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GAVIN NEWSOM  
Governor

June 27, 2019

AFL 19-23

**TO:** Hospice Providers

**SUBJECT:** Senate Bill (SB) 1495 – Hospice Provider Initial Licensing Option Using an Accreditation Organization (AO)

**AUTHORITY:** Health and Safety Code (HSC) section [1751.5](#)

**All Facilities Letter (AFL) Summary**

- This AFL notifies hospice providers of the enactment of SB 1495, which requires California Department of Public Health (CDPH) to issue a hospice license to a hospice applicant that meets specified standards, including accreditation by an entity approved by the federal Centers for Medicare and Medicaid Services (CMS) as a national accreditation organization (AO).
- This AFL also notifies hospice providers of the option to select a CMS approved AO and provides the initial licensing process when choosing accreditation by an AO.

SB 1495 (Chapter 424, Statutes of 2018) creates an alternative pathway for obtaining a hospice license. A CMS-approved AO must accredit a hospice to participate. The AO must forward copies of all initial and subsequent surveys and other accreditation reports or findings to CDPH. Hospice applicants must file an application with CDPH and pay the appropriate fees.

CDPH may conduct surveys to ensure accredited hospices meet all accreditation requirements. CDPH will conduct these surveys using a selective sample basis. CDPH may also conduct a survey of an accredited hospice to investigate complaints against the accredited hospice for substantial noncompliance, as determined by CDPH.

CDPH retains its full range of authority over accredited hospice providers to ensure they meet the licensure and accreditation requirements. This authority includes the entire scope of enforcement sanctions and options available for unaccredited hospices.

Beginning July 1, 2019, hospice providers will have the option to hire a CMS approved AO to fulfill the survey portion of the initial licensing process.

Center for Health Care Quality, MS 0512  
P.O. Box 997377 • Sacramento, CA 95899-7377  
(916) 324-6630 • (916) 324-4820 FAX  
[Department Website](http://www.cdph.ca.gov) (www.cdph.ca.gov)



Initial licensing process for new hospice providers that choose to hire an AO:

- A new hospice provider that is beginning the initial application process must complete the following:
  - File an application with the Centralized Applications Branch (CAB) and include a cover letter indicating their intent to hire an AO and specifying which AO they have selected
  - Contact and hire the AO
  - Await an application approval letter from CAB
  - Contact the AO to schedule the initial survey
  
- A new hospice provider that has filed an initial licensing application and is waiting for CAB to review and approve the application, must complete the following:
  - Submit a cover letter to CAB indicating their intent to hire an AO and specifying which AO they have selected
  - Contact and hire the AO
  - Await an application approval letter from CAB
  - Contact the AO to schedule the initial survey
  
- A new hospice provider that has an approved application and is awaiting the initial survey must complete the following:
  - Inform the local DO of intent to use the AO option and specify an AO
  - Contact and hire the AO
  - Contact the AO to schedule the initial survey

Once the survey is complete, the AO will notify the hospice provider, CAB, and the DO of their determination. If the AO approves the accreditation of the hospice provider, CAB will issue a license.

Hospice provider applicants may use the following CMS-approved AOs for this new licensing process:

[Accreditation Commission for Health Care](#) (ACHC)

139 Weston Oaks Ct.  
Cary, NC 27513  
Phone: 855-937-2242

[Community Health Accreditation Partner](#) (CHAP)

1275 K Street NW, Suite 800  
Washington, DC 20005  
Phone: 202-862-3413

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[The Joint Commission](#) (TJC)  
One Renaissance Boulevard  
Oakbrook Terrace, Illinois 60181  
Phone: 630-792-5800

For questions regarding the status of a survey, please contact the AO.

For questions regarding this AFL, please contact the Centralized Applications Branch by email at [CAB@cdph.ca.gov](mailto:CAB@cdph.ca.gov) or by telephone at (916) 552-8632.

Sincerely,

**Original signed by Heidi W. Steinecker**

Heidi W. Steinecker  
Deputy Director