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TRICARE
MANAGEMENT ACTIVITY

PCSIB

CHANGE 55
7950.1-M
FEBRUARY 28, 2008

PUBLICATIONS SYSTEM CHANGE TRANSMITTAL
FOR
TRICARE SYSTEMS MANUAL (TSM)

The TRICARE Management Activity has authorized the following addition(s)/
revision(s) to 7950.1-M, reissued August 2002.

CHANGE TITLE: CALENDAR YEAR (CY) 2008 UPDATES TO THE TRICARE
HOME HEALTH PROSPECTIVE PAYMENT SYSTEM
(HH PPS)

PAGE CHANGE(S): See page 2.

SUMMARY OF CHANGE(S): See page 3.

EFFECTIVE DATE: January 1, 2008.

IMPLEMENTATION DATE: Upon direction of the Contracting Officer.

This change is made in conjunction with Aug 2002 TRM, Change No. 72.

Evie Lammle
Acting Chief, Purchased Care Systems
Integration Branch

ATTACHMENT(S): 2 PAGES
DISTRIBUTION: 7950.1-M

WHEN PRESCRIBED ACTION HAS BEEN TAKEN, FILE THIS TRANSMITTAL WITH BASIC DOCUMENT

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REMOVE PAGE(S)

INSERT PAGE(S)

CHAPTER 2

Section 2.5, pages 13 and 14

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SUMMARY OF CHANGES

1. Implementation of a refined 4-equation case-mix model that recognizes and differentiates payment for episodes of care based on whether a patient is in what is considered to be an early (first and second episode in a sequence of adjacent episodes) or late (the third episode and beyond in a sequence of adjacent episodes) episode of care as well as recognizing whether a patient was a high therapy (14 or more therapy visits) or low therapy (13 or fewer therapy visits).
2. Change in labor related and non-labor related share of HH PPS rates.
3. National 60-day episode payment amount update for CY 2008.
4. Change in Non-Routine Supply (NRS) payment.
5. Add-on payments for Low Utilization Payment Adjustments (LUPAs) that occur as initial episodes or as the only episodes.
6. National updated per visit amounts used to pay LUPAs and compute imputed costs in outlier calculations.

