Centers for Medicare & Medicaid Services, HHS § 456.5

TABLE 1—Continued

![Table continues here with additional data and information.](image-url)

§ 456.2 State plan requirements.

(a) A State plan must provide that the requirements of this part are met.
(b) These requirements may be met by the agency by:
   (1) Assuming direct responsibility for assuring that the requirements of this part are met; or
   (2) Deeming of medical and utilization review requirements if the agency contracts with a QIO to perform that review, which in the case of inpatient acute care review will also serve as the initial determination for QIO medical necessity and appropriateness review for patients who are dually entitled to benefits under Medicare and Medicaid.

(c) In accordance with § 431.15 of this subchapter, FFP will be available for expenses incurred in meeting the requirements of this part.

§ 456.3 Statewide surveillance and utilization control program.

The Medicaid agency must implement a statewide surveillance and utilization control program that—
(a) Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments;
(b) Assesses the quality of those services;
(c) Provides for the control of the utilization of all services provided under the plan in accordance with subparts B through I of this part.

§ 456.4 Responsibility for monitoring the utilization control program.

(a) The agency must—
   (1) Monitor the statewide utilization control program;
   (2) Take all necessary corrective action to ensure the effectiveness of the program;
   (3) Establish methods and procedures to implement this section;
   (4) Keep copies of these methods and procedures on file; and
   (5) Give copies of these methods and procedures to all staff involved in carrying out the utilization control program.

§ 456.5 Evaluation criteria.

The agency must establish and use written criteria for evaluating the appropriateness and quality of Medicaid services. This section does not apply to 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.