
42 C.F.R. § 405.501

Determination of reasonable charges.

- (a) Except as specified in paragraphs (b), (c), and (d) of this section, Medicare pays no more for Part B medical and other health services than the “reasonable charge” for such service. The reasonable charge is determined by the carriers (subject to any deductible and coinsurance amounts as specified in §§ 410.152 and 410.160 of this chapter).
- (b) Part B of Medicare pays on the basis of “reasonable cost” (see part 413 of this chapter) for certain institutional services, certain services furnished under arrangements with institutions, and services furnished by entities that elect to be paid on a cost basis (including health maintenance organizations, rural health clinics, FQHCs that are authorized to bill under a reasonable cost system, and end-stage renal disease facilities).

This document is only available to subscribers. Please log in or purchase access.

[Purchase Login](#)