

services in hospitals and mental hospitals. For these facilities, see the following sections: §§ 456.122 and 456.132 of subpart C; and § 456.232 of subpart D.

[43 FR 45266, Sept. 29, 1978, as amended at 61 FR 38399, July 24, 1996]

**§ 456.6 Review by State medical agency of appropriateness and quality of services.**

(a) The Medicaid agency must have an agreement with the State health agency or other appropriate State medical agency, under which the health or medical agency is responsible for establishing a plan for the review by professional health personnel of the appropriateness and quality of Medicaid services.

(b) The purpose of this review plan is to provide guidance to the Medicaid agency in the administration of the State plan and, where applicable, to the State licensing agency described in § 431.610.

**Subpart B—Utilization Control: All Medicaid Services**

**§ 456.21 Scope.**

This subpart prescribes utilization control requirements applicable to all services provided under a State plan.

**§ 456.22 Sample basis evaluation of services.**

To promote the most effective and appropriate use of available services and facilities the Medicaid agency must have procedures for the on-going evaluation, on a sample basis, of the need for and the quality and timeliness of Medicaid services.

**§ 456.23 Post-payment review process.**

The agency must have a post-payment review process that—

(a) Allows State personnel to develop and review—

- (1) Recipient utilization profiles;
- (2) Provider service profiles; and
- (3) Exceptions criteria; and

(b) Identifies exceptions so that the agency can correct misutilization practices of recipients and providers.

**Subpart C—Utilization Control: Hospitals**

**§ 456.50 Scope.**

This subpart prescribes requirements for control of utilization of inpatient hospital services, including requirements concerning—

- (a) Certification of need for care;
- (b) Plan of care; and
- (c) Utilization review plans.

**§ 456.51 Definitions.**

As used in this subpart:

*Inpatient hospital services*—

(a) Include—

(1) Services provided in an institution other than an institution for mental disease, as defined in § 440.10;

(2) [Reserved]

(3) Services provided in specialty hospitals and

(b) Exclude services provided in mental hospitals. Utilization control requirements for mental hospitals appear in subpart D.

*Medical care appraisal norms or norms* means numerical or statistical measures of usually observed performance.

*Medical care criteria or criteria* means predetermined elements against which aspects of the quality of a medical service may be compared. These criteria are developed by health professionals relying on their expertise and the professional health care literature.

[43 FR 45266, Sept. 29, 1978, as amended at 51 FR 22041, June 17, 1986]

**CERTIFICATION OF NEED FOR CARE**

**§ 456.60 Certification and recertification of need for inpatient care.**

(a) *Certification.* (1) A physician must certify for each applicant or recipient that inpatient services in a hospital are or were needed.

(2) The certification must be made at the time of admission or, if an individual applies for assistance while in a hospital, before the Medicaid agency authorizes payment.

(b) *Recertification.* (1) A physician, or physician assistant or nurse practitioner (as defined in § 491.2 of this chapter) acting within the scope of practice as defined by State law and under the supervision of a physician, must recertify for each applicant or recipient that

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inpatient services in a hospital are needed.

(2) Recertifications must be made at least every 60 days after certification.

[46 FR 48561, Oct. 1, 1981]

PLAN OF CARE

**§ 456.80 Individual written plan of care.**

(a) Before admission to a hospital or before authorization for payment, a physician and other personnel involved in the care of the individual must establish a written plan of care for each applicant or recipient.

(b) The plan of care must include—

(1) Diagnoses, symptoms, complaints, and complications indicating the need for admission;

(2) A description of the functional level of the individual;

(3) Any orders for—

(i) Medications;

(ii) Treatments;

(iii) Restorative and rehabilitative services;

(iv) Activities;

(v) Social services;

(vi) Diet;

(4) Plans for continuing care, as appropriate; and

(5) Plans for discharge, as appropriate.

(c) Orders and activities must be developed in accordance with physician's instructions.

(d) Orders and activities must be reviewed and revised as appropriate by all personnel involved in the care of an individual.

(e) A physician and other personnel involved in the recipient's case must review each plan of care at least every 60 days.

UTILIZATION REVIEW (UR) PLAN:  
GENERAL REQUIREMENT

**§ 456.100 Scope.**

Sections 456.101 through 456.145 of this subpart prescribe requirements for a written utilization review (UR) plan for each hospital providing Medicaid services. Sections 456.105 and 456.106 prescribe administrative requirements: §§456.111 through 456.113 prescribe informational requirements; §§456.121 through 456.129 prescribe requirements

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for admission review; §§456.131 through 456.137 prescribe requirements for continued stay review; and §§456.141 through 456.145 prescribe requirements for medical care evaluation studies.

**§ 456.101 UR plan required for inpatient hospital services.**

(a) A State plan must provide that each hospital furnishing inpatient services under the plan has in effect a written UR plan that provides for review of each recipient's need for the services that the hospital furnishes him.

(b) Each written hospital UR plan must meet the requirements under §§456.101 through 456.145.

UR PLAN: ADMINISTRATIVE  
REQUIREMENTS

**§ 456.105 UR committee required.**

The UR plan must—

(a) Provide for a committee to perform UR required under this subpart;

(b) Describe the organization, composition, and functions of this committee; and

(c) Specify the frequency of meetings of the committee.

**§ 456.106 Organization and composition of UR committee; disqualification from UR committee membership.**

(a) For the purpose of this subpart, "UR committee" includes any group organized under paragraphs (b) and (c) of this section.

(b) The UR committee must be composed of two or more physicians, and assisted by other professional personnel.

(c) The UR committee must be constituted as—

(1) A committee of the hospital staff;

(2) A group outside the hospital staff, established by the local medical or osteopathic society and at least some of the hospitals and SNFs in the locality;

(3) A group capable of performing utilization review, established and organized in a manner approved by the Secretary.

(d) The UR committee may not include any individual who—

(1) Is directly responsible for the care of the patient whose care is being reviewed; or