

MEMORANDUM OF AGREEMENT BETWEEN  
DEFENSE HEALTH AGENCY AND  
DEPARTMENT OF HEALTH AND HUMAN SERVICES, U. S. PUBLIC HEALTH SERVICE  
COMMISSIONED CORPS  
FOR  
TRICARE PARTICIPATION  
DHA-2018-S-691

This is an Agreement between the Defense Health Agency (DHA) and Department of Health and Human Services (HHS), U.S. Public Health Service Commissioned Corps (PHS). When referred to collectively, the DHA and PHS are referred to as the "Parties."

1. PURPOSE: This agreement sets forth the mutually agreed upon rules and procedures governing the HHS PHS's eligibility and participation in TRICARE, the Department of Defense (DoD) medical program for the Military Health System (MHS) beneficiaries. This document affirms the strong commitment of each Department to ensure that all TRICARE-eligible beneficiaries have access to high quality, cost-effective health care. This document will also describe the resulting reimbursement mechanisms.

2. AUTHORITY:

a. Title 10 U.S.C. § 1073(a) gives the Secretary of HHS the responsibility for administering the health program for the PHS.

b. Title 10 U.S.C. §§ 1074(a) and (b), 1076(a) and (b), 1079(a) and 1086(c) provide authority for which to participate in TRICARE.

c. Title 10 U.S.C. § 1085 provides that when the medical activities of one Executive Department provide medical care to members or former members and beneficiaries of another Executive Department, the Executive Department whose members receive the care shall reimburse the other for the care provided at rates established by the President to reflect the average cost of providing the care. These rates are known as the interagency reimbursement rates and are updated annually by DHA and published by the Department of Defense (DoD) Chief Financial Officer.

d. The Economy Act, 31 U.S.C. § 1535..

e. Department of Defense Instruction 4000.19, Support Agreements, April 25, 2013.

3. ELIGIBILITY FOR TRICARE PARTICIPATION:

3.1. Active Duty Members. In accordance with 10 U.S.C. § 1074(a)(2)(A), all officers of PHS serving on active duty are entitled to medical care in any facility of the uniformed service, i.e. MHS.

3.2. Ready Reserve Members. In accordance with 10 U.S.C. § 1074(a)(2)(B), Ready Reserve officers of the Commissioned Corps of the Public Health Service that meet the following criteria are entitled to medical care in any facility of the uniformed service:

3.2.1. The member has requested orders to active duty for the member's initial period of active duty following the commissioning of the member as an officer;

3.2.2. The request for orders has been approved;

3.2.3. The orders are to be issued but have not been issued or the orders have been issued but the member has not entered active duty; and

3.2.4. The member does not have health insurance and is not covered by any other health benefits plan.

3.2.5. Family Members of Active Duty Members. In accordance with 10 U.S.C. §§ 1076(a) and 1079(a), family members of PHS officers are eligible for all the benefits and services of the MHS and have the same access to TRICARE services as family members of DoD active duty members.

3.3. Retired members, their family members and survivors. In accordance with 10 U.S.C. § 1074(b), 10 U.S.C. § 1076(b), and 10 U.S.C. § 1086(c), PHS retirees, their family members, and survivors are eligible for all the benefits and services of the MHS and have the same access to TRICARE services as DoD retirees, their dependents, and survivors. The PHS is responsible for ensuring that retired members of their respective Services, their family members and survivors of active duty and retired members are provided with information regarding their health care options under TRICARE. The DHA Communications Division will assist PHS with marketing TRICARE to all eligible beneficiaries.

#### 4. RESPONSIBILITIES OF THE PARTIES:

##### 4.1. The DHA shall—

4.1.1. Assist PHS with marketing TRICARE to all eligible beneficiaries. The DHA Communications Division will be the point of contact for this requirement.

4.1.2. Provide a single point of contact for oversight and management of this support agreement.

4.1.3. Provide monthly billed amounts by the 15th of each month for the prior month's charges via the Web at: <https://dha-contractors.csd.disa.mil>.

4.1.4. Process collections from PHS through the Treasury Intragovernmental Payment and Collection (IPAC) system (as a single IPAC per agency) after posting the billings. The services and administrative costs include the following:

4.1.4.1. All health care services provided to PHS members or beneficiaries who are enrolled to a contractor network or who are not enrolled in Prime and for which the providers or beneficiaries are paid by a DHA managed care support (MCS) contractor or the TRICARE Overseas Program (TOP) contractor. Also included are any non-Medicare-Eligible Retiree Health Care Fund (non-MERHCF) eligible claims that are paid by the TRICARE Dual Eligible Fiscal Intermediary (TDEFIC) contractor.

4.1.4.2. Health care services provided to PHS members and beneficiaries who are enrolled to a DoD Military Treatment Facility (MTF) and for

which the providers are paid by a DHA managed care support contractor rather than the MTF or military service.

4.1.4.3. Mail order and retail pharmacy services provided to PHS members or beneficiaries for which the pharmacies or beneficiaries are paid by the pharmacy contractor,

4.1.4.4. Per claim administrative amounts paid to the MCS, TOP, pharmacy or TDEFIC contractors,

4.1.4.5. Administrative charges not directly tied to the payment of a health care/pharmacy claim (e.g., per member per month amounts, monthly administrative amounts, service center amounts, change order amounts, incentive type amounts, underwriting fees, etc.),

4.1.4.6. TRICARE Family Member Dental Program and Active Duty Dental Program participation by PHS members and beneficiaries.

4.1.4.7. Uniformed Services Family Health Program (USFHP) (aka, "Designated Providers") for all PHS members and beneficiaries participating in this program.

4.1.4.8. For any additional or new health care programs which are created and operated separately by DHA from the above listed items in which PHS members and beneficiaries participate.

4.1.4.9. Pharmaceutical rebate collections will be credited to the bills for PHS on a percentage basis of PHS beneficiaries compared to total TRICARE beneficiaries.

4.1.4.10. Healthcare, pharmacy, and other collections made by TRICARE will be credited to the bills for PHS based on how the particular types of costs are charged to PHS.

#### 4.2. The PHS shall—

4.2.1. Provide a central point of contact from Medical Affairs (MA) of the Division of Commissioned Corps Personnel and Readiness (DCCPR) in the Office of the Surgeon General of HHS for the operational TRICARE interface. MA has been delegated the responsibility for coordinating the participation of PHS beneficiaries in the TRICARE Program for HHS. MA is responsible for PHS participation in all DoD Health Service Regions (HSRs), including Alaska, the Pacific, Asia and Europe.

4.2.2. Ensure that family members of active duty members are provided with information regarding their health care options under TRICARE and encourage them to enroll in TRICARE Prime or TRICARE Prime Remote where it is available.

4.2.3. Ensure retired members, their family members and survivors of active duty and retired members are provided with information regarding their health care options under TRICARE.

4.2.4. Provide a single point of contact for oversight and management of this support agreement.

4.2.5. Reimburse DHA/Contract Resource Management (CRM) office for health care, pharmacy and other services rendered for PHS members and beneficiaries as well as any associated contractor related administrative costs.

4.2.6. Provide billing instructions directly to DoD MTFs.

4.2.7. Reimburse the DoD MTFs directly for PHS beneficiaries.

4.2.8. Work with DoD MTFs to request additional data and/or reports required with MTF billing.

5. **THIRD PARTY PAYER:** Under 10 U.S.C. § 1095, a third party payer has an obligation to pay the uniformed services the reasonable cost of health care services provided to covered beneficiaries. The obligation to pay is to the extent that the beneficiary would be eligible to receive reimbursement from the third party. A MTF that provides care will bill the third party payer and be responsible for any utilization reviews required by the insurer. If the amount collected from the insurer is less than the interagency reimbursement rate, PHS will be responsible for reimbursing TRICARE or the MTFs for the difference. If the amount collected from the insurer is greater than or equal to the interagency reimbursement rate, PHS has no further obligation. At no time will PHS be billed for care when the total amount collected from the third party is equal to or greater than the amount that would be charged at the interagency reimbursement rate. There is no direct or contractual relationship between TRICARE and third party payers. TRICARE is the payer of last resort in the presence of other insurance coverage.

6. **PERSONNEL:** Each Party is responsible for all costs of its personnel, including pay and benefits, support, and travel. Each Party is responsible for supervision and management of its personnel.

## 7. GENERAL PROVISIONS:

7.1. **SUPPORT AGREEMENT POINTS OF CONTACT:** The following points of contact (POC) shall be used by the Parties to communicate in the implementation of this Agreement. Each Party may change its point of contact upon reasonable notice to the other Party.

### 7.1.1. For the DHA —

7.1.1.1 Mr. Graham Innins, Chief, CRM, (303) 676-3430,  
Graham.Innins.civ@mail.mil.

### 7.1.2. For the PHS—

7.1.2.1. CAPT Anita Arnold DMD, TRICARE Service Point of Contact, (240) 276-8747, Anita.Arnold@hhs.gov.

7.1.2.2. Barry Simon MD, Chief, Medical Affairs, (240) 453-6085, Barry.Simon@hhs.gov

**7.2. MODIFICATION OF AGREEMENT:** This Agreement may only be modified or amended by the written agreement of the Parties, duly signed by their authorized representatives. This Agreement shall be reviewed annually on or around the anniversary of its effective date.

**7.3. DISPUTES:** Any disputes relating to this Agreement shall, subject to any applicable law, Executive Order, or Office of Management and Budget Circular, be resolved by consultation between the Parties.

**7.3.1.** If necessary, a joint working group may be established to address:

**7.3.1.1.** Disputes between DoD and PHS regarding the implementation of this agreement.

**7.3.1.2.** The working group may meet regularly, with advance notice of meetings and agenda items to be given to all parties so that each agency can have the appropriate personnel present.

**7.3.1.3.** If a dispute related to funding remains unresolved for more than 30 calendar days after the parties have engaged in an escalation of the dispute, disputes will be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume 1, Part 2, Chapter 4700, Appendix 10, available at: <http://www.fms.treas.gov/tfm/index.html>.

**7.4. TERMINATION OF AGREEMENT:** This Agreement may be terminated by either Party by giving at least 180 days written notice to the other Party. The Agreement may also be terminated at any time upon the mutual written consent of the Parties.

**7.5. TRANSFERABILITY:** This Agreement is not transferable except with the written consent of the Parties.

**7.6. ENTIRE AGREEMENT:** It is expressly understood and agreed that this Agreement embodies the entire agreement between the Parties regarding the Agreement's subject matter.

**7.7. EFFECTIVE DATE:** This Agreement takes effect beginning on the day after the last Party signs.

**7.8. EXPIRATION DATE:** This Agreement will expire nine years from the effective date.

**ADDENDUM A**  
**DHA-2018-S-691**

**Medical Reimbursement Addresses and Points of Contact**

The address for submission of PHS bills for reimbursement and for questions regarding outstanding bills is:

DCCPR-Medical Affairs  
ATTN: Interagency Billing Plaza Level Suite 100  
1101 Wootton Parkway,  
Rockville, MD 20852  
Telephone: 240-276-8748

Questions regarding Army billings may be addressed to:

Deputy Chief of Staff for Resource Management  
U.S. Army Medical Command (MCRM-F)  
Telephone: 210- 295-2862

Questions regarding Navy billings may be addressed to:

Director, Accounting Division (M84)

M. Becker

Bureau of Medicine and Surgery

Telephone: 202-762-3560

Questions regarding Air Force billings may be addressed to:

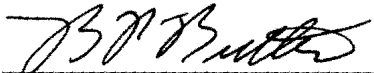
Chief, Financial Management

Office of the Surgeon General (Code AFSG-8)

Telephone: 703-588-1224

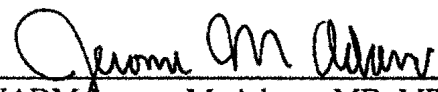
**SIGNATORY PAGE**

Concluded and signed in three originals for the Defense Health Agency:


*for*   
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Guy T. Kiyokawa, SES  
Deputy Director  
Defense Health Agency

Date: June 26, 2018

Concluded and signed in three originals for the Department of Health and Human Services, Commissioned Corps of the U.S. Public Health Service:

  
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VADM Jerome M. Adams, MD, MPH  
Surgeon General  
Commissioned Corps, U.S. Public Health Service

Date: 3/23/2018

  
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ADM Brett P. Giroir, M.D.  
Assistant Secretary for Health  
Commissioned Corps, U.S. Public Health Service

Date: 4/6/18