the payment methodology and no more than the rates of payment established under 42 CFR part 136, subpart D as payment in full for the following programs:

1. A contract health service (CHS) program under 42 CFR part 136, subpart C, of the Indian Health Service (IHS);
2. A CHS program under 42 CFR part 136, subpart C, carried out by an Indian Tribe or Tribal organization pursuant to the Indian Self-Determination and Education Assistance Act, as amended, Public Law 93–638, 25 U.S.C. 450 et seq.; and
3. A program funded through a grant or contract by the IHS and operated by an urban Indian organization under which items and services are purchased for an eligible urban Indian (as those terms are defined in 25 U.S.C. 1603 (f) and (h)).

(b) Hospitals and critical access hospitals may not refuse service to an individual on the basis that the payment for such service is authorized under programs described in paragraph (a) of this section.

[72 FR 30711, June 4, 2007]

Subpart C—Allowable Charges

§489.30 Allowable charges: Deductibles and coinsurance.

(a) Part A deductible and coinsurance. The provider may charge the beneficiary or other person on his or her behalf:

1. The amount of the inpatient hospital deductible or, if less, the actual charges for the services;
2. The amount of inpatient hospital coinsurance applicable for each day the individual is furnished inpatient hospital services after the 60th day, during a benefit period; and
3. The posthospital SNF care coinsurance amount.

4. In the case of durable medical equipment (DME) furnished as a home health service, 20 percent of the customary charge for the service.

(b) Part B deductible and coinsurance.

1. The basic allowable charges are the $75 deductible and 20 percent of the customary (insofar as reasonable) charges in excess of that deductible.

2. For hospital outpatient services, the allowable deductible charges depend on whether the hospital can determine the beneficiary’s deductible status.

(i) If the hospital is unable to determine the deductible status, it may charge the beneficiary its full customary charges up to $75.

(ii) If the beneficiary provides official information as to deductible status, the hospital may charge only the unmet portion of the deductible.

3. In either of the cases discussed in paragraph (b)(2) of this section, the hospital is required to file with the intermediary, on a form prescribed by CMS, information as to the services, charges, and amounts collected.

4. The intermediary must reimburse the beneficiary if reimbursement is authorized and credit the expenses to the beneficiary’s deductible if the deductible has not yet been met.

5. In the case of DME furnished as a home health service under Medicare Part B, the coinsurance is 20 percent of the customary (insofar as reasonable) charge for the service, with the following exception: If the DME is used DME purchased by or on behalf of the beneficiary at a price at least 25 percent less than the reasonable charge for comparable new equipment, no coinsurance is required.


§489.31 Allowable charges: Blood.

(a) Limitations on charges. (1) A provider may charge the beneficiary (or other person on his or her behalf) only for the first three pints of blood or units of packed red cells furnished under Medicare Part A during a calendar year, or furnished under Medicare Part B during a calendar year.

(2) The charges may not exceed the provider’s customary charges.

(b) Offset for excessive charges. If the charge exceeds the cost to the provider, that excess will be deducted from any Medicare payments due the provider.