

REIMBURSEMENT OF PHYSICIAN ASSISTANTS

Issue Date: July 9, 1990

Authority: [32 CFR 199.14\(h\)\(1\)\(ix\)](#)

I. APPLICABILITY

This policy is mandatory for reimbursement of services provided by either network or non-network providers. However, alternative network reimbursement methodologies are permitted when approved by TMA and specifically included in the network provider agreement.

II. ISSUE

How are physician assistant (PA) services to be reimbursed?

III. POLICY

A. The allowable charge for PA services other than assistant-at-surgery may not exceed 85 percent of the allowable charge for a comparable service rendered by the employing physician who must be an authorized TRICARE provider.

1. When the employing physician is not participating in a TRICARE/CHAMPUS reimbursement plan at less than the allowable charge determined under the provisions of [Chapter 13, Section 1.1](#), the allowable charge for the PA service may not exceed 85 percent of the allowable charge for the physician calculated in accordance with these provisions. When the PA and the physician perform component services of a procedure other than assistant-at-surgery (e.g., home, office or hospital visit components), the allowable charge for the procedure (to include both the services of the physician and PA) may not exceed the allowable charge for the procedure rendered by a physician.

2. When the employing physician is participating in a TRICARE/CHAMPUS reimbursement plan at less than the allowable charge as calculated in [paragraph III.A.1.](#) above, the allowable charge for the PA service may not exceed 85 percent of the reduced allowable charge for the physician unless the reimbursement plan has specifically included use of PAs in the negotiated rates.

B. The allowable charge for PA services performed as an assistant-at-surgery may not exceed 65 percent of the allowable charge for a physician serving as an assistant surgeon when authorized as TRICARE/CHAMPUS benefits in accordance with the provisions of [32 CFR 199.4\(c\)\(3\)\(iii\)](#), and subject to the procedures for calculation contained in [paragraph](#)

III.A.1. and paragraph III.A.2. above. The employing physician must be an authorized TRICARE provider.

C. Prevailing profiles are not established for PA services. The physician profile is used to assure that the appropriate percentage calculation is made and applied.

D. The procedure or service performed by the PA is billed by the supervising or employing physician, billing it as a separately identified line item (e.g., PA Office Visit) and accompanied by the assigned PA provider number.

IV. EFFECTIVE DATE

Reimbursement of PA services is effective for services rendered on and after July 1, 1990.

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