

to the State or local government agency will be reflected as an adjustment in subsequent bills, effective on the date the corrected amount would have been due.

§ 408.210 Termination of SMI premium surcharge agreement.

(a) *Termination by the State or local government agency.* The State or local government agency may voluntarily terminate its agreement with CMS as follows:

(1) The State or local government agency must notify CMS, in writing, at least 30 days before the effective date of the termination.

(2) The State or local government agency must pay any unpaid premium surcharge amounts and interest due within 30 days after the effective date of the termination.

(3) Interest will continue to accrue until all amounts due are paid in full.

(b) *Termination by CMS.* CMS may terminate the agreement with a State or local government agency as follows:

(1) If a State or local government agency's payments are delinquent 30 days or more, CMS may terminate the agreement with 30 days advance notice.

(2) If the State or local government agency fails to comply with the terms of the agreement or procedures promulgated by CMS, CMS may terminate the agreement with 30 days advance notice.

(3) If CMS finds that the State or local government agency is not acting in the best interest of the enrollees, or CMS, or for any reason other than those in paragraphs (b)(1) and (b)(2) of this section, CMS may terminate the agreement at any time.

(4) The State or local government agency must pay all outstanding premium surcharge and any interest amounts due within 30 days after the effective date of the termination.

(5) Interest will continue to accrue until all amounts due are paid in full.

(6) After the agreement is terminated, CMS will resume collection of the premium surcharge from the enrollees covered under the terminated agreement.

(7) If an agreement is terminated by CMS, the State or local government agency must wait 3 years from the effective date of the termination before

it can request to enter into another SMI premium surcharge agreement.

PART 409—HOSPITAL INSURANCE BENEFITS

Subpart A—Hospital Insurance Benefits: General Provisions

Sec.

409.1 Statutory basis.

409.2 Scope.

409.3 Definitions.

409.5 General description of benefits.

Subpart B—Inpatient Hospital Services and Inpatient Critical Access Hospital Services

409.10 Included services.

409.11 Bed and board.

409.12 Nursing and related services; medical social services; use of hospital or CAH facilities.

409.13 Drugs and biologicals.

409.14 Supplies, appliances, and equipment.

409.15 Services furnished by an intern or a resident-in-training.

409.16 Other diagnostic or therapeutic services.

409.17 Physical therapy, occupational therapy, and speech-language pathology services.

409.18 Services related to kidney transplantations.

Subpart C—Posthospital SNF Care

409.20 Coverage of services.

409.21 Nursing care.

409.22 Bed and board.

409.23 Physical therapy, occupational therapy, and speech-language pathology services.

409.24 Medical social services.

409.25 Drugs, biologicals, supplies, appliances, and equipment.

409.26 Transfer agreement hospital services.

409.27 Other services generally provided by (or under arrangements made by) SNFs.

Subpart D—Requirements for Coverage of Posthospital SNF Care

409.30 Basic requirements.

409.31 Level of care requirement.

409.32 Criteria for skilled services and the need for skilled services.

409.33 Examples of skilled nursing and rehabilitation services.

409.34 Criteria for "daily basis".

409.35 Criteria for "practical matter".

409.36 Effect of discharge from posthospital SNF care.