



HEALTH AFFAIRS

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

SEP 15 2009

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (MANPOWER
AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER
AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE
(MANPOWER AND RESERVE AFFAIRS)
DIRECTOR, TRICARE AREA OFFICE (EUROPE)
DIRECTOR, TRICARE AREA OFFICE (LATIN
AMERICA/CANADA)
DIRECTOR, TRICARE AREA OFFICE (PACIFIC)

SUBJECT: Policy Establishing a Certification Process for Overseas Military Treatment
Facility Commanders on Referred Active Duty Claims

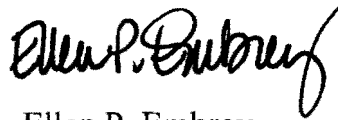
A recent Department of Defense Inspector General report revealed inconsistent processes at overseas Military Treatment Facilities (MTF) associated with the adjudication and payment of referred Active Duty claims. The report located at <http://www.dodig.mil/Audit/reports/fy08/08-136.pdf> identified non-standardized processes across overseas MTFs, the inappropriate practice of depositing health care reimbursements from the managed care support contract fiscal intermediary into MTF accounts, and duplicate claim payments. The resolution of these issues has already begun and will be finalized when all overseas health care claims processing falls under the new TRICARE Overseas Program (TOP) contract.

As an interim measure to mitigate duplicate payments, the Overseas Active Duty Claims Workgroup was established. The workgroup initiated and processed a change order under contract MDA906-03-C-0010, which requires a weekly paid claims report from Humana Military Health Services/Wisconsin Physician Services to be distributed to overseas MTFs starting August 2009. This detailed claims report will enable overseas MTFs to reconcile payments with the contractor and establish appropriate management controls. The contractor will distribute this report, via secure media to Service designated points of contact/overseas MTFs. (**Note:** The contractor's detailed report and the Defense Finance and Accounting Service invoice will be distributed for European claims. Detailed reports will also be distributed for Pacific/Latin America and Canada claims and will originate from TRICARE Management Activity (Aurora)).

HA POLICY: 09-018

Overseas MTF Commanders are required to utilize these reports to ensure payments they are processing for referred Active Duty health care were not already paid by the overseas fiscal intermediary. In the event duplicate payments are identified, MTFs must ensure recoupment actions are taken. A monthly MTF Commander certification statement (attachment 1) will be submitted to the respective TRICARE Area Office within 30 days of receiving the monthly paid claims reports. The certification statement will address whether duplicate payments exist and the recoupment actions taken. This policy will remain in effect until the overseas claims processing function on contract MDA906-03-C-0010 terminates.

Your compliance with these procedures will ensure that the Military Health System is exercising good fiscal stewardship over a \$60 million plus annual program and has adequate safeguards in place for the payment of overseas MTF-referred Active Duty claims. My point of contact is Lieutenant Colonel George Carter, who may be reached at (703) 681-8768, or george.carter@tma.osd.mil.



Ellen P. Embrey
Deputy Assistant Secretary of Defense
(Force Health Protection and Readiness)
Performing the Duties of the
Assistant Secretary of Defense
(Health Affairs)

Attachments:

Sample Commander's Monthly Claims Certification Statement

cc:

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