Department of Veterans Affairs

Memorandum

Date: NOV 4 - 2004

From: Deputy Under Secretary for Health for Operations and Management (10N)

Subj: Requirement to Participate in TRICARE

To: Network Directors (10N1-23)

This is to direct all VA medical facilities to become TRICARE Network Providers. Doing so is necessary for VA to meet its responsibility to provide timely care to military members returning from the war on terror theaters. The Department of Defense (DoD) relies on TRICARE Network Providers to provide care outside of military treatment facilities (MTFs). For example, if MTFs are unable to provide appropriate care, DoD's policy is for MTFs to refer casualties to its TRICARE networks.

Under the current conflict, DoD is routinely making referrals to VA facilities. Because patients being referred to VA may not be enrolled to the local military treatment facility, direct sharing agreements are not likely to be in place to pay for the care rendered to these patients. For this reason, it is essential that VA facilities become TRICARE Network providers to facilitate the referral, authorization and payment process of treating these service members.

Participating as a TRICARE Network Provider will enable VA to treat returning service members under a variety of programs, including the current Seamless Transition effort and the Army National Guard and Reserve's Community Based Health Care Organization (CBHCO) program. The CBHCO initiative is for mobilized Army Reservists and Army National Guardsmen needing outpatient care based on medical conditions identified while on active duty status in support of "The Global War on Terrorism." The program allows selected reserve component soldiers to return to their homes and receive medical care in their community rather than remaining at mobilization/demobilization sites while their service status is being determined.

TRICARE contractors handle reimbursement for CBHCO when soldiers are referred closer to their homes. We are trying to have the CBHCO coordinators obtain the TRICARE authorizations prior to sending these service members to VA. In the interim, for VA to be reimbursed VA should call TRICARE for authorization to treat these active duty reservists before initiating care. If the VA Medical Center is a TRICARE provider there should be no problem in receiving authorization and payment. Frequently, the Army's CBHCO case manager (who typically makes the referral) will not know whether or not a particular VA facility is a TRICARE provider.

Another example of a new TRICARE program is the Transitional Assistance Management Program, which extends TRICARE benefits for service members and their families for 180 days after a service member's discharge from military service. Once again, VA facilities must have a TRICARE contract to participate in this program.

Many active duty service members are already being referred to VA Medical Centers. VA still has an elevated priority of care for active duty service members. Secretary Principi's letter to the Under Secretary for Health, dated April 17, 2003, gives priority for treatment to active duty service members over others except veterans with service-connected injuries during the current mobilization.

It is essential that our medical facilities support our active duty service members to the fullest extent possible. For this support to occur we must participate in TRICARE. Therefore, I am requiring that all medical centers become TRICARE Network providers.

TRICARE contractors have developed, or are developing templates for VA participation. The Resources Sharing Office (176) has sent written procedures on how this policy will be implemented to all VISN Sharing Coordinators. Participation in TRICARE should not cause any alterations or disruptions in your usual business practices.

Please contact the Resources Sharing Office's (176) VA-DoD Regional Liaisons for further information. They are: TRICARE North, John McDonald (703) 681-2889 ext. 6719; TRICARE South, Ron Johnson (210) 292-3232; and TRICARE West, Felicia Lecce (619) 236- 5309. Rose Quicker is the Director of the Resources Sharing Office and may be reached at (202) 273-5514.

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