CMS Issues Categorical Waiver for Microgrid Systems as Alternate Power Sources in Health Care Facilities



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On March 31, 2023, the Centers for Medicare & Medicaid Services (CMS) issued a categorical waiver allowing healthcare facilities to use alternate power sources other than generators or battery systems. The previous requirement, based on the 2012 edition of the National Fire Protection Association (NFPA) Health Care Facilities Code (NFPA 99), mandated that facilities have a primary electrical power source and an emergency power source supplied by generators or batteries for certain patient care areas. The new waiver, based on the 2021 edition, permits the use of Health Care Microgrid Systems (HCMS), which are small-scale electrical grids that can operate independently or in tandem with a larger grid. An HCMS can be powered or supplemented by clean energy technologies like fuel cells, solar panels, wind turbines, and energy storage systems, offering enhanced reliability, efficiency, and sustainability compared to traditional generators. Long-term care facilities providing life support systems are excluded from this waiver.

To utilize the waiver, both new and existing healthcare facilities must comply with CMS and NFPA requirements, choose to adopt the categorical waiver, and document the use of a HCMS to CMS. A survey entrance conference is conducted to review the documentation and ensure that the HCMS meets the applicable requirements. Once the survey team confirms that the necessary level of patient protection is met, the healthcare facility is deemed compliant.

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