DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS–5051–N2]

Medicare Program; Rural Community Hospital Disemonstration Program: Solicitation of Additional Participants

AGENCY: Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: This notice announces a solicitation for up to 10 additional eligible hospitals to participate in the Rural Community Hospital Demonstration program, to run through June 30, 2028.

DATES: To be assured consideration, applications must be received at the address provided below by 11:59 p.m. Eastern Standard Time (E.S.T.) on March 1, 2025.

ADDRESSES: Please email completed applications to the following email address: *RCHDemo@cms.hhs.gov.*

FOR FURTHER INFORMATION CONTACT: Alexis Lilly at 410–786–3501 or by email at *alexis.lilly@cms.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

Section 410A(a) of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Public Law (Pub. L. 108–173) required the Secretary to establish a demonstration program to test the feasibility and advisability of establishing cost-based reimbursement for ''rural community hospitals'' to furnish covered inpatient hospital services to Medicare beneficiaries. The demonstration pays rural community hospitals for such services under a cost-based methodology for Medicare payment purposes for covered inpatient hospital services furnished to Medicare beneficiaries. A rural community hospital, as defined in section 410A(f)(1) of Public Law 108–173, is a hospital that—

- Is located in a rural area (as defined in section 1886(d)(2)(D) of the Social Security Act (the Act)) or is treated as being so located pursuant to section 1886(d)(8)(E) of the Act;
- Has fewer than 51 acute care inpatient beds (excluding beds in a distinct psychiatric or rehabilitation unit of the hospital) as reported in its most recent cost report;
- Provides 24-hour emergency care services; and
- Is not designated or eligible for designation as a critical access hospital under section 1820 of the Act.

The demonstration is designed to test the feasibility and advisability of reasonable cost reimbursement for inpatient services to small rural hospitals. The demonstration is aimed at increasing the capability of the selected rural hospitals to meet the needs of their service areas.

We began the demonstration in 2004 for the initial 5-year period mandated under section 410A of Public Law 108–173. The demonstration has been extended three times, each time for an additional 5-year period—first, by sections 3123 and 10313 of the Affordable Care Act (Pub. L. 111–148); then by section 15003 of the 21st Century Cures Act (Pub. L. 114–255), and again by section 128 of the Consolidated Appropriations Act of 2021 (Pub. L. 116–260). The current 5-year period of participation, mandated by Public Law 116–260, ends June 30, 2028.

As part of our broader rural strategy initiative and recognizing the health care challenges facing rural communities, we are conducting a new solicitation to select 10 additional qualifying hospitals to participate in the Rural Community Hospital Demonstration approving such hospitals on a rolling basis beginning May 1, 2025 through June 30, 2028. Please note that, although previous agreements ran for 5-year periods, agreements under this provision will run only until June 30, 2028. Given the upcoming statutory termination of the model, we are aligning performance dates for the selected hospitals with the last performance day for the last currently participating hospital in this performance cycle.

Section 410A(a)(4) of Public Law 108–173 specified that the Secretary was to select for participation from among the applicants in rural areas of States that the Secretary identified as having low population densities. Therefore, we will only accept applications to this solicitation from hospitals in the 20 least densely populated States, according to data for 2020 from the U.S. Census Bureau. These States are: Alaska, Arizona, Arkansas, Colorado, Idaho, Iowa, Kansas, Maine, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Vermont, and Wyoming. We will not accept applications from hospitals located in other States or in the US territories.[1] The statute states that no more than 30 rural community hospitals can participate. Twenty hospitals are currently participating in the demonstration program as of November 1, 2024; therefore, up to 10 additional hospitals may be selected to be able to begin participation in the demonstration in 2025.

II. Provisions of the Notice

This notice announces the solicitation for up to 10 additional hospitals to participate in the Rural Community Hospital Demonstration Program. Hospitals that enter the demonstration under this solicitation will be able to participate from May 1, 2025 through June 30, 2028

A. Demonstration Payment Methodology

Hospitals selected for the demonstration will be paid the reasonable costs of providing covered inpatient hospital services, with the exclusion of services furnished in a psychiatric or rehabilitation unit that is a distinct part of the hospital, using the following rules. For discharges occurring—

- In the first cost report period upon the hospital's participation in the demonstration, reasonable costs for covered inpatient services; and
- During the second or subsequent cost reporting period, the lesser of their reasonable costs or a target amount. The target amount in the second cost reporting period is defined as the reasonable costs of providing covered inpatient hospital services in the first cost reporting period, increased by the inpatient prospective payment system update factor (as defined in section 1886(b)(3)(B) of the Act) for that particular cost reporting period. The target amount in subsequent cost reporting periods is defined as the preceding cost reporting period's target amount increased by the hospital inpatient prospective payment system (IPPS) update factor for that particular cost reporting period.

Covered inpatient hospital services means inpatient hospital services (as defined in section 1861(b) of the Act) and includes extended care services furnished under an agreement under section 1883 of the Act (also known as ''swing beds'').

Section 410A of Public Law 108–173 requires that, in conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the

[1] See the United States Census Bureau: Historical Population Density Data (1910–2020) available at: *https://www.census.gov/data/tables/time-series/dec/density-data-text.html.*

Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented. To achieve budget neutrality for this demonstration program in fiscal years (FYs) since 2004, we have adjusted the national IPPS rates by an amount sufficient to offset the added costs of this demonstration program. We will present an estimate of the amount to offset additional costs due to the demonstration program in FY 2026, including the costs of additional rural community hospitals, in the FY 2026 IPPS/long-term care hospital (LTCH) PPS proposed rule.

B. Participation in the Demonstration

To participate in the demonstration, a hospital must be located in one of the identified States with low-population density and meet the criteria for a rural community hospital. Eligible hospitals that desire to participate in the demonstration must properly submit a timely application. Only applications that are received by the deadline specified in the **DATES** section of this notice will be considered ''timely'' and reviewed by the technical panel. Information about the demonstration and details on how to apply can be found on the CMS website: *https://www.cms.gov/priorities/innovation/innovation-models/rural-community-hospital.*

III. Collection of Information Requirements

The information collection requirements contained in this notice are subject to the Paperwork Reduction Act of 1995. As discussed in section II.B. of this notice, a hospital must submit the required information listed on the cover sheet of the CMS Medicare Waiver Demonstration Application to receive consideration by the technical review panel. The burden associated is the time and effort necessary to complete the Medicare Waiver Application and submit the information to CMS and is associated with OMB control number 0938–0880.

The Administrator of the Centers for Medicare & Medicaid Services (CMS), Chiquita Brooks-LaSure, having reviewed and approved this document, authorizes Chyana Woodyard, who is the Federal Register Liaison, to electronically sign this document for purposes of publication in the **Federal Register**.

Chyana Woodyard,

Federal Register Liaison, Centers for Medicare & Medicaid Services.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Proposed Information Collection Activity; Sexual Risk Avoidance Education (SRAE) National Evaluation Overarching Generic (New Collection)

AGENCY: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

ACTION: Request for public comments.

SUMMARY: The Administration for Children and Families' (ACF) Office of Planning, Research, and Evaluation (OPRE) requests Office of Management and Budget (OMB) approval for an overarching generic clearance to collect data from programs delivered by Sexual Risk Avoidance Education (SRAE) grant recipients on behalf of the SRAE National Evaluation. The generic mechanism will allow ACF to rapidly respond to research and evaluation opportunities that would not otherwise be feasible under the timelines associated with the Paperwork Reduction Act of 1995. The opportunities may relate to innovative implementation strategies and program components in use by SRAE grant recipients as they arise, and in particular, for youth subpopulations served by grant recipients. The purpose of the data collections submitted under the generic will be to inform ACF programming by building evidence about what innovations work to improve programming and outcomes across the SRAE grant recipients and the youth they serve.

DATES: *Comments due* February 24, 2025. In compliance with the requirements of the Paperwork Reduction Act of 1995, ACF is soliciting public comment on the specific aspects of the information collection described above.

ADDRESSES: You can obtain copies of the proposed collection of information and submit comments by emailing *OPREinfocollection@acf.hhs.gov.* Identify all requests by the title of the information collection.

SUPPLEMENTARY INFORMATION:

Description: Under the proposed umbrella generic, OPRE intends to conduct research and evaluation of innovative implementation strategies and program components used by SRAE grant recipients and in particular, for youth subpopulations served by grant recipients. There is not an extensive evidence base on SRAE programming to inform SRAE grant recipients' implementation and program improvement efforts. To add to this limited body of evidence and to support ACF's administration of the SRAE grant program, the SRAE National Evaluation includes data collection to identify strategies and components that have the potential to improve the delivery and/or quality of SRAE programming and to understand better how to meet the needs of the range of youth served by the programs. As the evaluation team identifies strategies that are ready for evaluation, the work will need to begin quickly so that the learnings can be disseminated back to SRAE grant recipients within the period of performance. Due to the need for this rapid decision making, OPRE is seeking approval for a generic clearance to conduct this research. Potential data collection efforts include conducting interviews with SRAE program staff, including front-line facilitators working directly with youth; staff from partner organizations that work with SRAE programs; brief exit tickets following individual program sessions, focus groups, and surveys of youth participating in SRAE programs; session logs completed by program facilitators after individual program sessions; and analysis plan and report templates that grant recipients can use to disseminate their own evaluation findings.

Under this generic clearance, information is meant to inform ACF activities and may be incorporated into documents or presentations that are made public such as through conference presentations, websites, or social media. The following are some examples of ways in which we may share information resulting from these data collections: technical assistance (TA) plans, webinars, presentations, infographics, issue briefs/reports, evaluation specific reports, or other documents relevant to the field, such as federal leadership and staff, grant recipients, local implementing agencies, researchers, and/or training/TA providers. In sharing findings, we will describe the study methods and limitations regarding generalizability and as a basis for policy.

Following standard OMB requirements, OPRE will submit an individual request for each specific data