

## REFERRALS/PREAUTHORIZATIONS/AUTHORIZATIONS

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### 1.0. REFERRALS

1.1. The National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2001, Conference Report 106-945, Section 728, states in part, "...no contract for managed care support under the TRICARE Program... shall require a primary care or specialty care provider to obtain prior authorization before referring a patient to a specialty care provider that is part of the network..." The contractor is responsible for reviewing all requests for referrals. The contractor shall not require an authorization, to include a medical necessity or utilization management determination, before referring a patient for an evaluation by a network Primary Care Manager (PCM) to obtain a referral prior to referring a beneficiary to a specialist. The contractor shall review the referral request, and if it is determined that the services being requested are not a TRICARE benefit, the beneficiary shall be informed that the services are excluded from coverage, and will not be paid by TRICARE, if obtained.

1.2. The TRICARE beneficiary must be "held harmless" in cases where the network provider fails to request a referral and the contractor either denies payment or applies the Point Of Service (POS) plan. Once the patient is evaluated by the specialist, the contractor may require an authorization before the services are provided or the procedure performed. In those instances where a contractor requires authorization of services in addition to those listed in [Chapter 7, Section 2](#), such authorization must be available to and appealable by all beneficiaries, whether enrolled or not. Within Prime Service Areas (PSAs), the Military Treatment Facilities (MTFs) have the Right Of First Refusal (ROFR) for all referrals, as determined by the Memoranda of Understanding (MOUs) between the contractor and each MTF.

### 1.3. Urgent Care Referrals

TRICARE Prime enrollees must initially seek all urgent care from their PCM. If the PCM is unable to provide a primary care service, or if the enrollee requires specialty care, the PCM is responsible for referring the enrollee to another more qualified TRICARE authorized provider. For civilian PCMs and MTF providers with "defer/refer to network" requests, the PCM/MTF provider must notify the contractor that a referral is being made.

1.3.1. In an effort to provide better access for after-hours and out-of-area urgent care needs, the contractor shall implement an initiative to re-test the Health Care Finder (HCF) capability to facilitate access to urgent care and potentially decrease Emergency Room (ER) usage for truly non-emergent care needs. An evaluation of the initiative will be accomplished one year after implementation. Three MTFs from each region (one from each Service) have been selected for this initiative. MTFs selected for the North Region include *Joint Base-McGuire-Dix-Lakehurst*, Fort Lee, and Patuxent River Naval Air Station (NAS). MTFs selected

for the South Region include Dyess AFB, Fort Stewart, and Naval *Branch Health Clinic, Albany*. MTFs selected for the West Region include Luke AFB, Fort Riley, and Naval Station *Fallon*.

**1.3.2.** For the aforementioned MTFs, the contractor, through HCF functionality, shall receive and accept calls directly from eligible MTF Prime enrollees requesting authorization for urgent care which has not been MTF referred due to after-hours or out-of-area scenarios. *Both urgent and emergent requests by a beneficiary shall be authorized to ensure that a POS charge is not inadvertently charged for a beneficiary's perceived emergent need that on claim adjudication is actually an urgent care need based on TRICARE Policy Manual (TPM), Chapter 2, Section 6.1 and 32 CFR 199.*

**1.3.2.1.** If the caller is an MTF Prime enrollee requesting after hours authorization for care while physically present in the PSA of the MTF to which he/she is enrolled, the care shall be authorized in accordance with the MOU established between the designated MTF and the appropriate regional contractor.

**1.3.2.2.** If the caller is traveling out of his/her PSA (anywhere in the Continental United States (CONUS), including Hawaii and Alaska), the care shall be authorized and provider locator services shall be provided if a prudent person would consider the care request to be urgent. *If the requested care authorization is outside the contractor's own region, the contractor is to communicate with the contractor with responsibility for the care delivery per paragraph 7.2.1.2.*

**1.3.2.3.** HCFs assisting beneficiaries with urgent care needs are not required to have professional clinical qualifications. The contractor will ensure that the HCF lines are manned at a minimum from 3:00 pm to 8:00 pm on weekdays, 8:00 am to 8:00 pm on weekends, holidays, *and days the MTFs are closed at the discretion of the MTF commander*. Callers seeking authorization for routine care shall be referred back to their MTF of enrollment for instructions.

**1.3.3.** Contractors shall ensure that after-hours urgent care authorizations are entered into the claims processing system, so that POS provisions are not applied to a service for which the HCF has issued an urgent care *authorization*. On the MTF's next business day, the contractor shall send notification to the appropriate designated MTF which shows all urgent care *authorizations* approved for that MTF's Prime enrollees. At a minimum, information shall include:

- Patient Name;
- Patient Date of Birth (DOB);
- Patient Address;
- *DEERS Benefits Number;*
- Chief Complaint;
- Type of Request (after-hours or out-of-area);
- Date *Authorization* Issued;
- Authorization Number; and
- Provider *Authorized To* (if available).

## **2.0. PREAUTHORIZATIONS/AUTHORIZATIONS**

**2.1.** The contractor is responsible for reviewing all requests for authorization. Within TRICARE Standard, issuance of authorizations shall not be used to restrict freedom of choice of the beneficiary who chooses to receive care from authorized non-network providers.

**2.2.** The contractor is required to advise beneficiaries, sponsors, providers, and other responsible persons of those benefits requiring authorization before payment may be made and inform them of the procedures for requesting the authorization. Although beneficiaries are required to obtain authorization prior to receiving payment for the care listed at [Chapter 7, Section 2](#), authorization may be requested following the care. Whether the authorization is requested before or after care, all qualified care shall be authorized for payment. The contractor shall emphasize the need for concerned persons to contact their Health Benefits Advisor (HBA) or the contractor for assistance.

**2.3.** Because of the high risk that many services requiring special authorization may be denied, the contractor shall offer preauthorization for the care to all TRICARE beneficiaries who reside within its jurisdiction. The contractor shall process all requests for such authorization whether submitted by the beneficiary, sponsor or provider requesting authorization on behalf of the beneficiary. Preauthorizations/authorizations shall be electronically transferred to the MTF in Health Insurance Portability and Accountability Act (HIPAA) compliant manner.

**2.4.** The contractor shall issue notification of preauthorization/authorization or waiver to the beneficiary or parent/guardian or a minor or incompetent, the provider, and to its claims processing staff. Notification may be made in writing by letter, or on a form developed by the contractor. These forms and letters are all referred to as TRICARE authorization forms. The contractor shall not issue an authorization for acute, inpatient mental health care for more than seven calendar days at a time.

**2.5.** The contractor shall document authorizations. The contractor must also maintain an automated authorization file or an automated system of flagging to ensure claims are processed consistent with authorizations. The contractor shall verify that the beneficiary, sponsor, provider, and service or supply information submitted on the claim are consistent with that authorized and that the care was accomplished within the authorized time period.

**2.6.** Prime enrollees receiving emergency care or authorized care from non-network, non-participating providers shall be responsible for only the Prime copayment. On such claims, contractors shall allow the amount the provider may collect under TRICARE rules; i.e., if the charges on a claim are subject to the balance billing limit (refer to the TRICARE Reimbursement Manual (TRM), [Chapter 3, Section 1](#) for information on balance billing limit), the contractor shall allow the lesser of the billed charges or the balance billing limit (115% of allowable charge). If the charges on a claim are exempt from the balance billing limit, the contractor shall allow the billed charges. Refer to the TRM, [Chapter 2, Section 1](#) for information on claims for certain ancillary services.

**2.7.** The requirement that a TRICARE Prime enrollee obtain a referral/authorization from their PCM to receive the H1N1 immunization from a non-network, TRICARE-authorized provider has been temporarily waived from October 1, 2009 to May 1, 2010.

During this period, Prime enrollees may obtain the H1N1 immunization from a non-network TRICARE-authorized provider without prior authorization or PCM referral. POS cost-shares normally associated with non-referred care obtained by Prime enrollees from non-network providers without appropriate authorization will not apply during this period.

### **3.0. FAILURE TO COMPLY WITH PREAUTHORIZATION - PAYMENT REDUCTION**

During claims processing, provider payments shall be reduced for failure to comply with the preauthorization requirements for certain types of care.

### **4.0. PSYCHIATRIC RESIDENTIAL TREATMENT CENTERS (RTCS)**

**4.1.** Before any claims for RTC care may be paid, an authorization must be on file. The dates of service on the claim form and the name of the facility plus the Employer Identification Number (EIN) with suffix must correspond with the dates of the approval and the facility indicated on the authorization. If the beneficiary resides outside of the contractor's region, the contractor responsible for payment shall pay the claims at the rate determined by TRICARE Management Activity (TMA). When the contractor issues an RTC authorization, it shall flag its files to preclude payment of any family or collateral therapy that is billed in the name of the RTC patient. That cost is the responsibility of the RTC, unless, as part of its negotiated agreement, the contractor agrees to a separate payment for such care. Under the TMA-determined rates, family therapists may bill separately from the RTC (outside the all-inclusive rate) only if the therapy is provided to one or both of the parents residing a significant distance from the RTC. In the case of residents of a region, geographically distant family therapy must be certified by the contractor in order for cost-sharing to occur.

**4.2.** If a claim for admission or extension is submitted and no authorization form is on file, the claim shall not be paid. For network claims, the contractor may deny or develop in accordance with its agreements with network providers. For non-network claims, the contractor shall deny the claim.

**4.3.** For any claims submitted for inpatient care at other than the RTC, the contractor shall pay the claim if the care was medically necessary. Claims for RTC care during the period of time the beneficiary was receiving care from another inpatient facility shall be denied. If the RTC has been paid and a claim for inpatient hospital care is received and the care was medically necessary, the contractor must pay the inpatient hospital claim and recover the payment from the RTC.

### **5.0. FORMER SPOUSE WITH PRE-EXISTING CONDITION**

The former spouse will be on DEERS under his/her own Social Security Number (SSN).

### **6.0. GRANDFATHERED CUSTODIAL CARE CASES**

A list of the beneficiaries who qualified for custodial care benefits prior to June 1, 1977, has been furnished to the contractor with instructions to flag the file for those

beneficiaries on the list who are within its region. Claims received for those beneficiaries, for which no authorization is on file, are to be suspended and the contractor shall notify the TMA, Beneficiary and Provider Services Division. Refer to [32 CFR 199.4](#).

**7.0. INTERIM REFERRAL AND AUTHORIZATION PROCESS**

**7.1.** The interim referral and authorization management process shall be implemented and operated until such time as the government issues a change order directing the implementation of an alternate authorization and referral management system. Following implementation of this interim process, MTFs and Managed Care Support Contractors (MCSCs) may elect to work together to develop alternative means of accomplishing referrals and authorizations, with approval of the contracting officer. Any such development and the subsequent implementation of any alternative shall be without cost to the government.

**7.2.** The contractor shall process referrals in accordance with the following:

**7.2.1. Referrals From The MTF To The Contractor**

Referrals from the MTF shall include all of the following information, at a minimum, unless otherwise specified. Contractors shall receive the MTF referral via fax (or by other electronic means agreed upon by the MTF and the MCSC). The MTF is not required to provide diagnosis or procedure codes. The MCSC shall translate the narrative descriptions into standard diagnosis and procedure codes.

<b>REQUIRED DATA ELEMENT*</b>	<b>DESCRIPTION/PURPOSE/USE</b>
Request Date/Time	DD MMM YY hhmm
Request Priority	STAT/24-hour/ASAP/Today/72-hour/Routine
Requester	
Referring Provider Name	Name of PCM/MTF individual provider making request
Referring Provider NPI	HIPAA National Provider Identifier (NPI) - Type 1 (Individual)
Referring MTF	Name of Military Treatment Facility (MTF)
Referring MT NPI	HIPAA National Provider Identifier - Type 2 (Organizational)
<b>PATIENT INFO</b>	
Sponsor SSN	
Patient ID	EDI_PN (from DEERS) if available
Patient Name	Full Name of Patient (if no EDI_PN available)
Patient DOB	Date of Birth (required if patient not on DEERS)
Patient Gender	
Patient Address	Full Address of Beneficiary (including zip)
Patient Telephone Number	If available - Telephone Number (including area code)

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REQUIRED DATA ELEMENT*	DESCRIPTION/PURPOSE/USE
<b>CLINICAL INFO</b>	
Patient Primary Provisional Diagnosis	Description
Reason for Request	Sufficient Clinical Info to Perform MNR
<b>SERVICE</b>	
Service 1 - Provider	Specialty of Service Provider
Service 1 - Provider Sub-Specialty	Additional Sub-Specialist Info if Needed (Free Text Clarifying Info Entered with Reason for Request) e.g., Pediatric Nephrologist
<b>SERVICE (CONTINUED)</b>	
Service 1 - By Name Provider Request if Applicable - First and Last Name	Optional Info Regarding Preferred Specialist Provider (Free Text)
Service 1 - Service Type	Inpatient, Specialty Referral, DME Purchase/Rental, Other Health Service, et al DME Provider to do CMN.
Service 1 - Service Quantity (optional)	Number of Visits, Units, etc.
CHCS Generated Order Number (DMIS-YYMMDD-XXXXX)	Unique Identifier Number (UIN). The UIN is the DMIS (of the referring facility identified in the "Referring MTF" field on this request) -- Date in format indicated -- Consult Order Number from CHCS.

**Special Instructions:**

**NOTE 1:** \*Above data elements are required unless otherwise noted as "Optional."

**NOTE 2:** Use of the NPI is required in accordance with the HHS NPI Final Rule by May 23, 2007 or upon Service direction and/or direction of the Contracting Officer (CO). Implementation requirements may be found at [Chapter 21, Section 4](#).

**NOTE 3:** When issuing a preauthorization for an ADSM while in terminal leave status to obtain medical care from the Department of Veterans Affairs (DVA), as required by [Chapter 18, Section 1, paragraph 4.6.](#), the MTF shall make special entries for data elements as follows:

Patient Primary Provisional Diagnosis	Condition of a routine or urgent nature as specified by the patient at a future date.
Reason for Request	Provide preauthorization for outpatient treatment by the DVA for routine or urgent conditions while the active duty patient is in a terminal leave status.
Service 1 - Provider	Any DVA provider
Service 1 - By Name Provider Request if Applicable - First and Last Name	DVA provider only

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REQUIRED DATA ELEMENT*	DESCRIPTION/PURPOSE/USE
<b>NOTE 4:</b> When issuing an authorization for the DVA to provide a Compensation and Pension (C&P) examination for a service member as required by <a href="#">Chapter 18, Section 2, paragraph 3.2.2.</a> , the MTF shall make special entries for data elements as follows:	
Patient Primary Provisional Diagnosis	V68.01 - Disability Examination
Reason for Request	DVA only: Integrated Disability Evaluation System (IDES) C&P Examinations for Fitness for Duty Determination
Service 1 - Provider	Any DVA Provider
SERVICE (CONTINUED)	
Service 1 - By Name Provider Request if Applicable - First and Last Name	DVA Provider Only
Service 1 - Service Quantity	Number of C&P Examination Authorized

**Special Instructions:**

This blanket preauthorization is only for routine and urgent outpatient primary medical care provided by the DVA while the patient is in a terminal leave status. Terminal leave for this patient concludes at midnight on DD MMM YY.

**7.2.1.1.** The contractor shall use the CHCS generated order number (DMIS-YYMMDD-XXXXX) as a unique identifier. The first four digits of the UIN is the DMIS of the referring facility only. Using the unique identifier, the contractor will locate related referrals, authorizations, and claims, and track consult results. Contractor generated MTF reports shall be modified to accommodate the unique identifier and NPI as needed. The unique identifier shall also be used for all related customer service inquiries. UINs and NPIs will be attached to all MTF referrals and will be portable across all regions of care. The contractor shall capture the NPIs from the referral transmission report and forward the NPI to the referred-to provider on all referrals.

**7.2.1.2.** The MCSC where care is rendered will apply their best business practices when authorizing care for referrals to their network and will retain responsibility for managing requests for additional services or inpatient concurrent stay reviews associated with the original referral as well as changes to the speciality provider identified to deliver the care. The MCSC authorizing the care shall forward the referral/authorization information, including the range of codes authorized (i.e., episode of care) and the name, the NPI and demographic information of the speciality provider to the MCSC for the region to which the patient is enrolled. Claims submitted by the provider will be processed by the MCSC for the region to which the patient is enrolled using the referral/authorization information provided by the out-of-region MCSC.

**7.2.1.3.** The contractor shall screen the information provided and return, by fax or other electronic means acceptable to the MTF and the MCSC, incomplete requests within one business day. The return of a referral to the MTF is considered processed to completion. One business day is defined as the work day following the day of transmission at the close of

business at the location of the receiving entity. A business day is Monday through Friday, excluding federal holidays.

**7.2.1.4.** The contractor shall verify that the services are a TRICARE benefit through appropriate medical review and screening to ensure that the service requested is reimbursable through TRICARE. The contractor's medical review shall be in accordance with the contractor's best business practices. This process does not alter the TRICARE Operations Manual (TOM), TRICARE Policy Manual (TPM), or TRICARE Systems Manual (TSM) provisions covering active duty personnel or TFL beneficiaries.

**7.2.1.5.** The MCSC shall advise the patient, referring MTF, and receiving provider of all approved referrals. The MTF single Point Of Contact (POC) shall be advised via fax or other electronic means acceptable to the MTF and the MCSC. (The MTF single POC may be an individual or a single office with more than one telephone number.) The notice to the beneficiary shall contain the unique identifier and information necessary to support obtaining ordered services or an appointment with the referred to provider within the access standards. The notice shall also provide the beneficiary with instructions on how to change their provider, if desired. If the MCSC is made aware the beneficiary changed the provider listed on the referral, the MCSC will make appropriate modifications to MTF issued referral (to revise the provider the beneficiary was referred to by the MTF). The revised referral shall contain the same level of data as the initial MTF referral. The revised referral will be issued to the current provider, with a copy to the MTF. For Same Day and 72-hour referrals no beneficiary notification shall be issued. The MCSC shall notify the provider to whom the beneficiary is being referred of the approved services, to include clinical information furnished by the referring provider.

**7.2.1.6.** If services are denied, the MCSC shall notify the patient and shall advise the patient of their right to appeal consistent with the TOM. The MCSC shall also notify the referring single MTF POC by fax of the initial denial.

**7.2.1.7.** For services beyond the initial authorization, the MCSC shall use its best practices in determining the extent of additional services to authorize. The MCSC shall not request a referral from the MTF but shall provide the MTF, through the MTF's single POC, a copy of the authorization and clinical information that served as the basis for the new authorization.

**7.2.1.8.** The MCSC shall provide the consult results to a single POC at the MTF in accordance with contract requirements. Returned results shall include the patient's name, name of the rendering provider, and the consult order number (CHCS generated order number) assigned by the MTF.

## **7.2.2. Referrals From The Contractor To The MTF**

Referrals subject to the ROFR provision from the civilian sector shall be processed in accordance with the following procedures.

**7.2.2.1.** The contractor shall fax, or other electronic means acceptable to the MTF and the MCSC, the referral to the single MTF POC. The request shall contain the minimum data set described in [paragraph 7.2.1.](#) (with the exception of the UIN) plus the civilian provider's fax



number, telephone number, and mailing address. This data set shall be provided to the MTF in plain text with or without diagnosis or procedure codes.

**7.2.2.2.** The MTF will respond via fax or other electronic means acceptable to the MTF and the MCSC, generally within one business day, as defined in [paragraph 7.2.2.1.](#), from receipt of the request to the single POC provided in the MOU by the contractor. When no response is received from the MTF in response to the ROFR request in one business day as defined above, the contractor shall process the referral request as if the MTF declined to see the patient. Monthly, no later than the 10th calendar day in the following month, the contractor shall provide each MTF with a report of the number of referrals forwarded based on the ROFR provision, the number accepted by the MTF, the number individually rejected by the MTF, and the number rejected by the MTF as a result of the automatic rejection after one business day.

**7.2.2.3.** The contractor shall contact the MTF POC for the coordination of Same Day and Seventy-two Hour referrals in accordance with the MTF MOU. In general, the MTF will respond within 30 minutes of notification. When no response is received from the MTF within 30 minutes, the contractor shall process the referral request as if the MTF declined to see the patient.

**7.2.2.4.** The ROFR will be forwarded for only those beneficiaries residing within the PSA access standards and for whom the MTF has indicated the desire to receive referral request based on specialty or selective diagnosis code or procedure codes, and/or enrollment category. ROFR requests shall be provided prior to the MCSCs medical necessity and covered benefit review to afford the MTF the opportunity to see the patient prior to any decision.

**7.2.2.5.** In instances where the MTF elects to accept the patient, the MTF will advise the MCSC within one business day, as defined in [paragraph 7.2.2.1.](#) The MCSC will notify the beneficiary of the MTF's acceptance and provide instructions for contacting the MTF to obtain an appointment.

### **7.2.3. Provision Of Reports**

**7.2.3.1.** The contractor shall ensure that network specialty providers provide clearly legible specialty care consultation or referral reports, operative reports, and discharge summaries to the beneficiary's initiating provider within 10 working days of the initial referral visit, procedure(s), follow-up clinic visits (when a report to the referring provider is considered clinically warranted), and after the final authorized visit. The contractor will ensure a report from the initial specialty encounter is returned to the initiating provider within 10 working days 98% of the time. The preferred method of delivery to MTF providers is electronic and will be addressed in the MOU. Each MTF will establish a single POC for the receipt of the required documents. (The MTF single POC may be an individual or a single office with more than one telephone number.) In urgent/emergent situations, a preliminary report of a specialty consultation shall be conveyed to the beneficiary's initiating provider within 24 hours (unless best medical practices dictate less time is required for a preliminary report) by telephone, fax or other means with a formal written report provided within the standard 98% of the time. All consultation or referral reports, operative reports, and discharge summaries shall be provided to the provider who initiated the referral within 30

calendar days. If the accreditation standards organization has a more stringent specialty referral-reporting requirement, the contractor shall adhere to that standard.

**7.2.3.2.** The requirements specified in [paragraph 7.2.3.1.](#), apply to all referrals for professional services provided by a health care provider (as defined in 32 CFR 199) to assist the initiating provider in the diagnosis and treatment of a patient, including, for example, imaging studies (reports by the interpreting radiologist), physical therapy, occupational therapy, and speech therapy. The performance requirement does not apply to referrals for non-professional services such as durable medical equipment or laboratory studies.