

SOLE COMMUNITY HOSPITALS (SCHs)

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AUTHORITY: [32 CFR 199.14\(a\)\(1\)\(ii\)\(D\)\(6\)](#)

I. APPLICABILITY

This policy is mandatory for the reimbursement of services provided either by network or non-network providers. However, alternative network reimbursement methodologies are permitted when approved by the TRICARE Management Activity (TMA) and specifically included in the network provider agreement.

II. ISSUE

How are SCHs to be reimbursed?

III. POLICY

A. Any hospital which has qualified for special treatment under the Medicare Prospective Payment System (PPS) as a SCH and has not given up that classification is exempt from the TRICARE/CHAMPUS DRG-based payment system, and the TRICARE mental health per diem system.

B. TMA will maintain the SCH listing on TMA's web site: <http://www.tricare.mil/hospitalclassification>, and will update the list on a quarterly basis and notify the contractors by e-mail when the list is updated.

C. After June 1, 2006, if a SCH is added or dropped off of the list from the previous update, the quarterly revision date of the current listing shall be listed as the facility's effective or termination date, respectively.

D. If the contractor receives documentation from a SCH indicating their status is different than what is on the SCH listing on TMA's web site, the contractor shall send the information to TMA, Medical Benefits & Reimbursement Systems (MB&RS) to update the listings on the web.

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