

CHAPTER 13
SECTION 2.7

ECONOMIC INTEREST IN CONNECTION WITH MENTAL HEALTH ADMISSIONS

Issue Date: March 13, 1992

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I. ISSUE

Economic interest in connection with mental health admissions.

II. POLICY

Inpatient mental health services (including both acute care and RTC services) are excluded for care received when a patient is referred to a provider of such services by a physician (or other health care professional with authority to admit) who has an economic interest in the facility to which the patient is referred, unless a waiver is granted. Requests for waiver shall be considered under the same procedure and based on the same criteria as used for obtaining preadmission authorization (or continued stay authorization for emergency admissions), (see [Chapter 1, Section 12.1B](#) and [Section 12.1C](#)) with the only additional requirement being that the economic interest be disclosed as part of the request. The same reconsideration and appeals procedures that apply to day limit waivers shall also apply to decisions regarding requested waivers of the economic interest exclusion. However, a provider may appeal a reconsidered determination that an economic relationship constitutes an economic interest within the scope of the exclusion to the same extent that a provider may appeal determinations under [32 CFR 199.15\(i\)\(3\)](#). If a situation arises where a decision is made to exclude TRICARE payment solely on the basis of the provider's economic interest, the normal TRICARE appeals process will be available.

III. EXCEPTIONS

The economic interest provision does not apply to:

A. Services under the Program for Persons with Disabilities (formerly known as Program for the Handicapped).

B. Partial Hospitalization.

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