

calendar days following the day of assessment. A meeting of group members is not required within this 2-day period. Input may be provided by telephone.

(5) Hospice services must be consistent with the plan of care for coverage to be extended.

(6) The plan must be reviewed and updated, at intervals specified in the plan, by the attending physician, medical director or physician designee and interdisciplinary group. These reviews must be documented in the medical records.

(7) The hospice must designate a registered nurse to coordinate the implementation of the plan of care for each patient.

(8) The plan must include an assessment of the individual's needs and identification of the services, including the management of discomfort and symptom relief. It must state in detail the scope and frequency of services needed to meet the patient's and family's needs.

(E) Complete medical records and all supporting documentation must be submitted to the CHAMPUS contractor within 30 days of the date of its request. If records are not received within the designated time frame, authorization of the hospice benefit will be denied and any prior payments made will be recouped. A denial issued for this reason is not an initial determination under section 199.10, and is not appealable.

(vii) *Appeal rights under hospice benefit.* A beneficiary or provider is entitled to appeal rights for cases involving a denial of benefits in accordance with the provisions of this part and part 199.10.

\* \* \* \* \*

4. Section 199.6 is amended by adding new paragraph (b)(4)(xiii) to read as follows:

**§ 199.6 Authorized providers.**

\* \* \* \* \*

(b) \* \* \*

(4) \* \* \*

(xiii) *Hospice programs.* Hospice programs must be Medicare approved and meet all Medicare conditions of participation (42 CFR Part 418) in relation to CHAMPUS patients in order to receive payment under the CHAMPUS program. A hospice program may be found to be out of compliance with a particular Medicare condition of participation and still participate in the CHAMPUS as long as the hospice is allowed continued participation in Medicare while the condition of noncompliance is being corrected. The hospice program can be either a public

agency or private organization (or a subdivision thereof) which:

(A) Is primarily engaged in providing the care and services described under § 199.4(e)(19) and makes such services available on a 24-hour basis.

(B) Provides bereavement counseling for the immediate family or terminally ill individuals.

(C) Provides for such care and services in individuals' homes, on an outpatient basis, and on a short-term inpatient basis, directly or under arrangements made by the hospice program, except that the agency or organization must:

(1) Ensure that substantially all the core services are routinely provided directly by hospice employees.

(2) Maintain professional management responsibility for all services which are not directly furnished to the patient, regardless of the location or facility in which the services are rendered.

(3) Provide assurances that the aggregate number of days of inpatient care provided in any 12-month period does not exceed 20 percent of the aggregate number of days of hospice care during the same period.

(4) Have an interdisciplinary group composed of the following personnel who provide the care and services described under § 199.4(e)(19) and who establish the policies governing the provision of such care/services:

- (i) A physician;
- (ii) A registered professional nurse;
- (iii) A social worker; and
- (iv) A pastoral or other counselor.

(5) Maintain central clinical records on all patients.

(6) Utilize volunteers.

(7) The hospice and all hospice employees must be licensed in accordance with applicable Federal, State and local laws and regulations.

(8) The hospice must enter into an agreement with CHAMPUS in order to be qualified to participate and to be eligible for payment under the program. In this agreement the hospice and CHAMPUS agree that the hospice will:

(i) Not charge the beneficiary or any other person for items or services for which the beneficiary is entitled to have payment made under the CHAMPUS hospice benefit.

(ii) Be allowed to charge the beneficiary for items or services requested by the beneficiary in addition to those that are covered under the CHAMPUS hospice benefit.

(9) Meet such other requirements as the Secretary of Defense may find necessary in the interest of the health and safety of the individuals who are

provided care and services by such agency or organization.

\* \* \* \* \*

5. Section 199.14 is amended by redesignating paragraphs (g), (h), (i), (j), and (k) as (h), (i), (j), (k), and (l), adding new paragraph (g).

**§ 199.14 Provider reimbursement methods.**

\* \* \* \* \*

(g) *Reimbursement of hospice programs.* Hospice care will be reimbursed at one of four predetermined national CHAMPUS rates based on the type and intensity of services furnished to the beneficiary. A single rate is applicable for each day of care except for continuous home care where payment is based on the number of hours of care furnished during a 24-hour period. These rates will be adjusted for regional differences in wages using wage indices for hospice care.

(1) *National hospice rates.* CHAMPUS will use the national hospice rates for reimbursement of each of the following levels of care provided by or under arrangement with a CHAMPUS approved hospice program:

(i) *Routine home care.* The hospice will be paid the routine home care rate for each day the patient is at home, under the care of the hospice, and not receiving continuous home care. This rate is paid without regard to the volume or intensity of routine home care services provided on any given day.

(ii) *Continuous home care.* The hospice will be paid the continuous home care rate when continuous home care is provided. The continuous home care rate is divided by 24 hours in order to arrive at an hourly rate.

(A) A minimum of 8 hours of care must be provided within a 24-hour day starting and ending at midnight.

(B) More than half of the total actual hours being billed for each 24-hour period must be provided by either a registered or licensed practical nurse.

(C) Homemaker and home health aide services may be provided to supplement the nursing care to enable the beneficiary to remain at home.

(D) For every hour or part of an hour of continuous care furnished, the hourly rate will be reimbursed to the hospice up to 24 hours a day.

(iii) *Inpatient respite care.* The hospice will be paid at the inpatient respite care rate for each day on which the beneficiary is in an approved inpatient facility and is receiving respite care.

(A) Payment for respite care may be made for a maximum of 5 days at a time, including the date of admission but not counting the date of discharge. The