SOUTHSTART, LLC

POLICIES & REGULATORY PRODUCTS

CALIFORNIA HOSPICE | 2026 REGULATORY BRIEF

California Hospice Licensing Regulations

Summary of Significant Regulatory Changes

EFFECTIVE JUNE 22, 2026

The California Department of Public Health (CDPH) adopted emergency hospice licensing regulations to strengthen oversight of hospice providers and address concerns identified in the California State Auditor's investigation of hospice fraud. The regulations create operational requirements that, in many areas, exceed the federal Medicare Conditions of Participation (CoPs).

KEY COMPLIANCE POINT

When California requirements differ from federal requirements, hospices must comply with the more stringent applicable requirement.

AT A GLANCE

2 HOURS In-person licensed nurse response	**12 PATIENTS** Maximum licensed nurse assignment
120 DAYS Advance notice for service area and certain ownership changes	**DAILY** EHR backup requirement

Licensing, Service Area & Clinical Staffing

01 LICENSING & ADMINISTRATIVE REQUIREMENTS

- Establishes comprehensive hospice licensing regulations under Title 22, CCR §§74800-74908.
- Requires compliance with California-specific licensing standards in addition to Medicare CoPs.
- No general grandfathering provision for existing licensed hospices was identified.
- Requires agencies to comply with the most stringent applicable requirement.

02 GEOGRAPHIC SERVICE AREA

- Hospices must establish and maintain an approved geographic service area.
- The service area must be based on the hospice's ability to provide an in-person licensed nurse response within two hours.
- Hospices may not admit patients outside the approved geographic service area.

03 TWO-HOUR NURSING RESPONSE

- Requires an in-person licensed nurse response within two hours for medical needs or safety concerns.
- Telephone support must be available until the nurse arrives.
- Hospices must maintain sufficient staffing to consistently meet the two-hour response requirement.

04 NURSING STAFFING REQUIREMENTS

- Limits licensed nurse assignments to no more than twelve (12) patients.
- Only direct-care licensed nurses count toward staffing assignments.
- LVNs may provide care within their scope of practice.
- Staffing assignments must be based on patient acuity and clinical complexity.

05 PATIENT ACUITY SYSTEM

- Requires a documented patient acuity system.
- Must consider disease severity, symptom burden, specialized equipment, clinical complexity, functional status, caregiver support, licensure, injury risk, developmental disabilities, specialized treatments, patient/family requests, and psychosocial, behavioral, and neurological needs.
- Requires annual review by a committee appointed by the Director of Patient Care Services (DPCS).

Documentation and Information Governance

06 INTERDISCIPLINARY COMMUNICATION

- Requires a documented communication system among hospice personnel, contracted providers, providers under arrangement, and non-hospice providers.

07 MEDICAL RECORD SERVICES

- Requires policies for retrieval, reconciliation, deficiency analysis, coding, filing, indexing, quality review, and release of information.
- Requires formal amendment/correction processes.
- Requires medical records to be provided within 15 days of request.
- Requires documentation of amendment requests and outcomes.
- Requires CDPH notification within 24 hours if records are destroyed or defaced before the retention period expires.

08 INFORMATION GOVERNANCE

- Requires governing body approval of information governance policies.
- Requires policies addressing security, authentication, access controls, integrity, retention, and destruction.
- Requires compliance with HIPAA and California CMIA.

09 ELECTRONIC HEALTH RECORDS (EHR)

- Requires access controls and audit trails.
- Requires daily backups.
- Requires downtime and disaster recovery procedures.
- Requires linked patient records across the organization.
- Establishes requirements for off-site and hybrid server storage.

10 ADMISSION REQUIREMENTS

- Clarifies informed consent requirements.
- Expands the definition of patient representative.

11 COMPREHENSIVE ASSESSMENTS

- Requires standardized assessment data elements to measure patient outcomes.
- Requires consistent documentation methods.

Organizational Requirements and Key Takeaways

12 REPORTING CHANGES TO CDPH

- 120-day advance notice for geographic service area and certain ownership changes.
- 60-day advance notice for addition/deletion of services.
- 10 business days for changes involving leadership, governing body, NPI, address, ownership details, and Medicare/Medi-Cal certification.

13 ADMINISTRATIVE OFFICE REQUIREMENTS

- Requires an established, exclusive commercial office owned or leased exclusively by the hospice for at least 12 consecutive months.

KEY OPERATIONAL IMPACT

◆ Greater emphasis on objective staffing methodologies.	◆ Formal patient acuity management.
◆ Timely in-person nursing response.	◆ Enhanced medical record governance.
◆ Expanded EHR oversight.	◆ Formal interdisciplinary communication.
◆ Increased documentation and reporting.	◆ Ongoing monitoring and organizational accountability.

IMPLEMENTATION FOCUS

- Review geographic service area boundaries against the two-hour in-person nursing response requirement.
- Evaluate licensed nurse assignment practices and the patient acuity methodology used to support staffing decisions.
- Review medical record, information governance, EHR backup, access, and disaster recovery processes.
- Confirm internal processes for reporting organizational and service changes to CDPH within the applicable timeframes.

Regulatory reference: Title 22, CCR §§74800-74908; emergency hospice licensing regulations effective June 22, 2026.