

**June 19, 1995**

**MEMORANDUM** ASSISTANT SECRETARY OF THE ARMY (MANPOWER & RESERVE AFFAIRS)  
**FOR:**

ASSISTANT SECRETARY OF THE NAVY (MANPOWER & RESERVE AFFAIRS)  
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER, RESERVE AFFAIRS,  
INSTALLATIONS & ENVIRONMENT)

**SUBJECT:** Newborn Billing Policy

In order to establish a consistent newborn billing policy between the Third Party Collection (TPC) and Medical Service Account (MSA) Programs, Medical Treatment Facilities (MTFs) will generate bills for newborns separate from that of the mother. This new policy will supplant the current MSA policy in which the MTF generates a bill for the newborn only when the newborn remains hospitalized after the mother is discharged. Under the TPC Program, obstetrical patients who have other health insurance will continue to be the subject of separate claims for care provided to the newborns.

This policy will become effective October 1, 1995. MTFs will bill newborns at the current subsistence rate, or Diagnosis Related Group (DRG) rate, if a TPC claim. Health Affairs will initiate a System Change Request to effect this change in the Composite Health Care System.

*Edward D. Mattes*

for Stephen C. Joseph, M.D., M.P.H.

cc:

Surgeon General of the Army

Surgeon General of the Navy

Surgeon General of the Air Force

**HA POLICY 95-007**