

## EXCEPTION PROCESSING REQUIREMENTS

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### 1.0. PAYMENT RECORD REQUIREMENTS

Claims delayed because of development of the DEERS response will be identified by the appropriate claims delay flag code. Claims denied because DEERS indicated the claimant was ineligible (whether development was required or not) will be identified by the appropriate reject or reason/pricing code. The contractor will code the data from the claim whenever there is a difference between the claim data and DEERS data.

### 2.0. INFORMING THE PATIENT, SPONSOR, OR PROVIDER OF CLAIMS DENIAL OR CONTRACTOR PERFORMED DEERS OVERRIDES

If all or part of the claim is to be denied because of DEERS, the contractor shall annotate on the EOB with the appropriate action message. The EOB must also include information when DEERS is either incorrect or incomplete and the claim is to be paid. For example, the EOB shall inform the patient or sponsor that the ID card has expired according to DEERS, even if the claim is paid. In addition, the EOB must always inform the sponsor to enroll his or her family members whenever the patient or the sponsor is not on DEERS, even if the claim is paid (e.g., newborns).

### 3.0. VERIFIED INFORMATION

The following is considered valid information for overriding a DEERS reply.

**3.1.** Copies of the patient's Notice of Disallowance when DEERS indicates ineligible and the patient is over 65.

**3.2.** Copies of retirement papers in combination with a photocopy of the patient's identification card when the sponsor is not on DEERS.

**3.3.** Copies of active duty orders in combination with a photocopy of the patient's identification card when the sponsor is not on DEERS.

**3.4.** Letters of disallowance must specifically address eligibility as it relates to "Hospital" (Part A) Medicare. The term "Medical" benefit does not refer to Medicare, Part A, and does not apply.

**3.5.** Copies of retirement papers in combination with a photocopy of the patient's identification card when DEERS indicates the sponsor is on active duty and claim is for the sponsor.

**3.6.** A photocopy of the patient's identification card (or parent's ID for family member children under age 10) when DEERS indicates a reason for change code of E, **End of Entitlement**.

**3.7.** Copies of the patient's Medicare card establishing eligibility for Medicare, Part A, when DEERS indicates TRICARE eligible and the patient is under 65 years of age.

**3.8.** Copies of the patient's Medicare card establishing eligibility for Medicare, Part A, when DEERS indicates TRICARE eligible and the patient is over 65 years of age.

**3.9.** Claim form or other Service documentation (ID Card, promotion/demotion papers) which indicate that the active duty sponsor's pay grade/rank is different from that reported on DEERS.

#### **4.0. RECOUPMENT PROCEDURES FOR PRIOR CLAIMS**

**4.1.** The contractor is to examine the most current 12 months of history for any claims paid to ineligible patients, whether the patient is determined to be ineligible because the sponsor is not on DEERS, the patient is not on DEERS or the person is ineligible on DEERS. History is only to be examined if the current claim is being denied in accordance with the requirements in this section.

**4.2.** If the current claim is being denied because the patient is not on DEERS. Should this occur, the most current 12 months of history will be examined.

**4.3.** If the current claim is being denied because the patient is ineligible because the entitlement dates are outside the treatment period or the patient has no TRICARE privileges, the contractor shall examine the most current 12 months of history. Since DEERS will provide the beginning and ending eligibility dates, the contractor will be able to identify claims paid for services provided before entitlement began or after the entitlement ended.

**4.4.** CHAMPVA claims shall be forwarded to Health Administration Center, CHAMPVA Program P.O. Box 65024, Denver CO 80206-5024.

#### **5.0. HANDLING EXCEPTIONS REFERRED BY THE DMDC DEERS PROGRAM OFFICE, DEERS SUPPORT OFFICE, AND UNIFORMED SERVICE DEERS PROJECT OFFICERS**

A list of key DEERS Program Office, DEERS Support Office, and Uniformed Service Project Officers is provided in [Addendum C](#). These individuals have been designated by TRICARE Management Activity (TMA) and DEERS to assist DoD beneficiaries in handling cases referred by higher authorities or the Congress regarding payment of TRICARE claims and overriding information in the DEERS data base. When contacted by one of these individuals, either in writing or by telephone, the contractor will provide priority handling of any claims referred by them and process the claims requested by the individual. Situations requiring such actions by the contractor should not occur frequently and only when the DEERS data base is incomplete or incorrect. The contractor will provide any necessary support to these individuals to assist them in the performance of their duties. When an override is performed, a written notice will be sent by DEERS to the beneficiary. The contractor shall also use a verbal override to update their files. The override will act as a substitute for the missing documentation for processing all future claims as well as the

claim(s) in question. An example would be an override for a Notice of Disallowance for a beneficiary over age 65 who is Medicare ineligible. Since the contractor will be able to accept the overrides verbally, it is mandatory that the contractor maintain a log of the person authorizing the override along with the date and type of override authorized. The contractor shall only provide special support to the individuals listed in [Addendum C](#) (or his or her replacement).

