CHAPTER 10
SECTION 4.1

INSTITUTIONAL PROVIDER, INDIVIDUAL PROVIDER, AND OTHER NON-INSTITUTIONAL PROVIDER PARTICIPATION

ISSUE DATE: January 28, 2003
AUTHORITY: 32 CFR 199.6; Section 707-NDAA 02

I. DESCRIPTION

Institutional providers (U.S.C., Section 1079(j) of Title 10), in order to be authorized providers under TRICARE must be participating providers. Individual and other non-institutional providers, that are not participating providers, may elect to participate on a claim basis. All individual and other non-institutional providers either operating in or outside an institutional provider who are nonparticipating providers are subject to the TRICARE balance-billing limit.

II. BACKGROUND

Per 32 CFR 199.6(b), institutional providers must participate on all claims. In most cases (except for providers under DRGs and the inpatient mental health per diem payment system), a participation agreement is required. By definition, participating providers whether institutional providers, individual providers, or other non-institutional providers, agree to accept the TRICARE payment as full payment for the care services or supplies. Individual providers and other non-institutional providers that are not participating providers are limited to the amount they can collect from the beneficiary. This limit is the same as Medicare's limiting charge.

III. POLICY

All institutional providers must participate under TRICARE to be authorized providers. Participation agreements are required unless the provider comes under the TRICARE DRG or inpatient mental health reimbursement systems. TRICARE payments to institutional providers are complete payments. No additional payments shall be billed to the beneficiary except for any required beneficiary deductible and copayment amounts.

Individual providers including providers salaried or under contract by an institutional provider, e.g., hospital, and other non-institutional providers, e.g., ambulatory surgical centers, independent laboratories, suppliers of portable x-ray services, ambulance companies, medical equipment firms and medical supply firms, and mammography suppliers, etc. who are not participating providers may not balance bill a beneficiary an amount that exceeds the applicable balance billing limit. The balance-billing limit shall be the same percentage (115%) as the Medicare limiting charge percentage for nonparticipating practitioners and suppliers. This means that the individual provider or non-institutional

provider is required to accept the lower of the billed charge or 115%of the TRICARE allowable amount. No additional payments shall be billed to the beneficiary except for any required beneficiary deductible and copayment amounts.

IV. EFFECTIVE DATE August 1, 2003.

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