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CIVILIAN HEALTH AND MEDICAL PROGRAM  
OF THE UNIFORMED SERVICES (CHAMPUS)

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The Assistant Secretary of Defense (Health Affairs), has authorized the following page changes to DoD 601 O.8-R, "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)," July 1991 (Reprint).

PAGE CHANGES

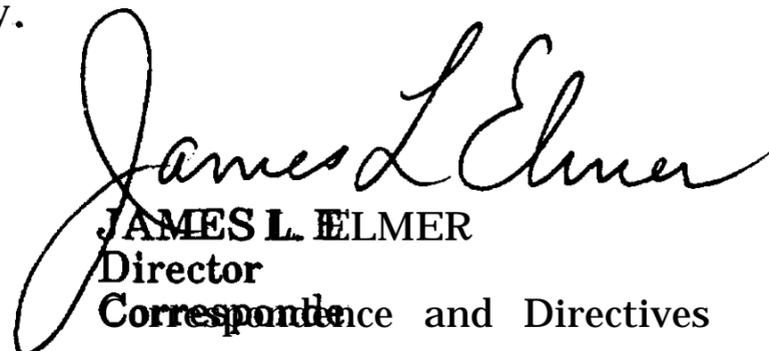
Remove: 2-i through 2-iv, 2-3&2-4, 2-21&2-22, 2-25&2-26, 4-iii&4-iv

Insert: Attached replacement pages and new page 2-v

Changes appear on pages 2-i, 2-iv, 2-4, 2-22, 2-25, 4-iii, 4-6, 4-14, 4-22, 4-23, and 6-23 and are indicated by marginal bars.

EFFECTIVE DATE

The above changes are effective immediately.

  
JAMES L. ELMER  
Director  
Correspondence and Directives

Attachments  
23 pages

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WHEN PRESCRIBED ACTION HAS BEEN TAKEN, THIS TRANSMITTAL SHOULD BE FILED WITH THE BASIC DOCUMENT

CHAPTER 2

DEFINITIONS

TABLE OF CONTENTS

<u>SECTION</u>	<u>Page</u>
A. General.	2-1
B. Specific Definitions.	2-1
Abortion.	2-1
Absent Treatment.	2-1
Abuse.	2-1
<b>Accidental</b> Injury.	2-1
<b>Active</b> Duty.	2-1
Active Duty Member.	2-2
Acupuncture.	2-2
Adequate Medical Documentation, Medical <b>Treatment</b> Records.	2-2
Adequate Medical Documentation, Mental Health Records.	2-2
<b>Adjunctive</b> Dental Care.	2-2
Admission.	2-3
<b>Adopted</b> Child.	2-3
All-Inclusive <b>Per</b> Diem Rate.	2-3
Allowable Charge.	2-3
Allowable Cost.	2-3
Ambulance.	2-3
Amount in Dispute.	2-3
Anesthesia Services.	2-3
Appealable Issue.	2-3
Appealing Party.	2-4
Appropriate Medical Care.	2-4
Approved Teaching Programs.	2-4
Attending Physician.	2-4
Authorized Provider.	2-4
Backup <b>Hospital</b> .	2-4
Basic Program.	2-4
Beneficiary.	2-4
Beneficiary Liability.	2-5
Birthing Center.	2-5
Birthing Room.	2-5
Brace.	2-5
Capped Rate.	2-5
Certified Nurse Midwife.	2-5
Certified Psychiatric Nurse Specialist.	2-5
<b>CHAMPUS</b> DRG-Based Payment. System.	2-5

SECTION

Page

CHAMPUS Fiscal Intermediary.	2-5
CHAMPUS Health Benefits Advisors ( <b>HBAs</b> ).	2-5
Chemotherapy.	2-5
Child.	2-5
Chiropractor.	2-6
Christian Science 'Nurse.	2-6
Christian Science Practitioner.	2-6
Christian Science Sanatorium.	2-6
Chronic Medical Condition.	2-6
Chronic Renal Disease ( <b>CRD</b> ).	2-6
Clinical Psychologist.	2-6
Clinical Social Worker.	2-7
Collateral Visits.	2-7
Combined Daily Charge.	2-7
Complications of Pregnancy.	2-7
Confinement.	2-7
Conflict of Interest.	2-7
Congenital Anomaly.	2-8
Consultation.	2-8
Consulting Physician or Dentist.	2-8
Conviction.	2-8
Coordination of Benefits.	2-8
<b>Cosmetic</b> , Reconstructive, or Plastic Surgery.	2-8
<b>Cost-Share</b> .	2-8
Custodial Care.	2-8
Day or Night Care.	2-9
Days .	2-9
Deceased Service Member.	2-9
Deductible.	2-9
Deductible Certificate.	2-9
Defense Enrollment Eligibility Reporting System ( <b>DEERS</b> ).	2-9
Dental Care.	2-10
Dentist.	2-10
Dependent.	2-10
Deserter or Desertion Status.	2-10
<b>Diagnosis-Related</b> Groups ( <b>DRGs</b> ).	2-10
Diagnostic Admission.	2-10
<b>Doctor of Dental Medicine (D.M.D. )</b> .	2-10
<b>Doctor of Medicine (M.D.)</b> .	2-11
<b>Doctor of Osteopathy (1).0.)</b> .	2-11
Domiciliary Care.	2-11
Donor.	2-11
<b>Double</b> Coverage.	2-11
<b>Double</b> Coverage Plan.	2-11
Dual Compensation.	2-11
<b>Durable</b> Medical Equipment.	2-12
Emergency Inpatient Admission.	2-12
Entity.	2-12

SECTION

Page

Essentials of Daily Living.	2-12
Experimental.	2-12
External Partnership Agreement.	2-13
<b>Extramedical</b> Individual Providers of Care.	<b>2-13</b>
Fraud.	2-13
Freestanding.	<b>2-13</b>
Former Spouse.	2-13
Full-Time Course of Higher Education.	2-13
General Staff Nursing Service.	2-14
Good Faith Payments.	2-14
High Risk Pregnancy.	2-14
Hospital, Acute Care (General and Special).	2-14
Hospitals, Long-Term (Tuberculosis, Chronic Care, or Rehabilitation) .	2-14
Hospital, Psychiatric.	2-14
Illegitimate Child.	2-14
Immediate Family.	2-14
Independent Laboratory.	2-14
Infirmaries.	2-14
Initial Determination.	2-14
In-Out Surgery.	2-15
Inpatient.	2-15
Institution-affiliated.	2-15
Institution-based.	2-15
Institutional Provider.	2-15
Intensive Care Unit ( <b>ICU</b> ).	2-15
Intern.	2-15
Internal Partnership Agreement.	2-15
Item, Service, or Supply.	2-16
Laboratory and Pathological Services.	2-16
Legitimized Child.	2-16
Licensed Practical Nurse ( <b>L.P.N.</b> ).	<b>2-16.</b>
Licensed <b>Vocational</b> Nurse ( <b>L.V.N.</b> ).	2-16
Long-Term Hospital Care.	2-16
Low-risk Pregnancy.	2-16
Management Plan.	2-16
Marriage and Family Counselor or Pastoral Counselor.	2-17
Maternity Care.	2-17
Medicaid.	2-17
Medical.	2-17
Medical Emergency.	2-17
Medically or Psychologically Necessary.	2-17
Medical Supplies and Dressings (Consumables),	2-18
Medicare.	2-18
Mental Disorder.	2-18
Mental Health Counselor.	2-18
Mental Health Therapeutic Absence.	2-18
Mental Retardation.	2-18
Missing in Action (MIA).	<b>2-18</b>

**SECTION**

**Page**

Morbid Obesity.	2-18
Most-favored Rate.	2-1.9
Natural Childbirth.	2-19
Naturopath.	2-19
<b>Nonavailability</b> Statement:	2-19
Nonparticipating Provider.	2-19
North Atlantic Treaty Organization (NATO) Member.	2-19
Official <b>Formularies</b> .	2-19
Optometrist (Doctor of Optometry).	2-19
Oral Surgeon ( <b>D.D.S.</b> or D.M.D. ).	2-20
Orthopedic Shoes.	2-20
Other Allied Health Professionals.	2-20
Other Specialized Treatment Facilities ( <b>STFs</b> ).	2-20
Outpatient.	2-20
Ownership or Control Interest.	2-20
Participating Provider.	2-21
Party to a Hearing.	2-21
Party to the Initial Determination.	2-21
Pharmacist.	2-21
Physical Medicine Services or Physiatry Services.	2-21
Physical Handicap.	2-21
Physical Therapist.	2-21
Physician.	2-22
Physician in Training.	2-22
Podiatrist (Doctor of Podiatry or Surgical Chiropody).	2-22
<b>Preauthorization</b> .	2-22
Prescription Drugs and Medicines.	2-22
Preventive Care.	2-22
Primary Payer.	2-22
Private Duty (Special) <b>Nursing</b> Services.	2-22
Private Room.	2-22
Program for the Handicapped ( <b>PFTH</b> ).	2-22
Progress Notes.	2-23
Prosthetic Device (Prosthesis).	2-23
Provider.	2-23
Provider Exclusion and Suspension.	2-23
Provider Termination.	2-23
Radiation Therapy Services.	2-23
Referral.	2-23
Registered Nurse.	2-24
Representative.	2-24
Resident (Medical).	2-24
Residential Treatment Center ( <b>RTC</b> ).	2-24
Retiree.	2-24
Routine Eye Examinations.	2-24
Sanction.	2-24
Secondary Payer.	2-24
Semiprivate Room.	2-24
Skilled Nursing Facility.	2-24

SECTION

	<u>Page</u>
Skilled Nursing Service.	2-24
Special Tutoring.	2-25
Spectacles, Eyeglasses, and Lenses.	2-25
Sponsor.	2-25
Spouse.	2-25
Student Status.	2-25
Suppliers of Portable X-Ray Services.	2-25
Surgery.	2-25
Surgical Assistant.	2-25
Suspension of Claims Processing.	2-25
Teaching Physician.	2-25
Timely Filing.	2-26
Treatment Plan.	2-26
<b>Uniformed</b> Services.	2-26
Veteran.	2-26
Well-Baby Care.	2-26
<b>Widow or Widower.</b>	2-26
Worker's Compensation Benefits.	2-26
X-Ray Services.	2-26

Jul 91

Admission. The formal acceptance by a CHAMPUS authorized institutional provider of a CHAMPUS beneficiary for the purpose of diagnosis and treatment of illness, injury, pregnancy, or mental disorder.

Adopted Child. A child taken into one's own family by legal process and treated as one's own child. In case of adoption, CHAMPUS eligibility begins as of **12:01** a.m. of the day of **the final adoption** decree. NOTE: There **is** no CHAMPUS benefit entitlement during any interim waiting period.

All-Inclusive Per-Diem Rate. The **OCHAMPUS** determined rate that encompasses the daily charge for inpatient care and, unless specifically excepted, all other treatment determined necessary and rendered as part. of the treatment plan established for a patient, and accepted by **OCHAMPUS**.

Allowable Charge. The CHAMPUS-determined level of payment to physicians, other individual professional providers and other providers, based on one of the approved reimbursement methods set forth in Chapter 14 of this Regulation. Allowable charge also may be referred to as the CHAMPUS-determined reasonable charge.

Allowable Cost. The CHAMPUS-determined level of payment to hospitals or other institutions, based on one of the approved reimbursement methods set forth in Chapter 14 of this Regulation. Allowable cost may also be referred to as the CHAMPUS-determined reasonable cost.

Ambulance. A specially designed vehicle for transporting the sick or injured that contains a stretcher, linens, first aid supplies, oxygen equipment, and such lifesaving equipment required by state and local law, and that is staffed by personnel trained to provide first aid treatment.

Amount in Dispute. The amount of money, determined under this Regulation, that CHAMPUS would pay for medical services and supplies involved in an adverse determination being appealed if the appeal were resolved in favor of the appealing party. See Chapter 10 for additional information concerning the determination of "amount in dispute" under this Regulation.

Anesthesia Services. The administration of an anesthetic agent by injection or inhalation, the purpose and effect of which is to produce surgical anesthesia characterized by muscular relaxation, loss of sensation, or loss of consciousness when administered by or under the direction of a physician or dentist in connection with otherwise covered surgery or obstetrical care, or shock therapy. Anesthesia services do not include hypnosis or acupuncture.

Appealable Issue. Disputed questions of fact which, if resolved in favor of the appealing party, would result in the authorization of CHAMPUS benefits, or approval as an authorized provider in accordance with this Regulation. An appealable issue does not exist if no facts are in dispute, if no CHAMPUS benefits would be payable, or if there is no authorized provider, regardless of the resolution of any disputed facts. See Chapter 10 for additional information concerning the determination of "appealable issue" under this Regulation.

Appealing Party. Any party to **the** initial determination who files an appeal of an adverse determination or requests a hearing under the provisions of this Regulation.

Appropriate Medical Care

1. Services performed in connection with the diagnosis or treatment of disease or injury, pregnancy, mental disorder, or well-baby care which are in keeping with the generally **accepted** norms for medical practice in the United States;

2. The authorized individual professional provider rendering the medical care is qualified to perform such medical services by reason of his or her training and **education** and **is** licensed or certified by the state where the service is rendered or appropriate national organization or otherwise meets CHAMPUS standards; and

3. The services are furnished economically. For purposes of this Regulation, "economically" means that the services are furnished in the least expensive level of care or medical **environment** adequate to provide the required medical care regardless of whether or not that level of care is covered by CHAMPUS.

Approved teaching programs. For purposes of CHAMPUS, an approved teaching program is a program of graduate medical education which has been duly approved in its respective specialty or **subspecialty** by the Accreditation Council for Graduate Medical Education of the American Medical Association, by the Committee on Hospitals of the Bureau of Professional Education of the American Osteopathic Association, by the Council on Dental Education of the American Dental Association, or by the Council on Podiatry Education of the American Podiatry Association.

Attending Physician. The physician who has the primary responsibility for the medical diagnosis and treatment of the patient. A consultant or an assistant surgeon, for example, would not be an attending physician. Under very extraordinary **circumstances**, because of the presence of complex, serious, and multiple, but unrelated, **medical** conditions, a patient may have more than one attending physician concurrently rendering medical treatment during a single period of time. An attending physician also may **be** a teaching physician.

Authorized Provider. A **hospital** or institutional provider, physician, or other individual professional provider, or **other** provider of services or supplies specifically authorized to provide benefits under CHAMPUS in Chapter 6 of this Regulation.

Backup Hospital. A hospital which is otherwise eligible as a CHAMPUS institutional **provider** and which is **fully** capable of providing emergency care to a patient **who** develops complications beyond the scope of services of a given category of CHAMPUS authorized freestanding institutional provider and which is accessible **from** the site of the CHAMPUS authorized freestanding institutional provider within an average transport time acceptable for the types of medical emergencies usually associated with the type of care provided by the freestanding facility.

Basic Program. The primary medical benefits authorized under Chapter 55 of title 10, United States Code, and set forth in Chapter 4 of this Regulation.

Beneficiary. An individual who has been determined to be eligible for CHAMPUS benefits, as set forth in Chapter 3 of this Regulation.

Jul 91

Participating Provider. A hospital or other authorized institutional provider, a physician or other authorized individual professional provider, or other authorized provider that furnished services or supplies to a CHAMPUS beneficiary and that has agreed, by act of signing and submitting a CHAMPUS claim form and indicating participation in the appropriate space on the claim form, to accept the **CHAMPUS-determined** allowable cost or "charge as the total charge (even though less than the actual billed amount), whether paid for fully by the CHAMPUS allowance or requiring cost-sharing by the beneficiary (or sponsor).

Party to a Hearing. An appealing party or parties and CHAMPUS.

Party to the Initial Determination. Includes CHAMPUS and also refers to a CHAMPUS beneficiary and a participating provider of services whose interests have been adjudicated by the initial determination. In addition, a provider who has been denied approval as an authorized CHAMPUS provider is a party to that initial determination, as is a provider who is disqualified or excluded as an authorized provider under CHAMPUS, unless the provider **is** excluded based on a determination of abuse or fraudulent practices or procedures under another federal or federally funded program. See Chapter 10 for additional information concerning parties not entitled to administrative review under the CHAMPUS appeals and hearing procedures.

Pharmacist. A person who is trained specially in the scientific basis of **pharmacology and** who is licensed to prepare and sell or dispense drugs and compounds and to make up prescriptions ordered by a physician.

Physical Medicine Services or Physiatry Services. The treatment of disease or injury by physical means such as massage, hydrotherapy, or heat.

Physical Handicap. A physical condition of the body that meets the following criteria:

1. Duration. The condition is expected to result in death, or has lasted, or with reasonable certainty is expected to last, for a minimum period of 12 months; and
2. Extent. The condition is of such severity as to preclude **the** individual from engaging in substantially basic productive activities of daily living expected **of** unimpaired persons of the same age group.

Physical Therapist. A person who is trained specially in the skills and techniques of physical therapy (that is, the treatment of disease by physical agents and methods such as heat, massage, manipulation, therapeutic exercise, hydrotherapy, and various forms of energy such as electrotherapy **and** ultrasound), who has **been** authorized legally (that is, registered) to administer treatments prescribed by a physician and who is entitled legally to use the designation "Registered Physical Therapist." A physical therapist also may be called a physiotherapist.

Jul 91#

**Physician.** A person with a **degree** of Doctor of Medicine (M.D.) or Doctor of Osteopathy (D.O.) who is licensed to practice medicine by an appropriate authority.

**Physician in training. Interns, residents, and fellows participating in** approved postgraduate training programs and physicians who are not in approved programs but who are authorized to practice only **in** a hospital or other institutional provider setting, e.g., individuals with temporary or restricted licenses, or unlicensed graduates of foreign medical schools.

**Podiatrist (Doctor of Podiatry or Surgical Chiropody).** A person who has received a degree in podiatry (formerly called chiropody), that **is**, that **specialized** field of the healing arts that deals with the study and care of the foot, including its anatomy, pathology, and medical and surgical treatment.

**Preauthorization.** A decision issued in writing by the Director, OCHAMPUS, or a designee, that CHAMPUS benefits are payable for certain services that a beneficiary has not yet received.

**Prescription Drugs and Medicines.** Drugs and medicines which at the time of use were approved for commercial marketing by the U.S. Food and Drug Administration, and which, by law of the United States, require a physician's or dentist's prescription, except that it includes insulin for known diabetics whether or not a prescription is required. Drugs grandfathered by the Federal Food, Drug and Cosmetic Act of 1938 may be covered under CHAMPUS as if FDA approved.

**NOTE :** The fact that the U.S. Food and Drug Administration has approved a drug for testing on humans **would** not qualify it within this definition.

**Preventive Care.** Diagnostic and other medical procedures not related directly to a specific illness, injury, or definitive set of symptoms, or obstetrical care, but rather performed as periodic health screening, health assessment, or health maintenance.

**Primary Payer.** The plan or program whose medical benefits are payable-first in a double coverage situation.

**Private Duty (Special) Nursing Services.** Skilled nursing services rendered to an individual patient requiring intensive medical care. Such private duty (special) nursing must be by an actively practicing registered nurse (R.N.) or licensed practical or vocational nurse (L.P.N. or L.V.N.) only when the medical condition of the patient requires intensive skilled nursing services (rather than primarily providing the essentials of daily living) and when such skilled nursing care is ordered by the attending physician.

**Private Room.** A room with one bed that is designated as a private room by the hospital or other authorized institutional provider.

**Program for the Handicapped (PFTH).** The special program set forth in Chapter 5 of this Regulation, through which dependents of active duty members receive supplemental benefits for the moderately or severely mentally retarded and the seriously physically handicapped over and above those medical benefits available under the Basic Program.

Special Tutoring. Teaching or instruction provided by a private teacher to an individual usually **in** a private or separate setting to enhance the educational development of an individual in one or more study areas.

Spectacles, Eyeglasses, and Lenses. Lenses, including contact lenses, that help to correct faulty vision.

Sponsor. An active duty member, retiree, or deceased active duty member or retiree, of a Uniformed Service upon whose status his or her dependents' eligibility for CHAMPUS is based.

Spouse. A lawful wife or husband regardless of whether or not dependent upon the active duty member or retiree.

Student Status. A dependent of a member or former member of a Uniformed Service who has not passed his or her 23rd birthday, and is enrolled in a full-time course of study in an institution of higher learning.

Suppliers of **Portable** X-Ray Services. A supplier that meets the conditions of **coverage** of the Medicare program, set forth in the Medicare regulations (reference (m)), or the Medicaid program in the state in which the covered service is provided.

Surgery. Medically appropriate operative procedures, including related preoperative and postoperative care; reduction of fractures and dislocations; injection and needling procedures of the joints; laser surgery of the eye; and those certain procedures listed in paragraph C.2.a. of Chapter 4 of this Regulation.

Surgical Assistant. A physician (or dentist or podiatrist) who assists the operating surgeon in the performance of a covered surgical service when such assistance is certified as **necessary** by the attending surgeon, when the type of surgical procedure being performed is of such complexity and seriousness as to require a surgical assistant, and when interns, residents, or other house staff are not available to provide the surgical assistance services in the specialty area required.

Suspension of Claims **Processing**. The temporary suspension of processing (to protect the government's interests) of claims for care furnished by a specific provider (whether the claims are submitted by the provider or beneficiary) or claims submitted by or on behalf of a specific CHAMPUS beneficiary pending action **by** the Director, **OCHAMPUS**, or a designee, in a case of suspected fraud or abuse. The action may include the administrative remedies provided for in Chapter 9 or any other Department of Defense issuance (e.g. DoD issuances implementing the Program Fraud Civil Remedies Act), case development or investigation by OCHAMPUS, or referral to the Department of Defense-Inspector General or the Department of Justice for action within their cognizant jurisdictions.

Teaching physician. A teaching physician is any physician whose duties include providing medical training to physicians in training within a hospital or other institutional provider setting.

Timely Filing. The filing of CHAMPUS claims within the prescribed time limits as set forth in Chapter 7 of this Regulation.

Treatment Plan. A detailed description of the medical care being rendered or expected to be rendered a CHAMPUS beneficiary seeking approval for inpatient benefits for which **preauthorization** is required as set forth in section B. of Chapter 4 of this Regulation. A treatment plan must include, at a minimum, a diagnosis (either **ICD-9-CM** or **DSM-III**); detailed reports of prior treatment, medical history, family history, social history, and physical examination; diagnostic test results; consultant's reports (if *any*); proposed treatment by type (such as surgical, medical, and psychiatric); a description of who is or will be providing treatment (by discipline or specialty); anticipated frequency, medications, and specific goals of treatment; type of inpatient facility required and why (including length of time the related inpatient stay will be required); and prognosis. If the treatment plan involves the transfer of a CHAMPUS patient from a hospital or another inpatient facility, medical records related to that inpatient stay also are required as a part of the treatment plan document.

Uniformed Services. The Army, Navy, Air Force, Marine Corps, Coast Guard, Commissioned Corps of the **USPHS**, and the Commissioned Corps of the **NOAA**.

Veteran. A person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable .

NOTE: Unless the veteran is eligible for "retired pay," "retirement pay," or "retainer pay," which refers to payments of a continuing nature and are payable at fixed intervals from the government for military service neither the veteran nor his or her dependents are eligible for benefits under CHAMPUS.

Well-Baby Care. A specific program of periodic health screening, developmental assessment, and routine immunization for children from birth up to 2 years.

Widow or Widower. A person who was a spouse at the time of death of the active duty member or retiree and who has not remarried.

Worker's Compensation Benefits. Medical benefits available under any worker's compensation law (including the **Federal Employees Compensation Act**), occupational disease law, employers liability law, or any other legislation of similar purpose, or under the maritime doctrine of maintenance, wages, and cure.

X-Ray Services. An x-ray examination from which an x-ray film or other image is produced, ordered by the attending physician when necessary and rendered in connection with a medical or surgical diagnosis or treatment of an illness or injury, or in connection with maternity or well-baby care.

SECTIONPage

b.	Emergency admissions	4-12a
c.	Preauthorization requirements	4-12a
d.	Concurrent review	<b>4-12b</b>
7.	Emergency inpatient hospital services.	<b>4-12b</b>
a.	Existence of medical emergency.	4-13
b.	Immediate admission required.	4-13
c.	Closest. hospital utilized.	4-13
8.	RTC day limit.	4-13
9.	Acute care day limits.	4-13a
<b>c.</b>	<b>Professional Services Benefit.</b>	<b>4-13b</b>
1.	General.	<b>4-13b</b>
a.	Billing practices.	4-14
b.	Services must be related.	4-14
2.	Covered services of physicians and other authorized individual professional providers.	<b>4-14</b>
a.	Surgery.	4-14
b.	Surgical assistance.	4-15
c.	Inpatient medical services.	4-15
d.	Outpatient medical services.	4-15
e.	Psychiatric services.	4-15
f.	Consultation services.	4-15
g.	Anesthesia services.	4-15
h.	Radiation therapy services.	4-15
i.	X-ray services.	4-15
j.	Laboratory and pathological services.	4-15
k.	Physical medicine services or physiatry services.	4-15
1.	Maternity care.	4-15
m.	Well-baby care.	4-15
n.	Other medical care.	4-15
o.	Private duty (special) nursing services.	4-15
p.	Routine eye examinations.	4-16
3.	Extent of professional benefits.	4-16
a.	Multiple surgery.	4-16
b.	Different types of inpatient care, concurrent.	4-16
c.	Need for surgical assistance.	4-17
d.	Aftercare following surgery.	4-17
e.	Cast and sutures, removal.	4-17
f.	Inpatient care, concurrent.	<b>4-17</b>
g.	Consultants who become the attending surgeon.	4-17
h.	Anesthesia administered by the attending physician.	4-18
i.	Treatment of mental disorders.	4-18
j.	Physical and occupational therapy.	4-20
k.	Well-baby care.	4-20
1.	Private duty (special) nursing.	4-21
m.	Physicians in a teaching setting.	4-22
<b>D.</b>	<b>Other Benefits.</b>	4-23
1.	General.	4-23
2.	Billing practices.	4-24
3.	Other covered services and supplies.	4-24
a.	Blood.	4-24

SECTION

Page

b.	Durable medical equipment.	4-24
c.	Medical supplies and dressings (consumables).	4-25
d.	Oxygen.	4-25
e.	Ambulance.	4-25
f.	Prescription drugs and medicines.	4-26
g.	Prosthetic devices.	4-26
h.	Orthopedic braces and appliances.	4-27
E.	Special Benefit Information.	4-27
1.	General.	4-27
2.	Abortion.	4-27
3.	Family planning.	4-27
a.	Birth control (such as contraception).	4-27
b.	Genetic testing.	4-28
4.	Treatment of alcoholism.	4-29
a.	Emergency and inpatient hospital services.	4-29
b.	Authorized alcoholism treatment.	4-29
c.	Exclusions.	4-30
d.	Confidentiality.	4-30
5.	Organ transplants.	4-30
a.	Recipient costs.	4-30
b.	Donor costs.	4-30
c.	General limitations.	4-31
d.	Kidney acquisition.	4-31
e.	Liver Transplants.	4-31
f.	Heart Transplants.	4-31b
6.	Eyeglasses, spectacles, contact lenses, or other optical devices.	4-31c
a.	Exception to general exclusion.	4-31c
b.	Limitations.	4-32
7.	Transsexualism or hermaphroditism.	4-32
8.	Cosmetic, <b>reconstructive</b> , or plastic surgery.	4-32
a.	Limited benefits under CHAMPUS.	4-33
b.	General exclusions.	4-33
c.	<b>Noncovered</b> surgery, all. related services and supplies excluded.	4-33a
d.	Examples of noncovered cosmetic, reconstructive, or plastic surgery procedures.	4-34
9.	Complications (unfortunate sequelae) resulting from <b>noncovered</b> initial surgery or treatment..	4-35
10.	Dental.	4-35
a.	Adjunctive dental care, limited.	4-35
b.	General exclusions.	4-36
c.	Preauthorization required.	4-36
d.	Covered oral surgery.	4-36
e.	Inpatient hospital stay in connection with non-adjunctive, noncovered dental care.	4-36a
11.	Drug abuse.	4-37
a.	Limitations on who can prescribe drugs.	4-37
b.	Drug maintenance programs excluded.	4-37
c.	Kinds of prescription drugs that are monitored carefully by CHAMPUS for possible abuse situations.	4-37

c. Documentation for preauthorization - approved treatment plan. A request for **preauthorization** described in subsection **A.11.** of this chapter, requires submission of a detailed treatment plan, in accordance with guidelines and procedures issued by the **Director, OCHAMPUS.**

d. Other preauthorization requirements

(1) The Director, **OCHAMPUS,** or a designee, shall respond to **all** requests for preauthorization in writing and shall send notification of approval or denial to the beneficiary.

(2) The Director, **OCHAMPUS,** or a designee, shall specify, in the approved preauthorization, the services and supplies the approval covers.

(3) An approved preauthorization is **valid** only for 90 days from the date of issuance. If the **preauthorized** services and supplies are not obtained or commenced within the 90-day period, a new preauthorization request is required.

(4) A **preauthorization** may set forth other **special** limits or requirements as indicated by the particular case or situation for which preauthorization is being issued.

12. Utilization review, quality assurance and preauthorization for inpatient mental health services.

a. In general. The Director, **OCHAMPUS** shall provide, either directly or through **contract,** a program of utilization and quality review **for** all mental health care services. **Among** other things, this program **shall** include mandatory preadmission authorization before **nonemergency** inpatient mental health services may be provided and mandatory approval of continuation of inpatient services within 72 hours of emergency admissions. This program shall also include requirements for other pretreatment authorization procedures, concurrent review of continuing inpatient and outpatient care, retrospective review, and other such procedures as determined appropriate by the Director, **OCHAMPUS.** The provisions of paragraph H of this chapter and paragraph F, Chapter 15, shall apply to this program. The Director, **OCHAMPUS,** shall establish, pursuant to paragraph F., Chapter 15, procedures substantially comparable to requirements of paragraph H of this chapter and Chapter 15. If the utilization and quality review program for mental health care services is provided by contract, the contractor(s) need not be the same contractor(s) as are engaged under Chapter 15 **in** connection with the review of other services.

b. Preadmission authorization.

(1) This section generally requires preadmission authorization for **all nonemergency** inpatient mental health services and prompt continued stay authorization after emergency admissions. Institutional services for which payment would otherwise **be** authorized, but which were provided without compliance with preadmission authorization requirements, do not qualify for the same payment that would **be** provided if the preadmission requirements had been met.

(2) In cases of noncompliance with preadmission authorization requirements, institutional payment will be reduced by the amount attributable to the days of services without the appropriate certification up to a maximum of five days of services. In cases in which payment is determined on a prospectively set per-discharge basis (such as the DRG-based payment system), the reduction shall be \$500 for each day of services provided without the appropriate preauthorization, up to a maximum of five days of services.

(3) For purposes of paragraph A.12.b. (2) of this chapter, a day of services without the appropriate preauthorization is any day of services provided prior to:

(a) the receipt of an authorization; or

(b) the effective date of an authorization subsequently received.

(4) Services for which payment is disallowed under paragraph A.12.b. (2) of this chapter may not be billed to the patient (or the patient's family).

13. Implementing instructions. The Director, **OCHAMPUS**, or a designee, shall issue policies, instructions, procedures, guidelines, standards, or criteria as may be necessary to implement the intent of this Regulation.

#### B. INSTITUTIONAL BENEFITS

1. General. Services and supplies provided by an institutional provider authorized as set forth in Chapter 6 of this Regulation may be cost-shared only when such services or supplies (i) are otherwise authorized by this Regulation; (ii) are medically necessary; (iii) are **ordered**, directed, prescribed, or delivered by an **OCHAMPUS-authorized** individual professional provider as set forth in Chapter 6 of this Regulation or by an employee of the authorized institutional provider who is otherwise eligible to be a CHAMPUS authorized individual professional provider; (iv) are delivered in accordance with generally accepted norms for clinical practice in the United States; (v) meet established quality standards; and (vi) comply with applicable definitions, conditions, limitations, exceptions, or exclusions as otherwise set forth in this Regulation.

a. Billing practices. To be considered for benefits under this section B., covered services and supplies must be provided and billed for by a hospital or other authorized institutional provider. Such billings must be fully itemized and sufficiently descriptive to permit CHAMPUS to determine whether benefits are authorized by this Regulation. Depending on the individual circumstances, teaching physician services may be considered an institutional benefit in accordance with this Section or a professional benefit under Section C. See paragraph C.3.m. of this Chapter for the CHAMPUS requirements regarding teaching physicians. In the case of continuous care, claims shall be submitted to the appropriate CHAMPUS fiscal intermediary at least every 30 days either by the beneficiary or sponsor or, on a participating basis, directly by the facility on behalf of the beneficiary (refer to Chapter 7).

(4) For **patients in care** at the time the **inpatient** limit **is** reached, a waiver must be requested prior to the limit. For patients being readmitted after having received 30 or 45 days in the fiscal year, the waiver review will **be** conducted at the time of the preadmission authorization.

d. Acute care day limits do not apply to services provided under **the** Program for the Handicapped (Chapter 5 of this Regulation) or services provided as partial hospitalization care.

c. PROFESSIONAL SERVICES BENEFIT

1. General. Benefits may be extended for those covered services **described** in this section C., that are provided in accordance with good medical practice and established standards of quality by physicians or other authorized individual professional providers, as set forth in Chapter 6 of this Regulation. Such benefits are subject to all applicable definitions, conditions, exceptions, limitations, or exclusion as may be otherwise set forth

in this or other chapters of this Regulation. Except as otherwise specifically authorized, to be considered for benefits under this Section C., the described services must be rendered **by** a physician, or prescribed, **Ordered**, and referred medically by a physician to other authorized individual professional providers. Further, except under specifically defined circumstances, there should be an attending physician in any episode of care. (For example, certain services of a clinical psychologist. are exempt from this requirement. For these exceptions, refer to Chapter 6.)

a. **Billing practices.** To be considered for benefits under this Section C, covered professional services must be performed personally by the physician or other authorized individual professional provider, who is other than a salaried or contractual staff member of a hospital or other authorized institution, and who ordinarily and customarily bills on a fee-for-service basis for professional services rendered. Such billings must be itemized fully and sufficiently descriptive to permit CHAMPUS to determine whether benefits are authorized by this Regulation. See paragraph C.3.m. of this Chapter for the requirements regarding the special circumstances for teaching physicians. For continuing professional care, claims should be submitted to the appropriate CHAMPUS fiscal intermediary at **least** every 30 days either by the beneficiary or sponsor, or directly by the physician or other authorized individual professional provider on behalf of a beneficiary (refer to Chapter 7 of this Regulation).

b. **Services must be related.** Covered professional services must be rendered in connection with and directly related to a covered diagnosis or definitive set of symptoms requiring medically necessary treatment.

2. **Covered services of" physicians and other authorized individual professional providers**

a. **Surgery.** Surgery means operative procedures, including **related** preoperative and postoperative care; reduction of fractures and dislocations; injection and needling procedures of the joints; laser surgery of the eye; and the following *procedures*:

- Bronchoscopy
- Laryngoscopy
- Thoracoscopy
- Catheterization of the heart
- Arteriograph thoracic lumbar**
- Esophagoscopy
- Gastroscopy**
- Proctoscopy
- Sigmoidoscopy**
- Peritoneoscopy**
- Cystoscopy**
- Colonoscopy**
- Upper G.I. panendoscopy
- Encephalograph
- Myelography**
- Discography
- Visualization of intracranial aneurysm by intracarotid injection of dye, with exposure of carotid artery, unilateral

1. Private duty (special) nursing. Benefits are available for the skilled nursing services rendered by a private duty (special) nurse to a beneficiary requiring intensive skilled nursing care that can only be provided with the technical proficiency and scientific skills of an R.N. The specific skilled nursing services being rendered are controlling, not the condition of the patient or the professional status of the private duty (special) nurse rendering the services.

(1) Inpatient private duty (special) nursing services are limited to those rendered to an inpatient in a hospital that does not have an ICU. In addition, under specified circumstances, private duty (special) nursing in the home setting also is covered.

(2) The private duty (special) nursing care must be ordered and certified to be medically necessary by the attending physician.

(3) The skilled nursing care must be rendered by a private duty (special) nurse who is neither a member **of** the immediate family **nor** is a member of the beneficiary's household.

(4) Private duty (special) nursing care does not, except incidentally, include providing services that provide or support primarily the essentials of daily living or acting as a companion or sitter.

(5) If the private duty (special) nursing care services being performed are primarily those that could be rendered by the average adult with minimal instruction or supervision, the services would not qualify as covered private duty (special) nursing services, regardless of whether performed by an R.N., regardless of whether or not ordered and certified to by the attending physician, and regardless of the condition of the patient.

(6) In order for such services to be considered for benefits, a private duty (special) nurse is required to maintain detailed daily nursing notes, whether the case involves inpatient nursing service or nursing services rendered in the home setting.

(7) Claims for continuing private duty (special) nursing care **shall** be submitted at least every 30 days. Each claim will be reviewed and the nursing care evaluated whether it continues to be appropriate and eligible for benefits.

(8) In most situations involving private duty (special) nursing care rendered in the home setting, benefits will be available only for a portion of the care, that is, providing benefits only for that time actually required to perform medically necessary skilled nursing services. If full-time private duty (special) nursing services are engaged, usually for convenience or to provide personal services to the patient, CHAMPUS benefits are payable only for that portion of the day during which skilled nursing services are rendered, but in no event is less than 1 hour of nursing care payable in any 24-hour period during which skilled nursing services are determined to have been rendered. Such situations often are better

accommodated through the use of visiting nurses. This allows the personal services that are **not coverable** by CHAMPUS to be obtained at lesser cost from other than an R.N. Skilled nursing services provided by visiting nurses are covered under CHAMPUS .

NOTE : When the services of an R.N. are not available, benefits may be extended for the otherwise covered services of a **L.P.N.** or **L.V.N.**

m. Physicians in a teaching setting.

(1) Teaching physicians.

(a) General. The services of teaching physicians may be reimbursed on an allowable charge basis only when the teaching physician has established an attending physician relationship between the teaching physician and the patient or when the teaching physician provides distinct, identifiable, personal services (e.g., services rendered as a consultant, assistant surgeon, etc.). Attending physician services may include both direct patient care services or direct supervision of care provided by a physician in training. In order to be considered an attending physician, the teaching physician must:

1 Review the patient's history and the record of examinations and tests *in* the institution, and make frequent reviews of the patient's progress; and

2 Personally examine the patient; and

3 Confirm or revise the diagnosis and determine the course of treatment to **be** followed; and

4 Either perform the physician's services required by the patient or supervise the treatment-so as to assure that appropriate services are provided by physicians in training and that the care meets a proper quality level; and

5 Be present and ready to perform any service performed by an attending physician in a **nonteaching** setting when a major surgical procedure or a complex or dangerous medical procedure is performed; and

6 **Be** personally responsible for the patient's care, at least throughout the **period** of hospitalization.

(b) Direct supervision by an attending physician of care provided by Physicians in training. Payment on the basis of allowable charges may be made for the professional services rendered to a beneficiary by his/her attending physician when the attending physician provides personal and identifiable direction to physicians in training who are participating in the care of the patient. It is not necessary that the attending physician be personally present for all services, but the **attending physician must be on the provider's premises and available to** provide immediate personal assistance **and** direction if needed.

(c) Individual, personal services. A teaching physician may be reimbursed on an allowable charge basis for any individual, identifiable service rendered to a CHAMPUS beneficiary, so long as the service is a covered service and is normally reimbursed separately, and so long as the patient records substantiate the service.

(d) " Who may bill. The services of a teaching physician must be billed by the institutional provider when the physician is employed by the provider or a related entity or under a contract which provides for payment to the physician by the provider or a related entity. Where the teaching physician has no relationship with the provider (except for standard physician privileges to admit patients) and generally treats patients on a fee for service basis in the private sector, the teaching physician may submit claims under his/her own provider number.

(2) Physicians in training. Physicians in training in an approved teaching program are considered to be "students" and may not be reimbursed directly by CHAMPUS for services rendered to a beneficiary when their services are provided as part of their employment (either salaried or contractual) by a hospital or other institutional provider. Services of physicians in training may be reimbursed on an allowable charge basis only if:

(a) The physician in training is fully licensed to practice medicine by the state in which the services are performed, and

(b) The services are rendered outside the scope and requirements of the approved training program to which the physician in training is assigned.

#### D. OTHER BENEFITS

1. General. Benefits may be extended for the allowable charge of those other covered services and supplies described in this section D., which are provided in accordance with good medical practice and established standards of quality by those other authorized providers described in Chapter 6 of this Regulation. Such benefits are subject to all applicable definitions, conditions, limitations, or exclusions as otherwise may be set forth in this or other chapters of this Regulation. To be considered for benefits under this section D., the described services or supplies must be prescribed and ordered by a physician." Other authorized individual professional providers acting within their scope of licensure may also prescribe and order these services and supplies unless otherwise specified in this section D. For example, durable medical equipment and cardiorespiratory monitors can only be ordered by a physician.

2. Billing practices. To be considered for benefits under this Section D., covered services and **supplies** must be provided and billed for by an authorized provider as set forth in Chapter 6 of this Regulation. Such billing must be itemized fully and described sufficiently, even when CHAMPUS payment is determined under the CHAMPUS DRG-based payment system, so that CHAMPUS can determine whether benefits *are* authorized by this Regulation. Except for claims subject to the CHAMPUS **DRG-based** payment system, whenever continuing charges are involved, claims should be submitted to the appropriate CHAMPUS fiscal intermediary at least every 30 days (monthly) either by the beneficiary or sponsor or directly **by** the provider. For claims subject to the CHAMPUS **DRG-based** payment system, claims may be submitted only after the beneficiary has been discharged or transferred from the hospital.

3. Other covered services and supplies

a. **Blood.** If whole **blood** or **plasma** (or its derivatives) are provided and billed for by an authorized institution in connection with covered treatment, benefits are extended as set forth in section B. of this chapter. If blood is **billed** for directly **to** a beneficiary, benefits may be extended under this section D. in the same manner as a medical supply.

b. Durable medical equipment

(1) Scope of benefit. Subject to the exceptions in paragraphs (2) and (3) below, only durable medical equipment (**DME**) which is ordered by a physician for the specific use of the beneficiary, and which complies with the definition of "Durable Medical Equipment" in Chapter 2 of this Regulation, and which is not otherwise excluded by this Regulation qualifies as a Basic Program benefit.

(2) Cardiorespiratory monitor exception.

(a) When prescribed by a physician who is otherwise eligible *as* a CHAMPUS individual professional provider, or who is on active duty with a United States Uniformed Service, an electronic cardiorespiratory monitor, including technical support necessary for the proper use of **the** monitor, may be cost-shared as durable medical equipment when supervised by the prescribing physician for in-home use by:

1 An infant beneficiary who has had an apparent life-threatening event, as defined in guidelines issued by the Director, OCHAMPUS, or a designee, or,

2 An infant beneficiary who is a subsequent or multiple birth biological sibling of a victim of sudden infant death syndrome (SIDS), or,

3 An infant beneficiary whose birth weight was 1,500 grams or less, or,

4 An infant beneficiary who is a pre-term infant with pathologic apnea, as defined in guidelines issued by the Director, OCHAMPUS, or a designee, or,

(i) Professional staff. The center's professional staff is legally and professionally qualified for the performance of their professional responsibilities.

(j) Medical records. The center maintains **full** and complete written documentation" of the services rendered to each woman admitted and each newborn delivered. A copy of the informed consent document required by subparagraph (c), above, which contains the original signature of the CHAMPUS beneficiary, signed and dated at the time of admission, must be maintained in the medical record **of** each CHAMPUS beneficiary admitted.

(k) Quality assurance. The center has an organized program for quality assurance which includes, but is not limited to, written procedures for regularly scheduled evaluation of each type of service provided, of each mother or newborn transferred to a hospital, and of each death within the facility.

(l) Governance and administration. The center has a governing body legally responsible for overall operation and maintenance of the center and a full-time employee who has authority and responsibility for the day-to-day operation of the center.

c. INDIVIDUAL PROFESSIONAL PROVIDERS OF CARE

1. General. Individual professional providers of care are those providers who bill for **their** services on a fee-for-service basis and who are not employed by an institutional provider or under a contract which provides for payment to the individual professional provider by an institutional provider. This category also includes those individuals who have formed professional corporations or associations qualifying as a domestic corporation under section 301.7701-5 of the Internal Revenue Service Regulations (reference (cc)). Such individual professional providers must be licensed or certified by the local licensing or certifying agency for the jurisdiction in which the care is provided; or in the absence of state **licensure/certification**, be a member of or demonstrate eligibility for full clinical membership in, the appropriate national or professional certifying association that sets standards for the profession of which the provider is a member. Services provided must be in accordance with good medical practice and prevailing standards of quality of care and within recognized utilization norms.

a. Licensing/Certification required, scope of license. Otherwise covered services **shall be** cost-shared only if the individual professional provider holds a current, valid license or certification to practice his or her profession in the jurisdiction where the service **is** rendered. Licensure/certification must be at the full clinical practice level. The services provided must be within the scope of the license, certification or other legal authorization. Licensure or certification is required to be a CHAMPUS authorized provider if offered in the jurisdiction where the service **is** rendered, whether such **licensure** or certification is required by law or provided on a voluntary basis. The requirement also applies for those categories of providers that **would** otherwise be exempt by the state because the provider is working in a non-profit, state-owned or church setting. **Licensure/certification** is mandatory for a provider to become a CHAMPUS-authorized provider.

b. Monitoring required. The Director, **OCHAMPUS**, or a designee, shall develop appropriate **monitoring programs** and **issue guidelines, criteria, or norms** necessary to **ensure** that CHAMPUS expenditures are **limited** to necessary medical supplies and services at the most reasonable cost to the government and beneficiary. The Director, **OCHAMPUS**, or a designee, also will take **such steps as** necessary to **deter overutilization of services.**

c. Christian Science. Christian Science practitioners and Christian Science nurses are authorized to provide services under CHAMPUS. Inasmuch as they provide services of an extramedical nature, the general criteria outlined above do not apply to Christian Science services (refer to subparagraph C.3.d. (2), below, regarding services of Christian Science practitioners and nurses).

d. Physician referral and supervision. Physician referral and supervision is required for the services of paramedical providers as listed in subparagraph C.3.c.8. and for pastoral counselors, and mental health counselors. Physician referral means that the physician must actually see the patient, perform an evaluation, and arrive at an initial diagnostic impression prior to referring the patient. Documentation is required of the physician's examination, diagnostic impression, and referral. Physician supervision means that the physician provides overall medical management of the case. The physician does not have to be physically located on the premises of the provider to whom the referral is made. Communication back to the referring physician is an indication of medical management.

e. Medical records: Individual professional providers must maintain adequate clinical records to substantiate that specific care was actually furnished, was medically necessary, and appropriate, and **identify(ies)** the individual(s) who provided the care. This applies whether the care is inpatient or outpatient. The minimum requirements for medical record documentation are set forth by the following:

- (1) The cognizant state licensing authority;
- (2) The Joint Commission on Accreditation of **Healthcare** Organizations, or other health care accreditation organizations as may be appropriate;
- (3) Standards of practice established by national medical organizations; and
- (4) This Regulation.

2. Interns and residents. Interns and residents may not be paid directly by CHAMPUS for services rendered to a beneficiary when their services are provided as part of their employment (either salaried or contractual) by a hospital or other institutional provider.