

Transition to Critical Access Hospital (CAH) Status

Dear Insurance Agent,

We are excited to inform you about our hospital's transition from acute care to Critical Access Hospital (CAH) status. This change allows us to continue providing high-quality care while meeting the specific needs of our community.

Key Points About CAH Payments

1. REIMBURSEMENT MODEL

We receive reimbursement for most inpatient and outpatient services at **101% of reasonable costs**. This ensures sustainable operations and quality care delivery.

2. PAYMENT EXCLUSIONS

CAHs are not included in the **Inpatient Prospective Payment System (IPPS)** or the **Outpatient Prospective Payment System (OPPS)**. Instead, services are reimbursed under Medicare Part A and Part B guidelines.

3. DEDUCTIBLES AND COINSURANCE

Payments are based on Medicare Part A and Part B deductible and coinsurance amounts. CAHs do not limit outpatient services to the 20% Part B coinsurance amount imposed by the Part A inpatient deductible.

4. FINANCIAL TRANSPARENCY

We emphasize the importance of educating patients about service charges and potential financial obligations to promote understanding and financial planning.

Implications for Patients

- Patients should be made aware that without supplemental coverage, there is **no yearly limit** on out-of-pocket expenses. We strongly encourage enrollment in a **Medicare Supplement Insurance (Medigap)** policy or a **Medicare Advantage Plan** to help mitigate these costs.

Additional Information

- **Coverage Options:** Coverage varies based on services received and providers visited. Patients can benefit significantly from understanding their insurance options.
- **Cost Definitions:** Patients should be educated about key terms such as premium, deductible, coinsurance, and copayment to navigate their coverage effectively.

Questions?

We believe that transitioning to CAH status will enhance our ability to provide necessary services while maintaining financial sustainability. We appreciate your partnership as we move forward with this transition, and welcome any questions or discussions regarding the implications for patient care and reimbursement.

For more information, call Wayne HealthCare Patient Financial Services at 937.547.5770.

Helpful Resources:

- Visit [Medicare.gov](https://www.medicare.gov)
- Scan the QR code to visit the **Wayne HealthCare Financial Assistance** page

