§ 422.320 Special rules for hospice care.

(a) Information. An MA organization that has a contract under subpart K of this part must inform each Medicare enrollee eligible to select hospice care under §418.24 of this chapter about the availability of hospice care (in a manner that objectively presents all available hospice providers, including a statement of any ownership interest in a hospice held by the MA organization or a related entity) if—

(1) A Medicare hospice program is located within the plan’s service area; or

(2) It is common practice to refer patients to hospice programs outside that area.

(b) Enrollment status. Unless the enrollee disenrolls from the MA plan, a beneficiary electing hospice continues his or her enrollment in the MA plan and is entitled to receive, through the MA plan, any benefits other than those that are the responsibility of the Medicare hospice.

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§ 422.322 Source of payment and effect of MA plan election on payment.

(a) Source of payments. (1) Payments under this subpart for original fee-for-service benefits to MA organizations or MA MSAs are made from the Federal Hospital Insurance Trust Fund or the Supplementary Medical Insurance Trust Fund. CMS determines the proportions to reflect the relative weight that benefits under Part A, and benefits under Part B represents of the actuarial value of the total benefits under title XVIII of the Act.

(2) Payments to MA-PD organizations for statutory drug benefits provided under this title are made from
the Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund.

(3) Payments under subpart C of part 495 of this chapter for meaningful use of certified EHR technology are made from the Federal Hospital Insurance Trust Fund or the Supplementary Medical Insurance Trust Fund. In applying section 1848(o) of the Act under sections 1853(l) and 1886(n)(2) of the Act under section 1853(m) of the Act, CMS determines the amount to the extent feasible and practical to be similar to the estimated amount in the aggregate that would be payable for services furnished by professionals and hospitals under Parts B and A, respectively, under title XVIII of the Act.

(b) Payments to the MA organization. Subject to §§ 412.105(g), 413.86(d), and 495.204 of this chapter and §§ 422.109, 422.316, and 422.320, CMS’ payments under a contract with an MA organization (described in § 422.304) with respect to an individual electing an MA plan offered by the organization are instead of the amounts which (in the absence of the contract) would otherwise be payable under original Medicare for items and services furnished to the individual.

(c) Only the MA organization entitled to payment. Subject to §§ 422.314, 422.316, 422.318, 422.320, and 422.530 and sections 1866(d)(11) and 1886(h)(D) of the Act, only the MA organization is entitled to receive payment from CMS under title XVIII of the Act for items and services furnished to the individual.

§ 422.324 Payments to MA organizations for graduate medical education costs.

(a) MA organizations may receive direct graduate medical education payments for the time that residents spend in non-hospital provider settings such as freestanding clinics, nursing homes, and physicians’ offices in connection with approved programs.

(b) MA organizations may receive direct graduate medical education payments if all of the following conditions are met:

1. The resident spends his or her time assigned to patient care activities.
2. The MA organization incurs “all or substantially all” of the costs for the training program in the non-hospital setting as defined in § 413.86(b) of this chapter.
3. There is a written agreement between the MA organization and the non-hospital site that indicates the MA organization will incur the costs of the resident’s salary and fringe benefits and provide reasonable compensation to the non-hospital site for teaching activities.

(c) An MA organization’s allowable direct graduate medical education costs, subject to the redistribution and community support principles specified in § 413.85(c) of this chapter, consist of—

1. Residents’ salaries and fringe benefits (including travel and lodging where applicable); and
2. Reasonable compensation to the non-hospital site for teaching activities related to the training of medical residents.

(d) The direct graduate medical education payment is equal to the product of—

1. The lower of—
   i. The MA organization’s allowable costs per resident as defined in paragraph (c) of this section; or
   ii. The national average per resident amount; and
2. Medicare’s share, which is equal to the ratio of the number of Medicare beneficiaries enrolled to the total number of individuals enrolled in the MA organization.

(e) Direct graduate medical education payments made to MA organizations under this section are made from the Federal Supplementary Medical Insurance Trust Fund.