

## Chapter 23

## Section 4

### Other Contract Requirements

Revision: C-76, October 5, 2020

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#### 1.0 TELEPHONES

**1.1** The contractor shall adhere to Chapter 11, Section 6, unless superseded in this section or the contract.

**1.2** The contractor shall provide an incoming telephone inquiry system and those telephone inquiries shall be answered according to standards contained in the contract. The contractor may respond to telephone inquiries by letter, if a written response provides better service. For example, it may be difficult to reestablish telephone contact with the calling party, a written response may provide the caller with needed documentation, or a situation may call for a complex explanation which is clearer if written. The contractor staff shall be trained to respond in the most appropriate, accurate manner. The contractor shall document and refer telephone inquiries reporting a potential fraud or abuse situation to the contractor's Program Integrity Unit as received.

**1.3** Telephone requirements and standards apply to all telephone calls. The contractor shall make telephone service available for all TRICARE inquiries (active duty personnel, TRICARE beneficiaries, dual eligible beneficiaries, Director, Managed Care Support Program Section (MCSPS), providers, Defense Health Agency (DHA), Beneficiary Counseling and Assistance Coordinators (BCACs), etc.). The phone number(s) shall be published on the EOB/EOP and otherwise be publicized. Telephone service is intended to assist the public in securing answers to various TRICARE questions including, but not limited to:

**1.3.1** General TRICARE Pharmacy (TPharm) Benefits Program information.

**1.3.2** Specific information regarding claims in process and claims completed, explanations of the methods and specific facts employed in making medical necessity determinations, and information regarding types of pharmaceuticals covered.

**1.3.3** Any additional information to have a claim processed (including documentation that is required for completion of a medical necessity review or prior authorization).

**1.3.4** Questions about Defense Enrollment Eligibility Reporting System (DEERS) or DEERS eligibility that cannot be answered by the contractor, shall be referred to the Defense Manpower Data Center (DMDC) Beneficiary Telephone Center, 6:00 a.m. to 3:30 p.m. Pacific Time, toll free 1-800-538-9552, TTY/TDD 1-866-363-2883. (These numbers are only for beneficiary use.)

**1.3.5** Transferring out-of-jurisdiction calls requiring the assistance of another contractor in accordance with contract requirements.

**1.4** The contractor or telephone company with which the contractor does business shall have telephone equipment that is programmed to measure and record response time and ensure standards are always met. At a minimum, the contractor shall ensure the equipment can:

**1.4.1** Measure Blockage Rate. Blockage rate is defined as the percentage of time a caller receives a busy signal. The blockage rate shall be expressed as a percentage, which is to be determined as follows: divide the number of calls answered by the contractor by the number of calls reaching and attempting to reach the contractor (shall be machine generated figures).

**1.4.2** Measure the number of calls received each month and the time elapsing between acknowledgement and handling by a telephone representative or Automated Response Unit (ARU). Includes all calls that are directly answered by an individual or ARU (no waiting time). The on-hold time period begins when the telephone call is acknowledged and does not include the ring time.

**1.4.3** Provide outgoing lines sufficient to allow call-backs. Additionally, the contractor shall have automatic call distributors, and ARUs with after-hours message recorders (if needed), an automated, interactive 24 hour call-handling system designed to ensure maximum access to the toll-free lines. The contractor shall ensure the system provides automated responses to requests for general pharmacy benefits program information.

**1.5** The contractor shall establish a monitoring system to ensure quality of performance. This shall include monitoring calls for accuracy, responsiveness, clarity, and tone. The contractor shall submit telephone reports in accordance with contract requirements.

## **2.0 AUDITS AND INSPECTIONS**

**2.1** Federal Acquisition Regulation (FAR) 52.215-2, included in all TRICARE contracts, provides that DHA, its related audit agencies, and the Comptroller General of the United States (U.S.) have the right to examine all supporting documentation to permit evaluation of cost or pricing data submitted by a contractor. This examination shall verify that cost or pricing data submitted during negotiations, including changes and the preparation of any fiscal report of settlement, are accurate, complete, and current. This right continues for three years after final payment to the contractor. The contractor's facilities and applicable records also shall be subject to inspection and audit by DHA.

**2.2** All inspections will be conducted either at DHA or at the contractor's facility. Inspection, acceptance, and receipt of services provided by the contractor will be accomplished by the Procurement (Procuring) Contracting Officer (PCO) or designee(s). Inspections include, but are not limited to, DHA payment audits, performance audits, Program Integrity audits coordinated with DHA, and contractor/DHA quality assurance audits.

**2.3** The contractor is required to provide DHA with free access to all financial records, cost information, systems documentation, program logic, operating manuals, procedures, and other information and documentation gathered, used, and stored as a part of the contractor's TRICARE operations, including the performance of its subcontractor(s). Subcontractors shall provide the same free access to DHA.

**2.4** DHA will not release proprietary information, if so designated in the contract (including the technical proposal) to unauthorized recipients. However, DHA will not recognize, as proprietary,

information records and files which constitute essential data resources in the processing of TPharm claims and the generation of TED records.

**2.5** DHA reserves the right to specify the format, media, and timing of the delivery to, and access by DHA, of information and documentation. Access to information and documentation also includes the right of DHA inspection. This is to assure that the Government has full and free use of TRICARE data, as well as supporting information and documentation for program purposes. DHA will assure that restricted rights are properly maintained.

**2.6** Contract performance evaluations by Government staff, including audit personnel under contract, will be conducted periodically at the location(s) of the contractor's operations and/or subcontractor's operations. These reviews will include financial and operational analyses of all aspects of the contractor's performance under the terms of the contract. The contractor shall make available all appropriate personnel, facilities, and documentation required in the conduct of such reviews or investigations by DHA or other authorized Government agency. Upon request of the PCO, the contractor shall provide adequate office space (at a contractor operated facility determined by the Government) for any long-term on-site auditors. **The Government will decide on the type of audit, to include but not limited to** desk audits and surveys. The contractor will be furnished written findings.

### **3.0 EOB**

The purpose of the pharmacy EOB is to provide a consolidated listing of prescriptions filled for the **beneficiary**.

**3.1** The contractor shall provide the toll free number to its beneficiary service center on the EOB for beneficiaries to call for benefit questions or report any questionable transactions that appear on their EOB.

**3.2** The EOB shall provide space for the Government to include a short informational statement. A pharmacy EOB shall not be issued to pharmacies or health care providers.

**3.3** When applicable, the contractor **shall** follow guidelines in [Chapter 8, Section 8](#) except [Chapter 8, Section 8, paragraphs 9.0 to 9.1](#).

**3.4** The contractor may use its standard EOB design, but shall ensure that it includes the following items:

- Name of the Pharmacy where each prescription was filled.
- Location of Pharmacy (City and State).
- Drug Name, **strength, dosage form**, quantity, **and** days supply of each prescription filled.
- Product classification (i.e., brand, generic, non-formulary).
- Date prescription dispensed by pharmacy.
- Billed or Submitted Amount.
- TRICARE Allowed Amount.
- Total Paid by Other Health Insurance (OHI), **as applicable**.
- Cost-Share/Copayment.
- TRICARE Amount Paid.
- Amount Applied Towards Catastrophic Cap.
- Amount Applied Towards Individual & Family Deductible.

- Potential cost saving opportunities (e.g., generic vs brand, MOP vs retail).

#### **4.0 EXPLANATION OF PAYMENT (EOP)**

**4.1** The purpose of the **pharmacy** EOP is to describe the action taken for each claim processed to a final determination (paid or denied).

**4.2** The contractor shall only provide EOPs to beneficiaries for Direct Member Reimbursements (DMRs). The contractor shall not provide EOPs to beneficiaries for retail point of sale claims, mail order claims, or Military Treatment Facility (MTF) claims.

**4.3** The contractor shall only provide EOPs to pharmacies with their scheduled payments for all claims processed to final determination during the pay cycle. The contractor shall document any applicable offsets.

**4.4** The contractor shall follow standard commercial statement designs with appropriate payment or denial reasons for EOPs, but when applicable, shall apply same guidelines as EOBs in [Chapter 8, Section 8](#) except [Chapter 8, Section 8, paragraphs 9.0 to 9.1](#).

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