization is recognized by the Secretary as having standards for accreditation that meet or exceed Medicare requirements, any provider entity accredited by the national accrediting body’s approved program would be deemed to meet the Medicare conditions. A national accreditation organization applying for approval of deeming authority under part 488, subpart A must provide us with reasonable assurance that the accreditation organization requires the accredited provider entities to meet requirements that are at least as stringent as the Medicare conditions. Our regulations concerning reapproval of accrediting organizations are set forth at § 488.4 and § 488.8(d)(3). The regulations at § 488.8(d)(3) require accreditation organizations to apply for continued approval of deeming authority every 6 years or sooner as determined by us. The Community Health Accreditation Program’s (CHAP’s) term of approval as a recognized accreditation program for hospice facilities expires November 20, 2003.

II. Approval Process for Deeming Applications

Section 1865(b)(3)(A) of the Act provides a statutory timetable to ensure that our review of deeming applications is conducted in a timely manner. The Act provides us with 210 calendar days after the date of receipt of an application to complete our survey activities and application review process. Within 60 days of receiving a completed application, we must publish a notice in the **Federal Register** that identifies the national accreditation body making the request, describes the request, and

provides no less than a 30-day public comment period. At the end of the 210-day period, we must publish a notice in the **Federal Register** of our approval or denial of the application.

III. Provisions of the Proposed Notice

On April 25, 2003, we published a proposed notice in the **Federal Register** (68 FR 20391) announcing the CHAP’s request for reapproval as a deeming organization for hospice facilities. In this notice, we specified in detail our evaluation criteria. Under section 1865(b)(2) of the Act and our regulations at § 488.4, we conducted a review of the CHAP application in accordance with the criteria specified in our regulation, which include, but are not limited to the following:

- An onsite administrative review of CHAP’s:
 - (1) Corporate policies; (2) financial and human resources available to accomplish the proposed surveys; (3) procedures for training, monitoring, and evaluation of its surveyors; (4) ability to investigate and respond appropriately to complaints against accredited facilities; and (5) survey review and decision-making process for accreditation.
- A comparison of CHAP’s hospice accreditation standards to our current Medicare hospice conditions of participation.
- A documentation review of CHAP’s survey processes to:
 - Determine the composition of the survey team, surveyor qualifications, and the ability of CHAP to provide continuing surveyor training.
 - Compare CHAP’s processes to those of State survey agencies, including survey frequency, and the ability to investigate and respond appropriately to complaints against accredited facilities.
 - Evaluate CHAP’s procedures for monitoring providers or suppliers found to be out of compliance with CHAP program requirements. The monitoring procedures are used only when CHAP identifies noncompliance. If noncompliance is identified through validation reviews, the survey agency monitors corrections as specified at § 488.7(d).
 - Assess CHAP’s ability to report deficiencies to the surveyed facilities and respond to the facility’s plan of correction in a timely manner.
 - Establish CHAP’s ability to provide us with electronic data in ASCII-comparable code and reports necessary for effective validation and assessment of CHAP’s survey process.
 - Determine the adequacy of staff and other resources.

- Review CHAP’s ability to provide adequate funding for performing required surveys.

- Confirm CHAP’s policies concerning whether surveys are announced or unannounced.

- Obtain CHAP’s agreement to provide us with a copy of the most current accreditation survey together with any other information related to the survey as we may require, including corrective action plans.

In accordance with section 1865(b)(3)(A) of the Act, the proposed notice also solicited public comments regarding whether CHAP’s requirements met or exceeded the Medicare conditions of participation for hospice facilities. We received no public comments in response to our proposed notice.

IV. Provisions of the Final Notice

A. Differences Between CHAP and Medicare’s Conditions and Survey Requirements

We compared the standards contained in CHAP’s “Standard of Excellence for Hospice” and “The Core Standards of Excellence” and its survey process in the “Reapplication for Deeming Authority For Hospice Programs” with the Medicare hospice conditions for participation and our State and Regional Operations Manual. Our review and evaluation of CHAP’s deeming application, which were conducted as described in section III of this notice yielded the following:

- CHAP agreed to add the language “for pain control and respite purposes” to its standard that deals with inpatient care. CHAP’s standard now states: “The general inpatient level of care is arranged when the patient requires palliation treatment for acute medical and/or psychological symptoms and/or for pain control that cannot be managed in the patient’s home. Inpatient care is also available for respite purposes,” which meets the requirements of § 418.98.
- In order to meet the requirements of the conditions of participation at § 418.94, CHAP agreed to change the term “Home Care Aide” to “Home Health Aide.”
- In order to meet the requirements of § 418.204, CHAP agreed to remove the terms “social worker” and “personal care” and add the word “homemaker” to its standards that dealt with special coverage requirements.
- In order to meet the regulations at § 418.84, CHAP replaced the term “professional social worker” with “qualified social worker.”
- In order to comply with § 418.58(b) and to clarify who is responsible for