DHA UBO Webinar: CY2024 Outpatient Rates

Presented by: Ms. Alexis Lacey, DHA UBO Support
July 2024
Agenda

1) DHA UBO Rate Structures
2) DHA UBO Outpatient Rates
   - CY2024 Effective Date
   - Rate Components
3) Rate Requests
4) DHA UBO Room and Board Rates
5) Billing Tips and Reminders
6) Health.mil and Launchpad Navigation
7) Summary
CY24 OP Rates Effective Date

- CY24 Outpatient rates have been submitted for approval with a tentative effective date of **October 1, 2024**.
- Codes or rates released after approval will be reviewed on a quarterly basis with an effective date set by the DoD DHA UBO Program Office.
DHA UBO Rate Structures
DHA UBO Rate Structures

- Widely used billing rate structures intended to recover costs in the military fixed facilities.
  - Full or Third-Party Collections (TPC).
  - Interagency.
  - International Military Education & Training (IMET).
- The DHA UBO Program Office recommends billing rates for contractors and foreign nationals supporting deployed forces.
- Patient Identification Process (PIP), formerly known as the Patient Category (PATCAT) assignment, drives the assignment of the applicable rate structure.
UBO Rate Structures: Full or Third-Party Collection (TPC) Rates

- Full / TPC Billing rates are used synonymously.
  - Recover the full cost of healthcare services provided.
  - Normally the highest DHA UBO rate.
- TPC Rates are used for billing commercial third-party payers and pay patients.
  - Exception: OCONUS DoD Civilians and Cosmetic Procedures.
- Most DHA UBO Ambulatory/Professional TPC rates match TRICARE Reimbursement (CMAC rates).
- TPC rates are based on average Medical Expense & Performance Reporting System (MEPRS) unit costs with adjustments for costs not included in MEPRS data.
  - Dental, Ambulance, Ambulatory Procedure Visit (APV), specific Injectables.
UBO Rate Structures:
Interagency Billing Rates

- Interagency rates are TPC rates discounted to remove several cost factors for health care services.
- Durable medical equipment and pharmaceuticals are **not** discounted.
- Interagency Rates do not include:
  - **Asset Use Charge**: Use of assets (facilities and/or equipment) to recoup depreciation and interest on investment.
  - **Government Share of Unfunded Retirement (GSUR) Costs**: Cover the cost of the unfunded civilian retirement, post retirement health benefits and life insurance.
UBO Rate Structures:
International Military Education & Training Rates

• The IMET Program provides training on a grant basis to students from allied and friendly nations.
  ▪ Authority for the IMET program is found in Chapter 5, Part II, Foreign Assistance Act of 1961.
  ▪ Funding is appropriated from the International Affairs budget of the Department of State.
  ▪ Not all foreign national patients participate in the IMET program.

• IMET Rates do not include:
  ▪ Asset Use Charge and GSUR Costs.
  ▪ Military Personnel Cost.
Outpatient Rate Package
Outpatient Rates Overview

- CY 2024 Outpatient Rates developed to accommodate Military Health Systems billing systems and solutions.
- Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at a MTF.
- UBO CHAMPUS Maximum Allowable Charge (CMAC) rates are developed for reimbursement in the purchased care community.
- Health care service procedure codes outlined in the Inpatient and Outpatient Rates policy letters are housed in the MHS CDM for itemized billing of patient care provided in MTFs.
- Purchased Care System data used to calculate the average allowable amounts. Some procedures require special handling and rates are based on purchased care data or Ambulatory Payment Classification (APC) charges.
- Medical Expense & Performance Reporting System (MEPRS) data is used to calculate the average MTF operational expenses. Health care services traditionally updated using Medical Expense and Performance Reporting System (MEPRS) data were developed using an alternative methodology, adjusting the CY 2023 rate by the Operation and Maintenance (O&M) Inflation Factor from FY 2023 to FY 2024.
Rate Package Components

CMAC
CMAC Component
Anesthesia
Ambulance
Dental
DME/DMS

UBO Outpatient Rate Package (10)

Gov’t Discounts IMET-IOR
Immunization
Revenue MT
DMIS ID MT
CMAC & CMAC Component Rates

• Overview
  - Primary rate table, formatted and sorted for UBO.
  - Based on what TRICARE allows.
  - Categorized by CMAC localities. MTF pricing within the CDM is assigned by their regional charge table. Each regional charge table is mapped to a CMAC locality

• 2024 Highlights
  - 0.01% Overall Average decrease from CY22
  - Time-based facility charging is captured within the CDM

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>99024</td>
<td>POST OPERATIVE FOLLOW-UP VISIT</td>
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<tr>
<td>G0379</td>
<td>Dir Admit for OBS</td>
</tr>
<tr>
<td>99242</td>
<td>OP Consult Code</td>
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<td>99243</td>
<td>OP Consult Code</td>
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<td>IP Consult Code</td>
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<td>99255</td>
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Time-based Facility Charging

- Surgical time (Operating Room (OR) Level 1-5 Rates)
  - OR levels are determined by complexity of service and replace use of APV rate
  - All surgical CPT codes within each OR Level (1-5) with an approved CMAC rate are averaged to determine the price for each OR Level (initial 60 minutes) and for price for each OR Level additional 15 minutes (hourly rate divided by 4)
- Hourly Observation Time (Post-Anesthesia Case Unit (PACU) Level 1-2 Rates)
  - PACU levels are determined by complexity of service and replace use of APV rate
  - Pricing is reflective of CMAC rate G0378 for hospital observation. For any additional 15-minute increments after initial 60 minutes, the hourly rate is divided by 4
  - For PACU level 2, the rate is 1.5X higher
- Per diem room and bed rates
  - Daily room fee for hospital stays based on room and level of care. Date of discharge should not be charged the daily rate.
- Anesthesia (see slide 18)
CMAC & CMAC Component Rates

TRICARE Localities Overview

- TRICARE localities are designated within the range of 301-424.
- TRICARE localities are defined with the same geographic boundaries as Medicare localities.
- TRICARE localities apply to the CHAMPUS Maximum Allowable Charges, or CMAC reimbursable rates.
- After the “national” average CMAC level has been determined (Locality 300), rates are calculated for the remaining 114 localities for TRICARE.
- Within the CDM, there are 15 regional charge tables, each assigned to a specific locality.
CMAC & CMAC Component Rates

There are 114 Active TRICARE Localities
A single locality assignment often includes many zip codes and military treatment facilities.

Link: Locality To ZIP | Health.mil
CMAC & CMAC Component Rates

- Emergency Department (ED)
- Evaluation & Management Codes (99281-99285)
  - Used for Hospital level (1-5) ED encounter.

<table>
<thead>
<tr>
<th>CPT® Code</th>
<th>2023</th>
<th>2024</th>
<th>Percent Change</th>
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<tr>
<td>99281</td>
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<td>$84.59</td>
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<td>99282</td>
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<tr>
<td>99285</td>
<td>$548.11</td>
<td>$611.99</td>
<td>11.65%</td>
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CMAC & CMAC Component Rates

• CMAC Component
  ▪ TRICARE assigns code components with Professional (PC) and Technical (TC) components.
    ✓ Technical Components (TC) are based on applied Ambulatory Payment Classification (APC) charges.
    ✓ Professional Components (PC) are charges provided by the regular CMAC rates.
  ▪ Global Rate computed by combining TC and PC rates.
Anesthesia Rates

- Upon transition to CPA, methodology has been updated within the Charge Description Master. However, anesthesia rates based on legacy methodology are still produced and leveraged for the DHA UBO cosmetic rates.
- Updated methodology:
  - Total professional anesthesia-based rate = [(base rate) + (interval rate * number of 15-minute time intervals)]
  - Actual Time Used (flat rate used to be calculated based on average time units)
  - Locality Specific (rate used to be national)
Ambulance Rates

• Overview
  - 2023 Rate per minute: $4.95.
  - 2024 Rate per minute: $5.11

• 2024 Highlights
  - Overall Increase of +3.17%
  - Updated CPA methodology: Charges based on number of minutes

<table>
<thead>
<tr>
<th>Ambulance Codes Assigned a Rate</th>
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<tbody>
<tr>
<td>A0426</td>
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<tr>
<td>A0427</td>
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Dental Rates

• Overview
  ▪ The updated Defense Health Agency CY24 Guidelines for Dental Procedure Codes, Surgical Procedure Codes, and Dental Weighted Values serves to define each dental procedure performed in military treatment facilities.
  ▪ Contains “D” Codes (i.e. D0411).
  ▪ *CDM will not include W codes
    ✓ W Codes are DoD Specific but non-billable. They replaced Dental A-codes so as not to cause confusion with standard HCPCS A-codes.

• 2024 Highlights
  ▪ Overall decrease of 2.11%.
  ▪ 14 new codes, 1 revised codes, 0 deleted codes
  ▪ 859 Total codes
Durable Medical Equipment & Supplies DME/DMS Rates

• Overview
  ▪ Expenses allocated for equipment and supplies.
  ▪ Based On:
    ✓ CMS Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule.
    ✓ Purchased Care Data.
    ✓ Defense Medical Logistics Standard Support (DMLSS) Master Catalog used for several codes within CPA
Government Discounts IMET-IOR Rates

• Overview
  ▪ International Military Education & Training (IMET).
  ▪ Interagency Outpatient Rates (IOR).

• 2024 Highlights

<table>
<thead>
<tr>
<th>Type of Discount</th>
<th>Discounted Services Except Ambulance and Dental</th>
<th>Ambulance Services</th>
<th>Dental Services</th>
<th>Applicable Health Plan</th>
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<tr>
<td>IOR</td>
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<td>0.9298</td>
<td>0.9403</td>
<td>MISC.</td>
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<tr>
<td>IOR</td>
<td>0.9298</td>
<td>0.9298</td>
<td>0.9403</td>
<td>DOD-NO VA SHARING AGREEMENT</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>DOD-VA SHARING AGREEMENT/LOCAL</td>
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<tr>
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<td>DOD-VA SHARING AGREEMENT/NATIONAL</td>
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<td>DoD/VA</td>
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<td>0.8</td>
<td>0.8</td>
<td>DOD-VA SHARING AGREEMENT/ALASKA</td>
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Immunization Rates

• Overview
  ▪ 1st Priority – CMAC TRICARE Provided Rates (Released Quarterly).
  ▪ 2nd Priority – Purchased Care Allowable Amounts (Previous Fiscal Year).
  ▪ 3rd Priority – Flat Rate.
    ✓ 2023 Flat Rate: $74.14
    ✓ 2024 Flat Rate: $76.48 (Increased by 3.17%).

• 2024 Highlights
  ▪ 111 New Codes, 19 Deleted Codes.
  ▪ Sourcing priority process addition to phase very low percentage usage codes:
    1. TRICARE Rate
    2. Purchased Care Prior Year
    3. Historical 5 Year Purchased care average for increase/decrease greater than 30%
    4. For codes assigned a flat rate in prior year, and no PSC data prior year, assign flat rate.
    5. For codes set to zero per historical zero prior year without PSC data prior year, set to zero.
    6. Remaining codes without prior year PSC data utilize a tiering system to make a rate determination based on prior year historical purchased care.
Immunization Rates

- 2024 Process by Sourcing Priority
- Historical Purchased Care Pull for Outlier Rates +/-30% variance.
Mapping Tables Overview

• DMIS ID Mapping Table
  ▪ The Defense Medical Information System Identifier (DMIS ID) Mapping Table is used as a way of standardizing both medical and military facility identification and cost/workload classification.

• Revenue Mapping Table
  ▪ Identifies the CPT®/HCPCS procedure, supply, drug code, description and available revenue centers.
  ▪ Revenue center code informs the payer where the procedure was performed.
MEPRS Based Rates

Medical Expense Program Reporting System (MEPRS) Based Rates

• Annual adjustment for the following rates:
  ▪ CMAC Ambulatory Procedure Visit (APV)
  ▪ Ambulance
  ▪ Dental
  ▪ Immunization (Specific)
  ▪ Government Discounts IMET-IOR

• CY24 Development Cycle
  ▪ MEPRS data was not utilized during the CY23 outpatient rates development cycle, thus, codes adjusted with MEPRS data were developed using an alternative method.
    ✓ Alternative Method: O&M Inflation Factor (+3.17%) was used as the CY24 annual adjustment in place of MEPRS per PO decision.
Computation & Burdening Factors

- Factors and percentages used as adjustments/plus ups in the Outpatient rate development process.
- Six (6) Main Factors
  - Asset Use – Recoup depreciation and interest costs.
  - GSUR Costs - Retirement health benefits and life insurance.
  - Military Pay – Military pay raise percentage from the annual presidential budget.
  - Civilian Pay - Civilian pay raise percentage from the annual presidential budget.
  - Factor to account for Military medical personnel salary expenses.
  - Defense Health Plan Growth - Annual budget growth percentage.
CY24 Outpatient Rate Summary

• 2024 Outpatient Rate package is set to be effective **October 1, 2024**.
  - DHA UBO rates are developed to accommodate Military Health Systems billing systems and solutions.
  - Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at a MTF.
    ✓ Formatted and sorted specifically for DHA UBO.

• Comprised of 10 rate components.
  - Four (2) of which are Mapping Tables.
Rate Requests
Rate Requests

- Rate Requests:
  - Several procedure codes and NDC pricing requests were received in CY24
- Assigning Rates per Requests:
  - Rates assigned if TRICARE provided a rate.
  - Rates assigned according to Ambulatory Payment Classification (APC) charges or Purchased Care allowable amounts.
  - Rates not assigned for:
    - Case management codes.
    - Codes on the Government No Pay list.
    - Non-billable codes.
Rate Requests

Process for Requesting Rates for Procedure Codes
1) MTF/billing office identifies the CPT®/HCPCS procedure code that is not included in the DHA UBO rates file.

2) Draft a written explanation telling why the code(s) should be applied a charge, the date(s) of service, the number of times and specific details of when/how the code is being used are all helpful.

3) Submit request with justification to UBO Manager/Lead.

4) UBO Manager/Lead forwards the written explanation and/or supporting documentation to the DHA UBO Helpdesk with a request for pricing.
   - Use “DHA UBO Special Price Request” in the subject line.

5) The pricing request will be forwarded to the appropriate SME for verification.
   - If confirmed that there is no DHA UBO current rate, a recommendation for an Out-of-Cycle (OOC) rate update may be considered.
   - SME determines the recommended rate structure and charge to apply, if any.
   - SME submits the recommended charge and supporting justification/documentation (including no charge if insufficient justification and documentation) to the PO for review and approval.

6) Upon PO approval, charges are updated and submitted to be included in the next rates cycle update.
DHA UBO Inpatient Rates
Inpatient Room and Board Rates

- Inpatient rates - Billing inpatient medical services at MTFs.
  - Each inpatient MTF using CPA, has a regionally assigned Room and Board rates and utilize itemized inpatient billing.

- Effective rates for CY 2024 Inpatient Billing Rates.
  - Rates are effective October 1, 2024, until superseded.

- Upon transition from ASA Rates to IRU based billing and room and board rates, the schedule for room and board and other itemized rates utilized for inpatient services is now aligned with the outpatient rates schedule.
Billing Tips and Reminders
Billing Tips and Reminders: Updates

Industry Updates

• Centers for Medicare & Medicaid Services (CMS) updates CPT®/HCPCS codes on a quarterly basis.

• The American Medical Association (AMA) updates CPT®/HCPCS codes annually, effective 1 January.

• TRICARE updates CPT®/HCPCS codes annually.

DHA UBO Updates

• Proper PIP assignment drives applicable rate structure and code assignment.
Billing Tips and Reminders:
Health Plan and Policy Billing Guidelines

• Claim formats that are used in the MHS are based on encounter services provided, payer requirements, and DHA billing policies.
• Government may not collect more than the total charge from any one source or combination of sources.
• If total payment exceeds the billed amount, MTF must refund the overage.
Billing Tips and Reminders: Inpatient Special Circumstance Rates

- **Family Member Rate (FMR):** Inpatient per diem rate charged to active-duty family members not enrolled in TRICARE Prime and all retiree family members whose care is not reimbursed by a third-party payer.
  - Does not apply to: Beneficiaries with OHI.

- **Food Service Charge at Appropriated Fund Dining Facilities or Standard Rate (Subsistence - SR):** charges cover the basic cost of food.
  - Does not apply to:
    - Active duty or Retired Personnel.
    - Patients whose OHI covers any portion of the IP encounter, or any other amount paid by a third-party payer to the MTF.
    - Inpatient cadets and midshipmen.
  - MTF dining hall charges must be applied to any individual in a non-inpatient status (e.g., OBS or APV).
Health.mil & LaunchPad Navigation
Health.mil & LaunchPad

Accessing UBO Information Online

- DHA UBO information is maintained on Health.mil and LaunchPad.
  - Health.mil is a public site.
  - LaunchPad is a CAC user restricted access.
Health.mil Website

Uniform Business Office

The Army, Navy, Air Force, and Defense Health Agency establish and operate UBO offices at Defense Health Program fixed military treatment facilities throughout the world that administer Third Party Collections, Medical Services Account, and Medical Affirmative Claim Programs:

- NSA activities involve the first party billing of individuals and other Government Agencies for services rendered in MTFs to include, but not limited to, the U.S. Coast Guard, the National Oceanic and Atmospheric Administration, and the U.S. Public Health Service.
- TPC activities involve third-party payer claims on behalf of non-active duty family members and dependents for treatment provided in MTFs.
- MAC activities involve billing all areas of liability insurance; such as automobile, products, premises and general liability, homeowners and tenants' insurance, medical malpractice (by civilian providers), and workers' compensation other than Federal employers.

These efforts are coordinated by the Chartered UBO Advisory Working Group, composed of the DHK, Army, Navy, and Air Force Program Managers who meet quarterly to review and recommend effective processes to identify, review, validate, and prioritize functional changes and business process improvements to support MTF revenue cycle management activities.

UBO offices focus on ensuring that billable services are identified; payer information is available; accurate and complete claims are generated; and appropriate collections are received. Together, the three cost recovery programs provide the business processes for cost recovery including collections control, accounts receivable, and deposits.

The UBO Mission

Our mission is to optimize allowable health care cost recovery within compliance guidelines in support of the operational and readiness mission of the MHS.
### Health.mil Website

**MHS UBO Rates**

**Ambulance Rates**

PHS rates are used to determine charges for medical and dental services.

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**Anesthesia Rates**

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**CMAC Rates**

These files contain all locations and are compressed in a .zip file format. Please download the entire file before attempting to open.

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**CMAC Locality DMIS ID Mapping Tables**

CMAC rates are adjusted for the locality of the providing military Treatment Facility (MTF). The following tables provide the key to determining which CMAC locality is appropriate for each MTF.

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Link: [MHS UBO Rates](http://health.mil)
**LaunchPad**

  - Access restricted to CAC holders.
  - Note:*** Users without a CAC may still request files using the DHA UBO Helpdesk.

- **The latest version of the CDM can be found on the BFC Launchpad website:** ([https://info.health.mil/FC/BusinessFunctionalChampion/Charge Description Master/Forms/AllItems.aspx](https://info.health.mil/FC/BusinessFunctionalChampion/Charge Description Master/Forms/AllItems.aspx))

- **The following information is available on the DHA UBO Launchpad Website:**
  - Rates (Outpatient, Inpatient, MAC, Pharmacy, Deployed Forces, VA-DoD).
  - Prior year Pricing Calculators (VA-DoD, Cosmetic Surgery Estimator, Pharmacy).
  - Prior years PATCAT Tables.
  - Publications.
  - Archived Webinars (Past 5 years).
  - Compliance Toolkit including template.
LaunchPad

DHA Uniform Business Office
Military Health System UBO Rates Overview

The UBO billing rates are based on TRICARE allowable charges and are used to determine charges for outpatient, inpatient, dental, cosmetic surgery, and pharmacy services. Outpatient rates are the charges for professional and institutional health care services provided by MTFs. Inpatient rates are used when billing for inpatient medical services at MTFs. Each MTF providing inpatient care has its own adjusted standard amount (ASA). Pharmacy rates are based on TRICARE allowable charges, average wholesale price, or prime vendor program prices listed for the national drug codes and are used to set pharmacy rates for pharmacists and approved drugs.

UBO rates differ slightly from the standard TRICARE rates. UBO rates are specifically formatted for military billing systems, and include charges for additional services not reimbursed by TRICARE.

The Assistant Secretary of Defense for Health Affairs (ASD/HA) approved the implementation of REVISED CY 2016 Outpatient Medical, Dental, and Cosmetic Procedure Reimbursement Rates for direct care received at military treatment facilities (MTFs) as of November 1, 2016. These rates are used to determine:

- Charges for medical and dental services provided on an outpatient basis
- Ambulatory services
- Inpatient cosmetic surgery services

These rates were released in accordance with U.S.C. Title 10, and will remain in effect until further notice.

The ASDHA also approved the FY 2017 Inpatient Billing Rates for direct care received at MTFs effective October 1, 2016, and will remain in effect until further notice. These rates are used to determine charges for inpatient professional and institutional health care services provided in MTFs under the Defense Health Program (DHP).

UBO rates are published online in accordance with Executive Order 13410 (August 2006) to promote health care transparency relating to quality and cost.

Mapping Tables
UBO billing systems use rate files in conjunction with several mapping tables that direct the billing systems to the appropriate rate file for any given procedure. These mapping tables also specify the billing form for each procedure and provide appropriate revenue centers and modifiers for each procedure. The major mapping files include:

- Calendar Year (CY) Mapping Tables
- DMHS ID to CMAC Locality Table
- Revenue Mapping Table
- ASA/UBS Mapping Table
- Modifier Mapping Table

Link: https://info.health.mil/bus/brm/ubo/Pages/ubon.aspx
Webinar Summary

• **Rate Requests for Procedures**
  - Rates determined based on necessity, and PO approval.
  - Submit code with justification to the UBO Helpdesk via your UBO Manager.
    - Requests reviewed, approved by UBO, and included in next cycle update or may constitute an out of cycle update.

• **Follow Policy Billing Guidelines to ensure proper billing.**
  - MHS claims based on services provided, payer requirements, and DHA billing policies.
  - PIP assignment drives correct billing and identifies the appropriate rate structure.

• **DHA UBO information is maintained on Health.mil and Launchpad.**
  - Health.mil is a public site.
  - LaunchPad – CAC user restricted access.
Questions?
Agenda

• Background
• CSE v20 Procedures Update
• CSE v20 Functionality
• CSE v20 Distribution & Effective Date
• Questions & Answers
Background
Elective Cosmetic Surgery Policy


  - **Cosmetic Surgery** – “Any elective plastic surgery performed to reshape normal structures of the body in order to improve the patient’s appearance or self-esteem.”

  - **Reconstructive Surgery** – “Any plastic surgery performed on abnormal structures of the body which are caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease. Reconstructive surgery is generally performed to improve function but may also be done to approximate a normal appearance.”
Elective Cosmetic Surgery Policy, cont’d

- Elective cosmetic surgery is not a TRICARE covered benefit.

- **However,** DoD Health Affairs Policy 05-020 authorizes elective cosmetic surgery in military treatment facilities (MTFs) to “support graduate medical education, board eligibility and certification, and skill maintenance for certified specialists.”

- Services are provided on a “space available” basis and limited to:
  - TRICARE-eligible beneficiaries (including TRICARE for Life) who will not lose eligibility for at least 6 months.
  - Active duty personnel who have written permission from their unit commander.

- All patients are fully responsible for surgical fees, applicable institutional and anesthesia charges, as well as the cost of all implants, cosmetic injectables, and other separately billable items associated with elective cosmetic procedures. Patients may also be responsible for follow up care.
MHS Elective Cosmetic Procedure Process

Start

Patient Presents for Surgery Consult

Provider Examines Patient

Determines if Procedure is Elective

Patient Takes CSE Superbill to MSA Clerk

Provider Completes CSE Superbill (Generates Unofficial Estimate, optional)

Patient signs LOA & prepays for surgery if scheduled

End

MSA Clerk Enters Information into CSE & Generates Official Estimate

MSA Clerk Prints CSE Report including Letter of Acknowledgment (LOA) and Gives to Patient
Letter of Acknowledgement (LOA)

- LOA incorporated into CSE cost report

1) **Advance Payment Required**
   Estimated charges must be paid, in full, prior to receiving treatment.

2) **Prices Subject to Change**
   Rates are not guaranteed until estimated charges have been paid in full.

3) **Additional Charges May Apply**
   There may be additional charges for ancillary services, as well as unforeseen, but necessary, procedures undertaken during the procedure.

4) **Global Periods**
   Postoperative visits that are unrelated to the original procedure, or that occur after the global period has expired, will incur additional charges.

5) **Refunds**
   Refunds are processed for procedures not performed.

6) **Follow-up Care**
   Follow-up care is not guaranteed in an MTF and in accordance with TRICARE Policy Manual Chapter 4, Section 1.1, complications of cosmetic surgery procedures are excluded from coverage.
CSE Procedures and Rates Update
Elective Cosmetic Procedures and Rates (1 of 2)

• Only procedures included in the Cosmetic Surgery (CS) superbill can potentially be performed as elective cosmetic procedures.
  ▪ Procedures may be performed as medically necessary if documented as such.
  ▪ Medically necessary procedures are not priced in the CSE.

• Many procedures are added to the superbill because of feedback from the field.
  ▪ If you have any suggested elective cosmetic procedures, contact the DHA UBO Helpdesk at UBO.Helpdesk@intellectsolutions.com
  ▪ DHA review and approval is necessary.
Elective Cosmetic Procedures and Rates (2 of 2)

- The DHA UBO Program Office is responsible for providing current rates for elective cosmetic procedures in the Military Health System (MHS).
- The DHA UBO Cosmetic Surgery Estimator (CSE) calculates charges for elective cosmetic procedures.
  - Factors in all potential procedure costs, including professional, facility, anesthesia, professional fees, and the cost of implants and pharmaceuticals.
- Rates used in the CSE are updated annually and are based on what TRICARE will allow.
- Proposed release and effective date is October 1, 2024.
CSE Basis for Charges and Discounts

- Appendix A in the User Guide summarizes the basis for charges and discounts that may apply.
- 11 lines, one for each of the CSE input lines. 3 columns, one for each location option.

<table>
<thead>
<tr>
<th>Line 1: CPT/Procedure Code and Description</th>
<th>Provider’s Office</th>
<th>OR/Outpatient (Clinic or Hosp)</th>
<th>OR/Inpatient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection of a Primary CPT/Procedure code or description determines the applicable professional fee.</td>
<td>Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300</td>
<td>Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300 Facility Physician, Category 1 rate</td>
<td>Professional Fee = CHAMPUS Maximum Allowable Charge (CMAC) Locality 300 Facility Physician, Category 1 rate</td>
</tr>
<tr>
<td>Line 2: Procedure Location</td>
<td>No Facility Fee</td>
<td>Facility Fee = TRICARE Ambulatory Procedure Visit (APV) rate</td>
<td>Facility Fee = Diagnostic Related Group (DRG) rate</td>
</tr>
<tr>
<td>Selection of procedure location determines the applicable facility fee.</td>
<td>There is no facility fee for procedures performed in a provider’s office. Fees for facility resources are included in the applicable professional fee.</td>
<td>Facility Fee = TRICARE MS-DRG Adjusted Standardized Amount (ASA)</td>
<td></td>
</tr>
<tr>
<td>Line 3: Combined with a Medically Necessary Procedure</td>
<td>Primary Procedure Professional Fee, 100% No Facility Fee</td>
<td>Primary Procedure Professional Fee, 100% Facility Fee (APV), 50% Anesthesia, 50%</td>
<td>Primary Procedure Professional Fee, 100% Facility Fee (DRG), 50% No Anesthesia Fee</td>
</tr>
<tr>
<td>A discount is authorized for patients who choose to have an elective</td>
<td>*Discount applies only to primary procedure.</td>
<td>*Discount applies</td>
<td></td>
</tr>
</tbody>
</table>

*Discount applies only to primary procedure.
CPT® Additions, Modifications, Deletions

- **Added:**
  - None

- **Modified:**
  - 19371 (Revision of peri-implant capsule, complete)

- **Deleted:**
  - None
CSE v20 Functionality – Creating a Cost Estimate from the Superbill
### Cosmetic Surgery Superbill 2023

#### INSTRUCTIONS:
(1) Fill in top of form.
(2) Circle or highlight Procedure Description.
(3) Check Bilateral column.
(4) Enter the quantity of each procedure.

**MTF:** Fort Somewhere  
**Provider's Name and Phone:**  
**ICD-10 Code 1:** Z41.1 Cosmetic Surgery Encounter  
**ICD-10 Code 2:**  
**Location:**  
- [ ] Provider's Office  
- [x] Operating Room Inpatient  
- [ ] Operating Room Outpatient  
**Anesthesia:**  
- [ ] Local  
- [ ] Topical Block  
- [x] Moderate Sedation  
- [ ] None  
**Will this procedure be combined with a medically necessary procedure?**  
- [ ] Yes  
- [x] No

<table>
<thead>
<tr>
<th>Procedure Description</th>
<th>Code</th>
<th>Bil</th>
<th>Qty</th>
<th>Procedure Description</th>
<th>Code</th>
<th>Bil</th>
<th>Qty</th>
</tr>
</thead>
<tbody>
<tr>
<td>SKIN TAG REMOVAL</td>
<td></td>
<td></td>
<td></td>
<td>BREAST / CHEST AUGMENTATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Removal of skin tags, up to 15 lesions</td>
<td>1200</td>
<td></td>
<td></td>
<td>Mastectomy for Gynecomastia (Male)</td>
<td>11000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Removal of skin tags, ea add 1-10 lesions</td>
<td>1201</td>
<td></td>
<td></td>
<td>Mastopexy (Breast Lift)</td>
<td>11316</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INJECTIONS</td>
<td></td>
<td></td>
<td></td>
<td>INJECTIONS</td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Patient Name:** John Doe  
**Visit Date:** 10/1/2016  
**Surgery Date:** / /
CSE Primary Procedure Screen

DHA UBO Cosmetic Surgery Estimator
CPT / Process Glossary

1* Primary CPT/Procedure: 19316

2* Procedure Location: Provider’s Office ✗ OR/Outpatient (APV) ☑ OR/Inpatient

3* Will this procedure be combined with a medically necessary procedure? ✗ Yes ☑ No

4* Will this procedure be performed by a dermatology resident? N/A

5* Will this procedure be bilateral? ✗ Yes ☑ No

6 Quantity/Number of Sessions: 1

7 Add-on Code: none

8* Anesthesia: ☑ None ☑ Topical ☑ Local ☑ Moderate Sedation ☑ General/Monitored

9 Pharmaceuticals provided: N/A

10* Will additional elective procedures be performed during the same visit? ✗ Yes ☑ No

11* Will implants or other non-covered supplies be provided by the MTF? ☑ Yes ✗ No

View/Edit Additional Procedures (1) View/Edit Implants and Supplies

Clear Estimate View / Print Estimate Save and Close

Cost Rank: 235

Effective Date: September 2023 (v19.0 [V])

Professional Fee: $804.14

Facility Fee: $3255.98

Medically Necessary Discount: $0.00

Resident Discount: $0.00

Bilateral Cost: $568.11

Additional Qty/Seq Cost: $0.00

Anesthesia Fee: $332.08

Pharmaceutical Cost: $0.00

Additional Procedure Cost: $97.57

Implant / Supply Cost: $0.00

Total Cost: $5657.89

CPT® is a registered trademark of the American Medical Association. Procedure codes designated as 17999-XXXX are developed by the DoD DHA UBO and are not intended to serve as CPT® codes.
Elective Cosmetic Surgery Cost Estimate and Letter of
Acknowledgement

** This Document is for official MSA Office billing use **

<table>
<thead>
<tr>
<th>CPT/Procedure Code</th>
<th>Description</th>
<th>Bilateral</th>
<th>Qty</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>19316</td>
<td>Mastopexy</td>
<td>Yes</td>
<td>1</td>
<td>$4,628.23</td>
</tr>
<tr>
<td>11200</td>
<td>Removal of skin tags, multiple fibrotaceous tags, any area; up to and including 15 lesions</td>
<td>N/A</td>
<td></td>
<td>$97.57</td>
</tr>
</tbody>
</table>

Anesthesia Type: General/Monitored

Anesthesia Cost: $332.08

Implants/Supplies: Implants/Supplies Cost: $0.00

Combined with a Medically Necessary Procedure Discount: $0.00

TOTAL COST: $5,057.88

1) Advance Payment Required: Elective cosmetic procedures are not TRICARE-covered benefits. I acknowledge and accept responsibility for all charges associated with the above listed procedure(s) including applicable professional, facility, and anesthesia fees plus the cost of any implants, pharmaceuticals, and other separately billable items provided by the HCL. I agree to pay estimated charges, in full, for all elective cosmetic procedures prior to receiving treatment.

2) Price Subject to Change: Rates for elective cosmetic procedures are updated periodically by the Assistant Secretary of Defense for Health Affairs. I understand that estimated charges are based on Department of Defense (DoD) rates applicable at the time of payment. Rates cannot be guaranteed until charges have been paid in full.

3) Medical Changes May Apply: I understand that the initial amount paid may not constitute payment in full. There may be additional charges for ancillary services, as well as unforeseen, but necessary, procedures undertaken during the procedure. I understand these changes are not reflected in the initial estimate but will be added upon completion of the final bill. I agree to remit payment for any additional charges within thirty (30) calendar days after presentation of the final bill. I am responsible to the Detachment Collection Agency (DCA) and DOD Collection Improvement Act of 2004 for any additional charges unless deemed medically necessary. Global periods are listed as the cost estimate expires unless otherwise noted.

4) Global Periods for Elective Cosmetic Procedures: Charges for some elective cosmetic procedures include a global period during which routine postoperative follow-up visits and treatment (e.g., removal of sutures or staples, treating infected wounds, and dressing changes) are covered at no additional charge. Postoperative visits that are unrelated to the original procedure, or that occur after the global period has expired, will incur additional charges unless deemed medically necessary. Global periods are listed as the cost estimate expires unless otherwise noted.

5) Refunds: If I elect not to proceed with the procedure, I am entitled to a refund of all monies paid for the service. If I change my mind after the procedure has started, additional professional and ancillary fees will be deducted from the initial payment amount before a refund is issued. Refunds may take up to 8 weeks for processing.

6) Follow-up Care: I acknowledge that follow-up care after an elective cosmetic procedure is not guaranteed as an HCL because the care required may exceed the ability of the facility and/or there may be no appointments available when needed to be seen. Additionally, I understand that care for complications resulting from an elective cosmetic procedure is not a TRICARE-covered benefit, and I may be financially responsible for such care whether I am treated at an HCL or an outside medical facility. If the complication occurs in the same body system or the same anatomical area of the non-covered treatment and the complication is one that commonly occurs (e.g., repair of facial scar resulting from dermatologic surgery), then the corresponding care is a covered benefit. As stated on 2210.00 HCL Manual, Chapter 4, Section 1.1. Complications (Deficiency Scars) Resulting from Non-Covered Surgery or Treatment: Benefits are available for the non-covered treatment of complications resulting from a non-covered (elective cosmetic surgery) or treatment only when the complication represents a medical condition separate from the condition that necessitated the treatment, and treatment of the complication is not necessary as a result of the removal of a non-covered cosmetic procedure. A complication is considered a separate medical condition and thus is a covered benefit when it causes a systemic effect, occurs in a different body system than the non-covered treatment, or is an unexpected complication which is unforeseen based upon prior clinical experience with this procedure.
CSE In-app Resources

- The CSE Procedure Glossary, Superbill, User Guide, etc. are available in the application as PDF documents and provide line-by-line “how-to” instructions.

- User guide includes quick reference tables that summarize various categories of procedures.
CSE Distribution & Effective Date
**CSE v20 Distribution & Effective Date**

- The CSE v20 application will be available at: [https://www.ubocse.org](https://www.ubocse.org)
- Proposed effective date is October 1, 2024
- To obtain a user account to the CSE web application, please send a helpdesk ticket
  - [ubo.helpdesk@intellectsolutions.com](mailto:ubo.helpdesk@intellectsolutions.com)
  - Please include your name, email address, and affiliated DMIS ID
  - Each user will have their own login (health.mil address) and password
Elective Cosmetic Procedure Guidance

  ▪ Revised 2023

• 2017 version of the Defense Health Agency Procedures Manual (DHA-PM 6015.01) is the most current version. Available at: [health.mil/Reference-Center/DHA-Publications/2017/10/24/DHA-PM-6015-01](health.mil/Reference-Center/DHA-Publications/2017/10/24/DHA-PM-6015-01)
  ▪ Reiterates and reinforces requirements in the 2005 HA Policy 05-020 memorandum
Questions?
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  - Login prior to the broadcast with your: 1) full name; and 2) your site
  - View the entire broadcast
  - After completion of both live broadcasts and after attendance records have been verified, a Certificate of Approval including an AAPC Index Number will be offered via e-mail to participants who logged in to attend. Please email webmeeting@triafed.com to receive CEU. This may take several business days.

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  - E-mail answers to webmeeting@triafederal.com
  - If you receive a passing score of at least 70%, we will e-mail MHS personnel with a .mil email address a Certificate of Approval including an AAPC Index Number

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