

CMS NEWS

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Reforms of regulatory requirements to save health care providers \$660 million annually

Reforms to Medicare regulations identified as unnecessary, obsolete, or excessively burdensome on hospitals and other health care providers will save nearly \$660 million annually, and \$3.2 billion over five years, through a rule issued today by the Centers for Medicare & Medicaid services (CMS).

Together with another rule finalized in 2012, this rule is estimated to save health care providers more than \$8 billion over the next five years. This final rule supports President Obama's unprecedented regulatory retrospective review—or "regulatory lookback"—initiative, where federal agencies are modifying, streamlining or eliminating excessively burdensome and unnecessary regulations on business.

"By eliminating stumbling blocks and red tape we can assure that the health care that reaches patients is more timely, that it's the right treatment for the right patient, and greater efficiency improves patient care across the board," said CMS Administrator Marilyn Tavenner.

This rule helps health care providers to operate more efficiently by getting rid of regulations that are out of date or no longer needed. Many of the rule's provisions streamline health and safety standards health care providers must meet in order to participate in Medicare and Medicaid.

For example, a key provision reduces the burden on very small critical access hospitals, as well as rural health clinics and federally qualified health centers, by eliminating the requirement that a physician be held to a prescriptive schedule for being onsite. This provision seeks to address the geographic barriers and remoteness of many rural facilities, and recognizes telemedicine improvements and expansions that allow physicians to provide many types of care at lower costs, while maintaining high-quality care.

The rule will also save hospitals resources by permitting registered dietitians and qualified nutritionists to order patient diets directly, which they are trained to do, without requiring the

preapproval of a physician or other practitioner. This frees up time for physicians and other practitioners to care for patients.

Major provisions of the rule are:

- Eliminates unnecessary requirements that ambulatory surgical centers must meet in order to provide radiological services that are an integral part of their surgical procedures, permitting them greater flexibility for physician supervision requirements.
- Permits trained nuclear medicine technicians in hospitals to prepare radiopharmaceuticals for nuclear medicine without the supervising physician or pharmacist constantly being present, which will help speed services to patients, particularly during off hours.
- Eliminates a redundant data submission requirement and an unnecessary survey process for transplant centers while maintaining strong federal oversight.

As part of the President's regulatory lookback initiative, CMS issued a final rule in May, 2012, that also reduces burdensome or unnecessary regulations for hospitals and additional health care providers. Those rules are saving nearly \$1.1 billion across the health care system in the first year and more than \$5 billion over five years.

To view the final rule, please visit www.ofr.gov/inspection.aspx.