



October 2015

## **PROCESS INSTRUCTIONS - ADDITION OF NEW HOSPITAL SATELLITE LOCATION**

An Oregon hospital may not provide patient care services at a satellite location until a satellite location license has been approved and issued by Oregon Health Authority (OHA), Health Care Regulation and Quality Improvement (HCRQI).

In accordance with Oregon Administrative Rule (OAR) 333-500-0025, a hospital may add a satellite location to its license and operate that location as part of the hospital. OAR 333-500-0010(46) defines a satellite location as "a building or part of a building owned or leased by a hospital, and operated by a hospital in a geographically separate location from the hospital, with a separate physical address from the hospital but that is within 35 miles from the hospital..." The definition further specifies the services that may be provided at a satellite location. A satellite location license is required for any location that is geographically separate from the hospital as above, and is more than 250 yards from the hospital's main emergency department (ED) doors as measured by radial distance (i.e., "as the crow flies").

HCRQI must ensure that the hospital completes the licensing process for all proposed satellite locations. Once a satellite is licensed, the Centers for Medicare and Medicaid Services (CMS) must approve the location for Medicare certification and billing purposes.

### **\_\_\_\_\_ 1. Submit building plans for the proposed satellite location to the HCRQI Facilities Planning and Safety (FPS) Program:**

Hospitals are subject to building plans review by FPS. FPS will provide all guidance relative to those processes and the associated fees. The hospital must submit plans or schematic drawings of the proposed satellite to FPS to initiate the plans review and building approval process. Contact FPS at: [mailbox.fps@state.or.us](mailto:mailbox.fps@state.or.us)

More information about FPS is located on the FPS website at:  
<http://public.health.oregon.gov/PHD/Directory/Pages/program.aspx?pid=19>

Satellite location licensure will not be approved by HCRQI until after FPS has issued a Notice of Project Building Approval for the satellite location.

**\_\_\_\_\_ 2. Submit licensure documents and fees to HCRQI:**

\_\_\_\_\_ a. A hospital license application form reflecting a request to add a satellite location and whether the services to be provided are new to the hospital. The hospital license application form is located on the HCRQI website at: [www.healthoregon.org/hcrqi](http://www.healthoregon.org/hcrqi)

\_\_\_\_\_ b. A cover letter that includes the PR# assigned by FPS and a statement that attests services will be provided in a manner that ensures compliance with all applicable hospital Oregon Administrative Rules, and Medicare Conditions of Participation and Code of Federal Regulations. Links to those requirements are located on the HCRQI website.

\_\_\_\_\_ c. A map which depicts the geographically separate location, and distance in yards or miles between the hospital's main ED doors and the proposed satellite location

\_\_\_\_\_ d. An initial licensing fee of \$750.00 for each proposed satellite location. This fee is also required annually at the time of the hospital's annual license renewal.

When FPS has issued its final Notice of Project Building Approval, all applicable onsite and offsite activities have been completed, and all required documents and fees have been received, HCRQI will evaluate the proposed satellite for compliance with applicable rules and regulations. Some satellites, such as emergency medical satellites, may require an initial survey prior to licensure. Each approved satellite location will be issued a unique license number that is linked to the hospital's license. A separate license will be generated for each satellite and will be sent to the hospital administrator.

**\_\_\_\_\_ 3. To request CMS provider-based designation to bill Medicare for services:**

\_\_\_\_\_ a. The hospital must contact its CMS Medicare Administrative Contractor (MAC) and submit to the MAC the applicable CMS 855.

\_\_\_\_\_ b. A copy of the MAC evaluation letter must be submitted to HCRQI.

Once the satellite location has been approved for state licensure and added to the hospital's license, HCRQI will forward the MAC evaluation to CMS for its final determination and addition of the location to the hospital's Medicare certification. CMS will communicate directly with the hospital regarding its determination.

In addition, if the hospital has "deemed status" it must notify its Accreditation Organization of the proposed satellite/provider-based location.

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