

Chapter 11

Section 2.1

Department of Veterans Affairs/Veterans Health Administration (DVA/VHA) Health Care Facilities

Issue Date: January 28, 1994

Authority: 32 CFR 199.6; 38 United States Code (USC) Section 8111; 10 USC 1104; and
Section 201 of Public Law 102-585 (Veterans Health Care Act of 1992)

Revision: C-52, September 20, 2019

1.0 DESCRIPTION

The DVA/VHA health care facilities that have entered into participation provider agreements with the Managed Care Support Contractor (MCSC), are authorized to provide medical care and services to TRICARE eligible beneficiaries as indicated by the Defense Enrollment Eligibility and Reporting System (DEERS), and receive reimbursement on behalf of those beneficiaries.

2.0 BACKGROUND

Title 38 USC Section 8111 and Title 10 Section 1104; Section 201 of Public Law 102-585 provide the DVA/VHA the opportunity to enter into agreements with the DoD/DHA to expand the availability of services in DVA/VHA health care facilities, to TRICARE eligibles. The purpose is to expand DVA/VHA health care resources in areas of high concentration of DoD beneficiaries by utilizing the excess capacity in DVA/VHA health care facilities, and in preparation of Service members transitioning into DVA/VHA health care. Agreements may be entered into only when the DVA/VHA Health Care Facility Director certifies to the Secretary of Veterans Affairs (VA) that implementation will result in improved services to TRICARE eligibles and will not result in denial of, nor delay in providing services to eligible veterans at that facility. (Refer to Figure 11.2.1-1.)

3.0 POLICY

DVA/VHA health care facilities, that are network providers will be subject to the same Utilization Management (UM) and Quality Assurance (QA) requirements applicable to other network providers. Services and reimbursement will be as authorized in the 32 CFR 199.6, and the TRICARE manuals subject to limitations and special conditions stipulated in the respective agreements between the contractor and the DVA/DHA. (See Figure 11.2.1-1 and the TRICARE Operations Manual (TOM), Chapter 4, Section 1, paragraphs 3.0 through 3.2).

4.0 EFFECTIVE DATE

The effective date for TRICARE coverage of services provided by a network DVA/VHA medical facility is determined by the agreement between the DVA/VHA and the MCSC. Only services furnished on or after the effective date shall be considered for TRICARE payment.

FIGURE 11.2.1-1 MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS/VETERANS HEALTH ADMINISTRATION (DVA/VHA) AND THE DEPARTMENT OF DEFENSE/DEFENSE HEALTH AGENCY (DoD/DHA)

I. SUBJECT

Department of Defense (DoD) TRICARE Contractors are entering into Network Participation Agreements with the Department of Veterans Affairs (DVA) Veterans Health Administration (VHA) to provide care for TRICARE/Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) beneficiaries covered by the TRICARE Contractors, which include Regional Managed Care Support Contractors, TRICARE Dual Eligibility Fiscal Intermediary (TDEFIC), and all Overseas Contractors.

II. PURPOSE

This Memorandum of Understanding (MOU) is to establish general requirements between VHA and DHA for agreements between a DHA TRICARE contractor and the DHA under which the TRICARE contractor may include VHA facilities in the contractor's network. This agreement replaces the agreement entitled "Memorandum of Understanding between the Department of Veterans Affairs and the Department of Defense", signed in 1995, with the subject, "Department of Defense (DoD) Managed Care Support Contractors entering into Agreements with the Department of Veterans Affairs (DVA) Health Care Facilities to Provide Care for CHAMPUS Beneficiaries Covered by the Regional Managed Care Support Contracts."

III. AUTHORITY

This agreement MOU is supported by, Title 38 United States Code (U.S.C) Section (Sec.) 8111, and by Title 10 U.S.C. Sec. 1104.

IV. POLICY

- a. Except as otherwise provided in this MOU, the Network Participation Agreements between the TRICARE contractor and the VHA shall conform to requirements applicable to providers under Title 32 Code of Federal Regulations (CFR) Part 199.7 and to network providers under the contract between the TRICARE contractor and DHA. However, the Secretary of Veterans Affairs is responsible for the management of VHA facilities pursuant to Title 38 U.S.C. Sec. 303. Should any requirement conflict with a policy, statute or regulation governing VA, that conflict shall be brought to the attention of the DHA TRICARE Contracting Officer for the region in which the applicable VHA facility or facilities is/are located to determine if an appropriate resolution is possible.
- b. Each VHA facility covered by a VHA agreement with a DHA TRICARE contractor shall be established as an authorized participating network provider. DHA shall accept VHA's policy and procedures, the parties agree that VHA providers meeting VHA credentialing requirements including licensure, and certification, shall be deemed to meet contractor requirements pertaining to credentialing, licensure and certification for network provider status. VHA will be exempt from submitting Internal Revenue Service (IRS) form W9 since VHA facilities are Federal facilities exempt from taxation.
- c. VHA facilities meeting VHA's requirements for substance abuse, psychiatric and rehabilitation hospitals or units shall be deemed to meet TRICARE requirements for certification and shall be reimbursed in accordance with the provisions of Title 32 CFR Sec. 199.14, or at 80 percent of VHA's reasonable charges, whichever is lower.

FIGURE 11.2.1-1 MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS/VETERANS HEALTH ADMINISTRATION (DVA/VHA) AND THE DEPARTMENT OF DEFENSE/DEFENSE HEALTH AGENCY (DoD/DHA) (CONTINUED)

- d.** VHA is responsible for refunding TRICARE overpayments in a timely fashion. Upon discovery of an overpayment, the TRICARE contractor will issue written notice of the basis for the overpayment to the applicable VHA facility, which will include a request for repayment of an amount due. The VHA facility will acknowledge receipt within 90 days of the TRICARE contractor's notification. In addition, the VHA facility's acknowledgment will contain any claim dispute, to include those regarding the overpayment's basis or the refund's calculation. The VHA facility may also request additional time to investigate potential disputes. If the VHA facility does not respond or the TRICARE contractor cannot resolve a claim dispute, the TRICARE contractor will refer the case to the Chief, Claims Collection at DHA. If the VHA facility does not submit a claim dispute, VHA will refund the amount due within 180 days from the written notification. Upon resolution of claim disputes, VHA, if appropriate, will issue a refund within 180 days.
- e.** VHA shall advise its providers of the applicable dual compensation/conflict of interest provisions prohibiting VA employees from being authorized as individual providers capable of billing in their own names for services provided to TRICARE beneficiaries.
- f.** DHA accepts VHA quality assurance standards.
- g.** VHA will not be required to supply VHA provider social security numbers to the TRICARE Contractors. TRICARE Contractors will not conduct criminal background investigations on VHA providers.
- h.** Eligible TRICARE beneficiaries entitled to health care services under this MOU shall be defined consistent with the TRICARE Program requirements.
- i.** TRICARE Beneficiaries shall be subject to copayments consistent with the TRICARE Uniform Benefit requirements. If a TRICARE for Life (TFL) beneficiary receives care at a VHA facility for a non-service related condition, the beneficiary shall be advised by VHA that the maximum payment by TRICARE will be limited to the co-payment that TRICARE would have paid had the beneficiary seen a Medicare provider. The beneficiary shall be advised that in these cases he or she will be personally liable to the VHA facility for any remaining charges not covered by other health insurance.
- j.** With regard to individuals with dual VA and DoD eligibility (does not include Reserve Component Service Members on active duty orders for greater than 30 days), VHA will be responsible for the following beneficiary care: (a) all care for Veterans for service-connected conditions; and, (b) care for any Veteran that is a continuation of care for a condition previously under treatment at the VHA facility. With regard to Reserve Component Service members serving on orders to active duty for greater than 30 days (Reserve and National Guard service members) DoD eligibility will take precedence over VA eligibility for care and all applicable TRICARE rules (i.e. authorizations, etc.) will apply.

FIGURE 11.2.1-1 MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS/VETERANS HEALTH ADMINISTRATION (DVA/VHA) AND THE DEPARTMENT OF DEFENSE/DEFENSE HEALTH AGENCY (DoD/DHA) (CONTINUED)

- k.** TRICARE is the primary payer for service members (on active duty greater than 30 days). Such members cannot use other health insurance. For all other TRICARE beneficiaries, TRICARE is the secondary payer to all health benefits and insurance plans, except for Medicaid, TRICARE supplements, the Indian Health Service, and other programs/plans as identified by the DHA. The TRICARE contractor will reimburse VHA for care provided to TRICARE beneficiaries in accordance with the VHA agreement reimbursement rate schedule. VHA shall make reasonable efforts to obtain third party health insurance coverage information from TRICARE beneficiaries other than active duty and will bill and collect from the third party insurer in accordance with VHA procedures. Pursuant to TRICARE policy, if VHA is unable to collect from the third party insurer, TRICARE will pay as primary.
- l.** Priority of Care: No service provided under a Network Participation Agreement between a TRICARE contractor and VHA as determined by the head of the providing VHA facility, will adversely affect the range of services, quality of care, or the established priorities for care provided to the primary/core beneficiaries of the VHA facility providing services under such agreement.

V. ADMINISTRATIVE RESPONSIBILITIES

The Director, TRICARE Health Plan (J-10) at DHA, in consultation with the VHA Deputy Under Secretary for Health for Operations and Management, shall conduct overall program management relating to agreements between the TRICARE contractors and the VHA under the authorities of this MOU.

VI. DISPUTE RESOLUTION

- a.** Both parties agree, to the extent possible, to resolve all disputes under this agreement at the lowest possible level. All disputes will be submitted in writing to the other party.
- b.** Final disposition of the dispute lies within the authority of the Parties' signatory, or his/her designee, to this Agreement.

VII. MODIFICATION

Either VHA or DHA may propose amendments modifying this agreement at any time. Before any amendment becomes effective, both parties must agree in writing to the modification. The effective date of any amendments will be the date agreed upon and specified in the agreement, or, if no date is specified, the last date upon which representative officials of both parties have agreed in writing to the amendment.

FIGURE 11.2.1-1 MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS/VETERANS HEALTH ADMINISTRATION (DVA/VHA) AND THE DEPARTMENT OF DEFENSE/DEFENSE HEALTH AGENCY (DoD/DHA) (CONTINUED)

VIII. EFFECTIVE DATE

This MOU becomes effective upon the last signatory date below for a period not to exceed five years. Either party may cancel this MOU upon 60 calendar days-written notice.

_____/ / Original Signed//_____
Raquel V. Bono, VADM, MD
Director, Defense Health Agency
Department of Defense

_____/ / Original Signed//_____
David J. Shulkin, MD
Under Secretary for Health
Department of Veterans Affairs

_____/ March 16, 2017 _____
Date of Signature

_____/ January 04, 2017 _____
Date of Signature

- END -

