Congress of the United States

Washington, DC 20515

March 25, 2021

Acting CMS Administrator Liz Richter U.S. Centers for Medicare & Medicaid Services U.S. Department of Health & Human Services 200 Independence Avenue, SW Washington, DC 20201

Re: Harmon Memorial Hospital, CMS Certification Number (CCN): 371338

Dear Acting Administrator Richter,

We write to you today to express our concerns about the loss of a critical access hospital (CAH) in our home state of Oklahoma. As this administration looks to promote access to rural healthcare, we must ensure that we continue to support those that are already working to provide these services.

In 2016, Harmon Memorial Hospital received its critical access hospital (CAH) designation under the secondary road provision of CAH guidelines. This designation allows Harmon Memorial Hospital to serve as a pillar of Harmon County Healthcare Authority (HCHA), the largest employer and the sole community provider hospital in the county.

Located in Southwest Oklahoma, Harmon County is ranked one of the poorest counties in the state of Oklahoma. The citizens of Harmon County are largely employed within the agriculture sector, placing many of them in remote areas that are far from large hospital facilities. By its nature, agriculture presents a great risk for potential accidents, in turn placing a greater demand on access to emergency care. Fortunately, the citizens of Harmon County are able to rely on Harmon Memorial Hospital for access to medical services and well-trained doctors.

It is our understanding that in March of 2019, Harmon Memorial Hospital initiated a Change of Ownership (CHOW) application with CMS. On August 28, 2019 CMS sent a letter to the new owner notifying them that as part of the CHOW process, CMS conducted a verification of Harmon Memorial Hospital's CAH designation and found that the hospital was not in compliance with the 35-mile requirement to remain a CAH. Upon further review, it was determined that the criteria used to grant the original secondary road provision waiver was incorrect and Harmon Memorial did not meet the requirement in 2016 when it received its initial designation.

While CMS is allowing the hospital to continue to operate as a CAH until October of 2021 before converting to an acute care hospital, the hospital has determined it will not be able to operate without this designation.

On December 27, 2020 the Fiscal Year 2021 Consolidated Appropriations Act was signed into law. The Act included the designation of Rural Emergency Hospitals (REH) as a new Medicare

provider type and opened the door for existing CAHs to transition into an REH once the program is set up. However, this new payment system will not be in effect until 2023.

In the two years between now and 2023, additional rural hospitals are expected to close, many of which may have been able to take part in the new REH designation had they been given the opportunity. This is precisely the case for Harmon Memorial Hospital. Given its short life expectancy after the upcoming CAH designation revocation, Harmon Memorial Hospital should have the option to transition into an REH; however, unless CMS acts to provide flexibility for the hospital, it will be unable to transition due to expected closure before 2023. Additionally, to our knowledge, CMS has not yet taken steps to begin rule making for the REH designation, giving rural hospitals nothing to look toward as they struggle to remain open.

Due to the importance of funding that this designation provides, we ask that you work with the Harmon County Healthcare Authority (HCHA) and Harmon Memorial Hospital to ensure it remains a Critical Access Hospital at least until the hospital is able to apply for and secure the Rural Emergency Hospital payment system.

Sincerely,

James Lankford

United States Senator

Frank D. Lucas

United States Congressman

James M. Inhofe United States Senator