



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-3475-FN]

Medicare and Medicaid Programs: Application from the Accreditation Commission for Health Care Inc. (ACHC) for Continued Approval of its Critical Access Hospital Accreditation Program

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice.

SUMMARY: This notice announces our decision to approve the Accreditation Commission for Health Care Inc. (ACHC) for continued recognition as a national accrediting organization for critical access hospitals that wish to participate in the Medicare or Medicaid programs.

DATES: The decision announced in this notice is applicable from December 27, 2025, to December 27, 2031.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

I. Background

Under the Medicare program, eligible beneficiaries may receive covered services in a critical access hospital (CAH), provided that the facility meets certain requirements. Sections 1820(c)(2)(B), 1820(e), and 1861(mm)(1) of the Social Security Act (the Act) establish distinct criteria for facilities seeking designation as a CAH. Regulations concerning provider agreements are at 42 CFR part 489 and those pertaining to activities relating to the survey and certification of facilities are at 42 CFR part 488. Our regulations at 42 CFR part 485, subpart F specify the conditions of participation (CoPs) that a CAH must meet to participate in the Medicare program,

the scope of covered services, and the conditions for Medicare payment for CAHs. The regulations at § 485.647 specify that a CAH's psychiatric or rehabilitation distinct part unit (DPU), if any, must meet the hospital requirements specified in subparts A, B, C, and D of part 482 in order for the CAH DPU to participate in the Medicare program.

Prior to becoming a CAH, to enter into an agreement, a CAH must first be certified by a state survey agency as a hospital complying with the conditions of participation at 42 CFR part 482. It then can convert to a CAH by complying with the conditions or requirements at part 485, subpart F. Thereafter, the CAH is subject to regular surveys by a state survey agency to determine whether it continues to meet these requirements. However, there is an alternative to surveys by state agencies. Certification by a nationally recognized accreditation program can substitute for ongoing state review.

Section 1865(a)(1) of the Act provides that, if a provider entity demonstrates through accreditation by a Centers for Medicare & Medicaid Services (CMS) approved national accrediting organization (AO) that all applicable Medicare requirements are met or exceeded, we will deem those provider entities as having met such requirements. Accreditation by an AO is voluntary and is not required for Medicare participation.

If an AO is recognized by the Secretary of the Department of Health and Human Services (the Secretary) as having standards for accreditation that meet or exceed Medicare requirements, any provider entity accredited by the national accrediting body's approved program would be deemed to meet the Medicare requirements. A national AO applying for approval of its accreditation program under 42 CFR part 488, subpart A, must provide CMS with reasonable assurance that the AO requires the accredited provider entities to meet requirements that are at least as stringent as the Medicare requirements.

Our regulations concerning the approval of AOs are at §§ 488.4 and 488.5. The regulations at § 488.5(e)(2)(i) require an AO to reapply for continued approval of its

accreditation program every 6 years or sooner, as determined by CMS. This notice is to announce our continued approval of ACHC's CAH accreditation program for a period of 6 years.

II. Application Approval Process

Section 1865(a)(3)(A) of the Act provides a statutory timetable to ensure that our review of applications for CMS-approval of an accreditation program is conducted in a timely manner. The Act provides us 210 days after the date of receipt of a complete application, with any documentation necessary to make the determination, to complete our survey activities and application process. Within 60 days after receiving a complete application, we must publish a notice in the **Federal Register** that identifies the national accrediting body making the request, describes the request, and provides no less than a 30-day public comment period. At the end of the 210-day period, we must publish a notice in the **Federal Register** approving or denying the application.

III. Provisions of the Proposed Notice

On July 23, 2025, we published a proposed notice in the **Federal Register** (90 FR 34661), announcing ACHC's request for continued approval of its Medicare critical hospital accreditation program. In the proposed notice, we detailed our evaluation criteria. Under section 1865(a)(2) of the Act and in our regulations at § 488.5, we conducted a review of ACHC's Medicare CAH accreditation application in accordance with the criteria specified by our regulations, which include, but are not limited to, the following:

- An administrative review of ACHC's: (1) corporate policies; (2) financial and human resources available to accomplish the proposed surveys; (3) procedures for training, monitoring, and evaluation of its surveyors; (4) ability to investigate and respond appropriately to complaints against accredited facilities; and (5) survey review and decision-making process for accreditation.
- A comparison of ACHC's accreditation to our current Medicare CAH conditions of participation (CoPs).

- A documentation review of ACHC's survey process to:

- ++ Determine the composition of the survey team, surveyor qualifications, and ACHC's ability to provide continuing surveyor training.

- ++ Compare ACHC's processes to those of state survey agencies, including survey frequency, and the ability to investigate and respond appropriately to complaints against accredited facilities.

- ++ Evaluate ACHC's procedures for monitoring CAHs out of compliance with ACHC's program requirements. The monitoring procedures are used only when ACHC identifies noncompliance. If noncompliance is identified through validation reviews, the state survey agency monitors corrections as specified at § 488.7(d).

- ++ Assess ACHC's ability to report deficiencies to the surveyed facilities and respond to the facility's plan of correction in a timely manner.

- ++ Establish ACHC's ability to provide CMS with electronic data and reports necessary for effective validation and assessment of the organization's survey process.

- ++ Determine the adequacy of staff and other resources.

- ++ Confirm ACHC's ability to provide adequate funding for performing required surveys.

- ++ Confirm ACHC's policies with respect to whether surveys are unannounced.

- ++ Obtain ACHC's agreement to provide CMS with a copy of the most current accreditation survey together with any other information related to the survey as we may require, including corrective action plans.

IV. Analysis of and Responses to Public Comments on the Proposed Notice

In accordance with section 1865(a)(3)(A) of the Act, the July 23, 2025 proposed notice also solicited public comments regarding whether ACHC's requirements met or exceeded the Medicare CoPs for CAHs. We received one comment in favor ACHC's CAH renewal

application. We thank the commenters for their input and have taken it into consideration when making our decision.

V. Provisions of the Final Notice

A. Differences Between ACHC's Standards and Requirements for Accreditation and Medicare Conditions and Survey Requirements

We compared ACHC's CAH requirements and survey process with the Medicare CoPs and survey process as outlined in the State Operations Manual (SOM). Our review and evaluation of ACHC's CAH application were conducted as described in section III. of this notice and has yielded the following areas where, as of the date of this notice, ACHC has completed revising its standards and certification processes in order to:

- Meet the standard's requirements of all of the following regulations:

++ Section 485.623(c)(1)(i), revised standards to include a reference to applicable Life Safety Code (LSC) section(s) in the standards that did not include all of the applicable LSC requirements.

++ Section 485.623(d), revised standards to include a reference to applicable Health Care Facility Code (HCFC) section(s) in the standards that did not include all of the applicable HCFC requirements.

In addition to the standards review, we also reviewed ACHC's comparable survey processes, which were conducted as described in section III. of this notice, and yielded the following areas where, as of the date of this notice, ACHC has completed revising its survey processes, in order to demonstrate that it uses survey processes that are comparable to state survey agency processes by:

- Revising ACHC's survey process documentation to include both the 2012 editions of Life Safety Code (LSC) and Health Care Facilities Code (HCFC), and 2013 edition of the Fire Safety Evaluation System (FSES) NFPA 101A Fire Safety for Health Care Occupancies.
- Revising ACHC's survey process eligibility requirements for organizations to also

meet the 2012 HCFC (NFPA 99).

- Providing additional survey training to CAH surveyors on citing levels as it relates to the initial comprehensive assessment, for example, standard versus conditional level, to ensure compatibility with § 488.26(b).

B. Term of Approval

Based on our review and observations described in sections III. and V. of this notice, we approve ACHC as a national AO for CAHs that request participation in the Medicare program. The decision announced in this final notice is effective December 27, 2025, through December 27, 2031.

VI. Collection of Information Requirements

This document does not impose information collection requirements, that is, reporting, recordkeeping, or third party disclosure requirements. Consequently, there is no need for review by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

The Administrator of the Centers for Medicare & Medicaid Services (CMS), Mehmet Oz, having reviewed and approved this document, authorizes Vanessa Garcia, who is the Federal Register Liaison, to electronically sign this document for purposes of publication in the **Federal Register**.

Vanessa Garcia,

Federal Register Liaison,

Centers for Medicare & Medicaid Services.