

Uniform Business Office Newsletter

Helping frontline users perform their day-to-day jobs

IMPORTANT NOTICE: Due to Privacy concerns, all personal identifiers, such as names and personal e-mail addresses, have been removed from this newsletter. We apologize for this inconvenience. If you have questions about an article, please do not hesitate to contact the UBO Help Desk (UBO.helpdesk@altarum.org/703-575-5385).

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1. Policy on NOT Billing for Telephone Calls

All MTFs must halt billing for telephone calls, effective 19 April 2007, in accordance with HA Policy Memorandum 07-005. No follow-up collections should be taken on bills already sent out. The policy applies to CONUS and OCONUS.

Check with your Service representative on implementation of this policy.

TMA will allow billing for telephone calls to resume if, by 30 November 2007, MTFs certify that they have processes and procedures in place to ensure sufficient documentation needed to support billing for telephone calls.

The new HA Policy reverses a 25 March 1999 TMA Policy Memorandum 99-005 that called for a moratorium on mandatory billing for telephone calls in OCONUS MTFs, but allowed CONUS MTFs to bill. This policy had been under review; HA Policy 07-005 is the result of that review. The memorandum may be found on the [UBO Web Site](#) for your review and printing.

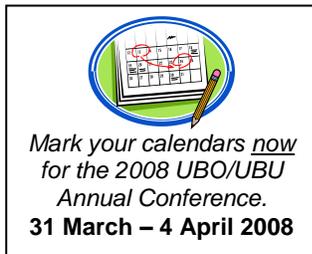
2. 2007 UBO/UBU Conference Over, but the Lessons Linger On!

More than 600 participants converged at the National Conference Center (NCC) in Leesburg, VA, from 19-23 March 2007, for the annual UBO/UBU Educational conference. This year's theme, "From Registration to Accounts Receivable – The Whole Can of Worms," met its goal of giving attendees needed tools in billing and coding. Attendees could then take these tools and share them with colleagues at their MTFs. In all, over 80 sessions were offered in seven different tracks.

Excerpts from Conference evaluations revealed what participants learned:

- Elements of a compliance plan

- CCE Reports can be used to track coding quality and to help providers arrange and delete codes on their favorite list in AHLTA
- Observation workload is not standard among the Services
- TRICARE's list of DRGs is weighted specifically to the MHS
- More effective ways to conduct audits
- The impact of PATCAT and Provider files on all areas and systems
- There is a new PATCAT finder tool that can be loaded to a PC



In addition to the seven tracks – two each for billing and coding, one for MSA, one for TPOCS, and one for CCE – the Conference opened and closed with special Key Note Speakers. At the Conference opening, [Name Redacted], Chief, TMA Pharmaceutical Operations Directorate, gave an update on the MHS Transition, specifically in relation to coding, billing, and pharmacy. Veterans Health Administration (VHA) Chief Business Office Director [Name Redacted], MS, PMP, closed the conference with an informative description of how VHA uses performance measures to improve collections.

Most of the conference sessions are available on the [UBO Web Site](#). Billing and MSA sessions can also be presented as teleconferences throughout this year if there is sufficient demand. The attached spread sheet lists the UBO sessions available for teleconference. If you would like to have a teleconference focusing on any of these sessions, please complete the form and email it to the UBO [Help Desk](#) for follow-up.

Thanks to everyone who made this annual conference a success. *NOW*, mark your calendars for next year's annual conference, tentatively scheduled to be held 31 March – 4 April at the National Conference Center, Leesburg, VA, with the main conference being held 1-3 April 2008.

3. New CY2007 OIB Rates Recommended For TMA Approval

Wondering where the rates are for the new CPT and HCPCS codes that became effective 2007? The UBO submitted the CY2007 Outpatient Itemized Billing (OIB) Rate Package Release to the CITPO and RITPO for testing. The rates are expected to become effective 30 June 2007.

The OIB rate package contains CMAC and CMAC Component rates, as well as rates for Anesthesia, Ambulance, APV, Dental, Durable Medical Equipment/Durable Medical Supplies (DME/DMS), Aeromedical Evacuation, Overseas Abortion, and Immunization services. The package also updates the interagency rate (IAR) and international military education and training (IMET) rate, the TPOCS Mapping Table, CPT Revenue Mapping Table, DMIS ID Table, and the Modifier Mapping Table.

Teleconferences explaining the new rates in greater detail will be held in June. Watch the [UBO Web Site](#) for additional details.

Locality 391 to be standard number for OCONUS MTFs

The CY2007 OIB Rate Package established locality 391 as the standard number for OCONUS MTFs. The TMA UBO created CMAC locality 391 to avoid confusion. Previously there was not a dedicated locality assigned to OCONUS sites. Instead, the locality closest to the "national average" was used for OCONUS rates. This caused the locality to vary each year. For example, last year OCONUS sites used locality 300 (National Average CMAC rates). In

FY2005, locality 375 (Brazoria, TX) was used. Beginning this year, OCONUS sites will consistently use CMAC 391.

The OCONUS MTFs should check that all OCONUS TPOCS and CHCS administrators download CMAC locality 391 for the 2007 CMAC and CMAC Component rates. The UBO Program Office will coordinate with the CITPO and RITPO, as well as the Service UBO Managers, to alert them to this change.

4. Pharmacy Rates Continue Migration to TRICARE/Commercial Pricing Practices

The upcoming Pharmacy rate update will be based on the Average Wholesale Price (AWP) as listed in the Managed Care Pricing File from the Defense Supply Center – Philadelphia. Once this new rate takes effect in late June, there will no longer be a pharmacy dispensing fee; the AWP includes the dispensing fee. Over-the-counter drugs (OTCs) will no longer be billed. To avoid unfair competition with the civilian sector, pay patients should not receive free OTCs.

These changes – particularly the elimination of the dispensing fee - align the MHS with TRICARE, TRICARE Mail Order Pharmacies (TMOP), and most civilian pharmacies operating in the United States. The rates remain in keeping with regulatory requirements that the DoD MHS “bill a reasonable charge” for pharmaceuticals.

The new rates will represent an average increase of less than one percent. The increase among the top 100 generic sequence numbers will be 10.01 percent.

The new rates will be included in the OIB teleconferences that will be held in June. Watch the [UBO Web Site](#) for additional details.

OCONUS Alert
OCONUS MTFs are invited to share ideas of how to make sure pay patients are fully aware of the new pharmacy rates. A pharmacy price estimator tool will be available upon request. Contact your Service manager. Send your suggestions to the UBO Helpdesk. Ideas will be shared during the pharmacy rates teleconference highlighting MTFs' suggestions.

5. One-for-One CPT Code Change Alert.

UBO Service Managers were given a list of CY2007 CPT Code changes in which the service/procedure remained the same, but for “housekeeping” reasons, the CPT code number was changed. TMA Office of the General Council confirmed that the rates are based on the specific service/procedure, and not the CPT code. Therefore, depending on guidance from your Service, the CY2006 CPT codes that were one-for-one changes list could be billed using the CY2007 CPT code with the CY2006 CPT code price.

For example, Magnetic resonance imaging – bone marrow blood supply, had a CPT code of 76400 in the CY2006 CPT. In the CY2007 CPT, the service now has a CPT code of 77084. Based on your Service guidance, if an insurer denies a claim based on using the CY2006 CPT code of 76400, it may be rebilled using the CY2007 CPT code of 77084 at your MTF-specific price, approximately \$530 depending upon the locality code.

NOTE
Only those CY 2006 CPT codes specifically listed in the package sent to your Service UBO Manager may be changed and rebilled using the new CY 2007 CPT codes.

6. Cosmetic Surgery Billing Package Update

This year the CY2007 Cosmetic Surgery rates will be effective 30 June 2007. The updated Cosmetic Surgery Estimator Tool (C-SET) will be available to MTFs mid-May 2007. Requests for the updated tool must be submitted to your Service Manager. The C-SET will allow MTFs to

give patients correct estimates using the new rates for any surgery scheduled to be performed after 30 June 2007.

Most prices for current cosmetic procedures will remain approximately the same. However, in response to provider and MSA feedback, the Cosmetic Surgery Billing package will include these changes:

- Inpatient pricing option will be available for selected procedures.
- New procedures and services previously not billable due to not having a unique CPT/HCPCS code are being added to CSET. This includes cosmetic dental services (see table below).

A separate teleconference focusing on Cosmetic Surgery rates and the latest estimate tool will be held late May/early June. It is important that billers participate in this teleconference to learn about new billing procedures for services without unique CPT/HCPCS codes.

2007 Additional Billable Cosmetic Procedures

Laser Procedures	Other Procedures	Revisions	Dental Procedures
Laser Hair Removal	Liposuction- Ultrasound assisted	Buttock Augmentation	Porcelain Veneers
Laser Skin Resurfacing	Microlipoinjection/ Fat Transfer	Calf Augmentation	Teeth Whitening
Laser Tattoo Removal	Microdermabrasion	Lip Augmentation	
Laser of Leg Veins	Cosmetic fillers; Restylane, Radiance, Zyderm, Zyplast	Pectoral Augmentation	
	Hair Transplants (individual follicle)	Umbilicoplasty	

7. Implementing Revised Claim Forms

MHS’s implementation plan for using the revised CMS 1500 claim form is proceeding on schedule. MTFs must begin using the form as soon as their systems are converted (on or around 23 May 2007). Most health plans, clearinghouses, and other support vendors are ready to accept the new forms.

Remember

The new CMS 1500 form replaces the outdated form (12/90). The UB-04 replaces the UB-92. All rebills must be sent on the new billing forms (CMS 1500 [08/05] or UB-04). For further information about claim form orders, contact your MTF UBO manager.

Remember

Once you change over, there is **NO** going back!

TPOCS is scheduled to have the CMS 1500 and UB-04 outpatient billing software available for download on 4 May 2007. CHCS expects that the change package (CP) will be available for worldwide deployment 9 May 2007. The paper claims CP is 315.

8. New Procedure For SIT/OHI Re-Pointing... And It’s Not What You May Think!

The new procedure is quite simple. All sites sharing a CHCS host need to communicate with one another as to what is being re-pointed. Do not assume that everyone on the shared host

will be happy with your decision. What is happening is that one site is re-pointing Other Health Insurance (OHI) to another Health Insurance Carrier (HIC) because it prefers a certain address, while another site is wondering why its OHI is going to, what it considers to be, the wrong address.

To avoid further confusion the initial SIT/OHI Business Rules for MTFs were revised. The following procedure is recommended:

- Print and view OHI list.
- Do any changes manually.
- Review coverage types of OHI and coordinate them with the appropriate HICs.
- Establish a Point of Contact (POC) at all sites on the host.
- Email all POCs of any re-pointing to be done.
- Preferably, only one site on the host should do the re-pointing.

Keep in Mind
When re-pointing, it is important to think through the process since what is being changed may affect another site's business.

For additional information, see the [UBO Web Site](#); click on SIT/OHI and then click on SIT/OHI Conversion documents.

9. Visit TRICARE University – Take the Patient Category (PATCAT) Code Course

An on-line training course titled "Patient Category Codes Course" is now available through the TRICARE University Web Site (<http://tricareu.tricare.osd.mil/>). The course was developed for the UBO to provide information about Patient Category Codes (PATCATs). It covers the importance of the PATCAT to many Military Health System functions, such as patient registration, billing and collections, and administrative management. Those who successfully complete the course will receive a Certificate of Course Completion from the TRICARE Management Activity.

The PATCAT course provides information helpful in understanding PATCATs and their uses, PATCAT code structure, and assignment of a PATCAT Code in CHCS. The course also includes the "PATCAT Finder Tool." The tool guides users through a decision-tree logic flow that leads to the correct selection of a PATCAT Code for a patient. It takes into consideration patient status and the characteristics of care for the patient. The PATCAT Finder Tool will be available for download to those who wish to use it on a regular basis in their work session.

10. VA/DoD Inpatient Billing Guidance for Inpatient Care Implementation - Update

The Services distributed guidance to implement the VA and DoD Memorandum announcing new inpatient billing guidance. The guidance was signed 29 August 2006; a DoD-specific implementation memorandum was sent to the Service Surgeons General in March 2007. Check the [UBO Web Site](#) for the memoranda, tools, and instructions to assist VA and DoD sharing partners in implementing the new inpatient billing guidance, and other training material.

An FY2007 Modified TRICARE DRG Payment Calculator, with instructions for its use, is also available on the [UBO Web Site](#). The calculator was developed to enable MTF staff to calculate the amount to be billed for hospital care provided under VA/DoD Health Care Resource Sharing agreements.

11. Outpatient Billing Guidance Next Focus of VA/DoD Resource Sharing

Now that inpatient billing has been resolved, the VA/DoD Financial Management Work Group (FMWG) is meeting to develop revisions to the current Outpatient Billing Guidance for Care. The FMWG is reviewing the current outpatient billing guidance and identifying specific areas needing revision to ensure the overarching policy guidance, calling for CHAMPUS Maximum Allowable Charges (CMACs) minus a 10 percent discount, is effectively communicated and implemented. This process will take a few more months to finalize.

12. TRICARE Mail Order Pharmacy and Other Health Insurance

TRICARE's Mail Order Pharmacy (TMOP) program does not process prescriptions for patients who have OHI coverage except in two limited circumstances:

- **If the medication prescribed for the patient is not covered by the patient's OHI.** In this case, the patient must submit the prescription to the TMOP contractor (Express Scripts) with the OHI Explanation of Benefits (EOB) showing that the medication is not covered. If the drug is available from TMOP, Express Scripts will fill the prescription.
- **If the patient has reached his OHI Pharmacy benefit cap (e.g., the policy's dollar limit) for the current insurance coverage period.** In this case, the patient must submit the prescription to the TMOP contractor with information from the OHI carrier showing that the OHI Pharmacy benefits cap has been reached. If the drug is available from TMOP, Express Scripts will fill the prescription until the OHI pharmacy benefit is renewed.

Check the [TRICARE Web Site](#) for more information about TMOP.

13. Surrogate Mothers – Determining When To Bill As If OHI

MTFs may be able to bill women who are serving as Surrogate Mothers, for their prenatal care and childbirth. Agreements governing the terms of payment made to a Surrogate Mother can be regarded as providing Other Health Insurance (OHI) coverage for care related to the surrogate motherhood experience.

MTFs intending to bill a patient for surrogate-related care will need first to identify the patient as a Surrogate Mother, and then request a copy of the agreement or contract under which the surrogate motherhood services are being provided. If the agreement identifies specific amounts of money allocated to coverage of health care for the Surrogate Mother, the agreement is considered by TMA to constitute OHI coverage billable up to the amount of the monetary allocation for health care. If the agreement does not specifically address allocation of monies for coverage of health care, and the total amount of money being paid to the Surrogate Mother is not allocated fully to specific categories of expenses, the agreement is considered by TMA to constitute OHI coverage billable up to the amount of the unallocated funds. The surrogate mother would receive the bill.

14. National Provider Identifier (NPI) Update

The UBO will provide the NPI Type 2 on all bills as of 23 May 2007. Bills will also have the NPI Type 1 if available. The UBO is not the entity that should provide the MHS NPIs to requestors. If your business office receives a request for an NPI type 1 or NPI type 2 which is not related to a bill, follow your Service guidance regarding which entity is responsible for release of NPIs.

15. Manual Billing of CPT Code 99199

It is permissible to resubmit a bill when a payor refuses to pay the institutional component of a same-day-surgery when the bill uses CPT code 99199. When re-submitting, use the UB-92/UB-04 and the CPT codes for the actual procedure(s) performed [e.g., a knee arthroscopy was done with a lateral release, removal of a bone fragment, a synovectomy in two compartments, and a shaving of articular cartilage (29877, 29873-51, 29874-51, 29875-51)]. List the code with the highest relative value unit (RVU) code first (hint, usually the code without modifier 51). The bill must be generated manually; it cannot be performed in TPOCS, since TPOCS will try to assign the professional charges to the codes. Enter the price for 99199 against the highest RVU procedure and no charges for the other procedures. Be sure to change the third digit for the type of bill from the initial type (131) to an adjusted claim (137).

Once you know a particular payor will not pay for a same-day surgery with CPT code 99199, follow the same procedure to submit the initial bill with the changed procedures and appropriate modifiers.

Abbreviations/Acronyms in This Newsletter

APV	Ambulatory Procedure Visit
AWG	Advisory Working Group
CCE	Coding Compliance Editor
CHCS	Composite Health Care System
CITPO	Clinical Information Technology Program Office
CMAC	CHAMPUS Maximum Allowable Charge
CMS	Centers for Medicare and Medicaid Services
CMS 1500	Centers for Medicare and Medicaid Services billing form 1500; formerly the HCFA 1500
CP	Change Package
CPT	Current Procedural Terminology
CY	Calendar Year
DoD	Department of Defense
DRG	Diagnosis Related Group
DSCP	Defense Supply Center – Philadelphia
EOB	Explanation of Benefits
FY	Fiscal year (October 1 – September 30)
HA	Health Affairs
HCPCS	Health Care Common Procedural Coding System
HIC	Health insurance carrier
HIPAA	Health Insurance Portability and Accountability Act of 1996
ICD	International Classification of Diseases
MCPF	Managed Care Pricing File
MHS	Military Health System
MSA	Medical Services Account
MTF	Military Treatment Facility
NPI	National Provider Identifier (Type 1 – individual; Type 2 – institutional/organizational)
OHI	Other Health Insurance
OIB	Outpatient Itemized Billing
PATCAT	Patient Category Table
POC	Point of Contact
RVU	Relative Value Unit
SIT	Standard Insurance Table
TMA	TRICARE Management Activity
TPOCS	Third Party Outpatient Collection System
UB-92, UB-04	Uniform Bill form 1992, 2004
UBO	Uniform Business Office
UBU	Uniform Biostatistical Utility
VA	Veterans Health Administration
VHA	Veterans Health Administration

**APPENDIX
UBO/UBU Annual Conference – UBO/MSA Sessions**

Check those classes you would like repeated as a teleconference during the year. Email this form to the UBO [Help Desk](#).

UBO Conference Sessions	Teleconference
Standard Insurance Table	
Standard Insurance Table - Case Studies	
New DD From 2569	
TPC Metrics Reporting System	
HIPAA Taxonomy and Provider Specialty Codes	
HIPAA Impact on the MHS	
Anti-Fraud Campaign	
Tips for Avoiding Denials	
DoD Diagnosis Extender Codes	
Basic Coast Guard Billing	
Unraveling the Mystery of Pharmacy Claims	
Using the Resources of the UBO Website	
How Should Medical Affirmative Claims Work?	
The JAG's Role in Third Party Collections	
Overview of Charge Master Based Billing (CMBB)	
CHCS Updates	
The Rest of the Worms	
MAMC TPCP Incentive Program	
TMA UBO Initiatives	
Billing Foreign Patients in CONUS	
SIT/OHI Post Deployment Lessons Learned	
Updates on the UBO Billing Policy Manual	
New UB-04 and 1500 Billing Forms	
Hands-On UB-04 Billing Example	
Building the Rate Structure of the Future	
Air Force MAC Process	
Basic Army MAC Billing	
Strategies for Successful Appeals	
TPCP Claims Follow-Up and Denials Management	
DoD-VA Inpatient Resource Sharing	
Developing and Maintaining Your MTF Compliance Plan	
The "Other" UB-04 Fields: Occurrence, Value, Condition and POA Codes	
How to use Management Reports - Part 1 TPC	
How to use Management Reports - Part 2 MSA	
What Regulations Affect the UBO?	
UBO Accounts Receivable	
Using the Revised Cosmetic Surgery Tool	
MSA 101 - Back to Basics	
Civilian Emergency Billing	
MSA Billing	
MSA Accounting	

MSA Reports	
MSA Best Practices and Acronym Bingo	
Reciprocal Health Care Agreements	
Tips for Billing Foreign Military	
VA Payment Issues	
MSA Denials Management	
MSA Account Management for MTFs with a Large AR	
OCONUS Billing	
PATCAT Assignments	
Smart Book - The MSA Perspective	
Elective Cosmetic Surgery – Using CSET Effectively	
Patient Trust Fund	
Army Debt Management	
MSA Compliance Audits	
Processing GWOT Bills	

UBO Reference Portals
Uniform Business Office (UBO)
<http://tricare.osd.mil/rm/index.cfm?pageld=10>
Uniform Biostatistical Utility (UBU)
<http://www.tricare.osd.mil/org/pae/ubu/default.htm>
MHS Helpdesk
<http://www.MHS-helpdesk.com>
Third Party Outpatient Collection System (TPOCS)
<http://www.tpocshelpdesk.com>
CHCS Implementation Alerts and OIB
<https://fieldservices.saic.com>
UBO Questions (This is an email address)
ubo.helpdesk@altarum.org
UBO Support Additional Web Site
<https://my.altarum.org/sites/ubo/default.aspx>