



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

March 10, 1999

Dear State Survey Agency Director:

I am writing to request your agency's assistance in raising provider awareness about the Year 2000 (Y2K) computer problem. The Y2K problem, as you know, arises because many computers and devices use only six digits to record dates. Thus, they may read 01-01-00 as January 1, 1900, rather than January 1, 2000. Patient care services, systems, and devices that rely on dates, the age of the patient, and certain other calculations could be severely affected if Y2K corrections are not made in time.

The Health Care Financing Administration (HCFA) has been hard at work to ensure that its own systems and those that it interfaces with will be Y2K compliant in a timely manner. We are asking you and your agency, as guardians of patient care quality, to do what you can to ensure that the providers will provide uninterrupted service in January 2000.

In order to help raise provider awareness, we have directly launched a broad outreach campaign. On January 12, HCFA mailed a letter to over 1.3 million providers and suppliers explaining the seriousness of the Y2K problems and urging that actions be taken now in order to avoid claims processing, payment, and patient care problems come January 1, 2000. A checklist to help providers assess their Y2K readiness was provided to them as were several web site addresses where additional information can be found. A copy of that letter is enclosed for your information. It is labeled Enclosure 1.

HCFA's new Internet site (www.hcfa.gov/Y2K) includes "how to" steps that can be taken by providers, including:

- how to inventory hardware and software programs and identify everything that is mission-critical to their business operations;
- how to assess the Y2K readiness of their inventory as well as options for upgrading or replacing systems, if necessary;
- how to update or replace systems important to business operations;
- how to test existing and newly purchased systems and software and their interfaces; and
- how to develop business continuity plans for unexpected problems.

This Internet site also includes links to other essential sites for providers, such as the Food and Drug Administration's web site on medical device compliance. HCFA also has established a speaker's bureau with staff trained to make presentations and answer questions on Y2K issues all around the country. For more information about available speakers in your area, contact the office of your HCFA Regional Administrator.

We know that some states have already taken steps to conduct their own Y2K outreach activities and we applaud those efforts. Today, we are asking for additional assistance as your resources will permit in order to reinforce the messages of the January 12 letter. We believe you are in a unique position to do this since your work routinely entails interactions with many different provider types in your state. Ways in which this reinforcement could be accomplished might include, for example:

- inclusion of an article in an agency publication such as a newsletter;
- inclusion of the subject in formal speech making engagements before provider audiences;
- sending a message to providers over the Internet, perhaps using an existing bulletin board or comparable vehicle; or
- sending a follow-up letter to providers.

Another way the subject might be raised is during the regular survey process. As surveyors visit individual facilities, they could leave a letter or set of questions to help raise awareness of the Y2K subject with the facility's administrator. Included as Enclosure 2 are some examples of questions that might be used in this circumstance. The intent of the questions is to serve as a guide. Each provider needs to determine the extent to which the questions and issues apply to their facility.

We have the best hope of success if we work together, so I hope you will join us in our efforts to ensure that providers are aware of their responsibilities. We expect that they will assess their readiness, do all they can to prepare for the advent of the new millennium, and have contingency plans in place to address potential problems that may arise despite their best efforts to prepare.

Our beneficiaries are counting on us to ensure their safety and the continued delivery of services. Thank you for helping us to achieve that outcome.

Sincerely,

/s/

Nancy-Ann Min DeParle
Administrator

Enclosures

Enclosure 2

Year 2000 (Y2K) Questions

NOTE: These questions are meant to be a guide to raise awareness. Each provider needs to determine the appropriate action their facility should take in response to these questions.

- 1) Has the facility seen the January 12 letter from HCFA Administrator DeParle? If not, one should be provided.
- 2) Has management done an assessment of billing/financial systems, clinical/medical record systems and pharmaceutical systems, bio-medical, life-safety, emergency and refrigeration equipment to determine if they may contain a computer chip or program that may be impacted by the change from year 1999 to year 2000?
- 3) Has the bio-medical equipment used in and by the care provider been checked out with the manufacturer or against the medical equipment lists on the U.S. Food and Drug Administration's Year 2000 equipment website at www.fda.gov/cdrh/yr2000/year2000.html to make sure it is certified as acceptable for use in year 2000?
- 4) Has management checked emergency contingency equipment to assure there is sufficient backup equipment and fuel to handle all failures, e.g., enough backup generators to supply energy to all essential electrical equipment (freezers, bio-medical equipment, heaters, water heaters, showers, lights, water pumps, etc)?
- 5) Are contingency plans under development (or already completed) to address failures that may occur with critical outside suppliers of electricity, water, laboratory services, food, medication (including pain medication), communications, and pharmaceutical supplies?
- 6) Has management developed contingency plans for proper care delivery working with other area providers should a major system(s) failure(s) occur in one facility that may necessitate the transportation to, or assistance in care delivery by, another facility?
- 7) Have contingency plans been completed that address other internal systems failures such as, elevators, respirators, patient lifts, electrical beds, coolers, alarms, life safety and emergency communication equipment and devices?
- 8) Have you placed orders for, arranged the timely replacement/repair of critical bio-medical, pharmacy or other equipment that does/may not meet Y2K requirements?
- 9) Have you identified all external vendors and contractors with whom you conduct business and received certification from them that their systems will be Y2K ready?
- 10) Have you checked HCFA's website at www.hcfa.gov/Y2K for more information about what you can do and how HCFA can help? HCFA will be ready, will you?