(1) Submit a notice of intent to CMS to exercise the option of providing home service.
(2) Provide RNHCI services to eligible beneficiaries,
(3) Arrange with suppliers to furnish appropriate DME items as required to meet documented eligible beneficiary needs.
(4) Arrange for RNHCI nurse home visits to eligible beneficiaries.
(5) Have a utilization committee that assumes the additional responsibility for the oversight and monitoring of the items and RNHCI nursing services provided under the home benefit.
(6) Meet all applicable requirements set forth in subpart G of this part.
(b) To be an eligible beneficiary to RNHCI home services the beneficiary must:
(1) Have an effective election in place.
(2) Be confined to the home, as specified in §409.42(a) of this chapter.
(3) Have a condition that makes him or her eligible to receive services covered under Medicare home health.
(4) Receive home services and DME items from a RNHCI.
(5) Be responsible for deductible and coinsurance for DME, as specified in $\S 409.50$ of this chapter.
[69 FR 66419, Nov. 15, 2004, as amended at 70 FR 16721, Apr. 1, 2005]

## §403.768 Excluded services.

In addition to items and services excluded in §409.49 of this chapter, items and services are also excluded if they are provided by:
(a) A HHA that is not a RNHCI.
(b) A supplier who is not providing RNHCI designated items under arrangement with a RNHCI.
(c) A nurse who is not providing RNHCI home nursing services under arrangement with a RNHCI.
[69 FR 66419, Nov. 15, 2004]

## §403.770 Payments for home services.

(a) The RNHCI nursing visits are paid at the modified low utilization payment adjusted (LUPA) rate used under the home health prospective payment system at $\S 484.230$ of this chapter.
(b) Appropriate DME items are paid as priced by Medicare, minus the de-
ductible and coinsurance liability of the beneficiary.
[69 FR 66419, Nov. 15, 2004]

## Subpart H-Medicare Prescription Drug Discount Card and Transitional Assistance Program

SOURCE: 68 FR 69915, Dec. 15, 2003, unless otherwise noted.

## §403.800 Basis and scope.

(a) Basis. This subpart is based on section 1860D-31 of the Social Security Act (the Act).
(b) Scope. This subpart sets forth the standards and procedures CMS uses to implement the Medicare Prescription Drug Discount Card and Transitional Assistance Program.

## § 403.802 Definitions.

For purposes of this subpart, the following definitions apply:

Affiliated organization means an organization that is a legally separate entity from the endorsed drug card sponsor and meets one of the following conditions:
(1) The organization and the endorsed drug card sponsor are under common control. Common control exists if another entity has the power, directly or indirectly, to significantly influence or direct the actions or policies of the organization and the endorsed drug card sponsor.
(2) The organization is under the control of the endorsed drug card sponsor or the organization controls the endorsed drug card sponsor. Control exists if an entity has the power, directly or indirectly, to significantly influence or direct the actions or policies of another entity.
(3) The organization possesses an ownership or equity interest of 5 percent or more in the endorsed drug card sponsor on both the date on which the endorsed drug card sponsor markets the organization's Part D plan, and the date on which the endorsed drug card sponsor signed its endorsement contract with CMS.

Annual coordinated election period means the period beginning on November 15, 2004 and ending on December 31,

