



**American Hospital
Association**

Liberty Place, Suite 700
325 Seventh Street, NW
Washington, DC 20004-2802
(202) 638-1100 Phone
www.aha.org

May 19, 2014

The Honorable Lynn Jenkins
United States House of Representatives
1027 Longworth House Office Building
Washington, DC 20515

Dear Representative Jenkins:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our 43,000 individual members, the American Hospital Association is pleased to support H.R.4067 to provide for the extension of the enforcement instruction on supervision requirements for outpatient therapeutic services in critical access and small rural hospitals through 2014.

Approximately 46 million Americans live in rural areas and depend on these hospitals as an important, and often the only, source of care. Critical access and small rural hospitals face unique challenges because of their remote geographic location, scarce workforce, physician shortages and constrained financial resources with limited access to capital

Your bill attempts to address one of these unique challenges – the issue of direct supervision for outpatient therapeutic services. In the 2009 outpatient prospective payment system (PPS) final rule, the Centers for Medicare & Medicaid Services (CMS) mandated a new policy for “direct supervision” of outpatient therapeutic services that hospitals and physicians recognized as a burdensome and unnecessary policy change. CMS’s policy required that a supervising physician be physically present in the department at all times when Medicare beneficiaries receive outpatient therapeutic services. Hospital outpatient therapeutic services have always been provided by licensed, skilled professionals under the overall direction of a physician and with the assurance of rapid assistance from a team of caregivers, including a physician, should an unforeseen event occur. While hospitals recognize the need for direct supervision for certain outpatient services that pose high risk or are very complex, CMS’s policy generally applies to even the lowest risk services. Your bill would provide a needed delay in enforcement of the direct supervision policy through 2014 for critical access and small rural hospitals with fewer than 100 beds.

Again, we are pleased to support this bill and applaud your commitment to America’s rural hospitals and health care providers.

Sincerely,

Rick Pollack
Executive Vice President

