§ 410.42 Limitations on coverage of certain services furnished to hospital outpatients.

(a) General rule. Except as provided in paragraph (b) of this section, Medicare Part B does not pay for any item or service that is furnished to a hospital outpatient (as defined in §410.2) during an encounter (as defined in §410.2) by an entity other than the hospital unless the hospital has an arrangement (as defined in §409.3 of this chapter) with that entity to furnish that particular service to its patients. As used in this paragraph, the term “hospital” includes a CAH.

(b) Exception. The limitations stated in paragraph (a) of this section do not apply to the following services:

(1) Physician services that meet the requirements of §415.102(a) of this chapter for payment on a fee schedule basis.

(2) Physician assistant services, as defined in section 1861(s)(2)(K)(i) of the Act.

(3) Nurse practitioner and clinical nurse specialist services, as defined in section 1861(s)(2)(K)(ii) of the Act.

(4) Certified nurse mid-wife services, as defined in section 1861(gg) of the Act.

(5) Qualified psychologist services, as defined in section 1861(ii) of the Act.

(6) Services of an anesthetist, as defined in §410.69.

(7) Services furnished to SNF residents as defined in §411.15(p) of this chapter.

§ 410.43 Partial hospitalization services: Conditions and exclusions.

(a) Partial hospitalization services are services that—

(1) Are reasonable and necessary for the diagnosis or active treatment of the individual’s condition;

(2) Are reasonably expected to improve or maintain the individual’s condition and functional level and to prevent relapse or hospitalization;

(3) Are furnished in accordance with a physician certification and plan of care as specified under §424.24(e) of this chapter; and

(4) Include any of the following:

(i) Individual and group therapy with physicians or psychologists or other mental health professionals to the extent authorized under State law.

(ii) Occupational therapy requiring the skills of a qualified occupational therapist, provided by an occupational therapist, or under appropriate supervision of a qualified occupational therapist by an occupational therapy assistant as specified in part 484 of this chapter.

(iii) Services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients.

(iv) Drugs and biologicals furnished for therapeutic purposes, subject to the limitations specified in §410.29.

(v) Individualized activity therapies that are not primarily recreational or diversionary.

(vi) Family counseling, the primary purpose of which is treatment of the individual’s condition.

(vii) Patient training and education, to the extent the training and educational activities are closely and clearly related to the individual’s care and treatment.

(viii) Diagnostic services.

(b) The following services are separately covered and not paid as partial hospitalization services:

(1) Physician services that meet the requirements of §415.102(a) of this chapter for payment on a fee schedule basis.

(2) Physician assistant services, as defined in section 1861(s)(2)(K)(i) of the Act.

(3) Nurse practitioner and clinical nurse specialist services, as defined in section 1861(s)(2)(K)(ii) of the Act.

(4) Qualified psychologist services, as defined in section 1861(ii) of the Act.

(5) Services furnished to SNF residents as defined in §411.15(p) of this chapter.

(6) Services furnished to SNF residents as defined in §411.15(p) of this chapter.

(7) Services furnished to SNF residents as defined in §411.15(p) of this chapter.