

Uniform Business Office Newsletter

Helping frontline users perform their day-to-day jobs

IMPORTANT NOTICE

Due to Privacy concerns, all personal identifiers, e.g., names and personal e-mail addresses and photos were removed from this newsletter. We apologize for this inconvenience. If you have questions about an article, please contact the UBO Help Desk (UBO.helpdesk@altarum.org/703-575-5385).

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1. Happy New Fiscal Year, UBO Team!

It's hard to believe another year has passed. This is not a note to recap the year, but instead one to say thank you for all that you have done to make this a successful year. Everyone has an important role on the UBO team and should take pride in and share the credit, whether you are at the TRICARE Management Activity (TMA) level, a member of the TMA UBO support contract, at the Service Program Management level, at the Region Management level, MTF leadership, MTF Resource Management Office (RMO) personnel, MTF UBO personnel, IT personnel, Patient Administration personnel, Coding personnel, or Legal personnel. Your hard work and dedication to improving the UBO cost recovery programs has resulted in program success. We also send a special thank you to our team members in the field. Not only have you asked those six magical words, "Do you have other health insurance?," but you've documented, pursued increased reimbursements, and educated MTF personnel and beneficiaries alike of the importance of the TPC, MSA, and MAC programs. In addition, you have participated in TMA training Webinars, answered the data calls, and have been subject matter experts

when we at TMA needed real-time input to enhance programs and develop policy. Simply put, we appreciate you and ask for your continued dedication and support in the coming year! Together, we will continue to succeed.

2. Expanded 2011 MHS Revenue Cycle Educational Conference

Mark your calendars! Plans are made for the 2011 MHS Revenue Cycle Educational Conference, scheduled for **15-17 March 2011, at the National Conference Center, Lansdowne, Virginia.**



Note this year's conference name and logo—joining the 2011 conference are the Medical Expense and Performance Reporting System (MEPRS) and Data Quality (DQ) Programs. The conference theme is "TEAMwork: Together Everyone Achieves More." The focus is the Military Health System's (MHS) revenue cycle. Attendees will be encouraged to attend courses across the UBO, MEPRS, DQ,

and UBU educational tracks so they will have a better understanding of all of the processes, sub-processes, and enabling technologies associated with initial patient registration and coding through the collection of the amounts due. Learning

Comments from the 2010 Conference

"The networking opportunity-always great to have others in the same field to discuss issues with."

"The opportunity to network with peers."

"Great conference for knowledge, as well as networking."

"Excellent Conference. I learned a great deal about how various functions interact."

how functions within the MHS revenue cycle are interdependent will increase the potential for positive financial outcomes and patient satisfaction for individual Military Treatment Facilities and also the entire MHS. We are in the process of obtaining Continuing Education Units (CEUs) approvals from AHIMA and AAPC, and the AAPC Certified Professional Coder (CPC) Exam will be given on Monday, 14 March 2011. Attendees may also certify attendance and submit courses for ACHE Category II educational credits.

Thank you to 2010 attendees for input on the conference evaluations. This is YOUR conference, and we continue to need to know what we can do to enhance your work experience and increase your productivity and performance goals. Working together, we will continue to build our team efforts to become more efficient and effective. Please send your recommendations/input for the 2011 Conference to ubo.events@altarum.org; your feedback is always appreciated.



Wednesday night American Idol–style karaoke is back by popular demand! This year’s theme will be country-western style—so dust off your boots and ten-gallon hats and be ready to learn the Texas two-step. Stay tuned to the UBO Web site (http://www.tricare.mil/ocfo/mcfs/ubo/annual_conf.cfm) for additional information and updates.

POC: UBO Conference Support Team

More Comments from the 2010 Conference

“Every presenter seemed to be prepared with an abundance of knowledge. I also enjoyed the Bios on the speakers. Very impressive.”

“These conferences are key! I know these are a lot of work, but every year I go back to my SIT and implement updated and new processes.”

“The opportunity to meet new people and to put a face with a name for the people I talk to via e-mail or phone.”

“The diversity of knowledge and presentations.”

3. UBO Pharmacy Rate Update Effective 9 August 2010

The UBO Program Office has released an update for the Pharmacy Rate Table that was effective on 9 August 2010. The updated table provides prices for approximately 123,000 National Drug Codes (NDCs) listed in the April 2010 Defense Logistics Agency (DLA) Managed Care Pricing File (MCPF). This update implements a pricing methodology that uses TRICARE allowable payment data from the Military Health System (MHS) retail Pharmacy Data Transaction Service (PDTS) database to set UBO prices for a majority of prescription drugs so they correspond to what TRICARE allows. The methodology does not limit the availability of drugs; it only identifies billable drugs and the amount to bill. Where a drug is represented in the MCPF but not in the PDTS, the median average wholesale price methodology is used to set the price. Under this pricing methodology, the UBO Program Office implemented a \$2.00 per script dispensing fee—again consistent with the average dispensing fee allowed by the TRICARE retail pharmacy. In addition to providing pricing allowable by TRICARE reimbursement, the updated table provides a current list of NDCs to the Military Treatment Facility (MTF) billing systems.

4. DoD/VA Direct Sharing Pharmacy Rates and Calculator Effective 1 September 2010

The UBO Program Office has released an update for the DoD/VA Direct Sharing Pharmacy rates effective 1 September 2010. These rates are based on the 28 June 2010 First Databank file release, and the update contains over-the-counter (OTC) NDCs as well as formulary pharmaceuticals.

In addition, pursuant to Paragraph 10 of the Outpatient Billing Guidance for DoD/VA Direct Sharing Agreements (dated 19 June and 17 August 2009), the UBO Program Office has completed, audited, and released the DoD/VA Direct Sharing Pharmacy Price Estimator Tool (PPET). The PPET is available at http://www.tricare.mil/ocfo/mcfs/ubo/mhs_rates/pharmacy.cfm. In Paragraph 10, the DoD and VA agree to price medications at Average Wholesale Prices (AWP), less sixty percent (60%), plus a \$9.00 dispensing fee. The current DoD/VA PPET update was developed from a full monthly (raw) release of the First Databank pharmacy file sent to the Defense Supply Center–Philadelphia (DSC-P). (A “raw

release” contains strictly AWP unit priced NDCs; it does NOT contain Prime Vendor Pricing (PVP) unit pricing or any applied AWP unit price discounts.)

5. Medical Affirmative Claims Rates Submitted to OMB

Medical Affirmative Claims (MAC) are those submitted to third party liability insurers for medical treatment furnished by military treatment facilities (MTFs) to patients, including Active Duty beneficiaries, who are injured by a third party. The MAC reimbursement rates are the same rates as those used to provide care to all patients but must be approved by the Office of Management and Budget (OMB) and published in the *Federal Register*. Fiscal Year (FY) 2010 billing rates for *outpatient* MAC were submitted to the OMB in September for approval and publication. Until then, MTFs must use FY 2009 Outpatient Itemized Billing rates to bill outpatient MAC. Service UBO Managers will be alerted when the new rates have been published; the announcement will also be posted on the [UBO Web site](#).

Similarly, FY 2011 billing rates for *inpatient* MAC are in the process of being submitted for OMB approval and publication in the *Federal Register*. Until such approval and publication, MTFs must use FY 2010 Adjusted Standardized Amounts (ASA) Inpatient rates to bill inpatient MAC. All rates – including pharmacy rates, which are updated more frequently – are posted on the [UBO Web site](#).

6. Outpatient Itemized Billing Rates Effective 1 July 2010

The CY 2010 Outpatient Itemized Billing (OIB) Rate Package, which includes updated UBO medical and dental reimbursement rates and cosmetic surgery procedure rates, is effective as of 1 July 2010. The Cosmetic Surgery Estimator (CSE) Version 6.0 (CSE v.6) has been distributed and is required for pricing all elective cosmetic surgeries scheduled on or after 1 July 2010. Contact your Service UBO Manager if you need a copy of the current CSE.

If you missed the June teleconferences for the CY 2010 OIB update, visit the [UBO Learning Center](#) for a recorded Webinar on the updates and changes affecting the OIB rates.

7. Adjusted Standardized Amounts Inpatient Rates Effective 1 October 2010

The FY 2011 Adjusted Standardized Amounts (ASA) Inpatient Rates for MTFs that provide inpatient care were approved by the Assistant Secretary of Defense for Health Affairs on 28 September 2010 and are effective 1 October 2010. These rates are used when billing for medical services furnished to inpatients at MTFs. The ASAs are based on TRICARE rate charges for institutional and professional services using an indexing methodology. The overall ASA rate increased 2.6 per cent from FY 2010 to FY 2011. The ASA rate package has been released to the UBO Service Managers for dissemination. Additional information is posted on the [UBO Web Site](#).

8. Patient Category Codes

DID YOU CHOOSE THE CORRECT PATIENT CATEGORY (PATCAT) CODE? If not, we are here to help. Choosing the correct PATCAT code is critical to the billing process. PATCATs determine whether or not a MTF will bill for a procedure and, if so, what rates will apply. An updated PATCAT Training Module is available at the [UBO Learning Center](#). It covers the purpose of patient categories; how the PATCATs are structured; the impact of incorrect PATCATs on billing; and updates to the PATCAT table for 2010. An interactive PATCAT Finder Tool is also available on the Web site to help you pick the correct patient category code.

Take the training...it's the sure-fire way to become PATCAT certified.

9. Enhancements Coming for the Metrics Reporting System

The Metrics Reporting System/DD2570 is being upgraded to protect the system from cyber attacks and to keep the system compliant with the DoD Information Assurance Certification and Accreditation Process (DIACAP). Enhancements include:

- Errors in users' reports will be highlighted to indicate which cells need correcting;
- Users who report on several DMIS IDs will no longer need multiple user IDs and passwords; and
- Users will be able to view the entire report when editing it (e.g., correcting errors, updating visits).

Training in Webinar format will be provided to users before the upgraded system is implemented. UBO uses an automated, Web-based, data collection tool known as the UBO Metrics Reporting System (MRS). This system facilitates capturing, consolidating, validating, and reporting DD Form 2570 Third Party Collections Program (TPCP) results for the Tri-Service UBO. You can reach the Web site by going to ubometrics.org. Remember, before you can access the MRS, you must get permission from your UBO Service Manager. Give them your full name, contact phone number, e-mail address, and MTF name and DMIS ID. You will receive an e-mail from the UBO Helpdesk with your user name and temporary password. Use the following link for an introduction and basic training: [Metrics Reporting System Introduction and Basic Training Presentation](#).

10. TPOCS Being Upgraded for HIPAA 5010

As you may be aware, Health Insurance Portability and Accountability Act (HIPAA) electronic billing standards take effect on 1 January 2012. The standards that will most affect MTFs are the new 837i, 837p, and National Council for Prescription Drug Programs (NCPDP) D.0 claim formats. Although the planned implementation of the Central Billing Events Repository (CBER) and the Service billing solutions are expected to be in place before the deadline, TMA and the Services have agreed that the Third Party Outpatient Collection System (TPOCS) should be upgraded so it can provide an extra "insurance policy." Under this strategy, TPOCS will be upgraded to support HIPAA 5010 data content and format requirements and thus be able, if needed, to continue generating new electronic claims following 5010 implementation. TPOCS will retain its full e-billing capability from 1 January 2012 through 30 September 2013. This 21-month "insurance policy" will ensure the continued success of the third party collections program during the 5010 transition.

11. Observation Services — A Recent TMA Policy Change

The interim policy for "Reporting and Billing of Observation Services," dated 17 March 1999, has been cancelled and replaced with the "Policy for the Reporting and Billing of Observation Services," dated 11 August 2010.

The new policy specifies that: (1) Observation services can occur in the Emergency Department (ED) or nursing unit only, and (2) patients in a clinic (except ED) requiring observation services must be "admitted" to the hospital and placed in a bed in a nursing unit. It further states that our present information system can support Observation services in the ED and that AHLTA is capable of capturing observation care services. Therefore, the MEPRS code B**0 cited in the 1999 policy is no longer needed. The new policy acknowledges that, while not a perfect solution from a coding and billing perspective, the volume of patients in observation status is very small, and the policy is best from a patient safety perspective.

The Composite Health Care System (CHCS) generates either an inpatient insurance claim or interagency invoice (DD7 report) for patients "admitted" in the system. As a result of the policy change, the primary objective is to prevent inappropriate inpatient billing when a patient is "admitted" for observation. A manual process and a workaround are being developed to ensure these cases are not coded and billed as

inpatient claims. The identification of patients in Observation status with the appropriate coding in AHLTA or CHCS of the actual Observation services rendered is necessary to bill payers and other agencies correctly.

A collaborative effort between the UBU and UBO to develop a process for coding a true Observation stay is currently underway, with coding guidance and billing instructions to be published once this is established.

In the meantime, an interim business rule process to identify Observation services when the patient is “administratively” admitted is recommended. Since most Observation stays are for less than 24 hours, the billing community should review all inpatient admissions that are one day or less and consult and confirm with their coding department to determine the circumstances surrounding these admissions.

12. UBO Policy Manual Updated

The UBO Advisory Working Group has been working with the TMA Program Office to update the UBO Policy Manual (last updated in November 2006). The revised manual has been submitted to HA TMA leadership for coordination and will be routed to the Surgeon General of each Service for comment and approval. Formal coordination for DoD issuances can be a lengthy process. Once the review has been completed and all revisions are approved, an announcement will be made through your UBO Service Managers, and the newly revised UBO Policy Manual will be available from the HA TMA Web site at: http://www.tricare.mil/ocfo/mcfs/ubo/policy_guidance/manuals.cfm.

13. UBO Learning Center

Beginning last June, the UBO Program Office began providing trainings in Webinar format, a Web-based interactive seminar transmitted over the Internet. These seminars include a visual PowerPoint presentation that is accessed by logging onto a Web address, as well as an audio broadcast that is accessed via a toll-free dial-in number. Both are provided to the Services and are posted on the [UBO Learning Center](#) Web site prior to the Webinar. The presentation can be followed from your personal computer. A key feature is the ability to give, receive, and discuss information amongst the presenter and audience. Questions may be asked either over the phone at the end of the presentation or in real-time from your computer during the presentation. Presenters may choose to answer in real-time or at the end of the presentation. Presentations are archived for on-demand viewing from any computer with Web browsing capability at the [UBO Learning Center](#).

Upcoming Webinars include:

2010 ICD-10 Updates – How They Impact the Billing	25 and 26 October 2010
2010 ICD-9-CM Updates – How They Impact the Billing	2 and 4 November 2010
CHCS and the Billing Process	9 and 10 November 2010
Program Integrity, Anti-Fraud	7 and 9 December 2010
CPT/HCPCS Changes for 2011	25 and 27 January 2011

Visit the [UBO Learning Center](#) for any changes and/or additions to the schedule and contact the UBO helpdesk at (703) 575-5385 or UBO.helpdesk@altarum.org with any questions or to submit recommended trainings and speakers that would be useful for job performance. Let us know how we can assist you in achieving job success.

POC: UBO Learning Center

Abbreviations/Acronyms in This Issue

AAPC	American Academy of Professional Coders
ACHE	American College of Healthcare Professionals
AHIMA	American Health Information Management Association
AHLTA	Department of Defense electronic health record; formerly, Armed Forces Health Longitudinal Technology Application
ASA	Adjusted Standardized Amount
AWP	Average Wholesale Price
CBER	Central Billing Events Repository
CEU	Continuing Education Unit
CHCS	Composite Health Care System
CM	Clinical Modification, ICD
CPC	Certified Professional Coder
CPT	Current Procedural Terminology
CSE	Cosmetic Surgery Estimator
CY	Calendar Year
DIACAP	DoD Information Assurance Certification and Accreditation Process
DLA	Defense Logistics Agency
DMIS ID	Defense Medical Information System Identification Number
DoD	Department of Defense
DSC-P	Defense Supply Center-Philadelphia
ED	Emergency Department
FY	Fiscal Year
HA	Health Affairs, DoD
HCPCS	Healthcare Common Procedure Coding System
HIPAA	Health Insurance Portability and Accountability Act
ICD	International Classification of Diseases, versions 9 and 10
IT	Information Technology
MAC	Medical Affirmative Claims
MCPF	Managed Care Pricing File
MEPRS	Medical Expense and Performance Reporting System
MHS	Military Health System
MRS	Metrics Reporting System
MSA	Medical Services Account
MTF	Military Treatment Facility
NCPDP	National Council for Prescription Drug Programs, version D.0
NDC	National Drug Code
OIB	Outpatient Itemized Billing
OMB	Office of Management and Budget
OTC	Over-the-counter
PATCAT	Patient Category
PDTS	Pharmacy Data Transaction Service
POC	Point of contact
PPET	Pharmacy Price Estimator Tool
PVP	Prime Vendor Pricing
RMO	Resources Management Office
SIT	Standard Insurance Table
TMA	TRICARE Management Activity
TPC	Third Party Collections
TPCP	Third Party Collections Program
TPOCS	Third Party Outpatient Collection System
UBO	Uniform Business Office
UBU	Unified Biostatistical Utility
USC	United States Code
VA	Veterans Affairs, Department of

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UBO Subject Matter Experts***Patient Financial Services***

Billing office operations such as MHS rate development, CHCS/TPOCS mapping tables, and reimbursement procedures

Medical Management

Documentation, coding, and policy development, including ICD-9-CM, CPT-4, and HCPCS coding

Access Management

Registration, identification of other health insurance (OHI), third party contract management, and the standard insurance table (SIT)

Compliance & Policy Management

Policy and guidance to ensure MTF revenue cycle business processes are conducted in accordance with DoD and national compliance standards

Metrics System Support***Education and Conference***

*Mark your calendars now
for the 2011 MHS
Revenue Cycle
Educational Conference
15-17 March 2011*

