ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

HEALTH AFFAIRS

DEC 27 1983

BEFORE THE OFFICE, ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)

UNITED STATES DEPARTMENT OF DEFENSE

Appeal of	)	
	)	
Sponsor:	)	OASD(HA) FILE 83-46
	)	FINAL DECISION
SSN:	)	

This is the FINAL DECISION of the Assistant Secretary of Defense (Health Affairs) in the CHAMPUS Appeal OASD(HA) Case File 83-46 pursuant to 10 U.S.C. 1071-1089 and DoD 6010.8-R, chapter X. The appealing party is the beneficiary, a retired officer of the United States Army. The appeal involves a claim for a cardiac rehabilitation program undergone by the beneficiary at Medical Center, , from September 25, 1981, to November 25, 1981. The amount billed for the cardiac rehabilitation program totaled $755.60.

The hearing file of record, the Hearing Officer's Recommended Decision, and the Analysis and Recommendation of the Director, OCHAMPUS, have been reviewed. It is the Hearing Officer's recommendation that the First Level Appeal determination by OCHAMPUS denying coverage of the cardiac rehabilitation program be upheld. The Hearing Officer found the services rendered the beneficiary were not medically necessary within the meaning of the Regulation and are, therefore, excluded from coverage. He also found the services did not meet the Regulation's criteria for coverage as physical therapy. The Director, OCHAMPUS, concurs in these findings and recommends adoption of the Hearing Officer's Recommended Decision as the FINAL DECISION.

The Acting Principal Deputy Assistant Secretary of Defense (Health Affairs), acting as the authorized designee of the Assistant Secretary, after due consideration of the appeal record, concurs in the recommendation of the Hearing Officer to deny CHAMPUS cost-sharing of the beneficiary's cardiac rehabilitation program and hereby adopts the recommendation of the Hearing Officer as the FINAL DECISION.

The FINAL DECISION of the Assistant Secretary of Defense (Health Affairs) is, therefore, to deny CHAMPUS cost-sharing for the beneficiary's cardiac rehabilitation program. This decision is based on findings that the cardiac rehabilitation program was not medically necessary care in that it is not generally accepted

medical practice and has not been demonstrated to be effective in the treatment of heart disease. In addition, the cardiac rehabilitation program does not qualify for CHAMPUS coverage under the CHAMPUS criteria for physical therapy.

FACTUAL BACKGROUND

The record, including correspondence from the beneficiary and his testimony at the hearing, reflects that prior to the start of the cardiac rehabilitation program the beneficiary was hospitalized for approximately two weeks while he underwent diagnostic testing including a coronary angiography. His correspondence stated that, "it was determined that of the three main coronary arteries one was completely blocked (mostly due to an old infarction) and the other two had approximately 50% blockage." The beneficiary further stated that due to the nature and the locations of the blocks, bypass surgery was ruled out, pro tem. The beneficiary further stated that a course of medical treatment was prescribed to attempt to improve circulation through what was usable of the coronary arteries and a program of gradually increased exercise was prescribed to develop collateral circulation and to increase the heart's tolerance to physical stress. The beneficiary submitted no medical evidence to substantiate his description of his heart condition, diagnosis, and prescribed treatment.

A claim in the amount of $755.60 was submitted to the CHAMPUS Fiscal Intermediary covering the cardiac rehabilitation program services from September 25 through November 25, 1981. This included 18 exercise sessions at $17.35; two stress tests performed on November 2 and November 25, 1981, at $168.00; and two regular laboratory work-ups at $49.45 each.

The fiscal intermediary's initial determination of December 14, 1981, cost-shared $434.90 for the charges for the two stress tests, the laboratory tests, and the chemical screens. Benefits were denied for the exercise sessions. The beneficiary then requested an informal review and his physician, , M.D., a specialist in cardiology and internal medicine, submitted the following statement:

> "This letter is written regarding your apparent refusal to reimburse the above noted patient for his cardiac rehabilitation. Apparently, you feel this program is experimental and therefore not covered under insurance benefits.
>
> "At this juncture, I strongly disagree with your conclusions regarding experimentability. Cardiac Rehabilitation Programs are set up throughout the entire United States for patients who have had a Myocardial Infarction or who have undergone Myocardial Bypass Surgery. Medical literature is full of statistics and information regarding the

> importance of cardiac rehabilitation from both a psychological and medical standpoint. All patients who undergo cardiac rehabilitation at Hospital [sic], for example, are evaluated first by a trained cardiologist, undergo stress testing, and then undergo an extensive 12 week course of graduated programed exercises. These exercises are monitored by two (2) cardiovascular nurses as well as a cardiologist on the premises. Following completion of the program, the patient then undergoes repeat stress studies before he is discharged from the program. This form of therapy is well accepted throughout the cardiologic community and there is absolutely no reason to consider this type of program experimental. Patients all over the country have exhibited significant improvement in exercise tolerance as well as improvement in abnormal cardiograms following completion of this program. [The beneficiary] is no exception."

Following an informal review and an automatic reconsideration in which the fiscal intermediary continued to uphold its original decision, the beneficiary appealed to OCHAMPUS.

The First Level Appeal determination, dated October 27, 1982, concluded:

> "The patient's cardiac rehabilitation program does not fit the definition of physical therapy under CHAMPUS and does not qualify for benefits as physical therapy. Based on similar precedential cases, and on the lack of medical documentation, authoritative medical literature and recognized professional opinion sufficient to establish the general acceptance and efficacy of the cardiac rehabilitation program at the time the care was received, the program the patient undertook is found to be not medically necessary in the treatment of post-myocardial infarction. CHAMPUS excludes all services and supplies related to non-covered treatment; therefore, the stress tests provided on November 2 and November 25, 1981, and the laboratory workup i.e., CBC, UA, chemical screens, provided in conjunction with the cardiac rehabilitation program are not a CHAMPUS benefit. The Fiscal Intermediary, Wisconsin Physicians Service, is being instructed to review the claim and

> make the necessary adjustments for the payments made for the stress test services and the regular laboratory testing."

The beneficiary timely appealed the First Level Appeal determination and requested a hearing. Most of the medical evidence was submitted during the appeal of the First Level Appeal determination and is discussed later in this decision.

A hearing was held on May 9, 1983, in , , before OCHAMPUS Hearing Officer, . The beneficiary attended the hearing and represented himself. Also present as an expert witness on behalf of the beneficiary was , Ph.D. Mr. , attorney at law, attended the hearing at the request of the beneficiary as an observer; he did not participate in the hearing. The Hearing Officer has issued his Recommended Decision and issuance of a FINAL DECISION is proper.

ISSUES AND FINDINGS OF FACT

The primary issues in this appeal are whether the cardiac rehabilitation program provided the beneficiary was medically necessary and whether the program constituted physical therapy.

Medically Necessary

The CHAMPUS regulation, DoD 6010.8-R, provides in Chapter IV, A.1., as follows:

> "Subject to any and all applicable definitions, conditions, limitations, and/or exclusions specified or enumerated in this Regulation, the CHAMPUS Basic Program will pay for medically necessary services and supplies required in the diagnosis and treatment of illness or injury . . . ."

To interpret this Regulation as it applies to the treatment in dispute requires a review of what is meant by the term "medically necessary." The definition in DoD 6010.8-R, chapter II, provides:

> "'Medically necessary' means the level of services and supplies (that is, frequency, extent, and kinds) adequate for the diagnosis and treatment of illness or injury, including maternity and well-baby care. Medically necessary includes concept of appropriate medical care."

The definition of "appropriate medical care" requires that, ". . . the medical services performed in the treatment of a disease or injury . . . are in keeping with the generally acceptable norm for medical practice in the United States."

The Office of Assistant Secretary of Defense (Health Affairs) has in four previous FINAL DECISIONS considered the medical necessity of cardiac rehabilitation exercise programs. In OASD(HA) Case File 01-81, dated May 21, 1982, it was stated:

> "To constitute a CHAMPUS covered service, the cardiac rehabilitation program must therefore be adequate for the diagnosis and treatment of illness or disease and correspondingly constitute treatment of a disease or illness . . . . The acceptance and efficacy of the treatment of post-myocardial infarction by the cardiac rehabilitation program must therefore be documented."

It was concluded in OASD(HA) 01-81 that:

> ". . . the general acceptance and efficacy of the program in the treatment of post-myocardial infarction is not supported by medical documentation nor recognized professional opinion and authoritative medical literature contemporaneous with the dates of care."

In OASD(HA) 01-81, medical reviews requested by OCHAMPUS from the Colorado Foundation for Medical Care were discussed. In commenting on the medical reports, this Office stated:

> "These reports reveal a change in thinking by the reviewing physicians regarding the medical necessity of the [cardiac rehabilitation] program based on evidence which suggests the program might contribute to a reduction in death in the first six months following an acute myocardial infarction and the increasing acceptance of the programs by the general medical community. However, the opinions clearly state cardiac rehabilitation programs remain an unproven modality, are not a standard of care in every community, and evidence does not support a reduction in heart disease as a result of the programs. The physicians cite improved function capacity to perform activities of daily living with less fear, earlier return to work and increased understanding by the patient of the need for management of hypertension and stress as supporting the medical necessity.
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> * * * *

> "The evidence herein and the peer review opinions given at the time that services were rendered disclose no evidence of the documented effectiveness of the exercise programs in the treatment of myocardial infarction (coronary heart disease); instead the file clearly indicates its unproven nature."

In OASD(HA) Case File 20-79 it was said:

> "Further, it is acknowledged that the program may very well have produced beneficial results for the appealing party -- as would be anticipated for any individual with or without a heart condition, who undertook a program of structured exercise and weight reduction. We do not concur, however, that the exercise/weight reduction regimen constituted specific treatment. Further, the fact that a physician orders, prescribes or recommends that a patient pursue a certain course does not, in itself, make it medically necessary treatment. A physician in caring for his or her patient may, and properly so, advise and recommend in many areas beyond specific treatment. This is particularly true relative to encouraging changes in lifestyles--i.e., increased exercise, elimination of smoking, weight reduction, etc."

This office in two recent FINAL DECISIONS involving the denial of CHAMPUS coverage of cardiac rehabilitation programs, OASD(HA) Case File 83-16 and Case File 83-17, followed the analysis reflected in the above quotes.

OASD(HA) 83-17 is particularly relevant to the facts in this appeal. In OASD(HA) 83-17, the beneficiary's cardiologist stated that: "[The beneficiary] has recently had some escalation of his symptoms and I advised the patient to enroll in a medically supervised exercise programme." This was the only documentation regarding the beneficiary's condition and it was found to be inadequate. In this appeal there is no documentation in the record to substantiate the actual medical condition of the beneficiary either at the time the cardiac rehabilitation program was recommended or during the progress of the program. The record includes a letter from the beneficiary that states he:

> ". . . [H]ad spent two weeks in a hospital where [he] underwent coronary angiography. It was determined that of the three main coronary arteries one was completely blocked (mostly due to an old infarction) and the other two had approximately 50%

> blockage . . . . A course of medical treatment was prescribed to attempt to improve circulation through what was usable of the coronary arteries; and a program of gradually increased exercise was prescribed to develop collateral circulation, and increase the heart's tolerance to physical stress."

The beneficiary's testimony at the hearing was essentially identical to that presented in his correspondence. There is no correspondence or medical evidence whatsoever from any physician regarding the beneficiary's condition; i.e., what the diagnosis was, what caused the condition, how it was diagnosed, and what treatment was prescribed. The letter from the beneficiary's cardiologist, which was quoted in full in the factual background, addressed the cardiologist's opinion of cardiac rehabilitation programs. The letter contained no diagnosis of the beneficiary's condition or prescription for treatment. , Ph.D., Director of Cardiac Rehabilitation at Medical Center, testified that the program was medically necessary but he did not provide specific testimony or medical evidence regarding the beneficiary's heart condition.

Therefore, I must conclude that the beneficiary has not established through substantive medical testimony what his heart condition was or what treatment was prescribed for his heart condition, and the claim was properly denied.

The beneficiary went to considerable effort to document and support his view that cardiac rehabilitation programs should be a CHAMPUS covered benefit. Therefore, though I have concluded the beneficiary has not adequately documented his specific condition under treatment, I consider it appropriate to address the general issue he has raised.

Evidence submitted by the beneficiary included the "Statement On Exercise" by the American Heart Association, which was reviewed and approved by the Steering Committee for Medical and Community Programs, American Heart Association. The "Statement" begins by saying, "Exercise training can increase cardiovascular functional capacity and decrease myocardial oxygen demand for any given level of physical activity in normal persons as well as most cardiac patients." This is consistent with the views expressed in previous FINAL DECISIONS by this Office. For purposes of considering coverage under the CHAMPUS regulation, there is one key statement to consider in the "Statement On Exercise." In discussing morbidity and mortality, it is stated:

> "Experience in nonrandomized trials <u>suggests</u> that medically prescribed and supervised exercise can reduce the morbidity and mortality rates of patients with ischemic heart disease; however, to date, a

> unifactorial randomized control trial has not been reported that provides unequivocal data to confirm whether exercise either prevents or retards the development of coronary heart disease." (emphasis added)

This confirms the position set out in previous FINAL DECISIONS involving cardiac rehabilitation programs that there is, as of yet, no scientific evidence that demonstrates the efficacy of cardiac exercise programs.

The beneficiary also submitted The Exercise Standards Book by the American Heart Association in support of his position. He believed that the American Heart Association would not put out a detailed protocol for cardiac rehabilitation programs if the programs were not effective. However, a detailed medical protocol is simply not related to demonstrated medical efficacy. For example, the medical research hospitals in the United States follow detailed medical protocol while engaging in medical research and experimental procedures.

The Exercise Standards Book includes the following statements in the section on "Standards for Cardiovascular Exercise Treatment Programs":

> "Exercise has been considered by many to be an important therapeutic tool for improving the cardiovascular health of those who are known to have heart disease . . . .
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> * * * *
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> "It is well recognized that lifestyle and behavior may contribute to the onset of cardiovascular disease. To counteract this, an approach using identification of risk factors and modification of behavior has been developed. The same approach is used also in the rehabilitation of persons who already exhibit signs of cardiovascular disease or who are at high risk of developing cardiovascular disease. In cardiac rehabilitation, medical treatment is given for the underlying disease problems - e.g., hypertension, diabetes - while the risk factors are reduced or eliminated by behavior modification and appropriate physical exercise."

In the section on "Standards for Supervised Cardiovascular Exercise Maintenance Programs," it is stated:

> "Evidence that lifestyle and behavioral factors contribute to the premature onset and progression of cardiovascular disease is

> sufficient to warrant personal and community efforts to alter them . . . .
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> "It is recommended that all individuals - even those not at perceived risk - follow a program for maintaining cardiovascular health . . . . Exercise is the focal point of a series of risk factor interventions for cardiovascular health.
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> * * * *
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> "The Standards are intended to serve as a framework for physicians and other health professionals in designing programs for cardiovascular health in primary or secondary prevention, i.e., prevention of the future development of disease in individuals who currently are well and the prevention of recurrence or progression of disease in patients with known heart disease. . . ."

The evidence submitted by the beneficiary, which is from a nationally recognized association, fails to document the efficacy of cardiac rehabilitation programs as treatment for heart disease. The record is clear that the evidence merely "suggests" that it does.

OCHAMPUS, in part, relied upon a study entitled "Effects of a Prescribed Supervised Exercise Program on Mortality and Cardiovascular Morbidity in Patients After a Myocardial Infarction," which was printed in the American Journal of Cardiology in July 1981. The author stated:

> "The results of this study suggest that a program of prescribed supervised physical activity for patients after myocardial infarction may be beneficial in reducing subsequent cardiac mortality, but the evidence is not convincing."

The authors went on to conclude that the implications of the study were, "the case for exercise in persons with known myocardial infarction is neither proved nor disproved."

The beneficiary in responding to the use of this study submitted a letter from , Ph.D., one of the co-investigators of the study. He stated, inter alia:

> "1. Methodological problems with this study severely limit any conclusions . . . .
>
> * * * *

> "3. Other controlled trials have suffered from the same design weakness, notably small numbers. However, if data from these studies are pooled the results clearly indicate a statistically significant advantage for persons in exercise cardiac rehabilitation . . . .
>
> "4. There are an abundance of data to substantiate that exercise is good for cardiac patients in enhancing physical work capacity, cardiovascular function, physical fitness and psychological well-being . . . .
>
> * * * *
>
> "On the basis of this information it is my personal and professional opinion that cardiac rehabilitation is generally accepted as appropriate and efficacious as a treatment for cardiac patients."

At the hearing, the beneficiary introduced as an expert witness , Ph.D., Director of Cardiac Rehabilitation at Medical Center. Dr. Ph.D. degree is in cardiovascular physiology and he is a member of the American Physiological Society. Dr. defined cardiac rehabilitation as a program with its objective being to make the heart stronger and correct a problem, usually postmyocardial infarction.

Dr. testified that cardiac rehabilitation in the case of the beneficiary was medically necessary and that the beneficiary was unfit with far below average results on his stress test. He did not testify as to what caused the beneficiary's heart condition or what was the condition of the beneficiary's arteries. Dr. was not the treating cardiologist, nor did he prescribe cardiac rehabilitation for the beneficiary. His testimony did not provide a diagnosis of the beneficiary's condition, how he was diagnosed, or what medical treatment was prescribed.

Dr. gave his professional opinion that the efficacy of cardiac rehabilitation programs had been demonstrated. He made numerous references to various studies; however, he never once in his testimony quoted a specific conclusion from a study that the efficacy of cardiac rehabilitation programs has been scientifically demonstrated and accepted. His testimony that the cardiac rehabilitation programs strengthen the heart, increase endurance, and provide self-confidence to go back to a person's regular routine is not adequate to demonstrate that it is treatment for heart disease.

While Dr. was obviously knowledgeable in his field, he was not familiar with Department of Defense Regulation, DoD 6010.8-R, which is the basis under which I must make my decision. His testimony included references to cardiac rehabilitation being accepted in the rest of the world and, in particular, he referred to and . However, under the Regulation the test is the generally acceptable norm for medical procedure in the United States. Dr. used the term medically necessary in his testimony but never specifically referred to the CHAMPUS definition of medically necessary, which is the definition that I must follow.

The evidence in the record supports the conclusion that cardiac rehabilitation programs are exercise programs that are considered beneficial, are widely used throughout the United States, but are not used in all medical communities or in all major hospitals. The evidence does not support the conclusion that cardiac rehabilitation programs have been scientifically demonstrated to be appropriate medical care for those suffering from heart disease. The record in this appeal does not establish the general acceptance and efficacy of the program for the treatment of heart disease as supported by medical documentation and authoritative literature contemporaneous with the dates of care. The record does not contain conclusive evidence that cardiac exercise programs improve survival; that is, reduce mortality or prolong life.

Under the appeal procedure the appealing party has the responsibility of proving whatever facts are necessary to support his or her opposition to the CHAMPUS determination. The evidence submitted by the beneficiary, "suggests that medically prescribed and supervised exercise can reduce morbidity and mortality of patients with heart disease." He has not demonstrated that it is effective and that it is medically necessary or appropriate medical care under the CHAMPUS regulation. The beneficiary's and Dr. testimonies and the various exhibits establish that the beneficiary's cardiac rehabilitation program was similar to those previously addressed by this Office. Therefore, consistent with the record and prior decisions, I must conclude the beneficiary's cardiac rehabilitation program was not medically necessary and is excluded from CHAMPUS coverage.

Physical Therapy

A determination that the program was not medically necessary prevents CHAMPUS coverage. However, because the issue of physical therapy was addressed during the appeal, it is appropriate to comment on this issue.

The beneficiary clearly considered his treatment to be physical therapy. Dr. limited his testimony to classifying cardiac rehabilitation as a very highly specialized version of physical therapy. However, as cited above, CHAMPUS benefits are, "subject to any and all applicable definitions, conditions, limitations and/or exclusions . . . . "

Under DoD 6010.8-R, chapter IV, C.3.j., physical therapy is a CHAMPUS benefit. The Regulation provides:

> "To be covered, physical therapy must be related to a covered medical condition. If performed by other than a physician, the beneficiary patient must be referred by a physician and the physical therapy rendered under the supervision of a physician.
>
> * * * *
>
> "(2) General exercise programs are not covered even if recommended by a physician. Passive exercises and/or range of motion exercises are not covered except when prescribed by a physician as an integral part of a comprehensive program of physical therapy."

Under chapter II, B.134, a "physical therapist" means:

> ". . . a person who is specially trained 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 etectrotherapy [sic] and ultrasound), who has been legally authorized (that is, registered) to administer treatments prescribed by a physician and who is legally entitled to use the designation, 'Registered Physical Therapist.'"

There is no support in the record for concluding that a physical therapist was ever present or involved in the treatment. The finding by the Hearing Officer that the services do not meet the Regulation's criteria for coverage as physical therapy is supported by the record and I adopt his finding. Therefore, consistent with my finding above that this program was not medically necessary, I further find that the program does not meet the definition of physical therapy (i.e., the treatment of disease by physical agents and methods) set forth in DoD 6010.8-R.

The beneficiary, in part, relied on a definition of physical therapy enacted under Indiana law. CHAMPUS is a federal program and federal law and regulations govern its operation; definitions under state law are not binding upon the CHAMPUS Program.

SECONDARY ISSUES

Preventive Care

As noted above, there is no evidence from the treating cardiologist describing the beneficiary's condition. The beneficiary referred to an old infarction. In a previous Final Decision, OASD(HA) case file 83-17, the beneficiary had "escalation of symptoms" and was advised to participate in a cardiac exercise program. It was concluded in Case File 83-17 that the care was preventive. Preventive care is expressly excluded from CHAMPUS coverage by chapter IV., G. The record indicates that the program was preventive in nature. For example, the statement from The Exercise Standards Book, quoted above, that, "the standards are intended to serve as a framework for physicians . . . in designing programs for cardiovascular health in primary or secondary prevention, i.e., prevention of the future development of disease in individuals who currently are well and prevention of recurrence or progression of disease in patients with known heart disease." As such, it would be preventive care and excluded from coverage by the preventive care exclusion in the Regulation.

Related Charges

"All services and supplies (including inpatient institutional costs) related to a noncovered condition or treatment" are excluded from CHAMPUS cost-sharing by chapter IV., G.66.

The CHAMPUS First Level Appeal Determination found the cardiac rehabilitation program was not medically necessary. It went on to state:

> "CHAMPUS excludes all services and supplies related to non-covered treatment; therefore, the stress tests provided on November 2, and November 25, 1981, and the laboratory workup, i.e., CBC, UA, chemical screens, provided in conjunction with the cardiac rehabilitation program are not a CHAMPUS benefit. The fiscal intermediary, Wisconsin Physicians Service, is being instructed to review the claim and make the necessary adjustments for the payments made for the stress test services and the regular laboratory testing."

The beneficiary made it clear in his subsequent correspondence and his testimony at the hearing that he considered this a threat. When a denial of coverage is appealed to OCHAMPUS, the entire episode of care must be taken into consideration. In those instances where there has been previous cost-sharing of part of a claim, there is the possibility that previously paid claims will also be denied cost-sharing. The appeal process is not limited to segments of a claim; as stated above, it must and does address the entire episode of care. CHAMPUS payments are

issued from funds appropriated by the Congress of the United States; OCHAMPUS officials and this Office have a duty to comply with federal law and regulation in the expenditure of these appropriated funds for CHAMPUS benefits. When a claim is reviewed pursuant to the appeals process, a duty exists to review previously cost-shared care to ascertain if the payments were proper. Since the CHAMPUS regulation explicitly excludes services related to a noncovered treatment, having concluded that the cardiac rehabilitation was not a covered treatment, it follows that the stress tests and related laboratory work were also excluded from CHAMPUS coverage.

The beneficiary referred to the denial of the related services in the following manner, "What they are doing is placing the medical necessity not on virtue of the test being performed but by the outcome of the tests." The beneficiary has totally misconstrued the Regulation. The outcome of the test has nothing to do with its exclusion. If the test is related, which it clearly was, to a noncovered benefit, the test is excluded. Having found that the cardiac rehabilitation program was not covered, the related services are not covered. It was the purpose of the test, not the outcome of the test, that results in this determination.

Blue Cross and Medicare

The beneficiary referred to coverage of cardiac rehabilitation programs by Blue Cross and Blue Shield of and by the Medicare Program. CHAMPUS benefits are determined by the Dependents Medical Care Act, 10 U.S.C. 1071-1089, the Department of Defense Appropriation Act, and by DoD 6010.8-R. What other public programs or private insurers may do cannot alter the CHAMPUS Program. I do note that the program that CHAMPUS is most often compared to, the Blue Cross Blue Shield High Option Program for Federal Employees, does not cover cardiac rehabilitation programs (though in some instances it will cover the stress test). CHAMPUS benefits are provided under a different Congressional Act and regulation than the statute and regulation that are applicable to Medicare. There are numerous instances in which the benefits available under one program are not available under the other. The Hearing Officer found it "noteworthy that the beneficiary would not qualify under [the Medicare] program because none of the three possible medical situations would apply to his particular case. Even Medicare does not consider treatment for [the beneficiary's] diagnosis to be covered, based upon its payment guidelines." Since the Medicare program is not related to the CHAMPUS program, it is not appropriate to comment on Medicare benefits.

Erroneous Payment

The CHAMPUS Fiscal Intermediary paid $434.90 of the billed charges of $755.60. Based upon the above determination that the care was not authorized under CHAMPUS, the fiscal intermediary's payment was erroneous. There is no indication in the record that

the payment to the provider was reccuped. This matter is referred to the Director, OCHAMPUS, for appropriate recoupment action under the Federal Claims Collection Act.

SUMMARY

In summary, it is the FINAL DECISION of the Assistant Secretary of Defense (Health Affairs) that the cardiac rehabilitation program undergone by the beneficiary during the period from September 25, 1981, to November 25, 1981, be denied CHAMPUS cost-sharing as it was not medically necessary and was not physical therapy under the Regulation. Therefore, the claims on the dates in issue and the appeal of the beneficiary are denied. The case is returned to the Director, OCHAMPUS, for appropriate action under the Federal Claims Collection Act to finalize the recoupment of erroneous payment of part of the claim. Issuance of this FINAL DECISION completes the administrative appeal process under DoD 6010.8-R, chapter X, and no further administrative appeal is available.

Vernon McKenzie
Acting Principal Deputy Assistant Secretary