

Opioid Treatment Programs (OTPs) Reimbursement

Issue Date: November 15, 2017

Authority: [32 CFR 199.4\(b\)\(11\)](#), [32 CFR 199.6\(b\)\(4\)\(xix\)](#), and [32 CFR 199.14\(a\)\(2\)\(ix\)](#)

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Revision: C-10, November 15, 2017

1.0 APPLICABILITY

1.1 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.

1.2 The following reimbursement methodology shall be used for payment of freestanding OTPs and other providers who are exempt from the TRICARE Outpatient Prospective Payment System (OPPS) and provide OTP services.

2.0 ISSUE

Reimbursement of freestanding OTPs. Freestanding OTPs shall be reimbursed based on the variability in the dosage and frequency of the drug being administered and on related supportive services.

3.0 POLICY

3.1 Freestanding methadone OTPs (which also provide opioid partial agonists and antagonists) shall be reimbursed the lower of the billed charge or a weekly all-inclusive rate.

3.1.1 The weekly all-inclusive rate shall include the cost of the drug and all related services (i.e., the costs related to initial intake/assessment, drug dispensing and screening, and integrated psychosocial and medical treatment and support services).

3.1.2 The weekly all-inclusive rate shall be accepted as payment-in-full.

3.1.3 The weekly all-inclusive rate is subject to the outpatient cost-sharing provisions in [32 CFR 199.4\(f\)](#). Services shall be cost-shared on a weekly basis (e.g., one \$12 cost-share applies to a full week of methadone OTP services for a Prime retiree).

TRICARE Reimbursement Manual 6010.61-M, April 1, 2015

Chapter 7, Section 5

Opioid Treatment Programs (OTPs) Reimbursement

3.1.4 The initial Fiscal Year (FY) 2017 national weekly all-inclusive rate is \$126. This rate is based upon an estimated drug cost of \$3 per day, and \$15 per day for medical services. The national rate was determined to be \$126 after an analysis of the payments made by other payers.

3.1.5 The weekly all-inclusive rate shall be wage-adjusted by the CHAMPUS Maximum Allowable Charge (CMAC) locality adjustment factors.

3.1.6 The national weekly all-inclusive rate shall be updated annually, on October 1 of each year, by the Medicare update factor used for the Medicare Inpatient Prospective Payment System (IPPS) (see [Section 1, paragraph 3.5.3](#) for the list of update factors).

3.1.7 The weekly all-inclusive rate shall be posted to the DHA website by October 1 of each year. DHA shall retain three years of reimbursement rates for methadone OTPs on the DHA website.

3.1.8 The weekly all-inclusive set of services shall be billed utilizing Healthcare Common Procedure Coding System (HCPCS) code H0020 [Alcohol and/or drug services]. Only one occurrence of this code shall be reimbursed in a given week (seven day period). Services that are incorporated into the weekly all-inclusive rate (e.g., HCPCS code J1230 for the methadone) shall not be separately reimbursed.

3.1.9 Psychotherapy sessions and non-mental health related medical services not normally included in the evaluation and assessment for OTPs, provided by authorized independent providers who are not employed by, or under contract with, the OTP for the purposes of providing clinical patient care are not included in the weekly bundled rate and may be billed separately. This includes ambulance services when medically necessary for emergency transport.

3.2 OTP reimbursement of other medications (e.g., buprenorphine and naltrexone) provided in freestanding OTPs shall be made on a fee-for-service basis (i.e., separate payments will be allowed for both the medication and accompanying support services).

3.2.1 Buprenorphine. HCPCS code H0047 shall be utilized to reflect the medical intake and assessment, drug dispensing and monitoring, and counseling services. H0047 shall be reimbursed in accordance with the CMAC methodology; see [Chapter 5, Section 3](#). The appropriate HCPCS code shall be utilized to bill for the medication. The National Drug Code (NDC) shall be reported to the contractor, along with the dosage and acquisition cost. The drug shall be reimbursed in accordance with the [Chapter 1, Section 15](#).

3.2.2 Naltrexone. HCPCS code H0047 shall be utilized to reflect the medical intake and assessment, monitoring and counseling services. Current Procedural Terminology (CPT) code 96372 shall be utilized to report the administration fee. H0047 and 96372 shall be reimbursed in accordance with the CMAC methodology; see [Chapter 5, Section 3](#). HCPCS code J2315 shall be utilized for the prescribed medication, along with the number of milligrams used. The drug shall be reimbursed in accordance with [Chapter 1, Section 15](#). In general, naltrexone is provided as an injection every four weeks. Contractors shall review more frequent administration to ensure services are medically necessary and appropriate.

TRICARE Reimbursement Manual 6010.61-M, April 1, 2015

Chapter 7, Section 5

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3.2.3 Participation Agreement

3.2.3.1 In order for the services of an OTP to be authorized, the OTP must sign a Participation Agreement. See the TRICARE Policy Manual (TPM), [Chapter 11, Addendum H](#).

3.2.3.2 The agreement requires the OTP to accept the TRICARE determined rate as payment in full and collect from the beneficiary or the family of the beneficiary those amounts that represent the beneficiary's liability, as defined by 32 CFR 199, and charges for services and supplies that are not a benefit.

3.2.4 Cost-Sharing

Services provided under [paragraph 3.2](#) are subject to the outpatient cost-sharing provisions in [32 CFR 199.4\(f\)](#). Cost-sharing shall be applied on a per-visit basis.

4.0 EFFECTIVE DATE

October 3, 2016.

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