

PARTICIPATION AGREEMENT FOR FREESTANDING PSYCHIATRIC  
PARTIAL HOSPITALIZATION PROGRAM SERVICES

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**CORPORATE NAME:** \_\_\_\_\_

**DBA:** \_\_\_\_\_  
(If different from corporate name)

**LOCATION:** \_\_\_\_\_  
\_\_\_\_\_

**MAILING ADDRESS:** \_\_\_\_\_  
(If different from location)

**TELEPHONE:** \_\_\_\_\_

**PROVIDER EIN No.:** \_\_\_\_\_

U. S. Department of Defense  
TRICARE Management Activity  
16401 East Centertech Parkway  
Aurora, Colorado 80011-9066



## PARTICIPATION AGREEMENT FOR FREESTANDING PSYCHIATRIC PARTIAL HOSPITALIZATION PROGRAM

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**FACILITY NAME:** \_\_\_\_\_

**LOCATION:** \_\_\_\_\_

\_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_

**PROVIDER EIN:** \_\_\_\_\_

U. S. Department of Defense  
TRICARE Management Activity  
16401 East Centertech Parkway  
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**ARTICLE 1**

**RECITALS**

1.1 IDENTIFICATION OF PARTIES

This Participation Agreement is between the United States of America through the Department of Defense, TRICARE Management Activity (hereinafter TMA), a field activity of the Office of the Secretary of Defense, the administering activity for the TRICARE Management Activity (hereinafter TMA) and \_\_\_\_\_ (hereinafter designated the PHP).

1.2 AUTHORITY FOR PARTIAL HOSPITAL CARE

The implementing regulations for TMA, 32 Code of Federal Regulations (CFR), Part 199, provides for cost-sharing of partial hospital care under certain conditions.

1.3 PURPOSE OF PARTICIPATION AGREEMENT

It is the purpose of this participation agreement to recognize the undersigned PHP as an authorized provider of partial hospital care, subject to the terms and conditions of this agreement, and applicable federal law and regulation.

**ARTICLE 2**

**DEFINITIONS**

2.1 AUTHORIZED TMA REPRESENTATIVES

The authorized representative(s) of the Executive Director, TMA, may include, but are not limited to, TMA staff, Department of Defense personnel, and contractors, such as private sector accounting/audit firm(s) and/or utilization review and survey firm(s). Authorized representatives will be specifically designated as such.

2.2 BILLING NUMBER

The billing number for all partial hospitalization services is the PHP's employer's identification number (EIN). This number must be used until the provider is officially notified by TMA or a designee of a change. The PHP's billing number is shown on the face sheet of this agreement.

2.3 ADMISSION AND DISCHARGE

(a) An admission occurs upon the formal acceptance by the PHP of a beneficiary for the purpose of participating in the therapeutic program with the registration and assignment of a patient number or designation.

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(b) A discharge occurs at the time that the PHP formally releases the patient from partial hospitalization status; or when the patient is admitted to another level of care.

2.4 MENTAL DISORDER

As defined in the [32 CFR 199.2](#), for the purposes of the payment of benefits, a mental disorder is a nervous or mental condition that involves a clinically significant behavioral or psychological syndrome or pattern that is associated with a painful symptom, such as distress, and that impairs a patient's ability to function in one or more major life activities. Additionally, the mental disorder must be one of those conditions listed in the current edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association.

2.5 PARTIAL HOSPITALIZATION

As defined by [32 CFR 199.2\(b\)](#), partial hospitalization is a treatment setting capable of providing an interdisciplinary program of medical therapeutic services at least three hours per day, five days per week, which may embrace day, evening, night, and weekend treatment programs which employ an integrated, comprehensive and complementary schedule of recognized treatment approaches. Partial hospitalization is a time-limited, ambulatory, active treatment program that offers therapeutically intensive, coordinated, and structured clinical services within a stable therapeutic environment. Psychiatric partial hospitalization is an appropriate setting for crisis stabilization, treatment of partially stabilized mental health disorders, and transition from an inpatient program when medically necessary. Such programs must enter into a participation agreement with TRICARE/CHAMPUS, and be accredited and in substantial compliance with the Mental Health Manual (formerly the Consolidated Standards Manual) of the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO).

**ARTICLE 3**

**PERFORMANCE PROVISIONS**

3.1 GENERAL AGREEMENT

(c) The PHP agrees to render partial hospitalization services to eligible beneficiaries in need of such services, in accordance with this participation agreement and the 32 CFR 199. These services shall include board, patient assessment, psychological testing, treatment services, social services, educational services, family therapy, and such other services as are required by the 32 CFR 199.

(b) The PHP agrees that all certifications and information provided to the Executive Director, TMA incident to the process of obtaining and retaining authorized provider status is accurate and that it has no material errors or omissions. In the case of any misrepresentations, whether by inaccurate information being provided or material facts withheld, authorized provider status will be denied or terminated, and the PHP will be

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ineligible for consideration for authorized provider status for a two year period. Termination of authorized PHP status will be pursuant to [Article 13](#) of this agreement.

(c) The PHP shall not be considered an authorized provider nor may any benefits be paid to the PHP for any services provided prior to the date the PHP is approved by the Executive Director, TMA, or a designee as evidenced by signature on the participation agreement.

### 3.2 LIMIT ON RATE BILLED

(a) The PHP agrees to limit charges for services to beneficiaries to the rate set forth in this agreement.

(b) The PHP agrees to charge only for services to beneficiaries that qualify within the limits of law, regulation, and this agreement.

### 3.3 ACCREDITATION AND STANDARDS

The PHP hereby agrees to:

(a) Comply with the Standards for Psychiatric Partial Hospitalization Programs, as promulgated by the Executive Director, TMA.

(b) Be licensed to provide PHP services within the applicable jurisdiction in which it operates.

(c) Be specifically accredited by and remain in compliance with standards issued by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) under the Accreditation Manual for Mental Health, Chemical Dependency, and Mental Retardation/Developmental Disabilities Services (formerly the Consolidated Standards Manual)

(d) Accept the allowable partial hospitalization program rate, as provided in [32 CFR 199.14\(a\)\(2\)\(ix\)](#), as payment in full for services provided.

(e) Comply with all requirements of [32 CFR 199.4](#) applicable to institutional providers generally concerning preauthorization, concurrent care review, claims processing, beneficiary liability, double coverage, utilization and quality review, and other matters.

(f) Be fully operational and treating patients for a period of at least six months (with at least 30 percent minimum patient census) before an application for approval may be submitted.

(g) Ensure that all mental health services are provided by qualified mental health providers who meet the requirements for individual professional providers. (Exception: PHPs that employ individuals with master's or doctoral level degrees in a mental health discipline who do not meet the licensure, certification, and experience requirements for a qualified mental health provider but are actively working toward licensure or certification,

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may provide mental health services within the per diem rate but the individual must work under the direct clinical supervision of a fully qualified mental health provider employed by the PHP.) All other program services will be provided by trained, licensed staff.

(h) Ensure the provision of an active family therapy component which ensures that each patient and family participate at least weekly in family therapy provided by the institution and rendered by an authorized mental health provider.

(i) Have a written agreement with at least one backup authorized hospital which specifies that the hospital will accept any and all beneficiaries transferred for emergency mental health or medical/surgical care. The PHP must have a written emergency transport agreement with at least one ambulance company which specifies the estimated transport time to each backup hospital.

(j) Not bill the beneficiary for services in excess of the cost-share or services for which payment is disallowed for failure to comply with requirements for preauthorization.

(k) Not bill the beneficiary for services excluded on the basis of [32 CFR 199.4\(g\)\(1\)](#) (not medically necessary), [\(g\)\(3\)](#) (inappropriate level of care) or [\(g\)\(7\)](#) (custodial care), unless the beneficiary has agreed in writing to pay for the care, knowing the specific care in question has been determined as noncovered. (A general statement signed at admission as to financial liability does not fill this requirement.)

(l) Prior to the initiation of this agreement, and annually thereafter, conduct a self-assessment of its compliance with the Standards for Psychiatric Partial Hospitalization Programs, and notify the Executive Director, TMA, of any matter regarding which the facility is not in compliance with such standards.

### 3.4 QUALITY OF CARE

(a) The PHP shall assure that any and all eligible beneficiaries receive partial hospitalization services which comply with standards in [Article 3.3](#) above and the Standards for Psychiatric Partial Hospitalization Programs.

(b) The PHP shall provide partial hospitalization services in the same manner to beneficiaries as it provides to all patients to whom it renders services.

(c) The PHP shall not discriminate against beneficiaries in any manner including admission practices or provisions of special or limited treatment.

### 3.5 BILLING FORM

The PHP shall use the UB-92 billing form (or subsequent editions). PHPs shall identify PHP care on the billing form in the remarks block by stating "PHP care".



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3.6 COMPLIANCE WITH TMA UTILIZATION REVIEW ACTIVITIES

Under the terms of this agreement, the PHP shall:

(a) Appoint a single individual within the facility to serve as the point of contact for conducting utilization review activities with TMA or its designee. This individual must have a clinical background and be capable of directly responding to questions from professionally qualified reviewers. The PHP will inform TMA in writing of the designated individual.

(b) Obtain precertification for all care to be rendered to a beneficiary within the PHP.

(c) Promptly provide medical records and other documentation required in support of the utilization review process upon request by TMA or its designee. Confidentiality considerations are not valid reasons for refusal to submit medical records on any beneficiary. Failure to comply with documentation requirements will usually result in denial of certification of care.

(d) Maintain medical records, including progress notes, clinical formulation, and the master treatment plan in compliance with standards and regulations.

3.7 PROFESSIONAL STAFF ORGANIZATION

The PHP shall follow a medical model for all services and shall vest ultimate authority for planning, developing, implementing, and monitoring all clinical activities patient care in a psychiatrist or licensed doctoral-level psychologist. The management of medical care will be vested in a physician. Clinicians providing individual, group, and family therapy meet the requirements as qualified mental health providers as defined in [32 CFR 199.6](#), and operate within the scope of their licenses.

3.8 PROFESSIONAL STAFF QUALIFICATIONS

The PHP shall comply with requirements for professional staff qualifications stated in the Standards for Psychiatric Partial Hospitalization Programs.

(a) The Chief Executive Officer (CEO) shall have five years' administrative experience and, effective October 1, 1997, shall possess a master's degree in business administration, nursing, social work, or psychology, or meet similar educational requirements as prescribed by the Executive Director, TMA.

**ARTICLE 4**

**PAYMENT PROVISIONS**

4.1 RATE STRUCTURE: DETERMINATION OF RATE

The TRICARE/CHAMPUS rate is the per diem rate that TRICARE/CHAMPUS will authorize for all mental health services rendered to a patient and the patient's family as part of the total treatment plan submitted by a approved PHP, and approved by TMA or a designee. The per diem rate will be as specified in [32 CFR 199.14\(a\)\(2\)\(ix\)\(C\)](#); for any full day partial hospitalization program (minimum of 6 hours), the maximum per diem payment is 40 percent of the average inpatient per diem amount per case paid to both high and low volume psychiatric hospitals and units (as defined in [32 CFR 199.14\(a\)\(2\)](#)) by Federal census region during fiscal year 1990. A partial hospitalization program of less than 6 hours (with a minimum of 3 hours) will be paid a per diem rate of 75 percent of the rate for full-day program.

4.2 PHP SERVICES INCLUDED IN PER DIEM PAYMENT

The per diem payment amount must be accepted as payment in full for all institutional services provided, including board, patient assessment, treatment services (with the exception of the five psychotherapy sessions per week which may be allowed separately for individual or family psychotherapy when provided and billed by an authorized professional provider who is not employed by or under contract with the PHP), routine nursing services, educational services, ancillary services (including art, music, dance, occupational, recreational, and other such therapies), psychological testing and assessments, social services, overhead and any other services for which the customary practice among similar providers is included as part of institutional charges. Non-mental-health-related medical services may be separately allowed when provided and billed by an authorized independent professional provider not employed by or under contract with the PHP. This includes ambulance services when medically necessary for emergency transportation. Note: The PHP may not enforce or control separate billing for professional services.

4.3 OTHER PAYMENT REQUIREMENTS

No payment is due for leave days, for days in which treatment is not provided, for days on which the patient is absent from treatment (whether excused or unexcused), or for days in which the duration of the program services was less than three hours. Hours devoted to education do not count toward the therapeutic half or full day program and TRICARE/CHAMPUS will not separately reimburse educational services (see [Article 5.2](#)).

4.4 PREREQUISITES FOR PAYMENT

Provided that there shall first have been a submission of claims in accordance with procedures, the PHP shall be paid based upon the allowance of the rate determined in accordance with the prevailing [32 CFR 199.14](#) (see [Article 4.1](#)), and contingent upon certain conditions provided in the [32 CFR 199](#), the Standards for Psychiatric Partial Hospitalization

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Programs, and in particular the following:

(a) The patient seeking admission is suffering from a mental disorder which meets the diagnostic criteria of the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association and meets the TRICARE/CHAMPUS definition of a mental disorder.

(b) The patient meets the criteria for admission to a PHP issued by the Executive Director, TMA.

(c) A qualified mental health professional who meets requirements for individual professional providers and who is permitted by law and by the PHP recommends that the patient be admitted to the PHP.

(d) A qualified mental health professional with admitting privileges who meets the requirements for individual professional providers will be responsible for the development, supervision, implementation, and assessment of a written, individualized, interdisciplinary clinical formulation and plan of treatment.

(e) All services are provided by or under the supervision of an authorized mental health provider (see [Article 3.3\(g\)](#) above).

(f) The Executive Director, TMA, or a designee has precertified all care rendered to the patient.

(g) The patient meets eligibility requirements for coverage.

#### 4.5 DETERMINED RATE AS PAYMENT IN FULL

(a) The PHP agrees to accept the rate determined pursuant to the [32 CFR 199.14](#) (see [Article 4.1](#) above) as the total charge for services furnished by the PHP to beneficiaries. The PHP agrees to accept the rate even if it is less than the billed amount, and also agrees to accept the amount paid, combined with the cost-share amount and deductible, if any, paid by or on behalf of the beneficiary, as full payment for the PHP services. The PHP agrees to make no attempt to collect from the beneficiary or beneficiary's family, except as provided in [Article 4.6\(a\)](#), amounts for PHP services in excess of the rate.

(b) The PHP agrees to submit all claims as a participating provider. TMA agrees to make payment of the determined rate directly to the PHP for any care authorized under this agreement.

(c) The PHP agrees to submit claims for services provided to beneficiaries at least every 30 days (except to the extent delay is necessitated by efforts to first collect from other health insurance). If claims are not submitted at least every 30 days, the PHP agrees not to bill the beneficiary or the beneficiary's family for any amounts disallowed.

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4.6 TRICARE/CHAMPUS AS SECONDARY PAYOR

(a) The PHP is subject to the provisions of 10 U.S.C. Section 1079 (j)(1). The PHP must submit claims first to all other insurance plans and/or medical service or health plans under which the beneficiary has coverage prior to submitting a claim to TRICARE/CHAMPUS.

(b) Failure to collect first from primary health insurers and/or sponsoring agencies is a violation of this agreement, may result in denial or reduction of payment, and may result in a false claim against the United States. It may also result in termination of this agreement by TMA pursuant to [Article 8](#).

4.7 COLLECTION OF COST SHARE

(a) The PHP agrees to collect from the beneficiary or the parents or guardian of the beneficiary only those amounts applicable to the patient's cost-share (co-payment) as defined in [32 CFR 199.4](#), and services and supplies which are not a benefit.

(b) The PHP's failure to collect or to make diligent effort to collect the beneficiary's cost-share (co-payment) as determined by policy is a violation of this agreement, may result in denial or reduction of payment, and may result in a false claim against the United States. It may also result in termination by TMA of this agreement pursuant to [Article 13](#).

4.8 BENEFICIARY RIGHTS

If the PHP fails to abide by the terms of this participation agreement and TMA or its designee either denies the claim or claims and/or terminates the agreement as a result, the PHP agrees to forego its rights, if any, to pursue the amounts not paid by TRICARE/CHAMPUS from the beneficiary or the beneficiary's family.

**ARTICLE 5**

**EDUCATIONAL SERVICES**

5.1 EDUCATIONAL SERVICES REQUIRED

Programs treating children and adolescents must ensure the provision of a state certified educational component which assures that the patients do not fall behind in educational placement while receiving partial hospital treatment.

5.2 REIMBURSEMENT OF EDUCATIONAL SERVICES

Any charges for educational services are included in the per diem payment. TRICARE/CHAMPUS will not separately reimburse educational services. The hours devoted to education do not count toward the therapeutic half or full day program.

**ARTICLE 6**

**RECORDS AND AUDIT PROVISIONS**

6.1 ON-SITE AND OFF-SITE REVIEWS/AUDITS

The PHP grants the Executive Director, TMA [or authorized representative(s)], the right to conduct on-site or off-site reviews or accounting audits with full access to patients and records. The audits may be conducted on a scheduled or unscheduled (unannounced) basis. This right to audit/review includes, but is not limited to, the right to:

(a) Examine fiscal and all other records of the PHP which would confirm compliance with this agreement and designation as an authorized PHP provider.

(b) Conduct audits of PHP records including clinical, financial, and census records to determine the nature of the services being provided, and the basis for charges and claims against the United States for services provided to beneficiaries. The Executive Director, TMA, or a designee shall have full access to records of both TRICARE/CHAMPUS and non-TRICARE/CHAMPUS patients.

(c) Examine reports of evaluations and inspections conducted by federal, state, local government, and private agencies and organizations.

(d) Conduct on-site inspections of the facilities of the PHP and interview employees, members of the staff, contractors, board members, volunteers, and patients, as may be required.

(e) Release copies of final review reports (including reports of on-site reviews) under the Freedom of Information Act.

6.2 RIGHT TO UNANNOUNCED INSPECTION OF RECORDS

(a) TMA and its authorized agents shall have the authority to visit and inspect the PHP at all reasonable times on an unannounced basis.

(b) The PHP's records shall be available and open for review by TMA during normal working hours, from 8 a.m. to 5 p.m., Monday through Friday, on an unannounced basis.

6.3 CERTIFIED COST REPORTS

Upon request, the PHP shall furnish TMA or a designee the audited cost reports certified by an independent auditing agency.

6.4 RECORDS REQUESTED BY TMA

Upon request, the PHP shall furnish TMA or a designee such records, including

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medical records and patient census records, that would allow TMA or a designee to determine the quality and cost-effectiveness of care rendered.

6.5 FAILURE TO COMPLY

Failure to allow audits/reviews and/or to provide records constitutes a material breach of this agreement. It may result in denial or reduction of payment, termination of this agreement pursuant to [Article 13](#), and any other appropriate action by TMA.

**ARTICLE 7**

**NONDISCRIMINATION**

7.1 COMPLIANCE

The PHP agrees to comply with provisions of section 504 of the Rehabilitation Act of 1973 (Public Law 93-112; as amended) regarding nondiscrimination on basis of handicap, Title VI of the Civil Rights Act of 1964 (Public Law 88-352), and with the Americans With Disabilities Act of 1990 (Public Law 101-336), as well as all regulations implementing these Acts.

**ARTICLE 8**

**AMENDMENT**

8.1 AMENDMENT BY TMA

(a) The Executive Director, TMA, or designee may amend the terms of this participation agreement by giving 120 days' notice in writing of the amendment(s) except amendments to the 32 CFR 199, which shall be considered effective as of the effective date of the regulation change and do not require a formal amendment of this agreement to be effective. When changes or modifications to this agreement result from amendments to the 32 CFR 199 through rulemaking procedures, the Executive Director, TMA, or designee, is not required to give 120 days' written notice. Amendments to this agreement resulting from amendments to the 32 CFR 199 shall become effective on the date the regulation amendment is effective or the date this agreement is amended, whichever date is earlier.

(b) The PHP, if it concludes it does not wish to accept the proposed amendment(s), including any amendment resulting from amendment(s) to the 32 CFR 199 accomplished through rulemaking procedures, may terminate its participation as provided for in [Article 13.3](#). However, if the PHP's notice of intent to terminate its participation is not given at least 60 days prior to the effective date of the proposed amendment(s), then the proposed amendment(s) shall be incorporated into this agreement for PHP care furnished between the effective date of the amendment(s) and the effective date of termination of this agreement.

## ARTICLE 9

### TRANSFER OF OWNERSHIP

#### 9.1 ASSIGNMENT BARRED

This agreement is nonassignable.

#### 9.2 AGREEMENT ENDS

(a) Unless otherwise extended as specified in [Article 9.3\(c\)](#) below, this agreement ends as of 12:01 am on the date that transfer of ownership occurs.

(b) Change of Ownership is defined as follows:

(1) The change in an owner(s) that has/have 50 percent or more ownership constitutes change of ownership.

(2) The merger of the PHP corporation (for-profit or not-for-profit) into another corporation, or the consolidation of two or more corporations, resulting in the creation of a new corporation, constitutes change of ownership. The transfer of corporate stock or the merger of another corporation into the PHP corporation, however, does not constitute change of ownership. The transfer of title to property of the PHP corporation to another corporation(s), and the use of that property for the rendering of partial hospital care by the corporation(s) receiving it is essential for a change of ownership.

(3) The lease of all or part of an PHP or a change in the PHP's lessee constitutes change of ownership.

#### 9.3 NEW AGREEMENT REQUIRED

(a) If there is a change of ownership of a PHP as specified in [Article 9.2\(b\)](#) above, then the new owner, in order to be an authorized partial hospital program, must enter into a new agreement with TMA. The new owner is subject to any existing plan of correction, expiration date, applicable health and safety standards, ownership and financial interest disclosure requirements and any other provisions and requirements of this agreement.

(b) A PHP contemplating or negotiating a change in ownership must notify TMA in writing at least 30 days prior to the effective date of the change. At the discretion of the Executive Director, TMA, or a designee, this agreement may remain in effect until a new participation agreement can be signed to provide continuity of coverage for beneficiaries. A PHP that has provided the required 30 days' advance notification of a change of ownership may seek an extension of this agreement's effect for a period not to exceed 180 days from the date of the transfer of ownership. Failure to provide 30 days' advance notification of a change of ownership will result in a denial of a request for an extension of this agreement and termination of this agreement upon transfer of ownership as specified in [Article 9.2\(a\)](#) above.

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(c) Prior to a transfer of ownership of a PHP, the new owners may petition TMA in writing for a new participation agreement. The new owners must document that all required licenses and accreditations have been maintained, and must provide documentation regarding any program changes. Before a new participation agreement is executed, the Executive Director, TMA, or a designee will review the PHP to ensure that it is in compliance with 32 CFR 199.

**ARTICLE 10**

**REPORTS**

10.1 INCIDENT REPORTS

Any serious occurrence involving a beneficiary, outside the normal routine of the partial hospitalization program, shall be reported to TMA, Benefits Management Division, and/or a designee, as follows:

(a) An incident of a life-threatening accident, patient death, patient disappearance, suicide attempt, incident of cruel or abusive treatment, or any equally dangerous situation involving a beneficiary, shall be reported by telephone on the next business day with a full written report within seven days.

(b) The incident and the following report shall be documented in the patient's clinical record.

(c) Notification shall be provided, if appropriate, to the parents, legal guardian, or legal authorities.

(d) When a beneficiary is absent without leave and is not located within 24 hours, the incident shall be reported by telephone to TMA, on the next business day. If the patient is not located within three days, a written report of the incident is made to TMA within seven days.

10.2 DISASTER OR EMERGENCY REPORTS

Any disaster or emergency situation, natural or man-made, such as fire or severe weather, shall be reported telephonically within 72 hours, followed by a comprehensive written report within seven days to TMA.

10.3 REPORTS OF PHP CHANGES

The governing body or the administrator of the PHP shall submit in writing to TMA any proposed significant changes within the PHP no later than 30 days prior to the actual date of change; failure to report such changes may lead to termination of this agreement. A



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report shall be made concerning the following items:

- (a) Any change in administrator or primary professional staff.
- (b) Any change in purpose, philosophy or any addition or deletion of services or programs. This includes capacity or hours of operation.
- (c) Any licensure, certification, accreditation or approval status change by a state agency or national organization.
- (d) Any anticipated change in location or anticipated closure.
- (e) Any suspension of operations for 24 hours or more.

**ARTICLE 11**

**GENERAL ACCOUNTING OFFICE**

11.1 RIGHT TO CONDUCT AUDIT

The PHP grants the United States General Accounting Office the right to conduct audits.

**ARTICLE 12**

**APPEALS**

12.1 APPEAL ACTIONS

Appeals of TMA actions under this agreement, to the extent they are allowable, will be pursuant to the [32 CFR 199.10.](#), and [32 CFR 199.15.](#)

**ARTICLE 13**

**TERMINATION AND AMENDMENT**

13.1 TERMINATION OF AGREEMENT BY TMA

The Executive Director, TMA, or a designee, may terminate this agreement in accordance with procedures for termination of institutional providers as specified in [32 CFR 199.9.](#)

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13.2 BASIS FOR TERMINATION OF AGREEMENT BY TMA

(a) In addition to any authority under the [32 CFR 199.9](#) to terminate or exclude a provider, the Executive Director, TMA or a designee may terminate this agreement upon 30 days' written notice, for cause, if the PHP:

(1) Is not in compliance with the requirements of the Dependents Medical Care Act, as amended (10 U.S.C. 1071 *et seq.*), the 32 CFR 199, the Standards for Psychiatric Partial Hospitalization Programs, or with performance provisions stated in [Article 3](#) of this participation agreement.

(2) Fails to comply with payment provisions set forth in [Article 4](#) of this participation agreement.

(3) Fails to allow audits/reviews and/or to provide records as required by [Article 6](#) of this participation agreement.

(4) Fails to comply with nondiscrimination provisions of [Article 7](#) of this participation agreement.

(5) Changes ownership as set forth in [Article 9](#) of this participation agreement.

(6) Fails to provide incident reports, disaster or emergency reports, or reports of PHP changes as set forth in [Article 10](#) of this participation agreement.

(7) Initiates a program change without written approval by TMA or a designee; program changes include but are not limited to: changes in the physical location; population served; number of beds; type of license; expansion of program(s); or development of new program(s).

(8) Does not admit a beneficiary during any period of 24 months.

(9) Suspends operations for a period of 120 days or more.

(10) Is determined to be involved in provider fraud or abuse, as established by [32 CFR 199.9](#). This includes the submission of falsified or altered claims or medical records which misrepresent the type, frequency, or duration of services or supplies.

(b) The Executive Director of TMA may terminate this agreement without prior notice in the event that the PHP's failure to comply with the Standards for Psychiatric Partial Hospital Programs presents an immediate danger to life, health or safety.

13.3 TERMINATION OF AGREEMENT BY THE PHP

The PHP may terminate this agreement by giving the Executive Director, TMA, or designee, written notice of such intent to terminate. The effective date of a voluntary

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termination under this article shall be 60 days from the date of notification of intent to terminate or, upon written request, as agreed between the PHP and TMA.

**ARTICLE 14**

**RECOUPMENT**

14.1 RECOUPMENT

TMA shall have the authority to suspend claims processing or seek recoupment of claims previously paid as specified under the provisions of the Federal Claims Collection Act (31 U.S.C. 3701 et seq), the Federal Medical Care recovery act (42 U.S.C. 2651-2653) and [32 CFR 199.14](#).

**ARTICLE 15**

**ORDER OF PRECEDENCE**

15.1 ORDER OF PRECEDENCE

If there is any conflict between this agreement and any Federal statute or regulation including the 32 CFR 199, the statute or regulation controls.

**ARTICLE 16**

**DURATION**

16.1 DURATION

This agreement shall remain in effect until the expiration date specified in [Article 18.1](#) unless terminated earlier by TMA or the PHP under [Article 13](#). TMA may extend this agreement for 60 days beyond the established date if necessary to facilitate a new agreement.

16.2 REAPPLICATION

The PHP must reapply to TMA at least 90 days prior to the expiration date of this agreement if it wishes to continue as an authorized PHP. Failure to reapply will result in the automatic termination of this agreement on the date specified in [Article 18.1](#).

**TRICARE REIMBURSEMENT MANUAL 6010.55-M, AUGUST 1, 2002**  
 CHAPTER 7, ADDENDUM J  
 PARTICIPATION AGREEMENT FOR FREESTANDING PSYCHIATRIC PARTIAL  
 HOSPITALIZATION PROGRAM SERVICES

**ARTICLE 17**

**EFFECTIVE DATE**

17.1 EFFECTIVE DATE

(a) This participation agreement will be effective on the date signed by the Executive Director, TMA, or a designee.

(b) This agreement must be signed by the President or Chief Executive Officer of the PHP.

**ARTICLE 18**

**AUTHORIZED PROVIDER**

18.1 PROVIDER STATUS

On the effective date of the agreement, TMA recognizes the PHP as an authorized provider for the purpose of providing psychiatric partial hospitalization care to eligible beneficiaries within the framework of the program(s) identified below.

PSYCHIATRIC PARTIAL HOSPITALIZATION PROGRAM NAME(S)	CAPACITY	AGE RANGE	DAYS OF OPERATION	HALF-DAY (HD) FULL-DAY (FD)

\_\_\_\_\_

**Partial Hospitalization Facility Name**

\_\_\_\_\_

Expiration Date

**TRICARE Management Activity**

\_\_\_\_\_

By: Signature

\_\_\_\_\_

By: Signature

\_\_\_\_\_

Name and Title

\_\_\_\_\_

Name and Title

Executed on: \_\_\_\_\_

Executed on: \_\_\_\_\_