

BQC - 91 – 040

Date: June 14, 1991

To: Hospitals Hosp 5

From: Larry Tainter, Director
Bureau of Quality Assurance

Subject: Number of Beds in Prospective Payment Exclusion Units

Bureau of Quality Compliance surveyors have recently identified situations where a hospital indicates that they are operating a larger number of excluded beds in Prospective Payment Exclusion Units that originally approved by the federal Health Care Financing Administration (HCFA). In several cases we have been questioned by HCFA about why the survey report indicates a larger number of excluded beds than indicated on HCFA's approval.

In order to address this issue, we have obtained from Blue Cross and Blue Shield the most recent list of approved beds, by provider. This list comes from the fiscal intermediary and is the same list from which HCFA tracks numbers of excluded beds. We will receive quarterly updates of the list from the intermediary.

If a discrepancy is found, surveyors will request an updated list of the room numbers and their bed capacity. This information will then be forwarded to HCFA for its review and appropriate action.

Facilities may add or delete beds. However, in accordance with the federal program these bed changes will not be recognized until the start of the hospital's next cost reporting period. Facilities should be aware that bed changes must be made in writing to the Bureau of Quality Compliance specifying room numbers and the number of beds to identify the designated space. All notices must be made 5 months prior to the beginning of the hospital's cost reporting period in order for the change to be reflected in that next cost reporting period.

Questions may be directed to Stephen D. Schlough, the Bureau of Quality Compliance, at 608-266-3878.

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