

§ 476.88

42 CFR Ch. IV (10–1–06 Edition)

must use a QIO to make a determination on those issues if a QIO is conducting review in the area and must abide by the QIO's determination.

(2) Whether any claim meets coverage requirements of Title XVIII relating to issues other than medical necessity, reasonableness or appropriateness of placement at an acute level of patient care.

(d) *Payment.* Medicare fiscal intermediaries and carriers are not precluded from making payment determinations with regard to coverage determinations made under paragraph (c) of this section.

(e) *Survey, compliance and assistance activities.* QIO review and monitoring activities fulfill the requirements for compliance and assistance activities of State survey agencies under section 1864(a) with respect to sections 1861(e)(6), 1861(j)(8), 1861(j)(12), and 1861(k) of the Act, and activities required of intermediaries and carriers under §§ 421.100(d) and 421.200(f) of this chapter.

(f) *Appeals.* The requirements and procedures for QIO review of changes as a result of DRG validation and the reconsideration, hearing and judicial review of QIO initial denial determinations are set forth in part 473 of this chapter.

[50 FR 15330, Apr. 17, 1985; 50 FR 41886, Oct. 16, 1985, as amended at 53 FR 6648, Mar. 2, 1988. Redesignated at 64 FR 66279, Nov. 24, 1999]

§ 476.88 Examination of the operations and records of health care facilities and practitioners.

(a) *Authorization to examine records.* A facility claiming Medicare payment must permit a QIO or its subcontractor to examine its operation and records (including information on charges) that are pertinent to health care services furnished to Medicare beneficiaries and are necessary for the QIO or its subcontractor to—

- (1) Perform review functions including, but not limited to—
 - (i) DRG validation;
 - (ii) Outlier review in facilities under a prospective payment system; and
 - (iii) Implementation of corrective action and fraud and abuse prevention activities;

(2) Evaluate cases that have been identified as deviating from the QIO norms and criteria, or standards; and

(3) Evaluate the capability of the facility to perform quality review functions under a subcontract with the QIO.

(b) *Limitations on access to records.* A QIO has access to the records of non-Medicare patients if—

- (1) The records relate to review performed under a non-Medicare QIO contract and if authorized by those patients in accordance with State law; or
- (2) The QIO needs the records to perform its quality review responsibilities under the Act and receives authorization from the facility or practitioner.

(c) *Conditions of examination.* When examining a facility's operation or records the QIO must—

- (1) Examine only those operations and records (including information on charges) required to fulfill the purposes of paragraph (a) of this section;
- (2) Cooperate with agencies responsible for other examination functions under Federal or Federally assisted programs in order to minimize duplication of effort;
- (3) Conduct the examinations during reasonable hours; and
- (4) Maintain in its principal office written records of the results of the examination of the facility.

§ 476.90 Lack of cooperation by a health care facility or practitioner.

(a) If a health care facility or practitioner refuses to allow a QIO to enter and perform the duties and functions required under its contract with CMS, the QIO may—

- (1) Determine that the health care facility or practitioner has failed to comply with the requirements of § 474.30(c) of this chapter and report the matter to the HHS Inspector General; or
- (2) Issue initial denial determinations for those claims it is unable to review, make the determination that financial liability will be assigned to the health care facility, and report the matter to the HHS Inspector General.

(b) If a QIO provides a facility with sufficient notice and a reasonable amount of time to respond to a request for information about a claim, and if