

## Transitions

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### 1.0 CONTRACT PHASE-IN

#### 1.1 Start-Up Plan

This comprehensive plan shall be submitted electronically, in Microsoft® Project files, as described in Exhibit B, Contract Data Requirements Lists (CDRL), of the contract.

#### 1.2 Transition Specifications Meeting

The incoming contractor shall attend a two to four day meeting with the outgoing contractor and **Defense Health Agency (DHA)** within 15 calendar days following contract award. This meeting is for the purpose of developing a schedule for phase-in and phase-out activities. **DHA** will notify the contractor as to the exact date of the meeting. Contractor representatives attending this meeting shall have the experience, expertise, and authority to provide approvals and establish project commitments on behalf of their organization.

#### 1.3 Interface Meetings

Within 30 calendar days from contract award, the incoming contractor shall arrange meetings with Government and external agencies to establish all systems interfaces necessary to meet the requirements of this contract. **DHA** representatives shall be included in these meetings and all plans developed shall be submitted to the **DHA** Procuring Contracting Officer (PCO) and the Contracting Officer's Representative (COR) within 10 calendar days after the meeting.

### 2.0 START-UP REQUIREMENTS

#### 2.1 Systems Development

Approximately 60 calendar days prior to the initiation of health care delivery, the non-claims processing systems and the telecommunications interconnections between these systems shall be reviewed by the **DHA** or its designees, to include a demonstration by the contractor of the system(s) capabilities, to determine whether the systems satisfy the requirements of TRICARE as otherwise provided in the contract. This includes the telecommunications links with **DHA** and Defense Enrollment Eligibility Reporting System (DEERS). The review will also confirm that the hardware, software, and communications links required for operating the automated TRICARE Duplicate Claims System (DCS) have been installed and are ready for **DHA** installation of the DCS application software (see [Chapter 9](#)). The contractor shall effect any modifications required by **DHA** prior to the initiation of services.

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## 2.2 Execution Of Agreements With Contract Providers

**2.2.1** All contract provider agreements shall be executed, and loaded to the contractor's system, 60 calendar days prior to the start date of TRICARE Prime in the Prime Service Area (PSA) or at such other time as is mutually agreed between the contractor and DHA.

**2.2.2** The contractor shall begin reporting on network adequacy on a monthly basis during the transition.

## 2.3 Provider Certification

The outgoing contractor shall transfer the provider certification documentation to the incoming contractor. The incoming contractor shall limit certification actions to new providers and shall verify a provider's credentials once, upon application to become a certified provider.

## 2.4 Execution Of Memoranda Of Understanding (MOU)/Statements of Responsibility (SOR)

### 2.4.1 MOU/SOR With Military Treatment Facility (MTF) Commanders

No Later Than (NLT) 30 days following **the effective date of the** contract, the outgoing contractor shall provide the incoming contractor the most recent version of all MTF MOUs/SORs in place at that time for the purpose of ensuring continuity of services to the MTFs and continuity of care for TRICARE beneficiaries. Sixty calendar days prior to the start of health care delivery (**SHCD**), the contractor shall have executed an MOU/SOR with all MTF Commanders in the region. The MOU/SOR shall include, but not be limited to, MTF Optimization, Customer Service, Education and Health Care Finder (HCF) functions, Government-furnished services, surveillance and reporting, use of facilities, Medical Management, and TRICARE Service Center (TSC) locations [TRICARE Overseas Program (TOP) **SORs** only]. The contractor shall provide two copies of each executed MOU/SOR to the PCO and the COR within 10 calendar days following the execution of the MOU/SOR.

### 2.4.2 MOU with DHA Communications

The contractor shall meet with DHA Communications within 60 calendar days after **the effective date of the** contract to develop an MOU, including deliverables and schedules. The MOU shall be executed within 30 days of the MOU meeting. The contractor shall provide copies of the executed MOU to the PCO and the COR within 10 calendar days following the execution of the MOU.

## 2.5 Phase-In of TRICARE Prime Enrollment

The contractor shall begin the enrollment process for the TRICARE Prime Program NLT 60 calendar days prior to the scheduled **SHCD**, with actual enrollment processing to begin 40 days prior to the **SHCD**, subject to DHA approval of systems under the contract.

### 2.5.1 Enrollment Actions During 45 Day Transition Period

**2.5.1.1** For enrollments in the region with an effective date prior to the **SCHD** (e.g., active duty (AD) enrollment, mid-month enrollment; transfer-in), the incoming contractor must effect an enrollment to begin on the **SHCD** once notified by the outgoing contractor of the new enrollment.

(Defense Manpower Data Center (DMDC) may run a report at the end of the transition period that reflects new additions.)

**2.5.1.2** When **the outgoing contractor requests** deletion of **current enrollments** with an effective date prior to the **SHCD** (e.g., transfers out; disenrollments for failure to pay fees; cancellations, etc.), the incoming contractor must cancel the future enrollment segment and notify the outgoing contractor when this action has been completed.

**2.5.1.3** For all other enrollment actions with an effective date prior to **SHCD** (e.g., PCM changes; Defense Medical Information System Identification Code (DMIS-ID) changes; enrollment begin date changes; etc.), requested by the outgoing contractor, the incoming contractor must cancel the future enrollment segment and notify the outgoing contractor when this action has been completed. When notified by the outgoing contractor that their change has been effected, the incoming contractor must reinstate the future enrollment segment.

**2.5.1.4** Once health care delivery begins, all enrollment actions will be accomplished by the incoming contractor. If the outgoing contractor requires a retroactive change, they must submit their request to the incoming contractor who will perform the change and notify the outgoing contractor when it is complete.

**2.5.2** In addition to other contractually required enrollment reports, the contractor shall submit the Enrollment Plan Implementation Report on progress made in implementing DHA approved enrollment plan.

## **2.6 Transfer Of Enrollment Files**

**2.6.1** The incoming contractor shall obtain enrollment policy information from DEERS through an initial enrollment load file. DMDC will provide the incoming contractor with an incremental enrollment load file for each contract transition. The incoming contractor shall process each enrollment load file within 24 hours or less from receipt of the file.

**Note:** Each contract transition shall require a three-day freeze of enrollment and claim processing. This freeze will occur beginning the first weekend that precedes the 60 day window prior to the **SHCD**. The actual calendar dates will be determined during the transition meeting.

**2.6.2** The incoming contractor shall send enrollment renewal notices for all enrollees whose current enrollment period expires on or after the **SHCD**. The incoming contractor shall send billing statements where the enrollment fee payment would be due on or after the **SHCD**. The incoming contractor shall start sending billing notices and process renewals 45 days prior to the **SHCD**.

**2.6.3** Outstanding enrollment record discrepancies and issues reported to the DEERS Support Office (DSO) by the outgoing contractor will be transferred to the incoming contractor for reconciliation. Records will be reconciled in accordance with **the TRICARE Systems Manual (TSM), Chapter 3, Section 1.5**.

## **2.7 Enrollment Fees**

**2.7.1** The incoming contractor shall obtain the cumulative total of enrollment fees and paid-through dates for the policies from the outgoing contractors with the enrollment transition

information. The contractor who collects the enrollment fee will retain the enrollment fee based on the start date of the enrollment. The incoming contractor shall resolve any discrepancies of cumulative enrollment fees and paid-through dates with the outgoing contractor within 90 days of the SHCD on policies inherited during the transition. The incoming contractor shall send the corrected fee information to DEERS using the Fee/Catastrophic Cap and Deductible (CCD) Web Research application or the batch fee interface outlined in the TSM, Chapter 3.

**2.7.2** The incoming contractor will obtain information from the outgoing contractor on fees that are being paid monthly (i.e., by allotment or Electronic Funds Transfer (EFT) and transition these monthly payment types in the least disruptive manner for the beneficiary.

**2.7.3** The incoming contractor shall coordinate the transition of allotment data, through the Defense Finance and Accounting Service (DFAS), Public Health System (PHS), and U.S. Coast Guard (USCG) during the transition-in period of the contract (see the TSM, Chapter 1, Section 1.1).

## **2.8 Phase-In Requirements Related to the HCF Function**

The hiring and training of call center HCF function staff shall be completed prior to the SHCD for TRICARE Prime in each PSA. The provider/beneficiary community shall be advised of the procedures for obtaining HCF assistance prior to the SHCD.

## **2.9 Phase-In Requirements of the TSCs (TRICARE Overseas Contract Only)**

**2.9.1** The incoming contractor will utilize the existing TSCs. The outgoing contractor shall allow reasonable access to the incoming contractor throughout the transition period to become familiar with the communication lines, equipment, and office layout.

**2.9.2** The final schedule for access to and occupancy of the TSCs will be determined at the Transition Specifications Meeting. The approved schedule must allow the outgoing contractor to fulfill all contract requirements through the last day of health care delivery, and must provide the incoming contractor sufficient access to the TSC to prepare for delivery of all required functions on the first day of their contract.

### **2.9.3 Acquisition of Resources**

All Managed Care Support Contractor (MCSC) Customer Service, Education and HCF Field Representatives and overseas TSC representatives shall be fully trained and available for all duties no less than 40 calendar days prior to initiation of health care services.

## **2.10 Claims Processing System and Operations**

During the period between the date of award and the SHCD, the incoming contractor shall, pursuant to an implementation schedule approved by DHA, meet the following requirements:

### **2.10.1 Contractor File Conversions and Testing**

**2.10.1.1** The incoming contractor shall perform initial conversion and testing of all Automated Data Processing (ADP) files (e.g., provider files, pricing files, and beneficiary history) NLT 30 calendar days following receipt of the files from the outgoing contractor(s).

**2.10.1.2** Integration testing will be conducted to validate the contractor's internal interfaces to each of the TRICARE Military Health Systems (MHSs). This testing will verify the contractor's system integration, functionality, and implementation process. The incoming contractor shall be responsible for the preparation and completion of Integration Testing 45 days prior to the SHCD. (See the TSM, [Chapter 1, Section 1.1, paragraph 2.0.](#))

**2.10.1.3** Contractors shall provide certification of compliance with the National Institute of Standards and Technology (NIST)-based Information Assurance (IA) program identified in TSM, [Chapter 1, Section 1.1](#) to fulfill all system access requirements prior to connecting with the MHS and/or the initiation of Integration Testing.

**2.10.1.4** DHA Test Managers will work with the contractor to plan, execute and evaluate the Integration Testing efforts. The contractor shall identify a primary and a back-up Testing Coordinator to work with the DHA Test Managers. The Testing Coordinator is responsible for contractor testing preparations, coordination of tests, identification of issues and their resolution, and verification of test results. A web application will be available for use by contractor Test Coordinators to report and track issues and problems identified during integration testing.

## **2.10.2 Receipt of Outgoing Contractor's Weekly Shipment of History Updates and Dual Operations**

**2.10.2.1** Beginning with the 120th calendar day prior to the SHCD and continuing for 180 calendar days after the SHCD, the incoming contractor shall convert the weekly shipments of the beneficiary history updates from the outgoing contractor(s) within two working days following receipt. These files shall be validated by the incoming contractor before use. Tests for claims and duplicate claims shall be performed within two workdays following conversion. Following the SHCD, these files shall be loaded to history and used for claims processing.

**2.10.2.2** During the 180 calendar days after the SHCD when both the incoming and outgoing contractors are processing claims, both contractors shall maintain close interface on history update exchanges and provider file information. During the first 60 calendar days of dual operations, the contractors shall exchange beneficiary history updates with each contractor's claims processing cycle run. Thereafter, the exchange shall not be less than twice per week until the end of dual processing. The incoming contractor shall assume total responsibility for the maintenance of the TRICARE Encounter Provider Record (TEPRV) beginning with the SHCD. The incoming contractor will coordinate and cooperate with the outgoing contractor to ensure that the outgoing contractor can continue to process claims accurately; conversely, the outgoing contractor has responsibility to notify the incoming contractor of any changes in provider status that they become aware of through their operations.

## **2.10.3 Phase-In Requirements Related To Transitional Cases**

In notifying beneficiaries of the transition to another contractor, both the incoming and outgoing contractors shall include instructions on how the beneficiary may obtain assistance with transitional care. If the outgoing contractor succeeds itself, costs related to each contract will be kept separate for purposes of contract accountability.

### **2.10.3.1 Non-Network Inpatient Transitional Cases**

These are beneficiaries who are inpatients (occupying an inpatient bed) at 0001 hours on the first day of any health care contract period in which the incoming contractor begins health care delivery. In the case of Diagnosis Related Group (DRG) reimbursement, the outgoing contractor shall pay through the first month of health care delivery or the date of discharge, whichever ever occurs first. If the facility is reimbursed on a per diem basis, the outgoing contractor is responsible for payment of all the institutional charges accrued prior to 0001 hours on the first day of health care delivery, under the incoming contractor. The incoming contractor thereafter is responsible for payment.

### **2.10.3.2 Non-Network Outpatient/Professional Transitional Cases**

These are cases, such as obstetric care, that are billed and payable under "Global" billing provisions of Current Procedural Terminology, 4th edition (CPT-4), HCFA Common Procedure Coding System (HCPCS), or local coding in use at the time of contract transition, and where an Episode Of Care (EOC) shall have commenced during the period of health care delivery of the outgoing contractor and continues, uninterrupted, after the SHCD by the incoming contractor. Outpatient/professional services related to transitional cases are the responsibility of the outgoing contractor for services delivered prior to 0001 hours on the first day of health care delivery and of the incoming contractor thereafter.

### **2.10.3.3 Network Inpatient Care During Contract Transition**

The status of network provider changes (provider's network agreement with the outgoing contractor is terminated resulting in the provider's loss of network status) with the SHCD of the new contract. As a result, claims for inpatient care shall be reimbursed in accordance with paragraph 2.10.3.1 for non-network transitional cases. Beneficiary copay is based on the date of admission; therefore, Prime beneficiaries who are inpatients as described in paragraph 2.10.3.1, shall continue to be subject to Prime network copayments and shall not be subject to Point Of Service (POS) copayments.

### **2.10.3.4 Home Health Care (HHC) During Contract Transition**

HHC, for a 60-day episode of care, initiated during the outgoing contractor's health care delivery period and extending, uninterrupted, into the health care delivery period of the incoming contractor are considered to be transitional cases. Reimbursement for both the Request for Anticipated Payment (RAP) and the final claim shall be the responsibility of the outgoing contractor for the entire 60-day episodes covering the transition period from the outgoing to the incoming contractor.

### **2.10.4 Prior Authorizations and Referrals**

The incoming contractor shall honor outstanding prior authorizations and referrals issued by the outgoing contractor, covering care through 60 days after the SHCD under the incoming contract, in accordance with the outgoing contractors existing practices and protocols, within the scope of the TRICARE program and applicable regulations or statutes. In the case of Residential Treatment Care (RTC) care, both the incoming and outgoing contractors are responsible for authorizing that part of the stay falling within their areas of responsibility; however, the

incoming contractor may utilize the authorization issued by the outgoing contractor as the basis for continued stay.

### **2.10.5 Case Management and Disease Management**

The incoming contractor shall receive case files and documentation regarding all beneficiaries under case management or disease management programs. The incoming contractor shall ensure seamless continuity of services to those beneficiaries.

### **2.10.6 Program Integrity**

The incoming contractor shall receive case files and documentation regarding all open program integrity cases from the outgoing contractor NLT 30 days from the SHCD. The incoming contractor shall work with the DHA Program Integrity Office (PI) to ensure seamless continuity of oversight of these cases.

### **2.10.7 Health Insurance Portability And Accountability Act of 1996 (HIPAA)**

The incoming contractor, as a covered entity under HIPAA, may honor an authorization or other express legal document obtained from an individual permitting the use and disclosure of protected health information prior to the compliance date (HHS Privacy Regulation, §164.532).

### **2.10.8 Installation And Operation Of The Duplicate Claims System (DCS)**

The incoming contractor shall have purchased, installed, configured, and connected the personal computers and printers required to operate the DCS NLT 60 days prior to the start of the health care delivery. See Chapter 9, for hardware, software, printer, configuration and communications requirements and contractor installation responsibilities. Approximately 30-45 days prior to health care delivery, DHA will provide and install the DCS application software on the incoming contractor designated personal computers and provide on-site training for users of the DCS in accordance with Chapter 9. Following the SHCD, the DCS will begin displaying identified potential duplicate claim sets for which the incoming contractor has responsibility for resolving. The incoming contractor shall begin using the DCS to resolve potential duplicate claim sets in accordance with Chapter 9 and the transition plan requirements.

### **2.10.9 Processing of Residual Claims**

**2.10.9.1** After 120 days following the SHCD for all claims, the incoming contractor shall process claims received for care that occurred during the outgoing contractor's health care delivery period. (Prior to these dates, any claims received for care that occurred during the outgoing contractor's period, shall be transferred to the outgoing contractor for processing.) In the case of network claims, the incoming contractor shall attempt to obtain any negotiated rate or discount information for reimbursement purposes. If the incoming contractor is unable to obtain this information, the claim shall be reimbursed using standard TRICARE reimbursement methodologies as if no negotiated or discount rates were in effect.

### 2.10.9.2 Processing of Overseas Residual Claims

Residual claims for overseas care shall be processed by the TOP contractor. One hundred twenty days following the end of any MCSC's health care delivery period, the TOP contractor shall process all claims, including adjustments, received for care in a foreign country that occurred during the outgoing MCSC's health care delivery period.

### 2.11 Contractor Weekly Status Reporting

The incoming contractor shall submit a weekly status report of phase-in and operational activities and inventories.

### 2.12 Public Notification Program-Provider And Congressional Mailing

The contractor shall prepare a mailing to all non-network TRICARE providers and Congressional offices within the region by the 45th calendar day prior to the SHCD according to the specifications of the official transition schedule. The proposed mailing shall be submitted to the PCO and the COR, and DHA Communications for approval NLT 90 calendar days prior to the start of each health care delivery period. The mailing shall discuss any unique processing requirements of the contractor and any other needed information dictated by the official transition schedule.

### 2.13 Web-Based Services And Applications

NLT 15 days prior to the SHCD, the incoming contractor shall demonstrate to DHA successful implementation of all web-based capabilities as described in the contract.

### 2.14 TRICARE Handbook Mailing

NLT 30 days prior to the SHCD, the MCSC shall be prepared to mail the appropriate TRICARE Handbook to beneficiaries requesting a copy. The beneficiary shall first be encouraged to read or download a copy of the handbook from the <http://www.tricare.mil> web site.

## 3.0 CONTRACT PHASE-OUT

### 3.1 Transition Specifications Meeting

The outgoing contractor shall attend a meeting with representatives of the incoming contractor and DHA, within 15 calendar days following the effective date of the contract. This meeting is for the purpose of developing a schedule of phase-out/phase-in activities. DHA will notify the contractor(s) as to the exact date and location of the meeting. The outgoing contractor shall provide a proposed phase-out plan at the Transition Specifications Meeting.

### 3.2 Data

The outgoing contractor shall provide to DHA (or, at the option of DHA, to a successor contractor) such information as DHA shall require to facilitate transitions from the contractor's operations to operations under any successor contract. All files shall be provided in a non-proprietary format and the contractor shall include such file specifications and documentation as



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may be necessary for interpretation of these files. Such information may include, but is not limited to, the following:

- The data contained in the contractor's enrollment information system.
- The data contained in the contractor's claims processing systems.
- Information about the management of the contract that is not considered, under applicable Federal law, to be proprietary to the contractor.
- An automated indexing system that can be used independently of the outgoing contractor's data system. (See Chapter 2, Section 3, paragraph 2.2.2 for Automated Indexing System requirements.)

### 3.3 Phase-Out of the Contractor's Claims Processing Operations

Upon notice of award to another contractor, and during the procurement process leading to an effective date of a new contract, the contractor shall undertake the following phase-out activities regarding services as an outgoing contractor.

#### 3.3.1 Transfer of Electronic File Specifications

The outgoing contractor shall transfer to the incoming contractor by express mail or similar overnight delivery service, NLT three calendar days following award announcement, electronic copies of the record layouts with specifications, formats, and definitions of fields, and data elements, access keys and sort orders, for the following:

- The TRICARE Encounter Provider Files (TEPRVs).
- The TRICARE Encounter Pricing Files (TEPRCs).
- The Enrolled Beneficiary and PCM Assignment Files.
- Mental Health Provider Files - The outgoing contractor must assure that the incoming contractor has been given accurate provider payment information on all mental health providers paid under the TRICARE inpatient mental health per diem payment system. This should include provider name; tax identification number; address including zip code; high or low volume status; if high volume, provide the date the provider became high volume; and the current per diem rate along with the two prior year's per diem amounts. The providers under the per diem payment system must be designated by Medicare, or meets exemption criteria, as exempt from the inpatient mental health unit, the unit would be identified as the provider under the TRICARE inpatient mental health per diem payment system.

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### 3.3.2 Transfer Of ADP Files (Electronic)

The outgoing contractor shall prepare in non-proprietary electronic format and transfer to the incoming contractor or DHA, by the 15th calendar day following the Transition Specifications Meeting unless otherwise negotiated by the incoming and outgoing contractors, all specified ADP files, such as the Provider and Pricing files, in accordance with specifications in the official transition schedule and will continue to participate in preparation and testing of these files until they are fully readable by the incoming contractor or DHA.

### 3.3.3 Outgoing Contractor Weekly Shipment Of History Updates

The outgoing contractor shall transfer to the incoming contractor, in electronic format, all beneficiary history and deductible transactions (occurring from the date of preparation for shipment of the initial transfer of such history files) beginning the 120th calendar day prior to the SHCD (until such a time that all processing is completed by the outgoing contractor) in accordance with the specifications in the official transition schedule.

**3.3.3.1** During the 180 calendar days after the SHCD when both the incoming and outgoing contractors are processing claims, both contractors shall maintain close interface on history update exchanges and provider file information. During the first 60 calendar days of dual operations, the contractors shall exchange beneficiary history updates with each contractor's claims processing cycle run. Thereafter, the exchange shall not be less than twice per week until the end of dual processing.

**3.3.3.2** The incoming contractor shall assume total responsibility for the maintenance of the TEPRV beginning with the SHCD. The incoming contractor will coordinate and cooperate with the outgoing contractor to ensure that the outgoing contractor can continue to process claims accurately; conversely, the outgoing contractor has the responsibility to notify the incoming contractor of any changes in provider status that they become aware of through their operations.

### 3.3.4 Transfer Of Non-ADP Files

The outgoing contractor shall transfer to the incoming contractor all non-ADP files (e.g., authorization files, clinic billing authorizations, and tapes/CDs, which identify PSAs, Congressional and DHA completed correspondence files, appeals files, TRICARE medical utilization, and administration files) in accordance with the specifications in the official transition schedule and Chapter 2. The hard copies of the Beneficiary History Files are to be transferred to the incoming contractor or Federal Records Center (FRC) as required by Chapter 2. The contractor shall provide samples and descriptions of these files to the incoming contractor at the Transition Specification Meeting.

### 3.3.5 EOB Record Data Retention And Transmittal

If the contractor elects to retain the EOB data on a computer record, it must, in the event of a transition to another contractor, provide either a full set of electronic records covering the current and two prior years, or, at the PCO's discretion, provide the data and necessary programs to reproduce the EOB in acceptable form and transfer such data and programs to the successor contractor or to DHA. DHA shall be the final authority in determining the form and/or acceptability of the data.

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### 3.3.6 Outgoing Contractor Weekly Status Reporting

Until all inventories have been processed, the outgoing contractor shall submit a weekly status report of inventories and phase-out activities to DHA beginning the 20th calendar day following the Specifications Meeting until otherwise notified by the PCO to discontinue. This shall be done in accordance with specifications of the official transition schedule.

### 3.3.7 Prior Authorizations and Referrals

The outgoing contractor shall provide all prior authorizations and referrals that cover care spanning the SHCD under the new contract or care that could potentially begin in the incoming contractor's health care delivery period. The outgoing and incoming contractor shall mutually agree to the date and schedule for transfer of this information.

### 3.3.8 Case Management and Disease Management Files

NLT 60 days prior to the SHCD under the new contract, the outgoing contractor shall provide the incoming contractor with all files pertaining to beneficiaries covered under a Case Management or Disease Management program. Electronic files shall be provided under a non-proprietary format. The outgoing contractor shall cooperate with the incoming contractor to ensure seamless continuity of care and services for all such beneficiaries.

### 3.3.9 Requirements Related To Transitional Cases

The outgoing contractor shall provide the incoming contractor with instructions for beneficiaries and providers on how the beneficiary may obtain assistance with transitional care.

### 3.3.10 MTF MOUs/SORs

NLT 30 days following the effective date of the contract, the outgoing contractor shall provide the incoming contractor the most recent version of all MTF MOUs/SORs in place at that time for the purpose of ensuring continuity of services to MTFs and continuity of care for TRICARE beneficiaries.

### 3.3.11 Program Integrity Files

NLT 30 days prior to the SHCD under the new contract, the outgoing contractor shall provide the incoming contractor with all fraud and abuse information it has collected during the tenure of the contract relevant to TRICARE providers and beneficiaries. For example, (not all inclusive) high dollar initial draft fraud cases, post payment utilization and reviews that identified potential fraud, established provider/beneficiary outlier watch lists, list of providers on prepayment review, copies of educational letters, regional fraud trend/outlier reports, Fraudline reports, and beneficiary complaints related to health care fraud. Electronic files shall be provided under a non-proprietary format.

### 3.3.12 Provider Certification File

NLT 30 days after the effective date of the contract and on a monthly basis until the SHCD, the outgoing contractor shall provide the incoming contractor with copies of all provider

certification files.

### **3.3.13 Enrollment Fee Payment Type File**

Weekly (beginning after the creation of the enrollment gold file for the incoming contractor and ending at the SHCD) the outgoing contractor shall provide information to the incoming contractor on fees that are being paid monthly (i.e., by allotment or EFT). This is to allow the incoming contractor to begin receiving payment at SHCD.

## **3.4 Final Processing Of Outgoing Contractor**

The outgoing contractor shall:

- Process all claims and adjustments for care rendered prior to the SHCD of the new contract that are received through the 120th day following cessation of the outgoing contractor's health care delivery. Processing of these claims shall be completed within 180 calendar days following the start of the incoming contractor's SHCD. All claims shall meet the same standards as outlined in the current outgoing contract. Any residual claim received after 120 days shall be forwarded to the incoming contractor within 24 hours of receipt.
- Be liable, after the termination of services under this contract, for any payments to subcontractors of the contractor arising from events that took place during the period of this contract.
- Process all correspondence, allowable charge complaints, and incoming telephonic inquiries which pertain to claims or services processed or delivered under this contract within the time frames established for response by the standards of the contract.
- Complete all appeal and grievance cases that pertain to claims or services processed or delivered under this contract within the time frames established for response by the standards of the contract.

### **3.4.1 Correction of Edit Rejects**

The outgoing contractor shall retain sufficient resources to ensure correction (and reprocessing through DHA) of all TED record edit errors NLT 210 calendar days following the start of the incoming contractor's health care delivery.

### **3.4.2 Phase-Out of the Automated TRICARE DCS**

The outgoing contractor shall phase-out the use of the automated TRICARE DCS in accordance with [Chapter 9](#) and transition plan requirements.

### **3.4.3 Phase-Out Of The Contractor's Provider Network, TSCs (TRICARE Overseas Contract Only), And MTF Agreements**

**3.4.3.1** Upon notice of award to another contractor, the outgoing contractor shall provide full cooperation and support to the incoming contractor, to allow an orderly transition, without

interruption, of all functions relating to the MTF interface and the establishment of a provider network by the incoming contractor. This shall include, but is not limited to, data relating to on-site service centers, resource sharing agreements, equipment, telephones and all other functions having an impact on the MTFs.

**3.4.3.2** Within 15 calendar days of the Transitions Specifications Meeting the outgoing contractor shall draft and submit a revised plan for transition of the MTF interfaces. Resolution of differences identified through the coordination process must be accomplished in collaboration with the Transition Monitor appointed by DHA and according to the guidelines in the transition schedule.

**3.4.3.3** The outgoing contractor shall ensure a HCF function continues through the last date of health care delivery under the current contract, unless otherwise negotiated with the incoming contractor during the Transition Specifications Meeting. The outgoing contractor shall also vacate the TSCs (TRICARE overseas contract only) on the 40th calendar day prior to the start of the health care delivery and establish a centralized HCF function.

**3.4.3.4** The outgoing contractor shall continue to issue prior authorizations for care for which it is financially responsible. However, authorization-related information shall be shared between the incoming and the outgoing contractors to preclude requiring a provider or beneficiary to duplicate the paperwork and other effort related to establishing prior authorizations. The outgoing contractor may issue prior authorizations as late as midnight on the day prior to the end of its health care delivery for inpatient stays that will continue as transitional cases. The two contractors shall interface on the clinical issues of a case where both contractors will, or can reasonably expect to have periods of liability for the same EOC.

**3.4.3.5** The outgoing contractor shall maintain toll-free lines and web-based customer service capabilities, accessible to the public during the first 90 calendar days of dual operations in order to properly respond to inquiries related to claims processed for services incurred during the period of their respective liability. Beneficiary inquiry lines will continue to be staffed as defined in the contract. In general, the outgoing contractor shall maintain adequate toll-free line coverage to ensure that the blockage rate does not exceed the blockage rate on the contractor's most critical private or other government business access line.

### **3.5 Phase-Out of Enrollment Activities**

**3.5.1** Prior to the SHCD under the successor contract, for all enrollment renewals or payments in which the new enrollment period or period covered by the premium payment will begin under the new contract, the outgoing contractor shall amend renewal notices and billing statements (or include a stuffer/insert) to advise the enrollee to direct any enrollment-related correspondence and enrollment fee payments to the successor contractor.

**3.5.2** NLT the date specified at the Transition Specifications Meeting, the outgoing contractor shall provide to the incoming contractor, the additional enrollment information required for those Active Duty Family Members (ADFM) enrolled in TRICARE Prime who reside outside of a PSA who were granted grandfathered status and maintain their eligibility for TRICARE Prime. The additional enrollment information shall include, but is not limited to, the original address of the beneficiary when they were initially grandfathered.

**3.5.3** NLT the date specified at the Transitional Specifications Meeting, the outgoing South Region contractor shall provide to the incoming East Region contractor, all billing and enrollment information required to administer the Continued Health Care Benefit Program (CHCBP) for its enrollees.

### **3.5.4 Enrollment Actions During Enrollment Dual Processing Period**

When the DMDC creates the Enrollment Gold File for the incoming contractor, enrollment dual processing begins (between 45-60 days prior to the SHCD). This process creates a future enrollment to the incoming contractor. The following process must be followed until the SHCD for the new (incoming) contract.

**3.5.4.1** For new enrollments in the region with an effective date prior to the SHCD (e.g., AD enrollment, mid-month enrollment; and transfer-in), the outgoing contractor will perform the enrollment action. Any enrollment fees due for an effective date that is prior to the SHCD will be retained by the outgoing contractor. Once the enrollment is effected, the outgoing contractor will notify the incoming contractor of the new enrollment.

**3.5.4.1.1** The outgoing contractor has until the SHCD to send updated fee information to DEERS. Beginning at the SHCD, the outgoing contractor will work with the incoming contractor to resolve any discrepancies of cumulative enrollment fees and paid-through dates on policies.

**3.5.4.1.2** The incoming contractor shall send the corrected fee information to DEERS using Fee/CCD Web Research application or the batch fee interface outlined in the TSM, Chapter 3.

**3.5.4.2** When a current enrollment in the region requires deletion with an effective date prior to the SHCD (e.g., transfers out; disenrollments for failure to pay fees; cancellations, etc.), the outgoing contractor must request the incoming contractor to cancel the future enrollment segment that was included on the Gold File. Once notified by the incoming contractor that the segment has been cancelled, the outgoing contractor completes the appropriate disenrollment action.

**3.5.4.3** For all other enrollment actions with an effective date prior to SHCD (e.g., PCM changes; DMIS-ID changes; and enrollment begin date changes), the outgoing contractor must request the incoming contractor cancel the future enrollment segment. Once notified that the cancellation has been completed, the outgoing contractor will make the necessary change. Upon completion of the change, the outgoing contractor must notify the incoming contractor so that the future enrollment segment can be restored.

**3.5.4.4** The outgoing contractor should complete all pending enrollment actions prior to the DEERS enrollment freeze to transition enrollment. Any enrollment action not completed by the outgoing contractor prior to the freeze (and after the Gold File is created) will have to be accomplished following the above procedures.

**3.5.4.5** At the SHCD, all enrollment actions will be accomplished by the incoming contractor. If the outgoing contractor requires a retroactive change, they must submit their request to the incoming contractor who will perform the change and notify the outgoing contractor when it is complete.

**3.5.5** Any enrollment-related correspondence and/or enrollment fee payments subsequently received by the outgoing contractor shall be forwarded to the incoming contractor within three working days of receipt.

**3.5.6** The outgoing contractor shall terminate marketing and enrollment activity 40 calendar days prior to the start of the incoming contractor's health care delivery. Any enrollment requests or applications received after the 40th calendar day shall be transferred to the incoming contractor by overnight delivery at the outgoing contractor's expense.

**3.5.7** Throughout the enrollment dual processing period, the outgoing and incoming contractors shall coordinate enrollment files no less than weekly to ensure that new enrollments and enrollment renewals are accurately and timely reflected in the incoming contractor's enrollment files and in DEERS.

### **3.6 Cost Accounting**

If the outgoing contractor succeeds itself, costs related to each contract shall be kept separate for purposes of contract accountability, according to the above guidelines.

### **3.7 Records Disposition**

The outgoing contractor shall comply with the provisions of [Chapter 2](#), in final disposition of all files and documentation. The contractor shall include a records disposition plan as part of the phase-out plan submitted to DHA at the Transition Specifications Meeting.

### **3.8 Provide Information**

The contractor shall, upon receipt of a written request from DHA, provide to potential offerors such items and data as required by DHA. This shall include non-proprietary information, such as record formats and specifications, field descriptions and data elements, claims and correspondence volumes, etc.

### **3.9 Recoupment**

#### **3.9.1 Installment Cases**

The outgoing contractor shall transfer all installment cases to DHA, Office of General Counsel (OGC), Claims Collection Section (CCS). A list of all installment cases to be transferred, shall be provided by fax or encrypted email to CCS before the cases are transferred.

#### **3.9.2 Cases Less Than 12 Months**

The outgoing contractor shall transfer cases greater or equal to \$110 (\$30 for pharmacy) and that are less than 12 months old to the incoming contractor, who shall assume management of the cases. Cases received by the incoming contractor shall be managed until the debt is collected in full, or combined with any other under \$600 active recoupment case against the same debtor to equal \$600 or more and transferred to DHA, OGC, CCS. Cases that do not meet the criteria, shall be written off by the contractor.

**3.9.3 Cases Greater Than 12 Months**

**3.9.3.1** The outgoing contractor shall write off cases less than \$600 (\$30 for pharmacy) that when combined with other cases do not equal \$600 or more, and reported on line A5 of the Accounts Receivable Summary Report (refer to the CDRL, DD Form 1423).

**3.9.3.2** The outgoing contractor shall transfer cases greater or equal to \$600 to CCS. A list of all cases to be transferred to CCS shall be provided by fax or encrypted email to CCS before the cases are transferred.

**3.9.4 General**

**3.9.4.1** The incoming contractor and CCS, shall receive the designated cases from the outgoing contractor no later than 30 days after the SHCD. The incoming contractor shall reflect the number of cases and the amount of the outstanding debt received from the outgoing contractor on the next monthly Accounts Receivables Report following the date of transition. (The details for content and submission of this report are contained in the CDRL, DD Form 1423).

**3.9.4.2** The outgoing contractor shall submit a credit adjustment to include all amounts recouped up to the point of transition. The final Accounts Receivable Report for the outgoing contractor shall reflect the number of cases and the amount of the outstanding debt transferred to the incoming contractor.

**3.9.5 Third Party Recovery**

The outgoing contractor shall transfer court-ordered restitution cases to the incoming contractor for continued collection. The incoming contractor shall continue to collect whatever payments are forthcoming and advise the probation officer when a payment is missed, in accordance with [Chapter 10, Section 5](#).

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