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TRICARE
MANAGEMENT ACTIVITY

MB&RB

CHANGE 94
6010.54-M
MARCH 6, 2009

PUBLICATIONS SYSTEM CHANGE TRANSMITTAL
FOR
TRICARE POLICY MANUAL (TPM)

The TRICARE Management Activity has authorized the following addition(s)/
revision(s) to the 6010.54-M, issued August 2002.

CHANGE TITLE: NATIONAL DEFENSE AUTHORIZATION ACT (NDAA)-
09 CHANGE TO EXTENDED CARE HEALTH OPTION
(ECHO) CAP FOR CERTAIN BENEFITS

PAGE CHANGE(S): See page 2.

SUMMARY OF CHANGE(S): This change changes the government's maximum
cost-share for certain ECHO benefits from \$2,500 per month to \$36,000 per Fiscal Year
(FY).

EFFECTIVE DATE: October 14, 2008.

IMPLEMENTATION DATE: April 1, 2009.

This change is made in conjunction with Aug 2002 TOM, Change No. 77.

Reta Michak
Chief, Office of Medical Benefits
and Reimbursement Branch

ATTACHMENT(S): 12 PAGE(S)

DISTRIBUTION: 6010.54-M

CHANGE 94
6010.54-M
MARCH 6, 2009

REMOVE PAGE(S)

INSERT PAGE(S)

CHAPTER 9

Section 7.1, page 1

Section 8.1, page 1

Section 9.1, pages 1 and 2

Section 10.1, pages 1 and 2

Section 11.1, page 1

Section 15.1, pages 23 and 24

Section 16.1, pages 1 and 2

Section 18.1, page 1

Section 7.1, page 1

Section 8.1, page 1

Section 9.1, pages 1 and 2

Section 10.1, pages 1 and 2

Section 11.1, page 1

Section 15.1, pages 23 and 24

Section 16.1, pages 1 and 2

Section 18.1, page 1

TREATMENT

ISSUE DATE: July 3, 1997

AUTHORITY: [32 CFR 199.5\(c\)\(2\)](#)

I. PROCEDURE CODES

All valid and applicable HCPCS Levels I and II codes.

II. POLICY

A. Treatment through the use of medical, habilitative, or rehabilitative methods, techniques, therapies, equipment, prosthetic devices, orthopedic braces and appliances, may be cost-shared subject to all other applicable ECHO requirements.

NOTE: The allowed cost of rehabilitative services provided on or after October 14, 2008, accrue to the government's maximum fiscal year benefit of \$36,000.

B. Services cost-shared through the ECHO may be provided by an authorized institutional or individual professional provider on an inpatient or outpatient basis and rendered in the beneficiary's natural environment. This includes at home, at school, or other location that is suitable for the type of services being rendered.

III. EXCLUSIONS

Treatment services available under the TRICARE Basic Program are not eligible to be cost-shared under the ECHO.

IV. EFFECTIVE DATE September 1, 2005.

- END -

TRAINING

ISSUE DATE: July 3, 1997

AUTHORITY: 32 CFR 199.5(c)(3)

I. CPT¹ PROCEDURE CODES

97504, 97520, 97535, 97542, 99199, 99600

II. POLICY

A. Training when required to allow the use of an assistive technology device or to acquire skills which are expected to assist the beneficiary in reducing the disabling effects of a qualifying condition may be cost-shared as an ECHO benefit subject to all applicable ECHO requirements.

B. Training for parents (or guardians) and siblings of an ECHO beneficiary when required as an integral part of the management of the qualifying condition may be cost-shared as an ECHO benefit subject to all applicable ECHO requirements.

C. Vocational training, in the beneficiary's home or a facility providing such, is an allowed ECHO benefit.

D. Services cost-shared through the ECHO may be provided by an authorized institutional or individual professional provider on an inpatient or outpatient basis and rendered in the beneficiary's natural environment. This includes at home, at school, or other location that is suitable for the type of services being rendered.

E. The allowed costs of the above services provided on or after October 14, 2008, accrue to the government's maximum fiscal year benefit of \$36,000.

III. EXCLUSIONS

Training services available under the TRICARE Basic Program are not eligible to be cost-shared under the ECHO.

IV. EFFECTIVE DATE September 1, 2005.

- END -

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SPECIAL EDUCATION

ISSUE DATE: July 3, 1997

AUTHORITY: [32 CFR 199.5\(c\)\(4\)](#)

I. CPT¹ PROCEDURE CODES

99199, 99600

II. POLICY

A. Special education, within the meaning of such term as used in the Individuals with Disabilities Education Act (IDEA) and its implementing regulations and policies, may be cost-shared subject to all applicable ECHO requirements, and in particular, the requirement that other public programs and facilities be used to the extent available and adequate.

B. Identification of appropriate public facilities. The local educational agency with responsibility for the beneficiary is the sole public facility to provide public facility use certification for special education services.

C. The educational modality known as “Applied Behavioral Analysis (ABA)” is included as a benefit under this issuance when provided by a TRICARE-authorized provider. Payable services include periodic evaluation of the beneficiary, development of a treatment plan, and training of individuals to provide services in accordance with the treatment plan. TRICARE can also pay for the “hands-on” ABA services when provided by a TRICARE authorized provider. However, TRICARE can not pay for such services when provided by family members, trainers or other individuals who are not TRICARE-authorized providers (see [Chapter 9, Section 17.1](#)).

D. Services cost-shared through the ECHO may be provided by an authorized institutional or individual professional provider on an inpatient or outpatient basis and rendered in the beneficiary’s natural environment. This includes at home, at school, or other location that is suitable for the type of services being rendered.

E. See the TRICARE Operations Manual (TOM), [Chapter 20, Section 10](#) for information about the Department of Defense (DoD) Enhanced Access to Autism Services Demonstration.

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TRICARE POLICY MANUAL 6010.54-M, AUGUST 1, 2002

CHAPTER 9, SECTION 9.1

SPECIAL EDUCATION

F. The allowed costs of the above services provided on or after October 14, 2008, accrue to the government's maximum fiscal year benefit of \$36,000.

III. EXCLUSION

Special education services available under the TRICARE Basic Program are not eligible to be cost-shared under the ECHO.

IV. EFFECTIVE DATE September 1, 2005.

- END -

INSTITUTIONAL CARE

ISSUE DATE: July 3, 1997

AUTHORITY: [32 CFR 199.5\(c\)\(5\)](#)

I. CPT¹ PROCEDURE CODE

99199

II. POLICY

A. Institutional care when the severity of the qualifying condition requires protective custody or training in a residential environment, may be cost-shared subject to all applicable ECHO requirements.

B. In accordance with Title 10, Chapter 55, Section 1079(d)(4), United States Code, institutional care must be provided in private nonprofit, public and state institutions and facilities.

C. The requirements of [paragraph II.B.](#) notwithstanding, institutional care provided by a for-profit entity may be allowed only when the care for a specific ECHO beneficiary:

1. Is contracted for by a public facility, as defined in [32 CFR 199.2](#), as part of a publicly funded long-term inpatient care program; and

2. Is provided based upon the ECHO beneficiary's being eligible for the publicly funded program which has contracted for the care; and

3. Is authorized by the public facility as a part of a publicly funded program; and

4. Would cause a cost-share liability in the absence of TRICARE eligibility; and

5. Produces an ECHO beneficiary cost-share liability that does not exceed the maximum charge by the provider to the public facility for the contracted level of care.

D. The allowed costs of the above services provided on or after October 14, 2008, accrue to the government's maximum fiscal year benefit of \$36,000.

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TRICARE POLICY MANUAL 6010.54-M, AUGUST 1, 2002

CHAPTER 9, SECTION 10.1

INSTITUTIONAL CARE

III. EXCLUSIONS

A. Regardless of the beneficiary's condition, care within any type of institution for the primary purpose of providing custodial, domiciliary, hospice, or respite care is excluded from the ECHO.

B. Institutional care available under the TRICARE Basic Program is not eligible to be cost-shared under the ECHO.

IV. EFFECTIVE DATE September 1, 2005.

- END -

TRANSPORTATION

ISSUE DATE: January 23, 1984

AUTHORITY: 32 CFR 199.5(c)(6) and (g)(1)

I. CPT¹ PROCEDURE CODE

99082: Unusual travel

II. HCPCS PROCEDURE CODES

Level II Codes A0100 - A0140, A0170

III. POLICY

A. Transportation of an ECHO beneficiary to or from a facility or institution to receive otherwise allowable services or items through the ECHO may be cost-shared.

B. Transportation of an accompanying medical attendant to ensure the safe transport of the ECHO beneficiary may be cost-shared.

C. A public facility use certification is not required for the transportation unless the care is being provided by the public facility.

D. The reimbursement rate for the use of a privately-owned vehicle, regardless of the number of ECHO family members being transported, is limited to the Federal government employee mileage reimbursement rate in effect on the trip date.

E. Transportation by means other than a privately-owned vehicle will be reimbursed on the basis of actual costs.

F. The allowed costs of the above services provided on or after October 14, 2008, accrue to the government's maximum fiscal year benefit of \$36,000.

IV. EFFECTIVE DATE September 1, 2005.

- END -

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TRICARE POLICY MANUAL 6010.54-M, AUGUST 1, 2002

CHAPTER 9, SECTION 15.1

ECHO HOME HEALTH CARE (EHHC)

NOTE: Although CMS periodically publishes updates to the SNF rates during any given fiscal year, those will not be used to calculate the EHHC cap. Only the SNF reimbursement rates in effect on October 1 of each year will be used to calculate the EHHC cap for the fiscal year beginning on that date.

(2) From the “Table 6. RUG-53 Case-Mix Adjusted Federal Rates for Urban SNFs by Labor and Non-Labor Component”, determine the highest cost RUG-III category;

(3) Multiply the labor component obtained in [paragraph VI.H.2.a.\(2\)](#) by the “Table 8. FY 2008 Wage Index for Urban Areas Based on CBSA Labor Market Areas” value corresponding to the beneficiary’s location;

(4) Sum the non-labor component from [paragraph VI.H.2.a.\(2\)](#) and the adjusted labor component from [paragraph VI.H.2.a.\(3\)](#); the result is the beneficiary’s EHHC per diem in that location;

(5) Multiply the per diem obtained in [paragraph VI.H.2.a.\(4\)](#) by 365 (366 in leap year); the result is the beneficiary’s fiscal year cap for EHHC in that location.

(6) For beneficiary’s residing in areas not listed in Table 8, use “Table 7. RUG-53 Case-Mix Adjusted Federal Rates for Rural SNFs by Labor and Non-Labor Component” and “Table 9. FY 2008 Wage Index Based on CBSA Labor Market Areas for Rural Areas” and adjust similarly to [paragraph VI.H.2.a.\(3\)](#) through (5) to determine the EHHC cap for beneficiaries residing in rural areas.

NOTE: See [Chapter 9, Addendum A](#) for an example of the EHHC cap based on the FY 2008 rates published in the **Federal Register** on August 31, 2007 (72 FR 43412).

b. Beneficiaries who seek EHHC at any time during the fiscal year will have their cap calculated as above and prorated by month for the remaining portion of that fiscal year.

c. The maximum amount reimbursed in any month for EHHC services is the amount authorized in accordance with the approved plan of care and based on the actual number of hours of home health care provided and billed at the allowable charge or the negotiated rate. In no case will the amount reimbursed for any month of EHHC exceed one-twelfth (1/12) of the annual fiscal year cap established under [paragraph VI.H.2.a.](#) and as adjusted for the actual number of days in the month during which the services were provided.

d. Beneficiaries who move will have their cap recalculated to reflect the wage index for their new location. The maximum amount reimbursed in the remaining months of that fiscal year for EHHC services will reflect the re-calculated EHHC cap.

e. The cost for EHHC services does not accrue to the maximum monthly **or fiscal year** Government cost-shares indicated in [Chapter 9, Section 16.1](#).

3. The sponsor’s cost-share for EHHC services will be as indicated in [Chapter 9, Section 16.1](#).

I. Transition to EHHC.

1. Following modification of the MCS contracts that incorporates the ECHO, the MCSCs will identify all active duty family members who are currently using, or have used any benefit of the PFPWD within the 12-month period immediately preceding the contract modification. The MCSCs will also identify those active duty family members who are in SNFs.

2. Not less than 60 days prior to the scheduled implementation of the ECHO, the MCSCs will send the government furnished notification and information brochures to all beneficiaries identified in [paragraph VI.I.1](#). The notification announces the conversion of the PFPWD to the ECHO and the brochure highlights the benefit structure, the requirements, and the primary points of contact to access the ECHO.

3. Beneficiaries in SNFs will be afforded the opportunity to relocate to a more natural setting, such as in the sponsor's home, or other primary residence as defined herein.

4. MCSCs will assist EHHC-eligible beneficiaries with initiating the ECHO registration process and developing and approving the plan of care.

5. Those homebound beneficiaries whose need for skilled services can be appropriately met by the HHA-PPS (TRM, [Chapter 12](#)) will be required to access that program for such services.

NOTE: Although it is the intent that eligible beneficiaries complete the registration process and all applicable requirements of this issuance by the date of implementation of the ECHO, it is recognized that certain requirements may not be completed at that time. Therefore, to avoid delaying necessary services, those otherwise ECHO-eligible beneficiaries will be granted provisional eligibility status for a period of not more than 90 days following the date of implementation during which EHHC benefits will be authorized and payable. Beneficiaries failing to complete the ECHO registration process and the requirements of this issuance by the end of that 90 day period will be determined ineligible, at which point authorization and Government liability for all ECHO/EHHC benefits will terminate. The Department will not recoup claims paid for ECHO benefits provided during the provisional period.

6. Following implementation of the ECHO, the MCSCs will make available the Government furnished information brochures to beneficiaries seeking information about or access to the ECHO.

VII. EXCLUSIONS

A. Basic program and the ECHO Respite Care benefit (see [Chapter 9, Section 12.1](#)).

B. EHHC services will not be provided outside the beneficiary's primary residence.

C. EHHC respite care services are not available for the purpose of covering primary caregiver(s) absences due to deployment, employment, seeking employment, or to pursue education.

COST-SHARE LIABILITY

ISSUE DATE: December 16, 1985

AUTHORITY: [32 CFR 199.5\(f\)](#)

I. POLICY

A. ECHO allowable amounts are not subject to a deductible amount.

B. The sponsor/beneficiary ECHO cost-share for every month in which ECHO benefits, including the ECHO Home Health Care (EHHC) benefits, are received is according to the sponsor's pay grade as specified below, regardless of the number of dependents of that same sponsor receiving ECHO benefits in that month:

| ECHO COST-SHARE AMOUNTS | |
|------------------------------|---------------------------|
| SPONSOR PAY GRADE CODE | SPONSOR COST-SHARE AMOUNT |
| E-1 through E-5 | \$25 |
| E-6 | 30 |
| E-7 and O-1 | 35 |
| E-8 and O-2 | 40 |
| E-9, WO/WO-1, CWO-2, and O-3 | 45 |
| CWO-3, CWO-4, and O-4 | 50 |
| CWO-5, O-5 | 65 |
| O-6 | 75 |
| O-7 | 100 |
| O-8 | 150 |
| O-9 | 200 |
| O-10 | 250 |

C. The sponsor/beneficiary is responsible for the appropriate amount shown in the above table plus any amount in excess of the government's maximum monthly **or fiscal year** coverage for any benefits received in a month **or fiscal year**, including the 90 day period the beneficiary is given "provisional" status.

TRICARE POLICY MANUAL 6010.54-M, AUGUST 1, 2002

CHAPTER 9, SECTION 16.1

COST-SHARE LIABILITY

D. The requirement for sponsor/beneficiary cost-sharing applies every month during which a prorated amount for durable equipment is authorized.

E. The sponsor/beneficiary cost-shares under the ECHO are in addition to those incurred for services and items received through the TRICARE Prime, Extra, and Standard options.

F. The sponsor/beneficiary cost-shares under the ECHO do not accrue to meeting the catastrophic cap in the TRICARE Basic Program.

G. The sponsor/beneficiary cost-shares in the above table that are applicable for ECHO benefits, other than EHC services, do not accrue to the EHC fiscal year benefit cap.

H. The government's maximum monthly **or fiscal year** cost-share for ECHO benefits **applies to each** beneficiary, regardless of the number of dependents **with the** same sponsor receiving ECHO benefits in that month **or fiscal year**.

I. The allowed cost of all services provided by this chapter, except the EHC, on or after October 14, 2008 accrue to the government's maximum **fiscal year** cost-share of \$36,000. Additionally, the allowed cost of services provided by Sections 6.1, 7.1 (except rehabilitation), 12.1, 13.1, and 14.1, remain subject to the government's maximum accrued monthly cost-share of \$2,500. The accrued amount from these sections must also be applied against the government's annual fiscal year maximum of \$36,000.

J. The government's maximum annual cost-share for the EHC benefit is as calculated in Section 15.1.

II. EFFECTIVE DATE September 1, 2005.

- END -

CLAIMS

ISSUE DATE: July 3, 1997

AUTHORITY: [32 CFR 199.5\(g\)](#) and [32 CFR 199.7](#)

I. POLICY

A. Only ECHO-authorized benefits may be processed as an ECHO claim. Benefits that are available through the TRICARE Basic Program are not eligible to be cost-shared through the ECHO.

B. Government and beneficiary cost-share liability for ECHO benefits are indicated in [Chapter 9, Section 16.1](#).

C. Pricing of ECHO services and items shall be determined in accordance with the TRICARE Reimbursement Manual.

D. All ECHO claims must have a valid written authorization. The Managed Care Support Contractor (MCSC) or Director, TRICARE Area Office may waive the requirement for a written authorization for rendered ECHO services/items that, except for the absence of the written authorization, would be allowable as an ECHO benefit.

E. Services or items on an ECHO claim which do not have a corresponding line item on an authorization document shall be denied.

F. Charges for Basic Program benefits and ECHO benefits shall be split as individual line items on ECHO and ECHO Home Health Care (EHHC) claims.

G. The "billed amount" for ECHO procedures or items is the actual billed amount, not the **applicable ECHO benefit limits indicated in this chapter**.

H. ECHO claims shall be paid the amount authorized, as indicated on the ECHO authorization, or the benefit limit, whichever is lower.

I. The reimbursement rate for the use of a privately-owned vehicle, regardless of the number of ECHO family members being transported, is limited to the Federal government employee mileage reimbursement rate in effect on the trip date.

II. EFFECTIVE DATE September 1, 2005.

- END -

