

Chapter 1

Section 8.1

Department Of Veterans Affairs/Veterans Health Administration (DVA/VHA) And Department Of Defense/Defense Health Agency (DoD/DHA) Health Care Resources Sharing

Issue Date: June 1, 1999

Authority: 38 United States Code (USC) Section 8111, Title II Public Law 102-585

Revision: C-52, September 20, 2019

1.0 DESCRIPTION

All DVA/VHA facilities that have entered in agreements with DoD/DHA shall be included as network providers. This will enable DoD beneficiaries to use certain DVA/VHA medical facilities on a space available basis as authorized by 8111 of 38 USC and Title II of Public Law 102-585.

1.1 General

Provider Network Agreements with the Managed Care Support Contractors (MCSCs) are done at a national level. All DVA/VHA facilities with signed TRICARE Network Agreements shall be included as network providers. See Chapter 11, Section 2.1, which includes the Memorandum Of Understanding (MOU) for the policy concerning this program. Contractors processing claims submitted from DVA/VHA medical facilities shall continue to use the usual claims processing procedures to include medical necessity, Explanation of Benefits (EOB), Other Health Insurance (OHI) and Third Party Liability (TPL). DVA/VHA medical facilities shall be subject to the same Utilization Management (UM) and Quality Assurance (QA) requirements applicable to other network providers. The contractor shall ensure that all DVA/VHA Health Care Finders, institutional, and individual professional providers are properly trained in and comply with the provisions of TRICARE quality and utilization management programs. The effective date for TRICARE coverage of services provided by a network DVA/VHA medical facility is determined by the agreement between the DVA/VHA and the MCSC. Only services furnished on or after the effective date will be considered for TRICARE payment.

1.2 Certification Of DVA/VHA Medical Facilities

Medical facilities meeting DVA/VHA certification requirements, shall be deemed to meet TRICARE requirements pertaining to certification for network provider status. The contractor shall accept DVA/VHA assertion of licensure and credentials for its providers, as well as facility/program certification and shall not conduct additional validation. The contractor shall assign the DVA/VHA medical facility a Unique Identifier Number (UIN) which will identify the claim as a TRICARE claim, with care rendered in a DVA/VHA medical facility.

1.3 Certification Of Individual Professional Providers

Individual providers who meet DVA/VHA credentialing requirements including licensure and certification, shall be deemed to meet TRICARE requirements. The contractor shall accept DVA/VHA assertion of licensure and credentials for its providers, as well as facility/program certification and shall not conduct additional validation. The DVA/VHA medical facility will provide a monthly provider specialty listing to the contractor. The contractor shall create provider records in accordance with the TRICARE Systems Manual (TSM).

1.4 Claims Processing

All claims will be submitted by the DVA/VHA medical facility and shall be processed as participating claims even if not so indicated on the claim form. Beneficiary submitted claims for care received at the DVA/VHA medical facility shall be denied using the EOB message: "Claims must be filed by the DVA/VHA Medical Facility."

1.5 Reimbursement

Reimbursement shall be based on a percentage discount off the CHAMPUS Maximum Allowable Charge (CMAC), the state prevailing, Diagnosis Related Group (DRG), or other methodology such as per diems for all types of services. Cost-shares and deductibles will be withheld prior to payment being made directly to the DVA/VHA medical facility. The contractor shall negotiate reimbursement rates with the DVA/VHA.

1.6 Pharmacy Drug Claims

1.6.1 Pharmacy drug claims shall be processed in accordance with the guidelines in Chapter 8, Section 9.1, however, there will be no discount applied to pharmacy drugs. The DVA/VHA medical facility will bill for outpatient prescriptions and prescription refills written for each 30 day supply (or fraction thereof) at DVA/VHA medical facility's costs for the prescription items plus a reasonable fee to cover DVA/VHA medical facility's dispensing costs. The DVA/VHA medical facility will be reimbursed based on:

- The billed charge or,
- The TRICARE allowable charge, whichever is less.

1.6.2 In addition, the DVA/VHA medical facility will collect copayments consistent with TRICARE requirements. The amount of copayment shall be deducted from the lower of the billed charge or the TRICARE allowable charge.

Note: Inpatient prescriptions, including those filled at discharge, will be included in the DRG bill and, as such, are not subject to a separate prescription reimbursement or copayment.

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