

Payment For Professional/Technical Components Of Diagnostic Services

Issue Date: August 26, 1985

Authority: [32 CFR 199.4\(c\)\(2\)\(ix\)](#) and [\(c\)\(2\)\(x\)](#)

1.0 APPLICABILITY

This policy is mandatory for reimbursement of services provided by either network or non-network providers. However, alternative network reimbursement methodologies are permitted when approved by the [Defense Health Agency \(DHA\)](#) and specifically included in the network provider agreement.

2.0 ISSUE

How are professional and technical components of diagnostic services to be reimbursed?

3.0 POLICY

3.1 Frequently, charges for diagnostic services are split between the professional (physician) and the technical (equipment) components. Wherever possible, separate allowable charges are developed for each component. When a bill is received for the total service, the total allowable charge is to be used in the processing of the claim.

3.2 Under the national allowable charge system, the Maximum Allowable Charge file provides the contractor with a complete allowable charge or with separate allowable charges for professional and technical components.

3.3 For diagnostic procedures that are still priced using area prevailing allowable charges, the contractor is to establish professional and technical components from the billed charges for the service as identified on the claims.

3.4 Clinical diagnostic lab tests furnished by Critical Access Hospitals (CAHs), are reimbursed under the reasonable cost method, reference [Chapter 15, Section 1](#).

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