

# MEMORANDUM

Texas Department of Human Services \* Long Term Care/Policy

**TO:** LTC-R Regional Directors  
Section/Unit Managers

**FROM:** Marc Gold  
Section Manager  
Long Term Care-Policy  
State Office MC: W-519

**SUBJECT:** Regional Survey & Certification Letter #99-06

**DATE:** February 5, 1999

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The attached RS&C Letter is being provided to you for information purposes and should be shared with all professional staff.

- RS&C Letter No. 99-06 -- Community Mental Health Center (CMHC) Effective Date for Medicare Participation; Call Beverly Tucker, Section Manager, Professional Services, at (512) 438-2631.

If you have any questions, please direct inquiries to the individuals or sections listed above.

~Original Signature on File~

Marc Gold

Attachment

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Health Care Financing Administration**

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Region VI  
1301 Young Street, Room 833  
Dallas, Texas 75202

January 19, 1999

REGIONAL SURVEY AND CERTIFICATION LETTER NO: 99-06

To: All State Survey Agencies (Action)  
All Title XIX Single State Agencies (Information)  
Subject: Community Mental Health Center (CMHC) Effective Date for Medicare Participation

The purpose of this memorandum is to clarify that in accordance with section 2004 of the State Operations Manual (attached), the effective date for Medicare participation for a CMHC is the date that the CMHC's provider agreement, HCFA Form 1561, is countersigned by the Health Care Financing Administration (HCFA) regional office (RO). The provider agreement will be countersigned by the RO only after the CMHC has successfully enrolled with the Medicare program and the RO has determined that the CMHC meets all applicable Federal requirements. The requirements may include an onsite visit to the CMHC or a review of specific documents that HCFA may request from the CMHC, or both. We will not readjudicate effective dates for CMHCs that were previously approved for Medicare participation. This policy does apply to all pending CMHC applications where the provider agreement has not been countersigned by the RO. Please be sure to make this clear to all CMHC applicants.

If you have additional questions concerning this matter, you may contact Sam Wynn of my staff at (214) 767-4413.

Sincerely,

~Signature on File~

Calvin Cline  
Chief, Survey and Certification Operations

## **2004. SA IDENTIFICATION OF POTENTIAL PROVIDERS AND SUPPLIERS**

Often, first indications of interest in program participation by potential participants will be contacts with State licensing agencies. These contacts make the SA aware that a provider or supplier wishes to participate. The SA identifies, surveys, and makes certification recommendations to HCFA or the SMA about providers and suppliers that are potential program participants.

- A. Assisting Applicant Providers and Suppliers -- Pre-certification assistance to prospective providers and suppliers is a proper certification-related activity. It may take the form of providing them with a copy of the applicable regulations. The objective is to assist the party in attaining compliance as early as possible, since the effective date of participation can be no earlier than the date on which an initial certification survey shows that all the CoPs, Conditions for Coverage, or Requirements for SNFs are met, or the date on which the provider or supplier submits an acceptable PoC or an approved waived request, or both. For SNFs, the effective date is the date the SNF is in compliance with all the requirements for SNFs or the date it is in substantial compliance and submits, if applicable, an approvable waiver request. (See 42 CFR Part 442.13 and 489.13.) Since there are not any Medicare conditions for CMHCs and FQHCs, the effective date is the date the RO signs the provider agreement, after determining that all Medicare requirements, including enrollment are met.
- B. Initial Certification "Kits" -- When an entity wishes to participate initially in either or both programs, the SA mails the initial certification materials under cover of the appropriate form letter. (See Exhibits 1A-1F and Exhibit 63.)

Upon receipt of the forms, the SA reviews them to see that they are properly completed and secures any necessary changes or additional information. It makes sure any required UR plans and SNF transfer agreements are received. If a distinct part of a facility is being considered for participation, the SA reviews the diagram (or floor plan) submitted to make sure the size and location of the distinct part are clearly shown. Both copies of the signed provider agreement are sent, along with the title VI Assurance of Compliance with Civil Rights (Form HHS-690) or the comparable form, the Financial Solvency Statement (Form HCFA-2572), and the intermediary preference form to the RO. In title XIX-only cases, the SA sends the HHS-690 or comparable form to the SMA.

The SA refers questions about intermediaries, payment rules, financial solvency, or title VI clearance to the RO or the State Medicaid agency, as appropriate.