



**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
HEALTH AFFAIRS**

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TRICARE  
MANAGEMENT ACTIVITY

MB&RS

March 15, 2002

FOREWORD

This Manual, in conjunction with the Policy Manual that was published simultaneously, supersedes the June 25, 1999, Policy Manual upon implementation by the Managed Care Contractors at the direction of the Contracting Officer. It provides guidance, policy interpretation and decisions implementing TRICARE, including those policies and procedures applicable to the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

The policies and procedures described, herein, apply to the TRICARE/CHAMPUS Program and each TRICARE/CHAMPUS contractor administering and processing medical claims.

Each TRICARE/CHAMPUS contractor shall implement and be guided by this Manual if so directed by the Contracting Officer. TRICARE/CHAMPUS contractors that have contracts referencing other instructions will continue to use those instructions referenced in their contracts.

Unless otherwise directed, TRICARE/CHAMPUS contractors processing claims for services received in foreign countries shall use the Manual for guidance.

The attached notice describes administrative changes that have been made in the publication of this Manual.

Comments regarding the Manual should be sent to:

Medical Benefits and Reimbursement Systems  
TRICARE Management Activity  
16401 East Centretch Parkway  
Aurora, Colorado 80011-9043

A handwritten signature in cursive script that reads "Barbara J. Gallegos".

Barbara J. Gallegos  
Director, Office of Medical Benefits  
and Reimbursement Systems

## NOTICE

### CHANGES MADE TO THE POLICY MANUAL:

This TRICARE Reimbursement Manual has been created to allow TMA to make distinctions between TRICARE reimbursement policies and TRICARE coverage, benefit and program policies and to consolidate all TRICARE reimbursement information into a single manual. This initial publication of the TRICARE Reimbursement Manual makes no changes to reimbursement policies in existence at the time of its publication--it simply removes, in its entirety, the reimbursement material from the Policy Manual and from the Operations Manual and includes that material in this manual. The material consists of:

Chapter 13 of the Policy Manual, along with the related Addendums;

Chapter 6, Section 6.1 (Hospital-Based Birthing Room) of the Policy Manual;

Chapter 11, Section 5.1 (Newborn Charges) of the Policy Manual;

The Appendices to the Policy Manual;

Chapter 9 (Double Coverage) of the Operations Manual; and

Chapter 10 (Reimbursement) of the Operations Manual (Addendum A has been moved to Chapter 1, Addendum B).

In addition, the Department of Defense recently completed a License Agreement with the American Medical Association (AMA) regarding the use of the Physician's Current Procedural Terminology (CPT), a coding work of medical nomenclature developed by the AMA. In accordance with the terms of that agreement, the Department has agreed to:

Specifically identify procedure codes as CPT procedure codes,

Use only short descriptions with CPT codes and delete all long descriptions; and

Italicize short descriptions wherever they are used and include a footnote stipulating that they are excerpted from the CPT.

This TRICARE Reimbursement Manual includes these changes to all material in it in order to comply with the DoD/AMA License Agreement. No other changes have been made to this manual except that all "Notes", which were italicized previously, are now in standard print to ensure they can be distinguished from CPT short descriptions that are italicized.