CHAPTER 12
SECTION 10.1

PAYMENT POLICY

ISSUE DATE:
AUTHORITY: 32 CFR 199.17

I. POLICY

A. With the exception of Puerto Rico and prescriptioned drugs, reimbursement of all TOP beneficiary claims for overseas health care shall be based upon the billed charges. Overseas remote site claims shall be paid as billed as long as the billed change does not exceed the CHAMPUS/TRICARE rates, Class A, basic rates for zip code 22041 (Washington, D.C. area). (See Chapter 12, Section 11.1 for additional guidelines).

EXCEPTION: Payment of skilled nursing facility (SNF) claims from Puerto Rico and the Territories (Guam, the Virgin Islands, and American Samoa) shall be subject to SNF Prospective Payment System. These SNFs will be subject to the same rules as applied to SNFs in the U.SD. (see the TRICARE Reimbursement Manual, Chapter 8, Section 2).

B. Balance billing provisions do not apply to TOP beneficiary claims for TOP overseas health care paid as billed.

C. For health care rendered in Puerto Rico and in the U.S., reimbursement or all TOP beneficiary care shall follow the TRICARE payment policies except as outlined in paragraph D. below.

D. Non-assigned provider claims for ADSM stateside health care shall be paid following normal TRICARE stateside reimbursement rules for institutional and non-institutional care. The contractor shall make every effort to obtain the provider's agreement to accept, as payment in full, first a rate within the 100% CMAC limitation and then second, a rate between 100 and 115% of CMAC. If the latter is not feasible, the contractor shall determine the lowest acceptable rate that the provider will accept. The contractor shall then request a waiver of CMAC limitation from the Regional Director, as the designee of the Chief Operating Office (COO), TRICARE Management Activity (TMA), to ensure that the patient does not bear any out-of-pocket expense. The waiver request shall include the patient name, ADSM's location, services requested (CPT-4) codes, CMAC rate, billed charge, and anticipated negotiated rate. The contractor must obtain approval from the Regional Director before the negotiation can be concluded. The contractors shall ensure that the approval payment is annotated in the authorization/claims processing system, and that payment is issued directly to the provider, unless there is information presented that the ADSM has personally paid the provider.

TOP ADSM who have been required by the provider to make "up front" payment at the time services are rendered will be required to submit a claim to the contractor with an explanation and proof of such payment. If the claim is payable, the contractor shall allow the billed amount and reimburse the ADSM for charges on the claim. After processing the claim, the contractor shall initiate recoupment action from the non-participating provider for any amount above the maximum allowed by law.

In no case shall a uniformed service member be subjected to "balance billing" or ongoing collection action by a civilian provider or emergency or authorized care. If the contractor becomes aware of such situations that they cannot resolve, they shall pend the file and forward the issue to the appropriate Regional Director. The appropriate Regional Director will issue an authorization to the contractor for payments in excess of CMAC or other applicable TRICARE payment ceilings, provided the Regional Director has requested and has been granted a waiver from the Chief Operating Officer (COO), TRICARE Management Activity, or designee.

E. Overseas drug claims shall be paid following the guidelines outlined in the TRICARE Reimbursement Manual, Chapter 1, Section 15, and Chapter 12, Section 11.1, TOP Prime and Standard cost share for pharmacy services are as outlined in Chapter 12, Section 2.1.

F. Prior to payment, overseas ambulance service shall follow the stateside medical necessity guidelines outlined in Chapter 8, Section 1.1.

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