



Rural Referral Center



THE RURAL REFERRAL CENTER (RRC) PROGRAM was established to support high-volume rural hospitals that treat a large number of complicated cases.

Rural Referral Center Program Requirements

The Code of Federal Regulations (CFR) under 42 CFR Section 412.96 contains a full description of the criteria for RRCs. In general, a Medicare participating acute care hospital is classified as a RRC if it is located in a rural area and it meets ONE of the following criteria:

1) It has 275 or more beds available for use during its most recently completed cost reporting period. If the hospital's bed count has changed, written documentation may be submitted with the application regarding one or more of the following reasons for the change:

- The merger of two or more hospitals;
- Acute care beds that previously were closed for renovation are reopened;
- Acute care beds that previously were classified as part of an excluded unit are transferred to the Prospective Payment Systems; or
- The hospital expands the number of acute care beds for use and these beds are permanently maintained for inpatients (such expansion does not include beds in corridors or other temporary beds); OR

2) It shows the following three elements:

- At least 50 percent of the hospital's Medicare patients are referred from other hospitals or from physicians who are not on the staff of the hospital;



- At least 60 percent of the hospital's Medicare patients live more than 25 miles from the hospital; and
 - At least 60 percent of all services the hospital furnishes to Medicare beneficiaries are furnished to beneficiaries who live more than 25 miles from the hospital; OR
- 3) If the criteria in 1) or 2) above cannot be met, it must be a rural facility as defined at 42 CFR Section 412.62(f)(1)(iii) that meets the criteria in a) and b) AND at least ONE of the criteria in c), d), or e) listed below:
- a) **Case-Mix Index**— For discharges during the most recent Federal fiscal year (FY) ending at least one year prior to the beginning of the cost reporting period for which the hospital is seeking RRC status, its case-mix index is at least equal to the national case-mix index value as established by the Centers for Medicare & Medicaid Services (CMS) or the median case-mix index value for urban hospitals located in each region; AND

- b) Number of Discharges**— Its number of discharges is at least 5,000 or the median number of discharges for urban hospitals set by CMS yearly in the Inpatient Prospective Payment System rulemaking, in accordance with 42 CFR 412.96(c)(2). For an osteopathic hospital, its number of discharges is at least 3,000; AND
- c) Medical Staff**— More than 50 percent of the hospital's active medical staff are specialists who meet the conditions specified under 42 CFR 412.96(c)(3); OR
- d) Source of Inpatients**— At least 60 percent of all discharges are for inpatients who reside more than 25 miles from the hospital; OR
- e) Volume of Referrals**— At least 40 percent of all inpatients treated at the hospital are

referred from other hospitals or from physicians who are not on the hospital's staff.

Section 4202(b) of the Balanced Budget Act of 1997 states that any hospitals designated as RRCs in FY 1991 are grandfathered as such.

To find additional RRC information, see Chapter 3 of the *Medicare Claims Processing Manual* (Pub. 100-4) at <http://www.cms.hhs.gov/Manuals> on the CMS website. To access the CFR, visit <http://www.gpoaccess.gov/cfr/index.html> on the Web.



HELPFUL RURAL HEALTH WEBSITES

CENTERS FOR MEDICARE & MEDICAID SERVICES' WEBSITES

CMS Manuals

<http://www.cms.hhs.gov/Manuals>

Critical Access Hospital Center

<http://www.cms.hhs.gov/center/cah.asp>

Federally Qualified Health Centers Center

<http://www.cms.hhs.gov/center/fqhc.asp>

Hospital Center

<http://www.cms.hhs.gov/center/hospital.asp>

HPSA/PSA (Physician Bonuses)

http://www.cms.hhs.gov/hpsapsaphysicianbonuses/01_overview.asp

Medicare Learning Network

<http://www.cms.hhs.gov/MLNGenInfo>

MLN Matters Articles

<http://www.cms.hhs.gov/MLNMattersArticles>

Rural Health Center

<http://www.cms.hhs.gov/center/rural.asp>

Telehealth

<http://www.cms.hhs.gov/Telehealth>

OTHER ORGANIZATIONS' WEBSITES

American Hospital Association Section for Small or Rural Hospitals

http://www.aha.org/aha/key_issues/rural/index.html

Health Resources and Services Administration

<http://www.hrsa.gov>

National Association of Community Health Centers

<http://www.nachc.org>

National Association of Rural Health Clinics

<http://www.narhc.org>

National Rural Health Association

<http://www.nrharural.org>

Rural Assistance Center

<http://www.raconline.org>

U.S. Census Bureau

<http://www.Census.gov>

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The Medicare Learning Network (MLN) is the brand name for official CMS educational products and information for Medicare fee-for-service providers. For additional information visit the Medicare Learning Network's web page at <http://www.cms.hhs.gov/MLNGenInfo/> on the CMS website.

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