

CHAPTER 13
SECTION 2.6

REIMBURSEMENT OF COVERED SERVICES PROVIDED BY
INDIVIDUAL HEALTH-CARE PROFESSIONALS AND OTHER NON-
INSTITUTIONAL HEALTH-CARE PROVIDERS

Issue Date: July 5, 1991

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

I. ISSUE

How are covered patient related services of individual health-care professionals and professionals that would otherwise meet the qualifications of individual professional providers except that they are either employed by or under contract to an institutional provider, and other non-institutional health-care providers to be reimbursed?

II. POLICY

A. In accordance with [32 CFR 199.14\(h\)](#), covered services provided by all TRICARE authorized individual health-care professionals and other non-institutional health-care providers are to be reimbursed using the allowable charge methodology unless otherwise provided in this chapter of the CFR. Individual professional providers of care and other non-institutional health-care providers are those listed and discussed in [32 CFR 199.6](#).

1. This policy applies to all categories of individual health-care professionals and professionals that would otherwise meet the qualifications of individual professional providers except that they are either employed by or under contract to an institutional provider, and other non-institutional providers regardless of the patient services provided.

2. This policy applies to all locations, inpatient or outpatient, where services are provided by these providers. These services could be provided by individual health-care professionals in a DRG hospital, a DRG exempt hospital, an ambulatory surgery center, or in a facility without a TRICARE/CHAMPUS all-inclusive rate.

NOTE: Facility charges for inpatient and outpatient services will continue to be billed on the UB-82/UB-92. This would include inpatient services that are and have been included in the reimbursement under the DRG-based payment system or the mental health per diem payment system. Outpatient facility charges would include services that aid the individual health-care professional provider in the treatment of the patient. These charges may include such services as the use of hospital facilities factoring in overhead costs of utilities, billing, equipment and maintenance costs, insurance, nursing staff, etc., including emergency room services (nonprofessional services), the services of nurses, technicians, and other aides, medical supplies (gauze, oxygen, ointments, dressings, splints, casts, prosthetic devices), and drugs and biologicals which cannot be self-administered.

3. Services provided by individual professional providers of care and other non-institutional health-care providers are to be billed only on the HCFA 1500 or the TRICARE/CHAMPUS 2642 for payment. Individual health-care professionals (e.g. physicians) and non-institutional providers (e.g. suppliers) are to use the HCFA 1500. Institutional providers (e.g. hospitals) are to use the HCFA 1500 or the UB-92 (if adequate CPT coding information is submitted) to bill for the professional component of physicians and other TRICARE authorized professional providers. TRICARE beneficiaries (or their representatives) who complete and file their own claims for individual health-care professional and other non-institutional health-care provider services may want to use the CHAMPUS 2520 claim form for TRICARE payment. (Refer to [OPM Part Two, Chapter 1, Section I.B.](#) "Who may File a Claim".)

NOTE: Services provided by individual professional providers of care and other non-institutional health-care providers include the individual and direct (hands-on) treatment or examination of a patient by such a provider. Such services may include diagnostic services, ambulatory surgery services, physical and occupational therapy and speech pathology services, and rehabilitation services. A service may be regarded as "diagnostic" if it is an examination or procedure to which the patient is subjected, or which is performed on materials derived from the patient, to obtain information to aid in the assessment of a medical condition or the identification of a disease. Among these examinations and tests are diagnostic laboratory services such as hematology and chemistry, diagnostic X-rays, isotope studies, EKGs, pulmonary function studies, thyroid function tests, psychological tests, and other tests given to determine the nature and severity of an ailment or injury.

III. EFFECTIVE DATE

The methodology (allowable charge) of reimbursement of individual health-care professional and other non-institutional health-care provider services is effective for covered services rendered on and after October 1, 1991.

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