

Chapter 24

Section 4

Purchased Care Sector Providers

Revision: C-26, May 30, 2018

1.0 GENERAL

TRICARE Overseas Program (TOP) health care services are provided by Military Treatment Facilities (MTFs) and purchased care sector network and non-network providers and institutions. All TRICARE requirements regarding Provider Certification/Credentialing and Network Development shall apply to the TOP unless specifically changed, waived, or superseded by this section; the TRICARE Policy Manual (TPM), [Chapter 12](#); or the TRICARE contract for health care support services outside the 50 United States (U.S.) and the District of Columbia (hereinafter referred to as the "TOP Contract"). See [Chapters 4](#) and [5](#) for additional instructions.

2.0 PURCHASED CARE SECTOR PROVIDER CERTIFICATION AND CREDENTIALING

2.1 The TOP contractor shall be responsible for provider certification oversight, and monitoring of provider/institution quality. The contractor shall use [Chapter 4, 32 CFR 199.6](#), and TPM, [Chapter 11](#) to the maximum extent possible for the certification of purchased care sector providers. The contractor is not required to follow TRICARE requirements for U.S. credentialing standards, except when TRICARE requires the facility/agency to be Medicare certified (e.g., home health, hospice, Skilled Nursing Facility (SNF) care). Also, Psychiatric Residential Treatment Centers (RTCs), Substance Use Disorder Rehabilitation Facilities (SUDRFs), and Psychiatric Partial Hospitalization Programs (PHPs) that are located in Puerto Rico require approval by the TOP contractor. Except for these services and facilities, the TOP contractor shall establish purchased care sector provider certification processes based on the accepted licensure and credentialing requirements for the purchased care sector.

Note: Medicare certification for organ transplant centers is only required for transplants performed in the U.S., the District of Columbia, and U.S. territories where Medicare is available. See TPM, [Chapter 12, Section 1.2](#).

2.2 Refer to [paragraph 4.7](#) for additional certification requirements that have been established for purchased care sector providers in the Philippines.

3.0 NETWORK DEVELOPMENT

3.1 The TOP contractor shall be responsible for developing and maintaining a complement of network and non-network purchased care sector providers to augment the existing capacity of the Direct Care (DC) system for Service members and Active Duty Family Members (ADFM)s who are enrolled in TOP Prime, and to provide or arrange for primary and specialty care services for Service members and ADFMs who are enrolled in TOP Prime Remote.

Note: In remote overseas locations, the TOP contractor shall also establish dental provider networks for Service members in accordance with [Section 10](#).

3.2 The TOP contractor shall establish signed provider agreements between network purchased care sector providers and the contractor.

3.2.1 Network provider agreements shall include language indicating that the provider agrees to participate on claims for authorized services for TOP enrollees on a cashless, claimless basis.

3.2.2 Network provider agreements must specify rates for Service member medical records photocopying and postage, if applicable.

Note: "Cashless, claimless" is defined as a health care encounter that requires no up-front payment at the time of service, and the provider files the claim for the beneficiary.

3.3 Networks shall be sized to meet TOP-enrolled populations only. The TOP contractor may assist other beneficiaries (non-command sponsored ADFMs, retirees, retiree family members, etc.) upon request by identifying these purchased care sector providers as they will be credentialed and familiar with TRICARE, but networks will not be developed to accommodate non-TOP enrollees.

3.4 In TOP Prime locations, MTF Commanders will identify the specialties needed in the network and will communicate this information on an ongoing basis to the TOP contractor per the process identified in the Statements of Responsibilities (SORs) (see [Section 16](#)).

3.5 MTF capabilities and capacities may change frequently over the life of the contract without prior notice. The TOP contractor shall ensure that purchased care sector provider services can be adjusted as necessary to compensate for changes in MTF capabilities and capacities, when and where they occur over the life of the contract, including short notice of unanticipated facility expansion, provider deployment, downsizing, and/or closures.

3.6 Network providers shall be able to communicate in English, both orally and in writing, or provide translation services at the time of service.

3.7 The TOP contractor shall be responsible to enter into participation agreements with SNFs in Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa, and the Northern Mariana Islands per the provisions of [Section 3](#).

4.0 CONTRACTOR REQUIREMENTS - PURCHASED CARE SECTOR PROVIDERS

4.1 Reimbursement rates for purchased care sector providers may be negotiated by the contractor. In locations where the Government has designated specific reimbursement rates or methodologies, the contractor may not negotiate rates which exceed the Government directed rate. Refer to the TRICARE Reimbursement Manual (TRM), [Chapter 1, Section 34](#) for additional instructions.

4.2 The contractor shall provide ongoing purchased care sector provider education and support in accordance with [Section 11](#).

4.3 The contractor shall have a Quality Oversight Plan **for reviewing access and quality of care provided by the purchased care sector, as identified in DD Form 1423, Contract Data Requirements List (CDRL), located in Section J of the applicable contract.**

4.4 The TOP contractor shall assign provider numbers to purchased care sector providers, identify providers as network or non-network, and create and submit TRICARE Encounter Provider (TEPRV) records. Each provider shall be identified by a single provider number, with a sub-identifier for multiple service locations. Upon the Government's request, the contractor shall provide copies of licensure/certification information for purchased care sector providers.

4.5 The TOP contractor shall deny claims from non-certified purchased care sector providers when Defense Health Agency (DHA) has directed that the country's purchased care sector providers must be specially certified in order to receive TRICARE payments. See [paragraph 4.7](#) for additional certification requirements.

4.6 The provisions of [Chapter 5, Section 1, paragraph 2.2](#) regarding Telemental Health (TMH) are not applicable to the TOP contract.

4.7 The TOP contractor shall perform on-site verification and provider certification in the Philippines. At a minimum, this one-site verification shall confirm the physical existence of a facility/provider office, verify the credentials/licensure of the facility/provider, verify the adequacy of the facility/provider office, and verify the capability of the facility/provider office for providing the expected level and type of care. This requirement may be expanded to other locations upon Contracting Officer (CO) Direction.

4.7.1 The TOP contractor shall provide beneficiaries with easy access to the approved provider listing and the certified provider listing via a user-friendly searchable World Wide Web (WWW) site and any other means established at the contractor's discretion. Information on the WWW site and any other electronic lists shall be current within the last 30 calendar days. At a minimum, the database shall be searchable by provider location, provider name, and provider specialty (if available).

4.7.2 If a claim is received for care rendered by a non-certified provider in the Philippines, the TOP contractor shall pend the claim and initiate on-site verification/provider certification action. Claims pending for this reason are excluded from normal claims processing cycle time standards. If the on-site verification/certification action is not completed within 90 calendar days, the TOP contractor shall deny claims based on lack of provider certification.

4.7.3 The TOP contractor shall use the following guidelines for prioritizing certification of Philippine providers as follows:

- Reviewing new providers.
- Reviewing the TOP contractor's current certified provider files.
- Reviewing non-certified providers on claims which have been denied by the TOP contractor and the beneficiary/provider has followed-up on why the claim was denied.
- Reviewing non-certified providers on claims which have been denied by the TOP contractor and the beneficiary/provider has NOT followed-up on why the claim was

denied.

4.7.4 Recertification of the Philippine providers shall be performed by the TOP contractor every three years and shall follow the above process. DHA shall, as necessary, require the contractor to add additional overseas countries for purchased care sector provider certification. Upon direction by the Government, the contractor shall follow the process above outlined for the Philippines, to include prioritization of certification of new country providers.

4.7.5 The TOP contractor shall deny claims submitted from non-certified or non-confirmed purchased care sector providers from the Philippines, advising the provider to contact the contractor for procedures on becoming certified.

4.8 For the Philippines, prescription drug may be cost-shared when dispensed by a certified retail pharmacy or hospital based pharmacy. The TOP contractor shall deny claims for prescription drugs obtained from a physician's office.

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