HEALTH AFFAIRS

THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

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MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER AND RESERVE AFFAIRS)

SUBJECT: Revision of Compliance Audit Requirements in the Department of Defense 6010.15-M, "Military Treatment Facility Uniform Business Office Manual," November 9, 2006

This policy implements recommendations by the Department of Defense Inspector General (DoD IG) and United States Army Audit Agency's report of July 18, 2007, on the Outpatient Third Party Collection Program (D-2007-108). The following requirements shall be added to third party collection program compliance audits and incorporated into the Uniform Business Office (UBO) Manual, DoD 6010.15-M and effective immediately.

a. Test whether:

(1) Military treatment facilities (MTFs) have billed insurance providers for patient encounters where other health insurance information exists in the Composite Health Care System (CHCS), and

(2) MTFs have adequately followed up on collections from insurance providers.

b. Correct deficiencies that are found in the Third Party Collection Program during the compliance audits.

The proposed changes will be incorporated into the UBO Manual at Chapter 2 Compliance, Section C2.8., Auditing and Monitoring Activities:

C2.8.3.2.12. Bills are generated and sent for patient encounters when other health insurance information exists in the CHCS.

C2.8.3.2.13. Collections from insurance providers are adequately followed up.

C2.8.4. All errors and deficiencies found during audits are corrected.

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