economic interest, as defined in § 199.2;

- (xii) Limit services furnished under arrangement to those for which receipt of payment by the CHAMPUS authorized provider discharges the payment liability of the beneficiary.
- (c) Individual professional providers of care.
 - General.
- (i) Purpose. This individual professional provider class is established to accommodate individuals who are recognized by 10 U.S.C. 1079(a) as authorized to assess or diagnose illness, injury, or bodily malfunction as a prerequisite for CHAMPUS cost-share of otherwise allowable related preventive or treatment services or supplies, and to accommodate such other qualified individuals who the Director may authorize to render otherwise allowable services essential to the efficient implementation of a planof-care established and managed by a 10 U.S.C. 1079(a) authorized professional.
- (ii) Professional corporation affiliation or association membership permitted. Paragraph (c) of this section applies to those individual health care professionals who have formed a professional corporation or association pursuant to applicable state laws. Such a professional corporation or association may file claims on behalf of a CHAMPUS-authorized individual professional provider and be the payee for any payment resulting from such claims when the CHAMPUS-authorized individual certifies to the Director in writing that the professional corporation or association is acting on the authorized individual's behalf.
- (iii) Scope of practice limitation. For CHAMPUS cost-sharing to be authorized, otherwise allowable services provided by a CHAMPUS-authorized individual professional provider shall be within the scope of the individual's license as regulated by the applicable state practice act of the state where the individual rendered the service to the CHAMPUS beneficiary or shall be within the scope of the test which was the basis for the individual's qualifying certification.
- (iv) Employee status exclusion. An individual employed, directly, or indirectly by contract, by an individual or entity to render professional services otherwise allowable by this part is excluded from provider status as established by paragraph (c) of this section for the duration of such employment.
- (v) Training status exclusion. Individual health care professionals

who are allowed to render health care services only under direct and ongoing supervision as training to be credited towards earning a clinical academic degree or other clinical credential required for the individual to practice independently are excluded from provider status as established by paragraph (c) of this section for the duration of such training.

Conditions of authorization.

- (i) Professional license requirement. The individual must be currently licensed to render professional health care services in each state in which the individual renders services to CHAMPUS beneficiaries. Such license is required when a specific state provides, but does not require, license for a specific category of individual professional provider. The license must be at a full clinical practice level to meet this requirement. A temporary license at the full clinical practice level is acceptable.
- (ii) Professional certification requirement. When a state does not license a specific category of individual professional certification by a Qualified Accreditation Organization, as defined in § 199.2 of this part is required. Certification must be at the full clinical practice level. A temporary certification at the full clinical practice level is acceptable.

(ii) Education, training, and experience requirement. The director may establish for each category or type of provider allowed by paragraph (c) of this section specific education, training, and experience requirements as necessary to promote the delivery of services by fully qualified individuals.

(iv) Physician referral and supervision. When physician referral and supervision is a prerequisite for CHAMPUS cost-sharing of the services of a provider authorized under paragraph (c) of this section, such referral and supervision means that the physician must actually see the patient to evaluate and diagnose the condition to be treated prior to referring the beneficiary to another provider and that the referring physician provides ongoing oversight of the course of referral related treatment throughout the period during which the beneficiary is being treated in response to the referral. Written contemporaneous documentation of the referring physician's basis for referral, and of ongoing communication between the referring and treating provider regarding the oversight of the treatment rendered as a result of the referral must meet all requirements for medical records established by this part. Referring physician supervision does not require physical location on the

premises of the treating provider or at the site of treatment.

- (3) * *(iii) * * * (I) * * *
- (3) Licensed registered physical therapists and occupational therapists.
 - (e) Corporate services providers.
 - (1) General.
- (1) This corporate services provider class is established to accommodate individuals who would meet the criteria for status as a CHAMPUS authorized individual professional provider as established by paragraph (c) of this section but for the fact that they are employed directly or contractually by a corporation or foundation that provides principally professional services which are within the scope of the CHAMPUS benefit.
- (ii) Payment for otherwise allowable services may be made to a CHAMPUSauthorized corporate services provider subject to the applicable requirements, exclusions and limitations of this part.
- (iii) The Director may create discrete types within any allowable category of provider established by paragraph (e) of this section to improve the efficiency of CHAMPUS management.
- (iv) The Director may require, as a condition of authorization, that a specific category or type of provider established by paragraph (e) of this section:
- (A) Maintain certain accreditation in addition to or in lieu of the requirements of paragraph (e)(2)(v) of this section;
- (B) Cooperate fully with a designated utilization and clinical quality management organization which has a contract with the Department of Defense for the geographic area in which the provider does business;
- (C) Render services for which direct or indirect payment is expected to be made by the CHMPUS only after obtaining CHAMPUS written authorization; and
- (D) Maintain Medicare approval for payment when the Director determines that a category, or type, of provider established by paragraph (e) of this section is substantially comparable to a provider or supplier for which Medicare has regulatory conditions of participation or conditions of coverage;
- (v) Otherwise allowable services may be rendered at the authorized corporate services provider's place of business, or in the beneficiary's home under such circumstances as the Director determines to be necessary for the efficient delivery of such in-home services.