

Appendix A: Sec. 1820. [42 U.S.C. 1395i-4]

- (a) Establishment.—Any State that submits an application in accordance with subsection (b) may establish a medicare rural hospital flexibility program described in subsection (c).
- (b) Application.—A State may establish a medicare rural hospital flexibility program described in subsection (c) if the State submits to the Secretary at such time and in such form as the Secretary may require an application containing—
 - (1) assurances that the State—
 - (A) has developed, or is in the process of developing, a State rural health care plan that—
 - (i) provides for the creation of 1 or more rural health networks (as defined in subsection (d)) in the State;
 - (ii) promotes regionalization of rural health services in the State; and
 - (iii) improves access to hospital and other health services for rural residents of the State; and
 - (B) has developed the rural health care plan described in subparagraph (A) in consultation with the hospital association of the State, rural hospitals located in the State, and the State Office of Rural Health (or, in the case of a State in the process of developing such plan, that assures the Secretary that the State will consult with its State hospital association, rural hospitals located in the State, and the State Office of Rural Health in developing such plan);
 - (2) assurances that the State has designated (consistent with the rural health care plan described in paragraph (1)(A)), or is in the process of so designating, rural nonprofit or public hospitals or facilities located in the State as critical access hospitals; and
 - (3) such other information and assurances as the Secretary may require.¹⁶

¹⁶ Direct quotation from the United States Social Security Administration. *Compilation of the Social Security Laws: Social Security Act (Volume I)*.