



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

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COMPTROLLER

MEMORANDUM FOR OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
OFFICE OF THE ASSISTANT SECRETARY OF THE AIR  
FORCE (FINANCIAL MANAGEMENT AND  
COMPTROLLER)

SUBJECT: Medical Billing Rates for Other Than Foreign Military Personnel Utilizing  
Department of Defense Deployed/Non-Fixed Medical Facilities

This memorandum establishes medical billing rates for contractors deploying with U.S. Armed Forces, Department of Defense (DoD) civilians (both U.S. citizens and non-U.S. citizens, both essential and nonessential, both paid by appropriated funds and non-appropriated funds), media embedded in U.S. Armed Forces units, insurers of Military Health System beneficiaries, civilian emergencies, and others who receive medical care from a deployed/non-fixed medical facility. These rates do not apply to foreign military receiving services under Acquisition and Cross-Servicing Agreements.

This memorandum does not establish eligibility for care and does not apply to military treatment facilities (MTFs) funded by the Defense Health Program (DHP).

The following reimbursement rates (fixed and variable costs) should be used by the deployed/non-fixed medical facilities to calculate claims:

- Inpatient daily rate: \$2,286.00. Date of discharge is not billed unless patient is admitted and discharged on the same day.
- Outpatient visit rate: \$207.00. A visit is an encounter with a provider with clinical privileges to include diagnostic imaging, laboratory/pathology, and pharmacy provided at the medical facility. It does not include costs of services/supplies ordered by the provider, but furnished by an entity other than the deployed medical facility, e.g., a pharmacy order purchased by the patient in the open economy.

These rates are to be used for medical services rendered from the date of this memorandum and are effective until updated.

The following conditions must be satisfied to support the reimbursement process:



- Pursuant to DoD Instruction 3020.41, "Contractor Personnel Authorized to Accompany the U.S. Armed Forces," October 3, 2005, to provide care for contractors deploying with the force, the contract must specify which medical services are available. Contracts that permit the provision of any services in addition to emergency medical care shall specify that the care be provided on a space-available, fully reimbursable basis.
  1. The patient must provide a letter of authorization from the contracting officer stating authorized health care, and the entity responsible for payment of the bill.
  2. The letter of authorization must have been approved by the Joint Force Command Surgeon, based upon the existing capabilities of the forward-deployed medical facilities.
- Established Military Department directed billing and collections policies and procedures for deployed/non-fixed medical facilities (see Attachment 1 for guidance in developing these policies and procedures).

Please provide this office with a copy of your implementing guidance within 90 days of the date of this policy memorandum. My point of contact for this action is Ms. DeLisa Prater, TRICARE Management Activity UBO Program Manager, who may be reached at (703) 681-3492 or at [delisa.prater@tma.osd.mil](mailto:delisa.prater@tma.osd.mil).



Michael J. McCord  
Principal Deputy Under Secretary  
of Defense (Comptroller)

Attachments:  
As stated

## ATTACHMENT 1

### DOD WORKING GROUP MEDICAL BILLING GUIDANCE

**PURPOSE:** To guide Military Departments in establishing medical billing policies and procedures for healthcare provided in deployed/non-fixed medical treatment facilities.

#### **RESPONSIBILITIES:**

Secretaries of the Military Departments – Healthcare operations in deployed/non-fixed facilities is a Military Department funded activity, and as such the Military Departments develop eligibility, billing and collections policies for these facilities. In addition, collections for reimbursable care is attributed back to the Military Departments' appropriation that funded the activity.

Office of the Secretary of Defense, Comptroller – Publishes and updates the approved billing rates for utilization by the Military Departments in billing for reimbursable healthcare. In addition, works through the Defense Finance and Accounting Services to ensure that billing and collections are done in accordance with the Defense Financial Management Regulation and other applicable regulations, publications, and directives.

Assistant Secretary of Defense, Health Affairs – Develops the billing rates for utilization by the Military Departments in billing for reimbursable healthcare. In addition, ASD(HA) will continue to maintain and update DoD 6010.15-M, Uniform Business Office Manual, that governs medical billing at fixed facility medical treatment facilities.

#### **PROCEDURES:**

While establishing procedures for identifying eligibility for care, the level of care to be provided, and policies for billing and collection of reimbursements, consider the following:

- Data needed to bill and collect payments, including contractor organization, contract number, patient category, treatment dates, and health care provided, can be accessed through ASD(HA) for medical data and USD(AT&L) for contractor data.
- Given worldwide access to the data to bill and collect payment, regardless of theater of operation, an organic or contracted effort to perform worldwide billing and collection functions can exist in CONUS and be combined with similar ongoing activities.

- Bills that are generated shall be transferred to the responsible DoD prime contractor in a timely manner and contain sufficient information to inform their sub-contractors, health insurance provider, and Defense Base Act insurance providers.
- After establishment of the debt (issued bill), demand letters shall be issued and delinquent accounts must be aged. If payments continue to be delinquent, consider utilizing the DFAS Contract Debt System to perform appropriate debt management services, to include posting receipts earned in prior years, referrals to Treasury and debt write-off.
- Ensure that the billing activity complies with the financial reporting of all receivables from worldwide billing and collection activities in accordance with DoD FMR, volume 4, chapter 3, and the Monthly Receivable Data (MRD) and Treasury Report of Receivables (TROR) Requirements Document published by DFAS Standards & Compliance.

## **REFERENCES:**

### **Legislation**

- (a) 10 U.S. Code (USC) 101 - Definitions. ((a)(13) defines “Contingency Operation”).
- (b) 10 USC 2344 - Methods of payment for acquisitions and transfers by the United States.
- (c) 10 USC 1095 - Health care services incurred on behalf of covered beneficiaries: collection from third-party payers.
- (d) 42 USC Chapter 32 - Third Party Liability for Hospital and Medical Care.
- (e) 31 USC Chapter 37 – Claims.

### **Regulations**

- (f) 48 CFR 225.7402-3 - Government support.
- (g) 48 CFR 252.225-7040 - Contractor personnel authorized to accompany U.S. Armed Forces deployed outside the United States.

### **Department of Defense (DoD) Publications**

- (h) DoD Directive J404.10 Emergency-Essential (E-E) DoD U.S. Citizen Civilian Employees, April 10, 1992.
- (i) DoD 7000.14R - DoD Financial Management Regulation Volume 4, Chapter 3 - Receivables.
- (j) DoD 7000.14R - DoD Financial Management Regulation Volume 11 A, Chapter 4 - User Fees.
- (k) Defense Financing and Accounting Service-Indianapolis (DFAS-IN) Regulation 37-1; Chapter 17 - Accounts Receivable and Debt Management
- (l) Department of Defense Instruction (DoDI) 1400.32 - DoD Civilian Work Force Contingency and Emergency Planning Guidelines and Procedures, April 24, 1995.

- (m) DoDI 3020.41 – Contractor Personnel Authorized to Accompany the U.S. Armed Forces, October 3, 2005.
- (n) DoD Publication 6010.15-M, Military Treatment Facility Uniform Business Office (UBO) Manual.

#### **Other Directives**

- (o) National Security Presidential Directive (NSPD) of 11 May 2004, second to last paragraph.

#### **Messages**

- (p) IO1900Z Feb 03 FM SECDEF WASHINGTON DC//OASD-PA// TO SECDEF WASHINGTON DC//CHAIRS// AIG 8777 Subject: Public Affairs Guidance (PAG) on Embedding Media During Possible Future Operations/Deployments in the U.S. Central Commands (CENTCOM) Area of Responsibility (AOR). Paragraph 5.A states "Media outlet will bear the expense."

#### **Memoranda**

- (q) Memorandum for the Deputy Commander, U. S. Central Command (CENTCOM), Subject: Financial Support of the Multi-National Division Central South (MND-CD), dated 9 Oct 2003.
- (r) Memorandum for ASA(ALT), ASN (RDA), ASAF(A), D,JCS, Subject: Designation of Synchronized Predeployment and Operational Tracker (SPOT) as Central Repository for Information on Contractors Deploying with the Force (CDF), dated 25 Jan 2007.