



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1200

OCT 07 1996

MEMORANDUM FOR: SURGEON GENERAL OF THE ARMY
SURGEON GENERAL OF THE NAVY
SURGEON GENERAL OF THE AIR FORCE

SUBJECT: Policy For Outpatient Visit Copayments

We have had some recent inquiries about the appropriate copayment TRICARE Prime enrollees are required to pay when they have diagnostic or laboratory tests performed in conjunction with an office visit. Except for maternity care and enhanced benefits authorized for TRICARE Prime enrollees, a copayment is required for each civilian outpatient visit, and all services rendered by a provider on a single date of service are considered a single treatment encounter subject to a copayment. Confusion arises when an enrollee receives health care at several locations, such as a separate laboratory or radiology clinic, for tests ordered as a result of an office visit.

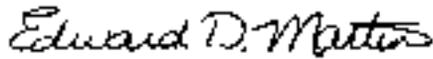
The structure of outpatient cost sharing under the Uniform HMO Benefit was designed, and 32 CFR part 199.18 written, so that the per visit fee applies to each separately provided ancillary service, unless performed as a part of an office visit. Diagnostic and consultative services performed by a provider other than the attending provider, and billed separately, require separate copayments. For example, if an enrollee has a blood specimen drawn during a civilian outpatient visit for which a copayment has been collected, and the provider then ships the blood to a network laboratory for analysis, then the enrollee is only responsible for one copayment, even if the laboratory bills separately. The service was performed during the office visit so a separate copayment is not required. On the other hand, if a provider orders a blood specimen, and the enrollee goes to a separate laboratory for blood drawing and analysis, then a copayment is required for the visit to the civilian laboratory. In this instance, although the test was ordered during an office visit, the ancillary service was separately provided.

TRICARE Prime enrollees must be informed of their copayment requirements upon enrollment, especially those beneficiaries with a civilian primary care manager (PCM), and when beneficiaries with military PCMs are referred for civilian specialty care. Enrollees can also return to the military treatment facility for ancillary services, if they choose to avoid these separate copayments.

Copayments for outpatient care provided in some civilian institutions can be confusing if their laboratory and radiology services have been contracted to other providers. These services may be provided by separate and distinct professional entities that will separately bill for services, even if located in the same building. Health Care Finders should be cognizant of these arrangements in their civilian networks and are required to brief enrollees prior to referrals to these institutions.

The copayment for emergency room services provided in conjunction with an emergency visit is different. The single copayment, while higher than the outpatient visit copayment, was designed to cover all emergency room services provided in conjunction with the visit, regardless of the civilian institution's contractual arrangements for their ancillary departments.

In the next year, Health Affairs will be re-evaluating the structure and policies of the Uniform HMO Benefit, and, as part of the review, will revisit the continued appropriateness of established premiums, copayments, and outpatient visit fees. Our points of contact are Mr. Steve Lillie and Major Kathy Larkin, Health Services Financing Policy, at (703) 697-8975. Please contact them if you have any questions or comments.



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Principal Deputy Assistant Secretary

cc:

Lead Agents

TRICARE Support Office

HA POLICY 97-001