DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CMS/
CENTERS for MEDICARE & MEDICAID SERVICES

Center for Medicaid and State Operations/Survey and Certification Group

Ref: S&C-04-42

DATE: **August 12, 2004**

TO: State Survey Agency Directors

FROM: Director
             Survey and Certification Group

SUBJECT: Status of the December 24, 2003 Final Rule: Rural Health Clinics

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Letter Summary

- The Medicare Modernization Act (MMA) limits the authority of the Secretary to issue and enforce final rules that are issued more than three years after the proposed rule or interim final rule.
- These instructions clarify the status of the December 24, 2003 Final Rule.

The Centers for Medicare & Medicaid Services (CMS) has not yet implemented the changes to the Rural Health Clinic regulations that were published on December 24, 2003 (68 FR 74792). Therefore, until further notice, do not take any action to disqualify currently approved Medicare participating Rural Health Clinics that no longer meet basic location requirements. Please note that initial Rural Health Clinic applicants must meet existing rural and shortage area location requirements.

In addition, the Quality Assessment and Performance Improvement (QAPI) program requirements, cited at 42 CFR 491.11 in the December 24 publication, are not yet mandatory. However, any Rural Health Clinic that has implemented the QAPI program as specified should be considered to be in compliance with the existing Program Evaluation requirements at that site.

Effective Date: This guidance is effective immediately. Nothing in this Memorandum should be construed to require the rescheduling of a re-certification review. Please ensure distribution by August 31, 2004.

Training: The information contained in this announcement should be shared with all surveyors, survey and certification staff, their managers, and the state/RO training coordinators.

/s/
Thomas E. Hamilton

cc: Survey and Certification Regional Office Management (G-5)