

## Chapter 11

## Section 12.3

# Participation Agreement Requirements

Issue Date:

Authority: [32 CFR 199.6\(a\)\(13\)](#)

Revision:

---

### 1.0 ISSUE

What minimum participation agreement requirements must be met by a provider in order to obtain authorization status under TRICARE?

### 2.0 POLICY

**2.1** A participation agreement must include the following requirements for providers seeking authorization status under TRICARE:

**2.1.1** Not charge a beneficiary for the following:

**2.1.1.1** Services for which the provider is entitled to payment from TRICARE;

**2.1.1.2** Services for which the beneficiary would be entitled to have TRICARE payment made had the provider complied with certain procedural requirements;

**2.1.1.3** Services not medically necessary and appropriate for the clinical management of the presenting illness, injury, disorder or maternity;

**2.1.1.4** Services for which a beneficiary would be entitled to payment but for a reduction or denial in payment as a result of quality review; and

**2.1.1.5** Services rendered during a period in which the provider was not in compliance with one or more conditions of authorization;

**2.1.2** Comply with the applicable provisions related to TRICARE administrative policy;

**2.1.3** Accept the TRICARE determined allowable payment combined with the cost-share, deductible, and other health insurance amounts payable by, or on behalf of, the beneficiary, as full payment for TRICARE allowed services;

**2.1.4** Collect from the TRICARE beneficiary those amounts that the beneficiary has a liability to pay for the TRICARE deductible and cost-share/copayment (this requirement does not apply to a State Vaccine Program or State Vaccine Program entity (SVP) participation agreement);

## TRICARE Policy Manual 6010.60-M, April 1, 2015

### Chapter 11, Section 12.3

#### Participation Agreement Requirements

---

- 2.1.5** Permit access by Deputy Director, Defense Health Agency (DHA), or his designee to the clinical record of any TRICARE beneficiary, to the financial and organizational records of the provider, and to reports of evaluations and inspections conducted by state, private agencies or organizations (this requirement does not apply to a SVP participation agreement);
- 2.1.6** Provide prompt written notification of the provider's employment of an individual who, at any time during the twelve months preceding such employment, was employed in a managerial, accounting, auditing, or similar capacity by an agency or organization which is responsible, directly or indirectly for decisions regarding Department of Defense (DoD) payments to the provider;
- 2.1.7** Cooperate fully with a designated utilization and clinical quality management organization which has a contract with the DoD for the geographic area in which the provider renders services;
- 2.1.8** Obtain written authorization before rendering designated services or items for which TRICARE cost-share/copayment may be expected (i.e., comply with applicable TRICARE authorization requirements before rendering designated services or items for which TRICARE cost-share/copayment may be expected);
- 2.1.9** Maintain clinical and other records related to individuals for whom payment was made for services rendered by the provider, or otherwise under arrangement, for a period of 60 months from the date of service (this requirement does not apply to a SVP participation agreement);
- 2.1.10** Maintain contemporaneous clinical records that substantiate the clinical rationale for each course of treatment, periodic evaluation of the efficacy of treatment, and the outcome at completion or discontinuation of treatment. Clinical records are required to document the outcomes results of standardized assessment measures for Post-Traumatic Stress Disorder (PTSD), Generalized Anxiety Disorder (GAD), and Major Depressive Disorder (MDD) using the PTSD Checklist (PCL), GAD-7, and Patient Health Questionnaire (PHQ)-8, respectively, at baseline, at 60-120 day intervals, and at discharge (See [Chapter 1, Section 5.1](#) for details) (this requirement does not apply to a SVP participation agreement);
- 2.1.11** Refer TRICARE beneficiaries only to providers with which the referring provider does not have an economic interest (this requirement does not apply to a SVP participation agreement); and
- 2.1.12** Limit services furnished under arrangement to those for which receipt of payment by the TRICARE authorized provider discharges the payment liability of the beneficiary; and
- 2.1.13** Notify the referring military provider or Military Treatment Facility (MTF)/Enhanced Multi-Service Market (eMSM) referral management office (on behalf of the military provider) when a Service member or beneficiary, in the provider's clinical judgment, meets any of the following criteria:
- Harm to self. The provider believes there is a serious risk of self-harm by the Service member either as a result of the condition itself or medical treatment of the condition;
  - Harm to others. There is a serious risk of harm to others either as a result of the condition itself or medical treatment of the condition. This includes any disclosures concerning child abuse or domestic violence;

- Harm to mission. There is a serious risk of harm to a specific military operational mission. Such a serious risk may include disorders that significantly impact impulsivity, insight, reliability, and judgment;
- Inpatient care. Admitted or discharged from any inpatient mental health or substance use treatment facility as these are considered critical points in treatment and support nationally recognized patient safety standards;
- Acute medical conditions interfering with duty. Experiencing an acute mental health condition or is engaged in an acute medical treatment regimen that impairs the beneficiary's ability to perform assigned duties;
- Substance abuse treatment program. Entered into, or is being discharged from, a formal outpatient or inpatient treatment program.

**2.2** The participation agreement will accompany the provider application form sent out by the contractor as part of the initial authorization process. Refer to [Figure 11.12.3-1](#) for an example of a participation agreement that meets the minimum requirements as set forth in this policy.

**FIGURE 11.12.3-1 PARTICIPATION AGREEMENT**

In order to receive payment under TRICARE, \_\_\_\_\_  
dba \_\_\_\_\_, as the provider of services agrees:

- 1.** Not to charge a beneficiary for the following:
  - a.** Services for which the provider is entitled to payment from TRICARE;
  - b.** Services for which the beneficiary would be entitled to have TRICARE payment made had the provider complied with certain procedural requirements;
  - c.** Services not medically necessary and appropriate for the clinical management of the presenting illness, injury, disorder or maternity;
  - d.** Services for which a beneficiary would be entitled to payment but for a reduction or denial in payment as a result of quality review; and
  - e.** Services rendered during a period in which the provider was not in compliance with one or more conditions of authorization;
- 2.** To comply with applicable provisions of 32 CFR 199 and related TRICARE policy;
- 3.** To accept the TRICARE determined allowable payment combined with the cost-share, deductible, and other health insurance amounts payable by, or on behalf of, the beneficiary, as full payment for TRICARE allowed services;
- 4.** To collect from the TRICARE beneficiary those amounts that the beneficiary has a liability to pay for the TRICARE deductible and cost-share/copayment (this requirement does not apply to a State Vaccine Program or State Vaccine Program entity (SVP) participation agreement);
- 5.** To permit access by the Director, DHA, or designee, to the clinical record of any TRICARE beneficiary, to the financial and organizational records of the provider, and to reports of evaluations and inspections conducted by state or private agencies or organizations (this requirement does not apply to a SVP participation agreement);
- 6.** To provide to the Director, DHA, or designee (e.g., Contractor), prompt written notification of the provider's employment of an individual who, at any time during the twelve months preceding such employment, was employed in a managerial, accounting, auditing, or similar capacity by an agency or organization which is responsible, directly or indirectly, for decisions regarding Department of Defense payments to the provider;
- 7.** To cooperate fully with a designated utilization and clinical quality management organization which has a contract with the Department of Defense for the geographic area in which the provider renders services;
- 8.** Comply with all applicable TRICARE authorization requirements before rendering designated services or items for which TRICARE cost-share/copayment may be expected;
- 9.** To maintain clinical and other records related to individuals for whom TRICARE payment was made for services rendered by the provider, or otherwise under arrangement, for a period of 60 months from the date of service (this requirement does not apply to a SVP participation agreement);
- 10.** To maintain contemporaneous clinical records that substantiate the clinical rationale for each course of treatment, the methods, modalities or means of treatment, periodic evaluation of the efficacy of treatment, and the outcome at completion or discontinuation of treatment (this requirement does not apply to a SVP participation agreement);

---

**FIGURE 11.12.3-1 PARTICIPATION AGREEMENT (CONTINUED)**

Clinical records are required to document the outcomes of standardized assessment measures for PTSD, GAD, and MDD using the PTSD Checklist (PCL), GAD-7, and Patient Health Questionnaire (PHQ)-8, respectively, at baseline, at 60-120 day intervals, and at discharge (See [Chapter 1, Section 5.1](#) for details);

- 11.** To refer TRICARE beneficiaries only to providers with which the referring provider does not have an economic interest, as defined in [32 CFR 199.2](#) (this requirement does not apply to a SVP participation agreement);
- 12.** To limit services furnished under arrangement to those for which receipt of payment by the TRICARE authorized provider discharges the payment liability of the beneficiary; and
- 13.** Notify the referring military provider or MTF/eMSM referral management office (on behalf of the military provider) when a Service member or beneficiary, in the provider's clinical judgment, meets any of the following criteria:
  - Harm to self – The provider believes there is a serious risk of self-harm by the Service member either as a result of the condition itself or medical treatment of the condition;
  - Harm to others – There is a serious risk of harm to others either as a result of the condition itself or medical treatment of the condition. This includes any disclosures concerning child abuse or domestic violence;
  - Harm to mission – There is a serious risk of harm to a specific military operational mission. Such a serious risk may include disorders that significantly impact impulsivity, insight, reliability, and judgment;
  - Inpatient care – Admitted or discharged from any inpatient mental health or substance use treatment facility as these are considered critical points in treatment and support nationally recognized patient safety standards;
  - Acute medical conditions interfering with duty – Experiencing an acute mental health condition or is engaged in an acute medical treatment regimen that impairs the beneficiary's ability to perform assigned duties;
  - Substance abuse treatment program – Entered into, or is being discharged from, a formal outpatient or inpatient treatment program.
- 14.** Meet such other requirements as the Secretary of Defense may find necessary in the interest of health and safety of the individuals who are provided care and services.

Defense Health Agency (DHA) agrees to:

Pay the above-named provider the full allowable amount less any applicable double-coverage, cost-share/copayment, and deductible amounts.

This agreement shall be binding on the provider and DHA upon acceptance by the Deputy Director, DHA, or designee.

This agreement shall be effective until terminated by either party. The effective date shall be the date the agreement is signed by DHA

This agreement may be terminated by either party by giving the other party written notice of termination. The provider shall also provide written notice to the public. Such notice of termination is to be received by the other party no later than 45 days prior to the date of termination. In the event of transfer of ownership, this agreement is assigned to the new owner, subject to the conditions specified in this agreement and pertinent regulations.

**TRICARE Policy Manual 6010.60-M, April 1, 2015**

Chapter 11, Section 12.3

Participation Agreement Requirements

---

**FIGURE 11.12.3-1 PARTICIPATION AGREEMENT (CONTINUED)**

FOR PROVIDER OF SERVICES BY:

FOR DHA BY:

---

Name

---

Name

---

Title

---

Date

---

Title

---

Date

- END -