

# Foreign Claims

## I. FOREIGN CLAIMS FOR DATES OF SERVICE PRIOR TO OCTOBER 1, 1996

### A. General

1. Foreign claims including CHAMPUSEUR active duty member foreign claims, shall be processed to the maximum extent possible in accordance with the OCHAMPUS Operations Manual, Automated Data Processing (ADP) Reporting Manual and the [Policy Manual, Chapter 11, Section 7.1](#). TRICARE/CHAMPUS eligible adjunctive dental foreign claims shall be referred to the contractor responsible for processing adjunctive dental claims. CHAMPUSEUR active duty member dental foreign claims shall be processed by the OCHAMPUS Contractor responsible for foreign claims processing.

2. The FI/Contractor must maximize the use of the Operations Manual as a guide when processing TRICARE/CHAMPUS claims originating in foreign countries. However, with the exception of Puerto Rico, the provisions for claims processing are not intended to be strictly applied to claims for services received in foreign countries. Claims for Puerto Rico shall be processed according to [OPM Part Two, Chapter 1](#). The Contractor shall exercise reasonable judgment to accommodate unusual circumstances relevant to the practices and delivery of health services in overseas jurisdictions.

3. Unless otherwise stated, the requirements provided in this chapter shall not apply to the Managed Care Support Contract Regions and the Air Force CAM demonstration.

### B. Contractor Responsibilities

#### 1. Claims Processing Responsibilities

*Responsibility for processing of and responding to correspondence received related to all TRICARE/CHAMPUS foreign claims including CHAMPUSEUR active duty member foreign claims, inclusive of CHAMPUSEUR, CHAMPUSSO, CHAMPUSAC and Puerto Rico, shall be the jurisdiction of the OCHAMPUS Contractor responsible for processing foreign claims, except when the beneficiary is a resident of a Managed Care Support (MCS) Contractor Region, or one of the Air Force CAM Demonstrations areas. In these jurisdictions it is the responsibility of the area or regional contractor to process foreign claims for those beneficiaries who are residents of these areas/regions and who may generate a TRICARE/CHAMPUS claim for services while traveling or visiting abroad utilizing the guidelines below. (For beneficiaries residing in a MCS region, payment for medical care received in foreign countries will be according to the at-risk requirements of the specific MCS contract.)*

#### 2. General Policies and Procedures for all Foreign Claims

*The Contractor shall be responsible for establishing and operating a dedicated foreign claims/correspondence processing unit with a dedicated staff. Claims for services in foreign countries are to be mailed or faxed directly to the Contractor's dedicated foreign claims processing unit. This unit and staff shall be under the direction of a supervisor, who will function as the Contractor's point of contact for TRICARE/CHAMPUS foreign claims and related operational and support services.*

**a.** *The Contractor's special unit for foreign claims shall include the following functions/requirements:*

**(1)** *The Contractor shall secure at a minimum one (1) dedicated post office box for the receipt of all claims and correspondence from foreign locations.*

**(2)** *The Contractor shall provide toll-free telephone service to Germany, Italy and England only, Monday through Friday from 9:00 a.m. to 5:00 p.m., Central European Time or 2:00 a.m. to 10:00 a.m., Central Standard Time. Staffing of these toll-free lines shall include persons who can speak German.*

**(3)** *The Contractor's foreign claims staff shall have the ability to translate claims submitted in a foreign language and write in German and Italian, or shall have the ability to obtain such translation or writing.*

**(4)** *The Contractor shall be responsible for the review of all foreign claim appeal cases within their jurisdiction.*

**(5)** *The Contractor shall use the following as guidelines for processing claims:*

**(a)** *All foreign claims, including claims relating to drugs, durable medical equipment (DME), may be accepted, reviewed and processed, and paid without the usual requirements for itemization. Payment may be made if the foreign claim or attached information, such as bills, receipts, etc., meets the policy requirements outlined in the Policy Manual, Chapter 11, Section 7.1, and the claims contain the following minimal information:*

- 1** *A valid payable diagnosis;*
- 2** *Provider name and address;*
- 3** *Service/supply/drug/DME ordered, performed or prescribed;*
- 4** *NAS when applicable; and*
- 5** *Total charges. (Itemization of hospital room rates are not required on institutional claims).*

**(b)** *Drugs identified as non-prescription (over-the-counter) are to be denied. Contractors may use the Red Book or the Blue Book as a reference source for processing drug related foreign claims. However, if the drug is not listed in these reference sources, payment is authorized when determined to be medically indicated.*

**(c)** *The Contractors are not required to certify foreign providers, as TRICARE/CHAMPUS authorized providers. However, licensure/certification is required if the foreign providers services/practices are questionable.*

**(d)** *Requests for additional information required to process all foreign claims to completion shall be forwarded to the beneficiary/provider by the most expeditious method available. If the requests for additional information are not received at the Contractor's request within thirty-five (35) days, the claims shall be denied.*

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(e) Upon completion of review and processing, the CHAMPUS Explanation of Benefits (CEOB) and the draft/check are to be generated in the Contractor's finance office. All foreign drafts/checks and CEOBs shall be first in each payment run. Any drafts/checks that need to be converted to a foreign currency are to be calculated based on the exchange rate in effect on the last date of service listed on the CEOB. Foreign currency drafts/checks are issued in foreign currency instead of dollars, except for Europe, Africa and the Middle East (see Paragraphs C and D of this Section for issuance of foreign drafts/checks to Europe, Africa and the Middle East). Upon completion of the processing, drafts shall be developed by the contractor within 48 hours, matched with the appropriate CEOBs, and mailed to the beneficiary/sponsor/provider.

(f) The Contractor may issue CHAMPUS CEOBs on regular stock which provides a message indicating the exchange rate used to determine payment. CEOBs for countries with toll-free service shall include the toll-free number for that country. Additionally, all CEOBs for CHAMPUSEUR active duty member military claims shall be annotated "active duty".

(g) On all foreign claims the Contractor, in order to reference invoice numbers on CEOBs, is allowed to split claims to accommodate multiple invoice numbers, when necessary.

(h) As a guideline, foreign claims shall be sent to the microfilm area, filmed and returned to the foreign claims unit the same day. This process shall be completed no later than the close of business the following working day of submission.

(i) The Contractor shall accept APO/FPO for the beneficiary address.

(j) The Contractor shall continue verification of eligibility through DEERS and when necessary will apply DEERS rules as appropriate. Additionally, the Contractor shall use DEERS for verification of "active duty status" at the time the services were rendered prior to payment of any CHAMPUSEUR active duty member claim.

### **3. Policies And Procedures for CHAMPUSEUR Claims Exclusively**

a. For claims from any country which do not have a full provider name and address the Contractor shall create "dummy providers," if payment will be made to the beneficiary.

b. The Contractor shall use "dummy codes" for all Belgium claims. The FI/Contractor will not develop for definitions of Belgium codes.

c. For claims missing a diagnosis, the Contractor shall use their history within thirty (30) days, or use a "dummy diagnosis," regardless of the dollar amount.

d. The Contractor shall use the date the claim form was signed as the specific date of service, if the claim does not indicate the specific date of service.

e. The Contractor shall ensure invoice numbers are in "patient account fields".

- f.** The Contractor shall code lump sum payments instead of line items to minimize conversion problems.
- g.** The Contractor shall pay claims suspected of Third Party Liability (TPL) and then develop for TPL information. Upon receipt of the information, the Contractor shall refer claims/documentation to the appropriate JAG office, as outlined in OPM Part Two, Chapter 5, Addendum B.
- h.** The Contractor shall have a TRICARE/CHAMPUS bank account capable of receiving/accepting wire transfers from Europe for recoupment/overpayment returns. The Contractor may accept the amount wired and the provider's wiring fee as a total recoupment payment. (The Contractor may write off the provider wiring fees).
- i.** The Contractor shall accept APO's/FPO's for the beneficiary address.
- j.** The Contractor shall use the following recoupment procedures for claims from Germany:
- (1)** Recoupment procedures for beneficiaries will follow the recoupment procedures outlined in OPM Part Two, Chapter 5.
- (2)** Recoupment procedures for providers shall include:
- (a)** An initial demand letter.
- (b)** A second request letter at thirty (30) days.
- (c)** A final demand letter at ninety (90) days.
- (d)** Referral to OCHAMPUS at 180 days, if the case is over \$600.00, and if under \$600.00 the case shall remain open for an additional six (6) months and then shall be written off at 360 days.
- (3)** Recoupment letters (i.e., the initial letter, the thirty (30) day second request and the ninety (90) day final demand letter) shall be modified to delete references to U.S. law. The letters shall be printed in German, however, the Contractor may handwrite the dollar amount and the provider's name and address. Invoice numbers shall be provided on all recoupment letters.

#### **4. Policies and Procedures for German Foreign Claims Exclusively**

- a.** All claims, and correspondence, including information being returned in response to Contractor requests for additional information from Germany shall be sent to the appropriate Contractor.
- b.** The TRICARE Europe Support Office shall facilitate the Contractor when necessary and on occasion may forward claims from Germany for both CHAMPUS eligible beneficiaries and CHAMPUSEUR active duty member claims.
- c.** The Contractor shall pay claims as billed, including charges from ambulance companies in Germany, for driving physicians to accidents or private residences, for treatment of TRICARE/CHAMPUS beneficiaries, in addition to the normal ambulance

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charges, prescription ordered mud baths, "rule out" diagnoses, and vitamins, including prenatal vitamins. Claims for abortions and dental care shall be denied.

- d. Development for missing information will be kept to a minimum, however, the Contractor shall always develop for beneficiary and provider signatures and durable medical equipment involving lease/purchase.
- e. When development is necessary, the Contractor shall include a special insert in German which indicates the contractor address for returning requested information.
- f. The Contractor shall issue draft/checks for German claims which look like local German drafts/checks.
- g. All foreign providers are considered to be participating. Therefore, all payments shall be directed to the providers unless there is an indication the claim has already been paid; then payment shall be made to the beneficiary/sponsor.
- h. The Contractor is not required to routinely accept/process loose bills. However, if the Contractor receives a loose bill, the Contractor shall search their records to determine if there are other claims on history or any claims that are currently in process. If another claim is not found, the loose bill shall be returned to the beneficiary/sponsor/provider uncontrolled with a claim form and instructions for resubmission.

### 5. Policies and Procedures For CHAMPUSEUR Active Duty Claims Exclusively

- a. The Contractor shall accept and pay all non-emergency civilian medical/surgical and dental CHAMPUSEUR active duty member claims for processing even when not a TRICARE/CHAMPUS benefit when the claim is:
  - (1) Submitted by the Military Treatment Facility or other military command personnel, or by a designated Point of Contact (POC); and
  - (2) accompanied by an OCHAMPUS claim form; and
  - (3) accompanied by either, a Standard Form 1034, a Standard Form 1034 continuation sheet, or a NAVMED 6320/10 (These forms shall be considered an authorization for care); and

**NOTE:**

The SF 1034, SF 1034 continuation sheet or NavMed 6320/10 must be signed by the submitting military command. If a patient signature is not present on the TRICARE CHAMPUS claim form, the military command must submit a letter of explanation with the unsigned TRICARE CHAMPUS claim form prior to payment.

- b. The Contractor shall accept and pay CHAMPUSEUR active duty member foreign claims for TRICARE/CHAMPUS defined emergency care when the CHAMPUSEUR active duty member's foreign claim is:
  - (1) Submitted by a foreign provider; and
  - (2) Is accompanied by a signed OCHAMPUS claim form.

**(3)** DEERS verification indicates the CHAMPUSEUR active duty member was on active duty at the time the services were rendered.

**(4)** Emergency submitted active duty foreign claims not meeting the TRICARE/CHAMPUS definition of emergency care should be denied explaining the reason of denial and advising resubmission with proper forms by the appropriate MTF, etc.

**NOTE:**

Military submission of an emergency CHAMPUSEUR active duty member foreign claim and the SF 1034 or SF 1034 continuation sheet, or NAVMED 6320/10 are not required for payment of CHAMPUSEUR active duty member foreign claims involving emergency care provided to active duty personnel.

**c.** The Contractor shall only deny an CHAMPUSEUR active duty member foreign claims when any one of the administrative items outlined above in paragraphs 1 and 2 of this Section are missing. Upon denial the Contractor shall instruct the CHAMPUSEUR active duty member/provider to contact the local MTF or other military command personnel, for assistance in proper claim submission and in obtaining missing documentation. Claims denied as DEERS ineligible or not submitted by an MTF shall be forwarded to the TRICARE Europe Support Office.

**d.** The designated point of contact for CHAMPUSEUR active duty member foreign claims in Austria, Hungary, Slovenia, Slovakia, Czech Republic and Croatia is the TRICARE Europe Support Office. CHAMPUSEUR active duty member foreign claims in these countries submitted by the TRICARE Europe Support Office shall be paid by the contractor without the required authorization forms.

**e.** The Contractor shall follow the additional specific processing procedures outlined under Section II.B.3. and 4. in this Chapter when processing claims for CHAMPUSEUR active duty members stationed in CHAMPUSEUR and Germany.

**f.** For CHAMPUSEUR active duty member claims, the contractor shall create and submit a HCSR following current guidelines in the ADP Manual for HCSR development/submission. These HCSRs will be submitted as batches not as a voucher. The Military Services will be able to access any CHAMPUSEUR active duty member claim information through TRICARE/CHAMPUS Data Information System (CDIS).

## **6. Payment of Foreign Claims**

**a.** Foreign claims shall be processed using the exchange rate in effect on the ending date that services were received; except for CHAMPUSEUR claims involving Other Health Insurance (OHI). For CHAMPUSEUR claims involving OHI the exchange rate of the primary insurer, not the rate based on the last date of service, shall be used to determine the TRICARE/CHAMPUS payment amount. For multiple services, the ending dates of the last service shall be used for determining exchange rates. The same exchange rate shall be used to determine deductible and co-payment amounts, if applicable. Also, the same exchange rate shall be used to determine the amount to be paid in foreign currency.

**b.** All foreign claims shall be paid in foreign currency unless the beneficiary or CHAMPUSEUR active duty member specifically requests reimbursement in U.S. dollars, except for Europe, Africa and the Middle East foreign claims (see paragraph 3 below).

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If payment is desired in U.S. dollars, it must be requested on each claim submitted. The payment shall not be changed to U.S. Dollars after the foreign draft has been issued.

**c.** For Europe, Africa and the Middle East payment of foreign claims shall be paid in U.S. dollars/currency unless the beneficiary or CHAMPUSEUR active duty member requests payment in local currency.

**d.** For Europe, Africa and the Middle East, effective October 1, 1994, all inpatient and outpatient **claims for active duty family members only**, are to be processed with no cost-share or deductible taken. Effective July 1, 1996, all CHAMPUSEUR active duty member foreign claims are to be processed with no cost-share or deductible taken.

**e.** The Contractor shall mail the drafts/checks and CHAMPUS CEOBs directly to providers unless the claim indicates payment should be made to the beneficiary or CHAMPUSEUR active duty member. In conformity with banking requirements, the drafts/checks shall contain the Contractor's address. Drafts/checks and CEOBs shall be mailed with U.S. postage.

**f.** Upon payment for CHAMPUSEUR active duty member claims, a copy of the CEOB and, when applicable, the SF 1034 or NAVMED 6320/1034, shall also be sent to the Military Treatment Facility (MTF), or MTF command personnel, or a designated Point of Contact (POC).

**g.** The Contractor will, on a monthly basis, submit a request for payment of CHAMPUSEUR active duty member claims in the format of a single bill delineated by military service to Landstuhl Finance and Accounting Office. Each bill shall include total monthly charges separated by benefit dollars and administrative charges per claim. Additionally each bill shall be accompanied by a monthly summary report of total expenditures by currency (for e.g. for the month of January \$600,000 worth of claims were paid, of that \$600,000, \$300,000 were paid in DM, \$200,000 were paid in FF, etc.).

### 7. Foreign Currency Gains and Losses

**a.** General. This section outlines procedures for determining and processing foreign currency gains and losses resulting from payments made to providers and/or beneficiaries in foreign countries by the contractor including CHAMPUSEUR active duty member foreign claims.

**b.** Figuring Gains or Losses. The gains and losses shall be computed as follows: The exchange rate in effect on the "Ending Date of Care" shall be the rate used in the claims adjudication process. The difference between the cost of the foreign currency on the "Ending Date of Care" and the contractor payment date shall be the gain or loss on the transaction.

**c.** Foreign Currency Report. The contractor shall provide a Foreign Currency Report identifying the gain or loss for the month reported to arrive at OCHAMPUS, Attn: RMF, by the 10th calendar day following the month reported (except for the September report, which is due the fourth (4th) Federal workday in October).

**d.** Net Gain. For months that result in a net gain the contractor shall forward the report along with their check payable to DoD, OCHAMPUS, for the gain from currency conversion.

**e.** *Net Loss.* OCHAMPUS will reimburse the contractor for any losses incurred from currency conversion. The report shall be accompanied by a letter (invoice) requesting reimbursement for the loss incurred. This payment will not be subject to the Prompt Payment Act as amended, therefore, payment by OCHAMPUS will usually be made within five (5) workdays of receipt of the invoice.

**f.** *Audits.* These reports, and the claims supporting them, are subject to audit by OCHAMPUS or other authorized Government auditors as a part of any ongoing financial audit.

**g.** *For CHAMPUSEUR active duty member foreign claims, the Contractor will follow the above procedures for calculating foreign currency gains and losses and reporting requirements. However, the report and net gains/losses shall be sent to Landstuhl Financing and Accounting. Landstuhl Financing and Accounting will reimburse the Contractor for any losses incurred from currency conversion.*

### **8. Processing Standards for Foreign Claims.**

**a.** *The Contractor shall process 85% of foreign claims including CHAMPUSEUR active duty member foreign claims to completion within 21 days.*

**b.** *The Contractor shall meet current CONUS correspondence standards for all foreign claims including CHAMPUSEUR active duty member foreign claims (see OPM Part Two, Chapter 8, Section III.).*

### **9. Reporting Requirements for Foreign Claims.**

**a.** *The Contractor shall report the foreign claims correspondence volume to the OCHAMPUS, Chief, Managed Care Support Branch A (MCA) weekly.*

**b.** *The Contractor shall submit a monthly report on CHAMPUSEUR active duty member claims due the 15th of each month to each of the following military offices:*

- (1)** *TRICARE Europe Support Office  
Director, TESO/CHAMPUS  
Unit 29220  
APO AE 09102*
- (2)** *Fleet Surgeons Office, U.S. Navy Europe  
Fleet Medical Officer  
CINCUSNAVEUR  
PSC 802 Box 2  
APO AE 09499-0151*
- (3)** *U.S. Air Force Europe Surgeon's Officer  
HQ USAFE/Command Surgeon  
Unit 3050 Box 130  
APO AE 09094-0130*
- (4)** *Commander, U.S. Army Europe EHSSA  
Commander EHSSA  
CMR 402  
APO AE 09180*

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- (5) HQ USEUCOM/ECMD  
Unit 30400 Box 1000  
APO AE 09128-4209
- (6) Director, TRICARE Europe Support Office  
Unit 10310  
APO AF, 09094-0310

**c.** This PAID CLAIMS AND CURRENT INVENTORY report shall be sorted in descending order by: Branch of Service, Fiscal Year in which services were provided, APO/FPO of the CHAMPUSEUR active duty member's unit. This report will have the following fields: CHAMPUSEUR Active Duty Member's Name, Duty Station Address, SSN, Date of Service, ICD9 Code, CPT 4 Code, Provider Name, Provider Address, Amount Billed, Amount Allowed.

**d.** This report will also have a summary page showing current claim inventory and processing cycle time.

**e.** Each of the military services shall establish a designated Point of Contact in each of the above listed military offices to work with the contractor if additional information is needed.

### C. Point Of Contact (POC) Program

#### 1. General

**a.** The Contractor shall operate a specialized point of contact telefax foreign claims receipt and processing system program for designated Uniformed Services bases and locations, remotely located Defense Attache Offices (DAOs) and Security Assistant Organizations (SAOs). These designated Points Of Contact (POCs) are established by the Uniformed Services, the Defense Intelligence Agency (DIA) and the Defense Security Assistance Agency (DSAA), with concurrence/approval by OCHAMPUS.

**b.** A written request from the Commanding Officer of a foreign military base or location, or DAOs, and SAOs shall be submitted to the OCHAMPUS, Chief, Managed Care Support Branch A (MCA), Aurora, Colorado 80045-6900. This request shall include the rationale and justification for the request, shall specify the name of the individual responsible as the POC, including any alternate and telephax numbers.

**c.** Upon receipt of the written request, the Chief, MCA will review the request for approval. After the "REQUEST" has been approved for a designated POC, the Chief, MCA will notify the Contractor of the official POC, and will also forward a copy of the Contractor's notification to the POC's Command. This same process should be followed when subsequent changes are made to a designated POC.

**d.** Current listings of POCs shall be maintained by the Contractor responsible for foreign claims, in coordination with OCHAMPUS.

**e.** The Contractor shall operate a dedicated telefax for the purpose of receiving and expediting claims and correspondence from all designated POCs. The Contractor shall in turn use the telefax to request information from all POCs, when additional information is needed to process the foreign claim or correspondence. When information has been requested from the POC, the Contractor shall pend the claim for 10 calendar days. If the

requested information is not received from the POC by the Close of Business (COB) on the 10th calendar day, the claim shall be denied.

**f.** In those locations where a single point of dispersal has been established for all payments sent to that country, the Contractor shall batch payments and CEOBs by foreign country and mail the payments and CEOBs in pouches using overnight mail delivery at least once every five (5) working days. The payments and CEOBs in the pouches shall be separated by individual beneficiary/provider and contained in a sealed window envelope for POC distribution. If overnight mail service is not available in certain foreign locations, the Contractor shall use the most expeditious service available.

**g.** The Contractor shall have the capability to perform currency conversions and maintain historical exchange rates in order to make payments in local currency to permit payment based on the exchange rate in effect on the last date of service as required by the [Section II.B.4.](#) of this Chapter.

## **2. Responsibilities of all POCs**

**a.** POCs will receive TRICARE/CHAMPUS claims for services provided in foreign countries from beneficiaries and providers of care, and CHAMPUSEUR active duty members and ensure that the claims are correctly completed.

**b.** POCs will FAX claims in the proper format, containing the required information, to the Contractor for processing. Guidelines for properly completing a TRICARE/CHAMPUS claim form are provided in [Addendum A](#) of this chapter.

**c.** POCs are responsible for providing the Contractor with any additional information requested, via the FAX system, within ten (10) calendar days of receipt of the request. Claims will be denied if the information is not received within the specified time frame.

**d.** POCs shall receive weekly payment drafts/CEOBs from the claims processor via priority mail, pouch mail, or the most practical and expeditious mutually agreed upon method available.

**e.** POCs shall establish a "check list" control system to track the claim(s) submitted for processing and to track payment/dispositions sent by the Contractor to the POC. The POC is responsible for the distribution of payments/dispositions to TRICARE/CHAMPUS beneficiaries and/or providers and/or active duty members.

**f.** POCs are responsible for educating the local beneficiary and provider, and CHAMPUSEUR active duty member population on the correct claims filing procedures.

**g.** Only officially designated POC faxed claims shall be accepted by the contractor.

**h.** Overseas FAX numbers shall be commercial and shall be accessible to receive data twenty-four (24) hours a day.

**i.** POCs are responsible for making sure the claim form is completed and signed by the patient, or by the parent in the case of a minor.

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**Note:**

If the CHAMPUSEUR active duty member's signature is not present on the TRICARE CHAMPUS claim form, the military command must submit a letter of explanation with the unsigned TRICARE CHAMPUS claim form prior to payment.

**j.** POCs are responsible for attaching copies of all itemized bills (not receipts) associated with the claim and maintaining hard copy backup files of claims faxed to the claims processor.

**k.** POCs are responsible for ensuring that only claims for health care services provided in foreign countries are forwarded for processing. The Contractor will process only claims for services provided in foreign countries.

**(1)** When a claim is being returned to the Contractor by a POC because it is thought to have been processed incorrectly, POCs shall refer to the claim number of the claim in question and provide a copy of the CEOB with the inquiry. A new claim should not be submitted.

**(2)** When a family member is not enrolled in DEERS, a copy of the front and back of the family member ID card shall be sent in with the claim (unless the family member is a newborn, in which case the claims will be processed normally without an enrollment or ID card requirement).

**(3)** POCs shall not submit claims for care not yet received.

