



KERN HEALTH SYSTEMS POLICY AND PROCEDURES			
<b>Policy Title</b>	Medicare Certified Facilities	<b>Policy #</b>	30.85-P
<b>Policy Owner</b>	Utilization Management	<b>Original Effective Date</b>	01/01/2026
<b>Revision Effective Date</b>		<b>Approval Date</b>	3/3/2026
<b>Line of Business</b>	<input type="checkbox"/> Medi-Cal <input checked="" type="checkbox"/> Medicare <input type="checkbox"/> Corporate		

**I. PURPOSE**

A. The purpose of this policy is to define Kern Health Systems (KHS) processes in demonstrating compliance with Centers for Medicare and Medicaid Services (CMS) special requirements pertaining to the use of Medicare Certified Facilities for CMS specified services meeting certain criteria.

B. Medicare Approved Facilities/Trials/Registries

Medicare has issued several national coverage determinations providing coverage for services and procedures of a complex nature, with the stipulation that the facilities providing these services meet certain criteria.

1. This criterion usually requires, in part, that the facilities meet the minimum standards to ensure the safety of beneficiaries receiving these services to be considered as a provider with the ability and expertise to perform the procedure. Being certified as a Medicare approved facility is required for performing the following procedures such as:
  - a. Carotid artery stenting
  - b. Ventricular Assist Device (VAD) destination therapy
  - c. Bariatric surgery
  - d. Certain oncologic positron emission tomography (PET) scans in Medicare-specified studies, and,
  - e. Lung volume reduction surgery

C. The following types of providers and suppliers must have met requirements for participation in Medicare (also specified at 42 CFR 498.2):

1. Hospitals (either Joint Commission on Accreditation Healthcare Organizations accreditation

or Medicare certification). Note that Medicare also certifies organ procurement organizations (OPOs) and that organ transplants must generally be performed in certified organ transplants centers,

2. Home Health Agencies (HHAs),
3. Hospices,
4. Clinical laboratories (a CMS-issued Clinical Laboratory Improvement Amendments (CLIA) certificate or a hospital-based exemption from CLIA),
5. Skilled Nursing Facilities (SNFs),
6. Comprehensive Outpatient Rehabilitation Facilities (CORFs),
7. Outpatient Physical Therapy and Speech Pathology Providers,
8. Ambulatory Surgery Centers (ASCs),
9. Providers of end-stage renal disease services,
10. Providers of outpatient diabetes self-management training,
11. Portable x-ray Suppliers, and
12. Rural Health Clinic (RHCs) and Federally Qualified Health Center (FQHCs).

D. For lists of approved facilities for these procedures, please go to the following links:

1. [Medicare Approved Facilities/Trials/Registries | CMS](#)
2. [Transplant Centers | CMS](#)
3. [ESRD General Information | CMS](#)

E. When services are furnished through institutions that must be certified for Medicare, the institutional standards must be met for Medicaid as well. In general, the only types of institutions that participate only in Medicaid are (unskilled) nursing facilities (NFs), psychiatric residential treatment facilities (PRTFs) and intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs). Medicaid requires nursing facilities to meet virtually the same requirements that skilled nursing facilities participating in Medicare must meet. ICF/IIDs must meet special Medicaid standards.

## **II. POLICY**

KHS will ensure through verification that CMS Designated facilities providing specific services under CMS requirements are certified. Being certified as a Medicare approved facility is required for performing the following procedures: carotid artery stenting, certain oncologic PET scans in Medicare-specified studies, and VAD destination therapy, bariatric surgery, and lung volume reduction surgery.

## **III. DEFINITIONS**

TERMS	DEFINITIONS
Medicare Certified Facilities	Medicare Certified Facility for the purpose of this policy is defined as a Medicare issued National Coverage Determinations (NCD) providing coverage for services and procedures of a complex nature, with the stipulation that the facilities providing these services meet certain criteria. This criterion usually requires, in part, that the facilities meet the minimum standards to ensure the safety of beneficiaries receiving these services in order to be considered as a provider with the ability and expertise to perform the procedure. CMS approvals are issued at a local level by the Medicare Administrative Contractor (MAC) or are reviewed and approved through a centralized process by CMS.
Certification Criteria	This criterion usually requires, in part, that the facilities meet the minimum standards to ensure the safety of beneficiaries receiving these services in order to be considered as a provider with the ability and expertise to perform the procedure.

#### IV. PROCEDURES

- A. Review Process for Medicare Certified facility to perform the specified procedure.
- B. The following listed procedures will undergo focused Utilization Management (UM) review:
  - 1. Carotid artery stenting
  - 2. Certain oncologic PET scans in Medicare-specified studies
  - 3. VAD destination therapy
  - 4. Bariatric surgery, and
  - 5. Lung volume reduction surgery.
- C. The UM Nurse reviewer is required to review the above listed referral requests and verify facility/provider certification.
  - 1. These referral types are exempt from the pre-established algorithms to make approval determinations.
- D. As part of the UM Nurse review process, the UM-nurse-will:
  - 1. Collect medical records
  - 2. Access and retrieve appropriate CMS LCD, NOC and/or other coverage criteria and guidelines necessary to support the procedure request.
  - 3. The Nurse will confirm that the facility that is being authorized is a Medicare Certified facility to perform the specified procedure. This can be validated at the CMS website:
    - a. [Medicare Approved Facilities/Trials/Registries | CMS](#)

- E. If the request is approved as medically necessary in congruence with coverage determinations and guidelines used to make the decision and the facility on the original request is a Medicare certified facility, the authorization request will be processed as approved.
- F. If the request is approved in part as medically necessary in congruence with coverage determinations and guidelines used to make the decision and the facility on the original request is not a Medicare certified facility, The information is then forwarded to the Medical Director to review and document his/her decision in the UM system. The rational will be based on the authorization request will be processed as partially approved for the procedure and partially denied for the facility not meeting certification criteria.
  - 1. KHS shall locate a certified Medicare facility for the procedure as the recommended alternative.
- G. If the request is denied in whole for procedure and facility UM organization determinations will be processed.
- H. The criteria used in making an adverse referral authorization decision will be noted on the written authorization decision, which is faxed to the provider and mailed to the member.
- I. A provider or member may request a copy of the criteria utilized in making the authorization decision.
- J. The Medical Director or Physician Reviewer's name and direct phone number will be made available to any provider who wishes to discuss the specific criteria utilized or the authorization decision made.
- K. This information is included in the written provider notice generated and faxed directly to the provider once the adverse authorization decision has been made.
- L. Partial and full denial determinations will only be made by a physician.

KHS is responsible for ensuring that their delegates comply with all applicable state and federal laws and regulations, contract requirements, and other CMS, Department of Health Care Services (DHCS), and or Department of Manages Health Care (DMHC) guidance, including applicable All Plan Letters (APLs), Health Plan Management Systems (HPMS) memos, Policy Letters, and Dual Plan Letters. These requirements must be communicated by KHS to all delegated entities and subcontractors.

**V. ATTACHMENTS**

Attachment A:	N/A
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**VI. REFERENCES**

Reference Type	Specific Reference
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Regulatory	<a href="#">eCFR :: 42 CFR Part 491 -- Certification of Certain Health Facilities</a>
Regulatory	42 CFR 498.2

## VII. REVISION HISTORY

Action	Date	Brief Description of Updates	Author
Effective	01/01/2026	New Policy created to comply with D-SNP.	UM

## VIII. APPROVALS

Committees   Board (if applicable)	Date Reviewed	Date Approved
Choose an item.		
Choose an item.		