

March 29, 2023

SB 293 would allow rural hospitals to utilize a new federal designation for hospital licensure, Rural Emergency Hospital (REH). State/statute must be updated in order for Oklahoma hospitals to take advantage of this new designation.

Intended to help financially struggling rural hospitals, this new model will allow existing CAHs and certain rural hospitals to convert to an REH to avert potential closure. Hospitals granted this designation will receive federal payments of approximately \$3.2 million per REH in 2023, with gradual increases in subsequent years. If an REH meets certain federal requirements, they will receive a 5% boost in Medicare payments.

Rural Emergency Hospitals are required to:

- Have fewer than 50 beds;
- Have an agreement with a nearby trauma center;
- Have an average length of stay of less than 24 hours;
- Not provide any acute care inpatient services (other than post-hospital extended care services furnished in a unit licensed as a skilled nursing facility).

