



OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 16 2008

COMPTROLLER

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY (BUDGET), OFFICE
OF THE ASSISTANT SECRETARY OF THE ARMY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
DIRECTOR FOR OFFICE OF BUDGET/FISCAL
MANAGEMENT, OFFICE OF THE ASSISTANT
SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
DEPUTY ASSISTANT SECRETARY (BUDGET), OFFICE
OF THE ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)

SUBJECT: Medical Billing Rates for Other Than Foreign Military Personnel Utilizing
Department of Defense Deployed/Non-Fixed Facilities

This memorandum revises medical billing rates for contractors deploying with U.S. Armed Forces, Department of Defense (DoD) civilians (both U.S. citizens and non-U.S. citizens, both essential and non-essential, both paid by appropriated funds and non-appropriated funds), media embedded in U.S. Armed Forces units, insurers of Military Health System (MHS) beneficiaries, civilian emergencies, and others who receive medical care from a deployed/non-fixed facility. These rates do not apply to foreign military receiving services under Acquisition and Cross-Servicing Agreements.

This memorandum does not establish eligibility for care and does not apply to Military Treatment Facilities (MTFs) funded by the Defense Health Program (DHP). ***These rates are to be used for medical services rendered from the date of this memorandum and are effective until updated.*** The following reimbursement rates (fixed and variable costs) should be used by the deployed/non-fixed medical facilities to calculate claims:

- Inpatient daily rate: \$2,041.00. Date of discharge is not billed unless patient is admitted and discharged on the same day.
- Outpatient visit rate: \$195.00. A visit is an encounter with a privileged provider to include diagnostic imaging, laboratory/pathology, and pharmacy provided at the medical facility. It does not include costs of services/supplies ordered by the provider, but furnished by an entity other than the deployed medical facility, e.g., a pharmacy order purchased by the patient in the open economy.

The following conditions must be satisfied to support the reimbursement process:

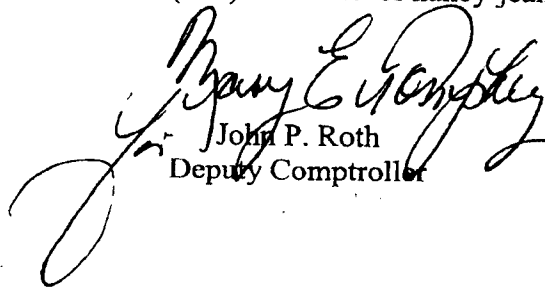
- Pursuant to Department of Defense Instructions (DoDI), 3020.41, "Contractor Personnel Authorized to Accompany the U.S. Armed Forces,"

October 3, 2005, to bill for contractors deploying with the force, the contract must specify which reimbursable medical services are available. Contracts that permit the provision of any services in addition to emergency medical care shall specify that the care be provided on a space-available, fully reimbursable basis.

- The patient must provide a Letter of Authorization from the contracting officer stating authorized health care, and the entity responsible for payment of the bill.
- The Letter of Authorization must have been approved by the joint force command surgeon, based upon the existing capabilities of the forward-deployed medical facilities.
- There must be established Military Department eligibility, billing and collections policies for deployed/non-fixed medical facilities. At a minimum, the policy will address:
 1. Method to verify eligibility if not U.S. Active Duty;
 2. Priority of each category of patient (e.g., space required or available);
 3. Procedures for identifying billable patients;
 4. Collecting insurance data and release of information documents;
 5. Documenting medical services provided;
 6. Generating and submitting bills to payors;
 7. Collection of co-pays and deductibles;
 8. Managing accounts receivable/denial management; and
 9. Account to which receipts are posted.

When foreign military, contract personnel and non-beneficiaries are evacuated to a MTF funded by the DHP, the DoD MTF Uniform Business Office (UBO) Manual (DoD 6010.15-M) reimbursement policies will apply for services rendered by the MTF. When personnel are transported using the military aeromedical evacuation system, aeromedical evacuation system reimbursement policies will apply. The attached list of reference documents is provided for further information.

Please provide a copy of your implementing guidance within 90 days of the date of this policy memorandum. My point of contact for this action is Ms. Nancy Jeanne Rosenberg. She can be reached at (703) 614-7529 or nancy-jeanne.rosenberg@osd.mil.


John P. Roth
Deputy Comptroller

Attachments:
As stated

**Background Documents Associated With Medical Billing Rates for
Deployed/Non-Fixed Facilities**

Legislation

- 10 U.S. Code (USC) 101 - Definitions. ((a)(13) defines "Contingency Operation")
- 10 USC 2344 - Methods of payment for acquisitions and transfers by the United States
- 10 USC 1095 - Health care services incurred on behalf of covered beneficiaries:
collection from third-party payers
- 42 USC Chapter 32 - Third Party Liability for Hospital and Medical Care
- 31 USC Chapter 37 - Claims

Regulations

- 48 CFR 225.7402-3 - Government support
- 48 CFR 252.225-7040 - Contractor personnel authorized to accompany U.S. Armed
Forces deployed outside the United States

Department of Defense (DoD) Publications

- DoDD 1404.10 Emergency-Essential (E-E) DoD U.S. Citizen Civilian Employees, April
10, 1992
- DoD 7000.14R - DoD Financial Management Regulation
Volume 11A, Chapter 4 - User Fees
- Defense Financing and Accounting Service-Indianapolis (DFAS-IN) Regulation 37-1;
Chapter 17 - Accounts Receivable and Debt Management
- Department of Defense Instruction (DoDI) 1400.32 - DoD Civilian Work Force
Contingency and Emergency Planning Guidelines and Procedures, April 24, 1995
- DoDI 3020.41 - Contractor Personnel Authorized to Accompany the U.S. Armed Forces,
October 3, 2005

Other Directives

National Security Presidential Directive (NSPD) of 11 May 2004, second to last paragraph

Messages

101900Z Feb 03 FM SECDEF WASHINGTON DC//OASD-PA// TO SECDEF WASHINGTON DC//CHAIRS// AIG 8777 Subject: Public Affairs Guidance (PAG) on Embedding Media During Possible Future Operations/Deployments in the U.S. Central Commands (CENTCOM) Area of Responsibility (AOR). Paragraph 5.A. states "Media outlet will bear the expense."

Memoranda

Memorandum for the Deputy Commander, U. S. Central Command (CENTCOM), Subject: Financial Support of the Multi-National Division Central South (MND-CD), dated 9 Oct 2003