



THE ASSISTANT SECRETARY OF DEFENSE

1200 DEFENSE PENTAGON
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JUN 13 2008

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)

SUBJECT: Policy for Billing and Collections for Third Party Collection Program,
Medical Services Accounts, and Medical Affirmative Claims in Military
Treatment Facilities

This revised policy replaces Health Affairs Policy 96-056, Policy for Third Party Billing and Collections in military treatment facilities. It also replaces the May 11, 1998, memorandum titled Designation of the Third Party Outpatient Collection System (TPOCS) as the Interim Standard System for Automated Support of the Third Party Collection Program (TPCP). Both documents are no longer current, given the present status of billing and collection protocols.

In 2003, Outpatient Itemized Billing was implemented for outpatient services. TPOCS served as the interim standard system for outpatient TPCP activities. The Medical Services Accounts (MSA) module served as the standard billing and collection system for MSA activities and inpatient TPCP activities. There was no standard billing and collection system for the Medical Affirmative Claims (MAC) Program. Our intention is to provide flexibility within the program principles.

Policy:

- Payment from a third-party payor for medical care furnished in a military treatment facility (MTF) is to be deposited in the Operation and Maintenance account of the facility furnishing that care.
- All claims, billable through TPCP, MSA, or MAC for care furnished by MTFs, must use the specific program rates established by TRICARE, as posted on the TRICARE Management Activity (TMA) Uniform Business Office (UBO) Web site. Claims for care furnished outside the MTF shall be "pass through" billed using the amount paid by the MTF.

HA POLICY: 08-007

- Billing and collection activities may be performed by MTF personnel, other Government personnel, contract personnel, or any combination of personnel in accordance with the Under Secretary of Defense (Personnel and Readiness)'s April 4, 2008 Guidelines and Procedures for Implementation of 10 U.S.C. 2463 (as added by section 324 of the National Defense Authorization Act for Fiscal Year 2008) and other applicable guidance.
- Billing and collection activities may be performed at the MTF, other Government location, contract location, or any combination of locations.
- MTFs are not restricted to using TPOCS or the MSA module in the Composite Health Care System.
- The Services shall provide management data to TMA UBO upon request.
- The Services should implement best business practices to manage their collections programs and to meet TMA UBO reporting requirements.

My point of contact is Lieutenant Colonel M. Jeanne Yoder who may be reached at (703) 681-6757, or Jeanne.Yoder@tma.osd.mil.


S. Ward Casscells, MD

cc:
Surgeon General of the Army
Surgeon General of the Navy
Surgeon General of the Air Force

DOCUMENT MANAGEMENT DIVISION

REQUEST FOR POSTING OFFICIAL GUIDANCE ON THE WEB

Subject: Policy for Billing and Collections for Third Party
Collection Program, Medical Services Accounts, and
Medical Affirmation Claims in MTFs

DOCS Open: 149392, 149395

Action Office/Action Officer: MC-FS, LtCol Jeanne Yoder

Phone: 681-8757

CHIEF OF STAFF DECISION:

Upon signature, post official guidance on the MHS Web site.

Approved:  6.10.08

Disapproved: _____