

## Centers for Medicare & Medicaid Services, HHS

## § 424.74

- (A) This section;
- (B) Subpart P of this part;
- (C) Section 414.1515 of this chapter; and
- (D) Part 486, subpart I of this chapter; or
- (iii) Any of the revocation reasons in § 424.535 applies.
- (3) A home infusion therapy supplier may appeal the revocation of its enrollment under part 498 of this chapter.

[85 FR 70355, Nov. 4, 2020]

### Subpart F—Limitations on Assignment and Reassignment of Claims

#### § 424.70 Basis and scope.

(a) *Statutory basis.* This subpart implements sections 1815(c) and 1842(b)(6) of the Act, which establish limitations on who may receive payments due a provider or supplier of services or a beneficiary.

(b) *Scope.* This subpart—

(1) Prohibits the assignment, reassignment, or other transfer of the right to Medicare payments except under specified conditions;

(2) Sets forth the sanctions that CMS may impose on a provider or supplier that violates this prohibition, or on a supplier that violates the conditions to which it agreed in accepting assignment from the individual; and

(3) Specifies the conditions for payment under court-ordered assignments or reassignments.

#### § 424.71 Definitions.

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

*Court of competent jurisdiction* means a court that has jurisdiction over the subject matter and the parties before it.

*Facility* means a hospital or other institution that furnishes health care services to inpatients.

*Entity* means a person, group, or facility that is enrolled in the Medicare program.

*Power of attorney* means any written documents by which a principal authorizes an agent to—

(1) Receive, in the agent's name, any payments due the principal;

(2) Negotiate checks payable to the principal; or

(3) Receive, in any other manner, direct payment of amounts due the principal.

[53 FR 6634, Mar. 2, 1988, as amended at 69 FR 66426, Nov. 15, 2004]

#### § 424.73 Prohibition of assignment of claims by providers.

(a) *Basic prohibition.* Except as specified in paragraph (b) of this section, Medicare does not pay amounts that are due a provider to any other person under assignment, or power of attorney, or any other direct payment arrangement.

(b) *Exceptions to the prohibition—*(1) *Payment to a government agency or entity.* Subject to the requirements of the Assignment of Claims Act (31 U.S.C. 3727), Medicare may pay a government agency or entity under an assignment by the provider.

(2) *Payment under assignment established by court order.* Medicare may pay under an assignment established by, or in accordance with, the order of a court of competent jurisdiction if the assignment meets the conditions set forth in § 424.90.

(3) *Payment to an agent.* Medicare may pay an agent who furnishes billing and collection services to the provider if the following conditions are met:

(i) The agent receives the payment under an agency agreement with the provider;

(ii) The agent's compensation is not related in any way to the dollar amounts billed or collected;

(iii) The agent's compensation is not dependent upon the actual collection of payment;

(iv) The agent acts under payment disposition instructions that the provider may modify or revoke at any time; and

(v) The agent, in receiving the payment, acts only on behalf of the provider.

Payment to an agent will always be made in the name of the provider.

#### § 424.74 Termination of provider agreement.

CMS may terminate a provider agreement, in accordance with