



DEFENSE  
HEALTH AGENCY

HPOD

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CHANGE 29  
6010.59-M  
JUNE 20, 2018

**PUBLICATIONS SYSTEM CHANGE TRANSMITTAL FOR  
TRICARE OPERATIONS MANUAL (TOM), APRIL 2015**

The Defense Health Agency has authorized the following addition(s)/revision(s).

**CHANGE TITLE:** TRICARE OVERSEAS PROVIDER - GOOD FAITH PAYMENT WAIVERS

**CONREQ:** 19277

**PAGE CHANGE(S):** See page 2.

**SUMMARY OF CHANGE(S):** This change adds language stating there is a waiver to the TRICARE Overseas Program (TOP) contractor to allow a provider to retain good faith payments in certain cases.

**EFFECTIVE DATE:** January 1, 2018.

**IMPLEMENTATION DATE:** July 20, 2018.

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**CHANGE 29**  
**6010.59-M**  
**JUNE 20, 2018**

**REMOVE PAGE(S)**

**CHAPTER 10**

Section 4, pages 1 and 2

**INSERT PAGE(S)**

Section 4, pages 1 and 2

## Overpayments Recovery - Non-Financially Underwritten Funds

Revision: C-29, June 20, 2018

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This section applies to funds for which the contractor is non-financially underwritten, with the exception of funds overpaid to the Department of Veterans Affairs (VA) facilities (see [paragraph 33.0](#)). For recovery of overpayments involving funds for which the contractor is financially underwritten, see [Section 3](#). For information on the processing of Overpayment Recovery-Non-Financially Underwritten Funds during contract transition, see [Chapter 2, Section 10](#).

### 1.0 CAUSES OF OVERPAYMENTS

The occurrence of any of the following circumstances may result in an erroneous payment and a requirement for recoupment action. (This list is not intended to be all-inclusive).

- Erroneous calculation of the allowable charge.
- Erroneous coding of a procedure.
- Erroneous calculation of the cost-share or deductible.
- Duplicate payment.
- Incorrect payee.
- Payment by Other Health Insurance (OHI).
- Erroneous billing.
- Patient not eligible.
- Unauthorized provider.
- Noncovered service or supply.
- Service not actually received.
- Services not medically necessary.

### 2.0 DETERMINATION OF LIABILITY FOR OVERPAYMENT

The general rule for determining liability for overpayments is that the person or provider who received the erroneous payment is responsible for the refund.

### 3.0 PROVIDER LIABLE

Overpayment refunds shall be sought from the provider who received the incorrect payment in the following situations:

**3.1** The provider furnished erroneous information or failed to disclose facts that the provider knew or should have known were relevant to payment of the benefit. (Refer to [Chapter 13](#).)

**3.2** The payment was based on an amount in excess of that allowable.

**TRICARE Operations Manual 6010.59-M, April 1, 2015**  
Chapter 10, Section 4  
Overpayments Recovery - Non-Financially Underwritten Funds

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- 3.3** The provider received and retained duplicate TRICARE payments.
- 3.4** The provider turned a duplicate TRICARE payment over to the beneficiary.
- 3.5** The overpayment was due to a mathematical or clerical error; e.g., an error in calculation of overlapping or duplicate bills. Mathematical error does not include a failure to properly assess the deductible. Where a provider has been incorrectly paid a deductible, the provider shall be deemed to be without fault and any required recovery shall be sought from the beneficiary.
- 3.6** The overpayment was for noncovered services, supplies, or pharmaceutical agents.
- 3.7** The services, supplies, or pharmaceutical agents were not received by the beneficiary or there is no documentation to substantiate that the provider performed the services or provided the pharmaceutical agents claimed. (See [Chapter 13](#), if fraud is suspected.)
- 3.8** The services, supplies, or pharmaceutical agents were furnished by an unauthorized provider.
- 3.9** The TRICARE payment was made to the participating provider and a primary health insurance or pharmacy plan also made a payment to the provider or beneficiary for the same services or supplies, and the combined payments exceed the lower of the amount remaining after the double coverage plan has paid its benefits or the amount TRICARE would have paid as primary payor. See TRICARE Reimbursement Manual (TRM), [Chapter 4](#).
- 3.10** The payment was made to the wrong provider or a nonparticipating provider. In such cases, the contractor shall issue payment to the correct payee and concurrently initiate recoupment action against the erroneously paid provider. The contractor shall not postpone issuing payment to the correct provider pending completion of the recoupment.
- 3.11** The patient was not eligible at the time the services were provided.
- 3.12** The patient had OHI or pharmaceutical coverage primary to TRICARE.

**4.0 BENEFICIARY LIABLE**

Erroneous payment refunds shall be sought from the beneficiary in the following situations:

- 4.1** The overpayment was caused by incorrect application of the deductible or cost-share.
- 4.2** The patient was not an eligible beneficiary at the time services were provided and the payment was made to a participating provider for whom a good faith payment has been authorized under [paragraph 6.0](#). When payment was made to a retail network pharmacy based on erroneous eligibility data provided by the Government from Defense Enrollment Eligibility Reporting System (DEERS), the pharmacy may retain the payment as a good faith payment. **In addition, when the TRICARE Overseas Program (TOP) contractor creates an authorization for a TOP provider based upon erroneous DEERS data and improperly pays a TOP provider, the TOP provider may retain the payment as a good faith payment.**
- 4.3** The beneficiary who received TRICARE payment had OHI or pharmacy coverage primary to TRICARE.