

Financial Statements and Accounting Data

Presented By
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24 May 2018 1400-1500 EDT

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- What is the Medical Affirmative Claim (MAC) Program
- The Statutory and Regulatory Basis for the MAC Program
- Responsibilities - as outlined in the UBO Manual
- Compliance Guidelines
- Elements of a successful MAC program
- Change

- The Medical Affirmative Claim (MAC) Program is created by DOD policy as one of the three health care cost recovery responsibilities assigned to a MTF UBO
- The jurisdiction of the MAC program is world-wide for all DoD beneficiaries when they are injured by a nonfederal source and treated in a MHS or TRICARE facility – specifically, this covers active duty personnel, retirees, and their dependents

- **NOTE:** Bills for civilian emergency care, Veteran's Administration patients, and intra-agency patients are handled under another DOD UBO program and are outside the scope of the MAC program

- **EXAMPLES:**

- A Soldier, retiree, or family member injured by another person's personally owned vehicle is asserted under the MAC program

- Likewise, a premises liability case would depend on the status of the building where the injury occurred

- A Soldier injured by a military convoy would generally not be asserted





THE MAC PROGRAM CREATES REVENUE FOR MTFs

- MAC reimbursements based upon treatment by or through an MTF are deposited in the O&M appropriation of the MTF that provided the medical services
- The funds generated are later available as part of the MTFs fiscal year budget
- The more money collected -- the more your clinic, hospital or Medical Center has for renovation projects, updated medical equipment, computers, etc. ... basically, anything that improves or enhances healthcare

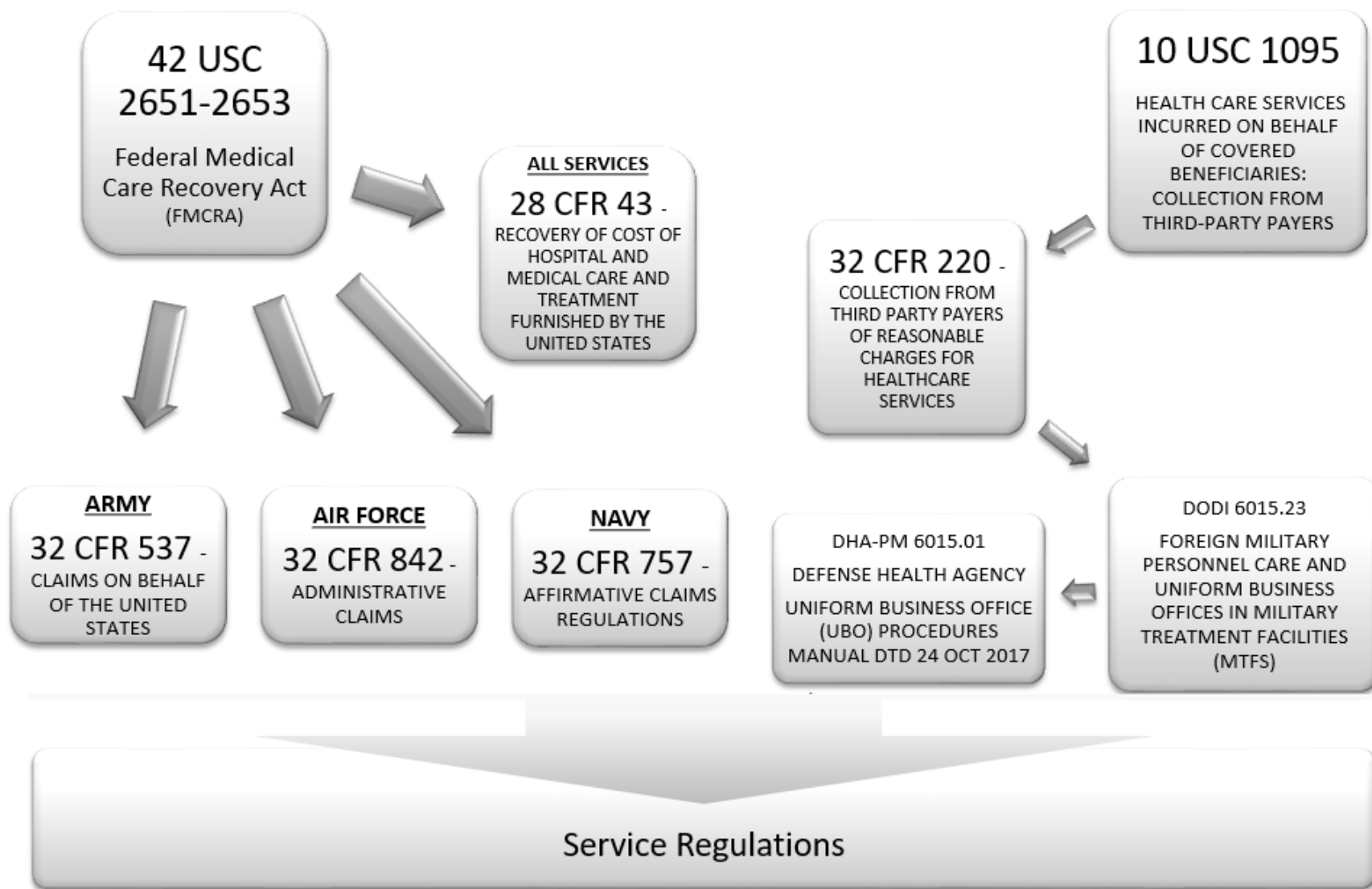
- The MAC Program allows for recovery from all forms of tort liability or contractually based insurance
 - Lost work time of a Service member (lost wages)
 - Automobile, motorcycle, boat, and airplane insurance (uninsured and underinsured)
 - Slips and falls (homeowner insurance)
 - On-premise accidents (business insurance)
 - Workers' Compensation (other than Active Duty and Federal employees) medical care reimbursement for employment related to an injury
 - Product or equipment malfunctions or failures (product liability)
 - Medical malpractice by a civilian provider - when later treated in an MTF

- Automobile
- No-fault and/or Personal Injury Protection (PIP)
- Boat and Airplane
- Products and/or Manufacturers
- Premises
- General Casualty (slip/fall) or Umbrella (covers a variety of personal properties)
- Homeowner's and/or Renter's
- Medical Malpractice (other than Federal)
- Workers' Compensation – Treatment/care provided to beneficiaries for work-related injuries
- Does not include care/treatment provided to Federal employees or Active Duty Military Personnel who are injured on their DoD job

- **Laws (a.k.a. Statutes)**
 - Passed by Congress
 - United States Code (USC), Title 10, Chapter 55
 - **Regulations**
 - Developed by Executive Branch departments in 3 stages
 - Proposed Rules
 - Notice and Comment Period
 - Final Rules
 - Code of Federal Regulations (CFR), Title 32, Parts 199/220
 - **Policies**
 - Developed by agencies/components to clarify higher-level direction or interpret and implement laws and regulations into day-to-day activities
 - DoD Policies
 - Service Policies
 - Additional Guidance
- EX: DHA issues policy guidance and provides oversight to ensure MTF UBO operations are cost-effective and result in optimum collections within compliance guidelines

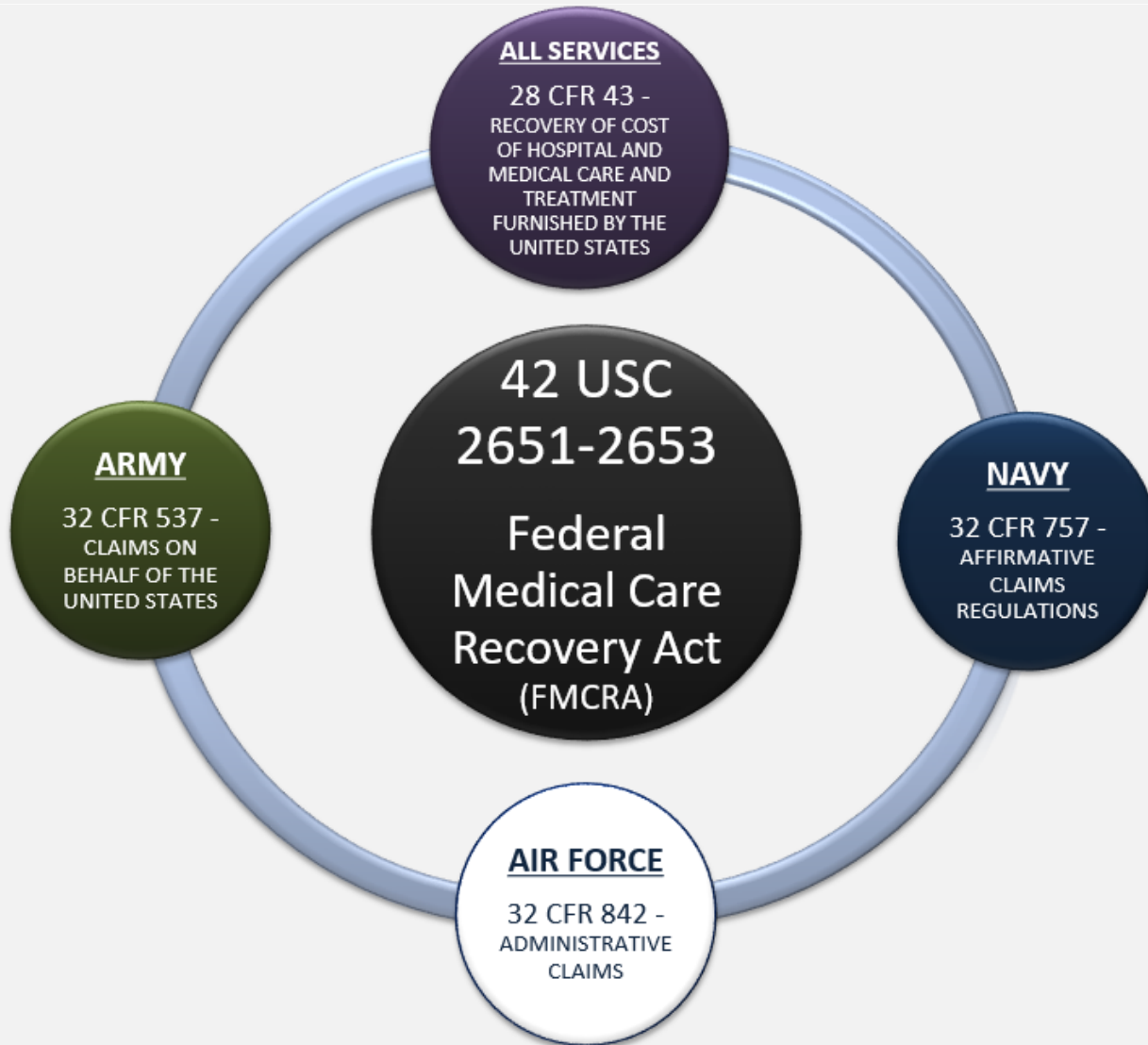


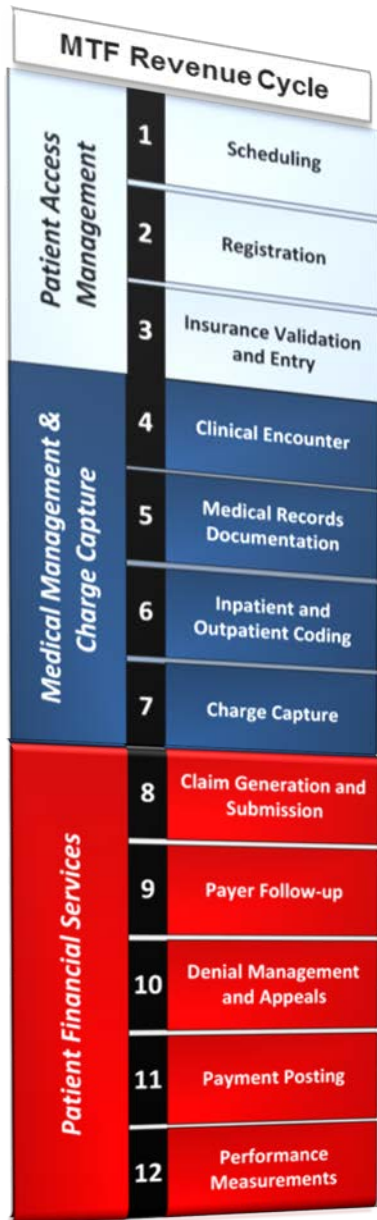
PRIMARY STATUTORY AND REGULATORY ASSERTION AUTHORITY FOR THE MEDICAL AFFIRMATIVE CLAIMS PROGRAM





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- DODI 6015.23
 - It is DoD policy that UBOs will be established and maintained to perform health care cost recovery under the ... Medical Affirmative Claims (MAC) Program
 - MTF UBOs will collect funds through the MAC Program to the fullest extent allowed by 32 CFR 220 and deposit these funds into the appropriations supporting the facility
- DHA-PM 6015.01
 - The DHA Procedures Manual provides *guidelines* for the operation of the MTF's Uniform Business Office (UBO). Specifically, *the business office portions of the revenue cycle function* at MTFs
 - Anyone billing under title 10 of the United States Code must follow prescribed UBO Manual procedures
 - The legal office JAG does not bill and collect claims, rather they assert and recover claims of the US government mainly through its compromise, settle or waive authority
 - JAGs assert both Tricare and hospital TORT claims
 - A tort is a legal wrong



UBO Function

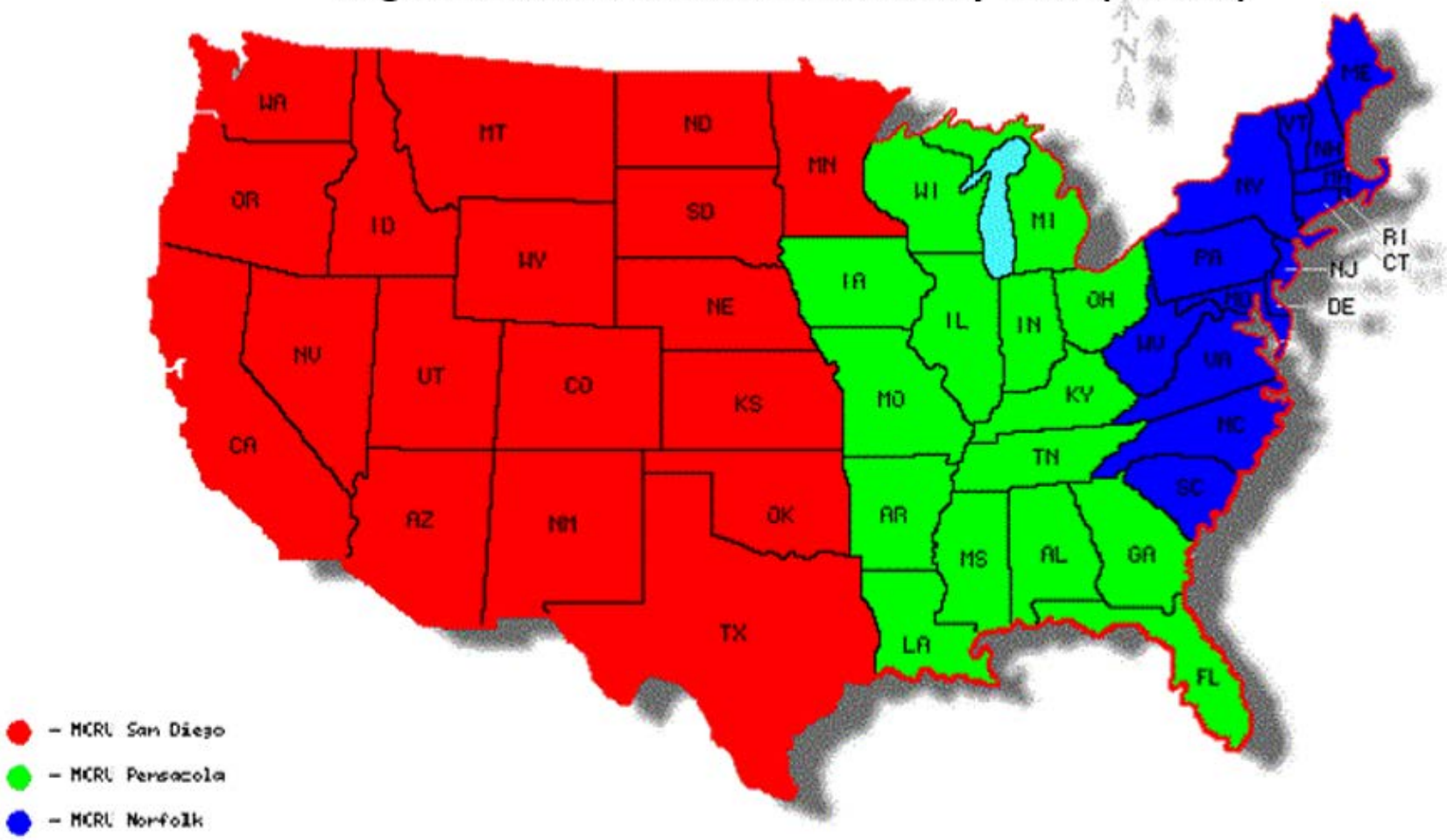
- The MTF UBO is responsible for preparing and providing accurate bills and supporting medical records to the Judge Advocate General (JAG).

- The UBOs' functions have always been separate and distinct from those of the JAG (whether the JAG is in a garrison office down the street or down the hall from the UBO). The JAG mission is to assert claims against whomever caused the injury, the tortfeasors' insurer, or third-party payers such as auto insurance and workman's comp. One way to look at the distinction between UBOs and JAGs is that the latter performs a legal function that could conceivably involve the U.S. Attorney's Office, or the Department of Justice should circumstances require civil action to recover funds.
- Legal office personnel who handle claims in MTFs are not functioning as UBO personnel simply by virtue of performing their duties in a hospital. They are performing a legal function under JAG supervision and must be viewed outside of the UBO mission.

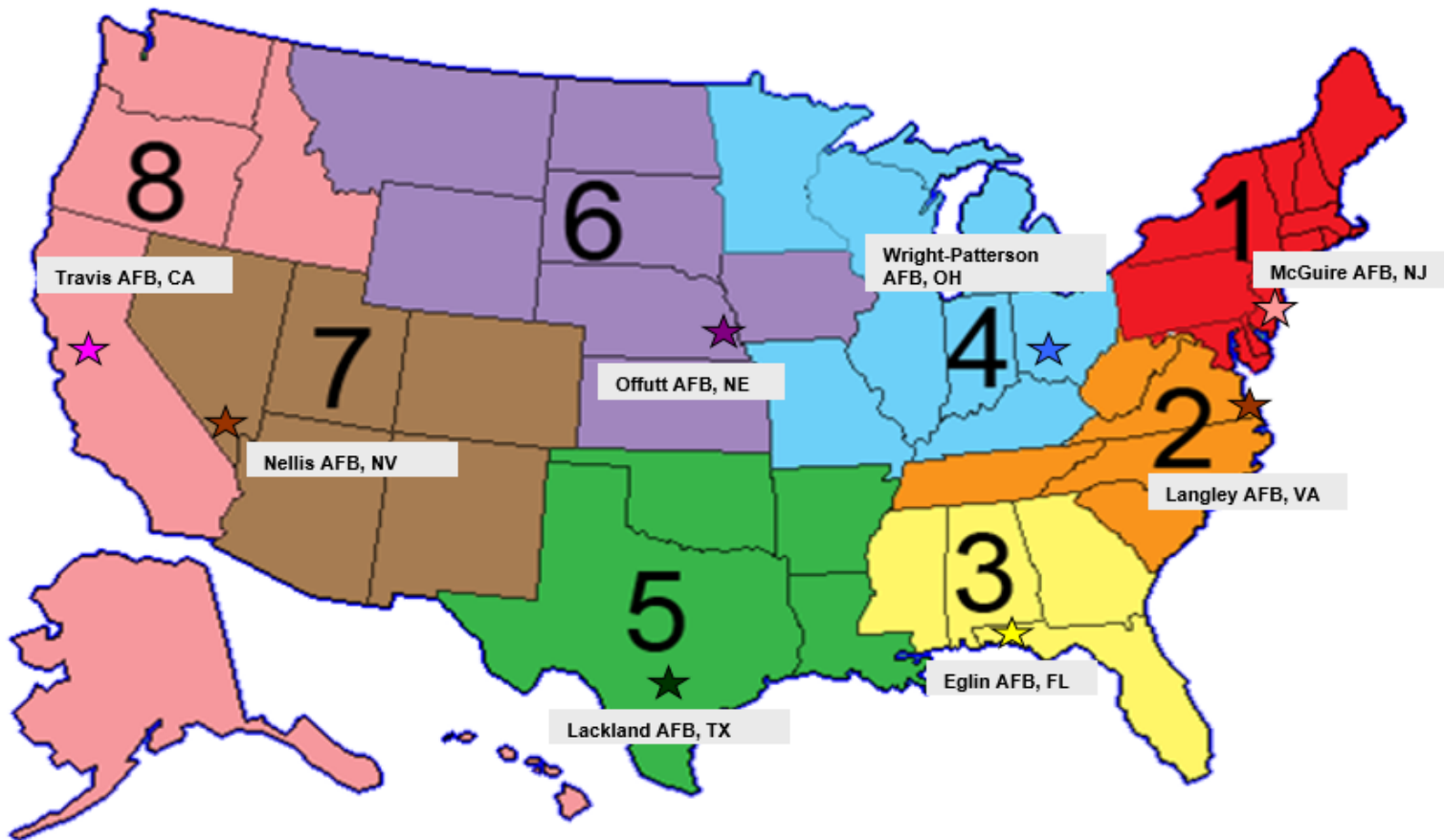
Legal Office Function

- The assertion and settlement of Medical Affirmative Claims is a JAG responsibility.

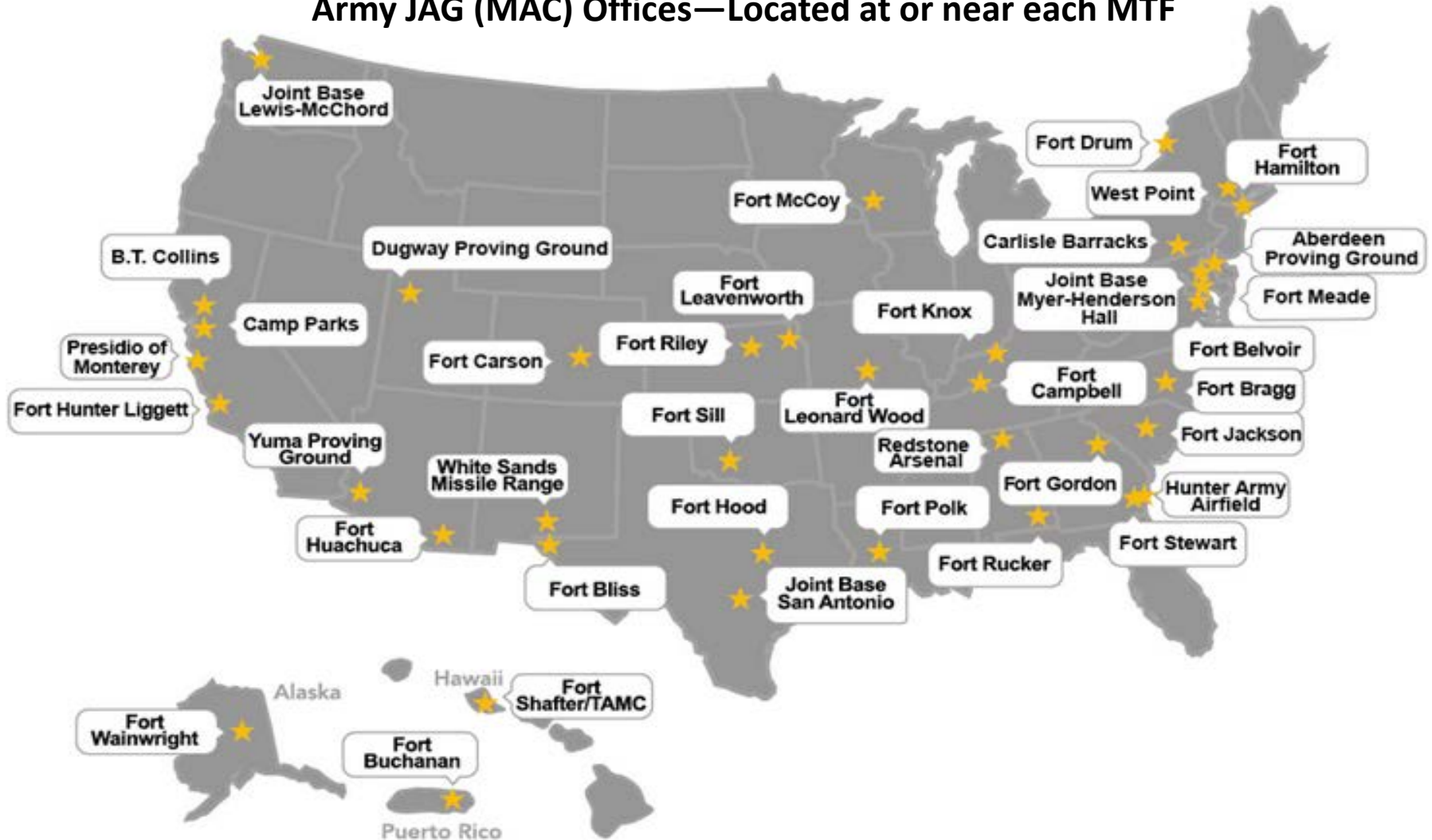
Regional Naval Medical Care Recovery Units (MCRUs)



Medical Cost Reimbursement Program (MCRP) Regions



Army JAG (MAC) Offices—Located at or near each MTF





- **MTF Clinic:** Uses MAC enhancement application to assist in identifying patient with injuries
- **Coders:** Ensure accuracy of coding and verify the encounter is within coding compliance guidelines
- **PAD:** Provides copies of the medical record, when applicable
- **MAC Billers:** Review the injured party's medical record and generate applicable bills
- **JAGs:** Assert and compromise, waiver, or settle disputed claims

- **Clinics/Appointment Clerk**
 - ID potential MAC cases in CHCS appointment module
 - Reporting potential cases on service specific form
 - Attend required training

- **Coders Responsibilities**
 - Respond timely to requests to produce codes for the MAC Biller
 - Accurately code those medical encounters relevant to the MAC Program

- MAC billing involves preparation and capturing all patient visits, to include:
 - Obtain all medical records and other documentation that support the care/service related to the injury
 - Identify inpatient and outpatient care and ancillary services provided since the date of accident/injury illness that are related
 - Generate appropriate claim forms to be provided to JAG
 - Maintain a file of the submitted claims
 - Provide training to all departments / clinics / ancillary services in the MTF on the MAC Program on a regular basis



- Screen admitting, emergency room, physical therapy, and outpatient clinic records; outpatient clinic encounter and insurance disclosure forms; supplemental care payments; and patient, insurance, attorney, and work release requests for potential MAC cases
- Interview patients at point of entry regarding accident information (how, when, where). This includes outpatient care, pre-admission, and admissions interviews
- Promptly notify the legal office regarding treatment
- Provide claim forms with accurate cost computation
- Provide copies of supporting medical records, as requested by the RJA
- Provide copies of paid vouchers for patients treated in civilian facilities (supplemental care, etc.), as requested by the RJA



- UBOs will establish internal controls for cases sent to the RJA for recovery. These controls include:
 - dispositions of claims
 - deposits of funds to the MTFs account
 - timely reporting of information about potential or ongoing affirmative claims
 - provision of accurate cost computations for care provided through the MTF
 - copies of supporting medical records

- The JAG office will inform the UBO under which authority the claim will be made 10 USC 1095 or 42 USC 2651-2654 (FMCRA)
 - MAC claims that are asserted against third party payer, such as auto, PIP, medical coverage, or auto liability insurance. The recovery authority is concurrently 10 U.S.C. 1095 and FMCRA **(Use DOD Rates)**
 - FMCRA is the recovery authority for MAC claims that will be asserted against a non-auto liability third party payer in cases such as medical malpractice, slip and fall, or directly against the tortfeasor **(Use OMB Rates)**

- **JAG Office Responsibilities**
 - Identify which potential MAC cases will be pursued
 - Inform UBO when bills require generation
 - Assert a lien against any civil recovery
 - Obtain agreements from civilian attorneys, when applicable
 - Provide status updates to UBO on open claims
 - Inform UBO when recovery is made and provide documentation of deposits



- To monitor the organization to ensure consistent application of laws and rules relating to the MTF billing process
- To ensure ethical billing and collections by identifying problem areas and to establish and implement solutions. The programmatic elements will include, but will not be limited to:
 - Medical records documentation
 - Data quality/coding
 - Billing
 - Accounting and fiscal law
 - Health care fraud, waste, and abuse
- To elevate issues of concern to MTF leadership



- Successful business relations with legal and medical staff
 - It's a team effort
- Timely identification of possible MAC cases
- Organization
- Audit procedures
 - With legal staff
 - With MTF staff
- Training to MTF staff involved in the MAC Program
 - MAC collections are a team effort
 - UBO, JAG, UBU (coding), PAD (records)



- Identify UBO staff as liaison between the MTF and Legal
- Flexibility
 - Be flexible, the legal office may need certain items quickly with little to no notice
 - A claim could take several years before settled
- Address what is expected from MTF and Legal Staff
 - Outline time-frames for work to be completed
- Timely Identity Potential MAC Cases
 - Injury Log
 - Inpatient screenings
 - Emergency room reports
 - Ambulance records
 - Request for medical records by third party (attorney or insurance company)

- You should meet with your RJA at least monthly to:
 - Reconcile Open and Closed MAC cases
 - Reconcile Monthly and Yearly amounts collected
- How to be prepared for Monthly Reconciliation with RJA as well as how to perform Clinical audits using CHCS Reports and medical records review process. Will also discuss importance of positive and negative feedback to clinics
- You should perform an audit to ensure all clinics are logging as many potential MAC cases as possible using the injury log at least monthly. Weekly if possible!



- MTF UBOs are responsible for ensuring that all clinic personnel are properly trained regarding the identification of potential MAC cases
- Set up a training plan to include:
 - Regularly scheduled training sessions at least quarterly
 - Include Providers, RN's, Techs, Records Clerks and administrative staff
- Initial training for all incoming personnel



CHANGE?



THANK YOU

Questions?



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