



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1200

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**MEMORANDUM FOR:** ASSISTANT SECRETARY OF THE ARMY (M&RA)  
ASSISTANT SECRETARY OF THE NAVY (M&RA)  
ASSISTANT SECRETARY OF THE AIR FORCE (MRAI&E)

**SUBJECT:** Policy for Issuance of Nonavailability Statements by Medical Treatment Facilities

Section 734 of the National Defense Authorization Act for Fiscal Year 1997 eliminates the authority for the military Departments to require beneficiaries to obtain non-availability statements (NASs) for any out-patient services reimbursed under TRICARE/CHAMPUS. Additionally, the Act eliminates the authority to require NASs for beneficiaries who are enrolled in a managed care program, which is TRICARE Prime. Effective September 23, 1996, (1) NASs are not required for payment of TRICARE/CHAMPUS claims for any outpatient service, and (2) NASs are not required for payment of TRICARE/CHAMPUS claims for TRICARE Prime enrollees. This revision does not affect the additional health care management requirements for TRICARE Prime enrollees. All TRICARE Prime enrollees must still follow the rules which require them to obtain care through their primary care manager. Without this referral and an authorization for care from the Health Care Finder, the claim will be processed as point-of-service. The military treatment facilities, under TRICARE, continue to be considered the most preferred provider for all admissions and specialty referrals. Non-enrolled beneficiaries continue to require an NAS for civilian inpatient care.

As you know, prior to this change most CHAMPUS-eligible beneficiaries living near military facilities had to obtain an NAS before seeking civilian care or face the possibility that the Government would not reimburse for CHAMPUS benefits. The statutory revisions have three effects: (1) authority to issue outpatient NASs is eliminated; (2) authority to issue NASs for enrollees in managed care plans (TRICARE Prime) is eliminated; and (3) a new authority is provided, allowing the Secretary of Defense to eliminate all NAS requirements, if determined appropriate following an evaluation of the overall effectiveness of NASs.

Guidance related to the use of NAS information for workload accounting will be issued separately.

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  
TRICARE Lead Agents

**HA POLICY 97-015**