

Hospital Reimbursement - TRICARE Diagnosis Related Group (DRG)-Based Payment System (Charges To Beneficiaries)

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1.0 ISSUE

What charges are the responsibility of the beneficiary?

2.0 POLICY

2.1 Cost-Shares

Reference [Chapter 2, Section 1](#).

2.2 Services or Supplies Specifically Excluded from Payment

2.2.1 Non-Covered DRGs

The contractor must ensure that TRICARE coverage requirements are met.

2.2.2 Services and Supplies Not Related to the Treatment Regimen

Charges for services and supplies specifically excluded from TRICARE payment and which are not related to the treatment regimen (e.g., private room accommodation differential if the private room was not medically necessary and was requested by the beneficiary, or television/telephone charges) will be the responsibility of the beneficiary. The contractor is not to reduce the DRG-based allowance for these items, since the DRG-based payment is the same whether or not the items are provided. However, the hospital is permitted to bill the beneficiary for the items.

2.3 Hospital Days Beyond that Deemed Medically Necessary

Under the TRICARE DRG-based payment system, the DRG amount is considered full payment for any hospital stay, regardless of length. If any days of a stay are subsequently determined to be medically unnecessary, the following actions are to be taken:

2.3.1 Medically unnecessary days which are the hospital's responsibility. If it is determined that certain days of care were medically unnecessary and the days are the fault of the hospital--that is, the hospital/physician made no attempt to discharge the patient--the unnecessary days shall be included

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Chapter 6, Section 10

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in the DRG-based amount, and no additional payment can be made. Nor is the contractor to recoup any amount. However, if elimination of the unnecessary days causes the stay to become a short-stay outlier, the contractor is to recoup any excess amounts over the appropriate short-stay outlier payment.

2.3.2 Medically unnecessary days which are the beneficiary's responsibility. If medically unnecessary days of care were provided at the insistence of the beneficiary (or sponsor)--that is, the hospital/physician attempted to discharge the beneficiary, but the beneficiary insisted on remaining in the hospital--any charges for those days will be the responsibility of the beneficiary. This applies to all such days, and to the difference between the normal DRG-based payment and the short-stay outlier payment if it is determined the stay should have been a short-stay outlier.

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