Critical Access Hospitals

In SFY 2012, Critical Access Hospitals (CAH) were paid $91,123,522 through Prospective Interim Payments (PIP), representing 16% of total hospital spending.

Maine currently has 16 Critical Access Hospitals:

- Blue Hill
- Bridgton
- Calais
- Charles A. Dean
- Down East Community
- Houlton Regional
- Mayo Regional
- Millinocket
- Mount Desert Island
- Penobscot Valley
- Redington-Fairview
- Rumford Community
- Saint Andrews
- Sebasticook Valley
- Stephen’s Memorial
- Waldo County General

To qualify as a Critical Access Hospital, the Hospital must meet the following criteria:

- Furnish 24-hour emergency care services 7 days a week, using either on-site or on-call staff;
- Provide no more than 25 inpatient beds that can be used for either inpatient or swing bed services; however, it may also operate a distinct part rehabilitation or psychiatric unit, each with up to 10 beds;
- Have an average annual length of stay of 96 hours or less per patient for acute care (excluding swing bed services and beds that are within distinct part units); and
- Be located either more than a 35-mile drive from the nearest hospital or CAH or more than a 15-mile drive in areas with mountainous terrain

Initiative

Currently MaineCare reimburses Critical Access Hospitals at 109% of allowable costs. This initiative achieves savings by reducing reimbursements to align with Medicare’s current reimbursement rate of 101%.

Savings:

<table>
<thead>
<tr>
<th>Year</th>
<th>State</th>
<th>Federal</th>
<th>Total</th>
<th>% of total SFY Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>SFY 13</td>
<td>$612,000</td>
<td>$1,150,165</td>
<td>$1,762,165</td>
<td>2 percent</td>
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<td>SFY 14</td>
<td>$2,448,000</td>
<td>$3,962,055</td>
<td>$6,410,055</td>
<td>7 percent</td>
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<td>SFY 15</td>
<td>$2,448,000</td>
<td>$3,918,710</td>
<td>$6,366,710</td>
<td>7 percent</td>
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</tbody>
</table>

Impact

- Management of the reimbursement reduction from 109% to align with the Medicare reimbursement rate will vary by hospital administration, and impact to individual MaineCare members cannot be accurately assessed by the Department.