

CMS Guidance on the Role of the Medical Director



Long term care facilities are required^[1] to employ a physician to serve as its medical director. Medical directors are responsible for overseeing the medical care as well as implementing resident care policies. The Centers for Medicare and Medicaid Services (CMS) has promulgated [guidance](#) for that position that outlines the specific roles and duties. Long term care facilities that accept Medicare should pay particular attention to the CMS guidance during the medical director hiring process. Furthermore, this guidance gives providers an idea of how to avoid an Office of the Inspector General (OIG) enforcement action against them for alleged questionable medical directorship arrangements with physicians.

I. The Role of the Medical Director

Medical directors act as important leaders for long term care facilities and help them provide quality care. CMS requires all long term facilities to designate a physician to serve in this role in order to receive Medicare payments for services provided. That practitioner must be currently licensed in the State(s) in which the facility(ies) s/he serves is (are) located.

CMS guidance states that the Medical Director has two primary responsibilities:

1. Implement resident care policies; and
2. Coordinate medical care in the facility.

Moreover, the medical director's roles and responsibilities require the practitioner serving in this capacity to be knowledgeable about current standards of practice in caring for long term care

residents. That individual must be educated about how to coordinate and oversee related practitioners serving under his leadership. The medical director's input promotes a facility's goal of optimal resident outcomes, which may also be influenced by many other factors, such as resident characteristics and preferences, individual attending physician actions, and facility support.

II. Implementation of Resident Care Policies and Procedures

Long term care facilities must obtain the medical director's ongoing guidance in developing and implementing resident care policies, including review and revision of existing policies. While medical directors are the ultimate force behind resident care policies, they are not required to single-handedly put the policies into practice or monitor implementation. Instead, the medical director should collaborate and consult with facility leadership, staff, other licensed practitioners, nurse practitioners, physician assistants, and other registered health care professionals to help develop, implement, and evaluate the resident care policies and procedures.

The policies and procedures that are put into place must also reflect the current standard of practice. Moreover, although CMS guidance and regulations do not require the medical director to sign the policies or procedures, the facility must have documented evidence that its development, review, and approval of resident care policies included the medical director's input.

III. Coordination of Medical Care

The other critical role of the medical director is the coordination of medical care. In this sense, coordinating medical care includes organizing, directing, and managing care from appropriate health care providers to meet the health care and psychosocial needs of residents. The coordination of care must also meet current standards of practice and help the long term care facility meet its regulatory requirements.

The medical director is an important link between the facility, attending physicians, and other providers. That physician is tasked with promoting a common understanding of the "big picture" for individual residents. S/he should use the valuable information identified through the facility's quality assessment and assurance committee and quality assurance program to address any issues related to the coordination of care.

IV. What the CMS Guidance Provides to Long Term Care Facilities

To reduce the risk of non-compliance with CMS guidelines, facility boards should implement certain policies and procedures specifically dealing with medical directors that reflect the CMS guideline policies. For one thing, medical directorships should be reflected in the facility's written policies and procedures manual and satisfy the requirements of all other relevant laws, including the Stark law and Anti-Kickback law. An electronic database – as well as a physical hard copy – of all these agreements should be maintained and should include a reliable tracking system to ensure that

each agreement is reviewed periodically. Such monitoring on an annual basis of all medical director agreements can ensure that in each case the medical director is actually providing the services required and is being paid the compensation set forth in his agreement.

To prove that the medical director is implementing resident care policies, facility boards should check to make sure medical directorship services are legitimate and important in order for the facility to carry out its clinical functions. To prove their role in coordinating medical care in the facility, medical directors should complete a daily written log specifying each task performed and the amount of time spent performing the task.

V. Conclusion

CMS's [guidance](#) pertaining to the regulation on medical directors is a useful tool for all providers and medical directors. It shows what OIG will review to determine whether a legitimate, bona fide medical directorship exists at the long term care facility. If a medical director has real duties and responsibilities that are actually performed and documented, this will differentiate that physician from a sham medical directorship arrangement which is designed to reward referrals and pay kickbacks. This is especially important as the government continues to aggressively enforce efforts against providers who engage in illegal kickback practices and violations of the Stark law. As a long term care facility, it is important that you document all of the evidence related to the roles and responsibilities for, as well as the actions taken by, your medical director. These should be included in your facility's compliance plan. Do you need assistance drafting policies and procedures related to an effective compliance plan? We would be more than happy to help you remain compliant with all CMS rules and regulations. Give us a call today.



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[1] 42 C.F.R. § 483.75(i).