

Subpart A—General Provisions

§ 424.1 Basis and scope.

(a) *Statutory basis.* (1) This part is based on the indicated provisions of the following sections of the Act:

- 1814—Basic conditions for, and limitations on, Medicare payments for Part A services.
- 1815—Payment to providers for Part A services.
- 1820—Conditions for designating certain hospitals as critical access hospitals.
- 1833(e)—Requirement to furnish information to determine payment.
- 1835—Procedures for payment to providers for Part B services.
- 1842(b)(3)(B)(ii)—Assignment of Part B Medicare claims.
- 1842(b)(6)—Payment to entities other than the supplier.
- 1848—Payment for physician services.
- 1870(e) and (f)—Settlement of claims after death of the beneficiary.

(2) Section 424.444(c) is also based on section 216(j) of the Act.

(b) *Scope.* This part sets forth certain specific conditions and limitations applicable to Medicare payments and cites other conditions and limitations set forth elsewhere in this chapter. This subpart A provides a general overview. Other subparts deal specifically with—

- (1) The requirement that the need for services be certified and that a physician establish a plan of treatment (subpart B);
- (2) The procedures and time limits for filing claims (subpart C);
- (3) The individuals or entities to whom payment may be made (subparts D and E);
- (4) The limitations on assignment and reassignment of claims (subpart F);
- (5) Special requirements that apply to services furnished by nonparticipating U.S. hospitals and foreign hospitals (subparts G and H); and
- (6) The replacement and reclamation of Medicare payment checks (subpart M).

(c) *Other applicable rules.* Except for § 424.40(c)(3), this part does not deal with the conditions for payment of rural health clinic (RHC) services, Federally qualified health center (FQHC) services, or ambulatory surgical center (ASC) services. Those conditions are set forth in part 405, subpart X, and

part 481 subpart A of this chapter for RHC and FQHC services; and in part 416 of this chapter, for ASC services. The rules for physician certification of terminal illness, required in connection with hospice care, are set forth in § 418.22 of this chapter.

[53 FR 6634, Mar. 2, 1988, as amended at 60 FR 38271, July 26, 1995; 60 FR 50442, Sept. 29, 1995; 62 FR 46035, Aug. 29, 1997; 71 FR 20775, Apr. 21, 2006]

EFFECTIVE DATE NOTE: At 71 FR 48409, Aug. 18, 2006, § 424.1 was amended by adding in two statutory sections, effective October 2, 2006. For the convenience of the user, the added text appears as follows:

§ 424.1 Basis and scope.

- * * * * *
- 1834(a)—Payment for durable medical equipment.
- 1834(j)—Requirements for suppliers of medical equipment and supplies.

* * * * *

§ 424.3 Definitions.

As used in this part, unless the context indicates otherwise—

HCPCS means Healthcare Common Procedure Coding System.

ICD–9–CM means International Classification of Diseases, Ninth Revision, Clinical Modification.

Nonparticipating hospital means a hospital that does not have in effect a provider agreement to participate in Medicare.

Participating hospital means a hospital that has in effect a provider agreement to participate in Medicare.

[53 FR 6634, Mar. 2, 1988, as amended at 59 FR 10299, Mar. 4, 1994; 63 FR 26311, May 12, 1998; 70 FR 45055, Aug. 4, 2005]

§ 424.5 Basic conditions.

(a) As a basis for Medicare payment, the following conditions must be met:

- (1) *Types of services.* The services must be—
 - (i) Covered services, as specified in part 409 or part 410 of this chapter; or
 - (ii) Services excluded from coverage as custodial care or services not reasonable and necessary, but reimbursable in accordance with §§ 405.332 through 405.334 of this chapter, pertaining to limitation of liability.