

CHAPTER 6  
SECTION 2.4

## CUSTODIAL CARE IN A HOSPITAL

Issue Date: May 9, 1989

Authority: [32 CFR 199.4\(e\)\(12\)](#)

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### I. BACKGROUND

This change results from a Regulation amendment which is being adopted for two reasons--because of implementation of a DRG-based (diagnosis-related group) payment system for TRICARE/CHAMPUS acute hospital admissions and because of a court decision which held the custodial care provision unsupportable in cases involving medically necessary inpatient hospital care.

### II. POLICY

As an exception to the custodial care exclusion, TRICARE/CHAMPUS benefits may be extended for otherwise covered services or supplies directly related to a medically necessary admission to an acute care hospital if the care is at the appropriate level and is otherwise covered. Custodial care in other than acute care hospitals and in other institutions, such as residential treatment facilities or skilled nursing facilities, shall continue to be denied.

III. EFFECTIVE DATE            October 1, 1987.

IV. POLICY REAFFIRMED    **August 10, 1997.**

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