CHAPTER 9
SECTION 3

ELIGIBILITY VERIFICATION PROCEDURES

1.0. GENERAL

1.1. Prepayment Eligibility Verification

The contractor shall install a prepayment eligibility verification system into its TRICARE operation that will result in a query against DEERS for TRICARE claims and adjustments. The contractor will not generate a query for claims for NATO beneficiaries. The interface should be conducted early in the claims processing system to assure extensive development/claims review is not done on claims for ineligible beneficiaries.

1.2. Exceptions to Query Process

1.2.1. There are two exceptions to the requirement for sending a query for TRICARE claims. No query is needed for:

1.2.1.1. Claims involving groups of known ineligible (active duty sponsors, parents, parents-in-law). However, all Medicare eligibles must be queried since eligibility for Medicare could change.

1.2.1.2. Claims containing only services that will be totally denied and no monies are to be applied to the deductible.

1.2.2. There are two exceptions to the requirement for sending a query for TRICARE adjustments. No query is needed for:

1.2.2.1. Negative Adjustments

1.2.2.2. Total Cancellations

1.3. Sending a Query

1.3.1. Current systems perform two functions - establish that the claimant is on the DEERS data base and the determination of the claimant's eligibility at the time of the treatment. In the identification function, DEERS will use its data base to attempt to locate the beneficiary indicated on the query by matching on:

1.3.1.1. Sponsor's SSN

1.3.1.2. Sponsor's Last Name (first five characters)

1.3.1.3. Patient's date of birth (YYYYMMDD)

NOTE: At the contractor's option, the above functions may be done in either a one or two step query.

1.3.2.   Standard Query and Response Record Formats

Record formats have been established for identification and eligibility queries and for family and eligibility responses. These formats are applicable to all systems. Modifications will only be made to them when the change is approved through established procedures.

1.3.3.   DEERS Dependent Suffix (Formerly Family Member Prefix - FMP)

A valid DEERS Dependent Suffix (DDS) is not critical in a query unless there are multiple DOB matches. In this case, the DDS will be used to determine the individual for whom eligibility is to be checked. If a pseudo DDS is used, or the DDS on the query does not match any of the people with DOB matches, all data pertaining to those individuals who have DOB matches will be returned to the contractor.

1.4.   One-Step Query

1.4.1.   A one-step query is possible under two conditions:

1.4.1.1.   If a Type l query has been previously made and the name and date of birth were matched with DEERS and loaded onto the contractor file.

1.4.1.2.   If a contractor wished to bypass the Identification Query for first time claimants and proceed directly to a Type 2 Eligibility Query, using a pseudo DDS and the unmatched sponsor name and patient date of birth.

1.4.2.   The one-step Type 2 query is sent to DEERS, and depending on the results of the SSN, name, and date of birth matches, a Type 3 or 4 response record is generated as outlined, above.

1.5.   Two-Step Query

1.5.1.   The contractor may elect to use the two-step query for a beneficiary if a DEERS provided and verified sponsor name and date of birth are not on file. Absence of the data will usually indicate that the contractor has not previously queried DEERS for eligibility on the individual. The decision will be influenced by the contractor claims processing system work flow and logic.

1.5.2.   Utilizing the Identification Query - Type l record format, the contractor's system will query the DEERS system to determine if the claimant's record is on the DEERS data base. Using the criteria indicated above, DEERS will attempt to match the incoming record with a record on DEERS.

1.5.2.1.   If a match is made, a DEERS Response Record - Type 3 will be returned to the contractor. As soon as practical, after the Type 3 response record is returned by DEERS, the contractor will transmit an Eligibility Query -Type 2 Record Format. The DEERS eligibility response will be in the form of another Type 3 Record.

1.5.2.2.   If no match is made on the SSN, a Type 3 response record will be sent by DEERS to notify the contractor of this condition.

1.5.2.3.   If a match is made on the SSN, but sponsor last name and/or patient date of birth do not match, a DEERS Sponsor-Family Transaction Response Record - Type 4 will be generated by DEERS. This record sends data on all enrolled family members to allow the to display and review the data in an attempt to select the correct beneficiary for requery. If the contractor does select a family member, a Type 2 requery is made, using the name and date of birth from the DEERS data base and, in some cases, generating a Discrepancy Record on the mismatch. If the contractor is unable to select a family member as the individual for whom an eligibility determination is needed, the contractor will follow the instruction outlined in **the DEERS Response Processing Section**.

1.5.2.4.   If a match is made on the SSN, and on the sponsor's last name, but more than one date of birth match is found, a "DEERS Sponsor - Family Transaction Response Record - Type 4" will be returned containing only those individuals with DOB matches, with a DEERS Data Discrepancy Code 12.

1.6.   Multiple Eligibility Segments

1.6.1.   It is possible to receive multiple eligibility response segments from a single query under the three circumstances listed below.

1.6.1.1.   A change in sponsor's status occurred during the treatment period which would impact eligibility or payment amounts for family member care; e.g., a sponsor's status changes from active duty to retired.

EXAMPLE: In a case where the sponsor is the patient, the DEERS response would contain two segments. The first segment would indicate ineligible while on active duty (code 60 - No TRICARE privileges - dates on this segment) will be the "from" date of treatment through last day of active duty and the second segment would include an eligible determination (code 50 - Eligible - dates on this segment will be first day of retirement through the "to" date of treatment).

If the claim is for a family member, the DEERS response will be two segments, both containing an eligible determination (code 50). The dates on the first segment will be the "from" date of treatment through the last day of active duty; the second segment dates will be the first day of retirement through the "to" date of treatment. The sponsor's status on the first segment will indicate active duty; the sponsor's status on the second segment will indicate retired. This would signal the variation in payment amounts.

1.6.1.2.   A period of non-eligibility existed during the treatment period.

EXAMPLE: If a divorce took place during the treatment period, a query on the spouse would result in two segments being returned. The first segment would show eligibility from the start date of treatment to the date of divorce. The second segment would show non-eligibility from the day following the divorce to the end date of treatment.

1.6.1.3.   A multiple date of birth match was encountered by DEERS. If a pseudo DDS is used, or if the DDS does not match an individual with a DOB match, all members with a DOB match will be returned. If a pseudo DDS is not used and that DDS matches one of the individuals who has a DOB match, eligibility will be checked on that one individual.

1.6.2.   The **above** examples are not all-inclusive; it should be noted that the multiple segments will be returned whenever a "Reason For Change" occurs during a treatment period.

1.7.   Audit Trail

For audit and performance review purposes, the contractor will be required to retain a copy of every query sent and response received. This information is to be retained for the same period as the hard copy claims are retained.

1.8.   DEERS Or Contractor Is Down For Extended Period Of Time

Unless notified by the contracting officer, the contractor may not bypass the query/ response process for the prior day's claims if either DEERS or the contractor is down for twenty-four (24) hours or any other extended period of time. Instead, should this situation occur, the contractor shall work directly with DEERS to develop a mutually agreeable schedule for processing the backlog. All claims (except those listed in paragraph 1.2.1.) must be queried against DEERS. The contractor shall develop a method for ensuring the query/ response process continues, even if an extended period of downtime occurs. This alternative method can be either a batch backup to the on-line system, weekend processing, off hours processing or any other method proposed by the contractor and accepted by DEERS and TMA.

1.9.   System Interruptions

1.9.1.   Should a system interruption occur, the agency first aware of the interruption shall notify the other agency involved. That is, if DEERS is down, a telephone call to the contractors affected by the malfunction will be initiated by the appropriate DEERS operations personnel.

1.9.2.   Likewise, if an contractor experiences a malfunction, operations personnel from that agency shall contact the appropriate DEERS operations point-of-contact, as provided by TMA. When the malfunction has been corrected, the agency correcting the problem shall contact all affected agencies.

2.0.   ONLINE SYSTEM

The system is designed to be a true on-line, real-time system; but the timing of the queries and the position of the queries in the Claims Processing System are determined by the contractor. Data entered into the contractor claims processing system is extracted, reformatted by the contractor, and transmitted to DEERS to establish eligibility.

2.1.   Query Process

2.1.1.   A query is possible under two conditions:

2.1.1.1.   If a query has been previously made and the name and date of birth were matched with DEERS and loaded to the contractor's file; or

2.1.1.2.   For first time claimants a pseudo DDS of 75 is used with the sponsor SSN and patient date of birth to make the query.

2.1.2.   This query is sent to DEERS, and depending on the results of the SSN, and date of birth matches, a "Type 3 or 4" response record is generated.

2.2.   Capabilities

The on-line Eligibility System has the flexibility of allowing a query access to eligibility information that can be inserted into a claims processing system wherever desired. Response time is adequate to cause minimal delay to claims processing. The immediate return of family data for potential display and selection should increase processing accuracy and security with a minimal impact on the claims processing system of the contractor.

3.0.   TRICARE ELIGIBILITY VERIFICATION

3.1.   In addition to the systems described above, each contractor is offered the capability to query for TRICARE eligibility using an interactive system which includes use of a contractor-supplied terminal tied to DEERS. This system allows direct access to the DEERS data base for the purpose of verifying eligibility for a specific treatment date or range of dates.

3.2.   By entering the SSN of the sponsor, the first five (5) characters of the sponsor's last name, the patient's date of birth, and treatment dates; eligibility can be verified.

3.2.1.   If a match is made on all data entered, eligibility will be displayed.

3.2.2.   If there is no match on SSN, an appropriate message will be returned.

3.2.3.   If there is a match on SSN, but not on date of birth, family data will be returned. If one of the members of the family is identified as the one for whom eligibility is desired, enter the appropriate code next to that individual's name. Eligibility data will be provided. If none of the members of the family is identified as the beneficiary, enter the appropriate code to reflect a "no-hit."

4.0.   TRICARE CLAIMS DEVELOPMENT

On-line access to the DEERS data base may be useful in development of incoming claims. Contractors may regard DEERS as an internal file resource for data elements available in the DEERS data base. This data may be used in controlled development of claims. The claims development screen is the same as the eligibility verification screen (see Figure 9-A-1). A DEERS Eligibility Access Screen Users Guide has been provided to the contractors. DEERS Eligibility Screens will be used to support eligibility claims.