

Department of Defense INSTRUCTION

AD-A272 379



August 26, 1991
NUMBER 6010.19

ASD(HA)

SUBJECT: Active Duty (AD) Claims Payment Program

References: (a) Sections 1073 and 1074(c) of title 10, United States Code

(b) DoD 6010.8-R, "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)," March, 1986, authorized by DoD Instruction 6010.8, October 24, 1984

A. PURPOSE

This Instruction establishes policy, assigns responsibilities, and prescribes procedures for the AD claims payment program under reference (a).

B. APPLICABILITY

This Instruction applies to the Office of the Secretary of Defense and the Military Departments, including the Coast Guard when it is not operating as a Military Service in the Navy by agreement with the Department of Transportation. The term "Military Services," as used herein, refers to the Army, the Navy, the Air Force, and the Marine Corps.

C. DEFINITIONS

1. Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) Fiscal Intermediary (FI). An organization with which the Office of Civilian Health and Medical Program of the Uniformed Services (OCHAMPUS) has entered into a contract for processing AD claims for care received within a particular State.

2. Healthcare Providers. Civilian hospitals or other institutional providers, physicians or other individual professional providers, or other providers of services or supplies who meet the criteria in Chapter 6 of reference (b).

3. Military Treatment Facility (MTF) and/or Claims Office. The Service office from which AD claims will be forwarded to the FI for processing.

4. Supplemental Care Program. The program that provides for the payment to civilian (nongovernmental) healthcare providers for care provided to AD members of the Uniformed Services.

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D. POLICY

It is DoD policy, under 10 U.S.C. 1074(c) (reference (a)), to establish for the AD supplemental care program payment rules (subject to any modifications considered appropriate by the Secretary) as they apply under the CHAMPUS.

E. RESPONSIBILITIES

1. The Assistant Secretary of Defense (Health Affairs) shall:

a. Provide overall policy direction and oversight of the program.

b. Review the Military Services' implementing instructions to ensure standardization of the program.

c. Ensure that the Director of OCHAMPUS does the following:

(1) Designates a project officer responsible for any FI-related issues or inquiries on the AD Claims Payment Program.

(2) Contracts for the grouping and pricing of Diagnosis-Related Groups (DRG) claims for medical care provided to AD members of the Armed Forces.

(3) Conducts FI performance monitoring.

(4) Makes payment for FI services rendered and bills the appropriate Service.

(5) Makes payments to providers for annual pass throughs.

(6) Ensures that AD claims data is available in a timely manner to automated systems.

2. The Secretaries of the Military Departments shall support and monitor implementation of the AD claims Payment Program in their facilities and shall ensure that the Surgeons General:

a. Provide authority to implement the AD Claims Payment Program.

b. Designate a project officer who will have overall program responsibilities to include developing implementing instructions and training MTF claims personnel.

The project officer shall be the official point of contact for the Office of the Assistant Secretary of Defense (Health Affairs), the OCHAMPUS, and the FI to resolve any Service-related matters about the AD Claims Payment Program.

c. Reimburse the OCHAMPUS for costs incurred for claims pricing and annual DRG pass through costs for capital and direct medical education.

d. Establish procedures to address any waivers to DRG claim payments determined to be necessary to ensure availability of healthcare services to AD members.

e. Ensure that the Commanders of the MTFs and/or Claims Office do the following:

(1) Ensure that their claims personnel are thoroughly trained in the AD Claims Payment Program process.

(2) Establish procedures to control the flow of claims and inquiries to and from the FI. Such procedures must address the responsibilities of the MTF and/or Claims Office in screening all AD claims to ensure that the claims meet the criteria for the AD Claims Payment Program before referring the claims to the FIs.

(3) Establish procedures for the prompt and proper payment of AD claims that have been processed by the FIs.

(4) Establish procedures for promptly responding to both telephonic and written inquiries received by the MTF and/or Claims Office on any issue related to the AD Claims Payment Program.

F. PROCEDURES

1. Claims from inpatient facilities for services rendered to AD members shall first be submitted on a claim form by the provider to the appropriate Service MTF and/or Claims Office. The MTF and/or Claims Office shall verify the AD member's eligibility for services and validate that the claim should be priced under the AD Claims Payment Program.

2. The MTF and/or Claims Office shall ensure that the claim form submitted by the provider is legible and contains all required information. Each claim form shall be stamped by the MTF and/or Claims Office with a stamp that reads "ACTIVE DUTY" and contains the MTF and/or Claims Office Defense Medical Information System (DMIS) code before forwarding to the FI for processing.

3. Claims shall be forwarded to the FI for processing via a MTF and/or Claims Office transmittal letter (enclosure 1) or electronic media claims capability, when available. The transmittal letter shall provide information on each claim and a method for the FI to acknowledge receipt of the claim.


4. The FIs shall use an individual pricing summary (IPS) to inform the MTF and/or Claims Office of the action taken on each AD claim. Upon receipt of the IPS, the MTF and/or Claims Office shall forward the IPS and the appropriate payment to the provider of care. If the IPS does not include the information contained in para 1 of the sample MTF and/or Claims Office cover letter (enclosure 2) then a cover letter must accompany the payment.

G. INFORMATION REQUIREMENTS

The FI shall provide monthly workload and timeliness reports by FI region and branch of Service, as determined by the DMIS code, to the Surgeon General of the Military Department concerned, the Deputy Assistant Secretary of Defense (Health Services Financing), and the OCHAMPUS. Reports are due by 10 calendar days following the end of the month.

H. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward one copy of implementing documents to the Assistant Secretary of Defense (Health Affairs) within 120 days.


Jack O. Lanier
Deputy Assistant Secretary
(Health Affairs)

Enclosures - 2

1. Sample MTF and/or Claims Office Transmittal Letter
2. Sample MTF and/or Claims Office Cover Letter

SAMPLE MTF and/or CLAIMS OFFICE TRANSMITTAL LETTER

FROM: (MTF/CLAIMS OFFICE)
DMIS CODE:

DATE:

SUBJECT: Active Duty Claims Processing

TO: (FI Concerned)

1. The following claims are forwarded for processing.

| | <u>NAME</u> | <u>SSN</u> | <u>Hospital</u> | <u>Dates of Service</u> |
|------|-------------|------------|-----------------|-------------------------|
| (1) | _____ | _____ | _____ | _____ |
| (2) | _____ | _____ | _____ | _____ |
| (3) | _____ | _____ | _____ | _____ |
| (4) | _____ | _____ | _____ | _____ |
| (5) | _____ | _____ | _____ | _____ |
| (6) | _____ | _____ | _____ | _____ |
| (7) | _____ | _____ | _____ | _____ |
| (8) | _____ | _____ | _____ | _____ |
| (9) | _____ | _____ | _____ | _____ |
| (10) | _____ | _____ | _____ | _____ |

2. If you have any questions, please contact me at _____.
(commercial #)

Signature

FI Acknowledgment

1. Received on _____ by _____.

2. Comments:

SAMPLE MTF and/or CLAIMS OFFICE COVER LETTER

FROM: (MTF and/or Claims Office)

SUBJECT: Active Duty Claim

TO: (Provider)

1. This payment was calculated under the CHAMPUS DRG-based payment system as directed by Sections 1073 and 1074(c) of title 10, United States Code, for claims for members of the Armed Forces. Neither the U.S. Government, the Military Departments, nor the active duty military member is liable for the difference between the DRG payment and the billed charges.
2. If you have any questions, please contact me at _____.
(commercial #)

Signature

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| | |
|--------------------|-------------------------------------|
| Accession For | |
| NTIS CRA&I | <input checked="" type="checkbox"/> |
| DTIC TAB | <input type="checkbox"/> |
| Unannounced | <input type="checkbox"/> |
| Justification | |
| By <i>form 5-0</i> | |
| Distribution/ | |
| Availability Codes | |
| Dist | Avail and/or Special |
| <i>A-1</i> | |