

Department Of Veterans Affairs/**Veterans Health Administration** (DVA/VHA) And Department Of Defense/**Defense Health Agency** (DoD/DHA) Health Care Resources Sharing

Issue Date: June 1, 1999

Authority: 38 United States Code (USC) Section 8111, Title II **Public Law** 102-585

1.0 DESCRIPTION

Network Participation Agreements between DVA/VHA and the **Managed Care Support Contractor (MCSC)** enable DoD beneficiaries to use certain **DVA/VHA medical facilities** on a space available basis, as authorized by 8111 of 38 United States Code (USC) and Title II of Public Law 102-585.

1.1 General

Provider Network Agreements with the MCSCs and DVA/VHA are done at the national level. All **DVA/VHA facilities** with signed agreements **with the MCSC shall** be included as network providers. See **Chapter 11, Section 2.1**, which includes the Memorandum Of Understanding (MOU) for the policy concerning this program. Contractors processing claims submitted from the **DVA/VHA medical facilities** shall continue to use the usual claims processing procedures to include medical necessity, Explanation of Benefits (EOB), Other Health Insurance (OHI) and Third Party Liability (TPL). **DVA/VHA medical facilities** shall be subject to the same Utilization Management (UM) and Quality Assurance (QA) requirements applicable to other network providers. The contractor shall ensure that all **DVA/VHA Health Care Finders**, institutional, and individual professional providers are properly trained in and comply with the provisions of TRICARE quality and utilization management programs. The effective date for TRICARE coverage of services provided by a network **DVA/VHA medical facility** is determined by the agreement between the **DVA/VHA** and the **MCSC**. Only services furnished on or after the effective date will be considered for TRICARE payment.

1.2 Certification Of **DVA/VHA Medical Facilities**

DVA/VHA medical facilities meeting DVA/VHA certification requirements, shall be deemed to meet TRICARE requirements pertaining to certification for network provider status. The contractor shall accept DVA/VHA assertion of licensure and credentials for its providers as well as facility/program certification and shall not conduct additional validation. The contractor shall assign the **DVA/VHA medical facility** a Unique Identifier Number (UIN) which will identify the claim as a TRICARE claim the **care rendered in a DVA/VHA medical facility.**

TRICARE Policy Manual 6010.57-M, February 1, 2008

Chapter 1, Section 9.1

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1.3 Certification Of Individual Professional Providers

Individual providers who meet **DVA/VHA credentialing** requirements **including licensure and certification, shall** be deemed to meet TRICARE requirements. **The contractor shall accept DVA/VHA assertion of licensure and credentials for its providers, as well as facility/program certification and shall not conduct additional validation. The DVA/VHA medical facility will provide a monthly provider specialty listing to the contractor.** The contractor shall create provider records in accordance with the TRICARE Systems Manual (TSM).

1.4 Claims Processing

All claims will be submitted by the **DVA/VHA medical facility** and shall be processed as participating claims even if not so indicated on the claim form. **Beneficiary submitted claims for care received at the DVA/VHA medical facility shall be denied using the EOB message: "Claims must be filed by the DVA/VHA Medical Facility."**

1.5 Reimbursement

Reimbursement shall be based on a percentage discount off the CHAMPUS Maximum Allowable Charge (CMAC), the state prevailing, **Diagnosis** Related Group (DRG), or other methodology such as per diems for all types of services. Cost-shares and deductibles will be withheld prior to payment being made directly to the **DVA/VHA medical facility**. **The contractor shall** negotiate reimbursement rates with the **DVA/VHA**.

1.6 Pharmacy Drug Claims

1.6.1 Pharmacy drug claims **shall** be processed in accordance with the guidelines in **Chapter 8, Section 9.1**; however, there will be no discount applied to pharmacy drugs. **The DVA/VHA medical facility will** bill for outpatient prescriptions and prescription refills written for each 30 day supply (or fraction thereof) at **the DVA/VHA medical facility's** costs for the prescription items plus a reasonable fee to cover **the DVA/VHA medical facility's** dispensing costs. **The DVA/VHA medical facility shall** be reimbursed based on:

- The billed charge or,
- The TRICARE allowable charge, whichever is less.

1.6.2 In addition, the **DVA/VHA medical facility will** collect copayments consistent with TRICARE requirements. The amount of copayment shall be deducted from the lower of the billed charge or the TRICARE allowable charge.

Note: Inpatient prescriptions, including those filled at discharge, will be included in the DRG bill and, as such, are not subject to a separate prescription reimbursement or copayment.

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