

ADMINISTRATIVE **CONTRACT LINE ITEM NUMBER (CLIN)** **PAYMENTS**

1.0. PAYMENT

1.1. Routine Processing

To receive consideration for *TRICARE Encounter Data (TED) based Administrative Contract Line Item Number (CLIN)* payments, the contractor shall submit *batch/vouchers* under Header Type *Indicator '6' or '9'* as specified in the TRICARE Systems Manual (TSM), *Chapter 2, Section 2.3. Administrative CLIN payments shall be made to the contractor upon acceptance or provisional acceptance¹ of the payment records by the TED record edit system (as defined by the TRICARE Systems Manual (TSM)). Payment will be made on or before the payment due date specified in the contract for the CLIN. (Note: Payment terms can vary by CLIN or contract.)* The contractor shall be paid *at the* rates set forth in the contract. Payment does not constitute final acceptance of services. If claims are adjusted and no longer qualify for a claim rate, or are discovered to be invalid, or the claim rate is contractually changed *and affects the claims*, these payments will be adjusted accordingly.

1.2. Administrative Claim Payments When TEDs Are Not Processing

If the TED Record processing system is not operating normally and upon notification by the Contracting Officer, the contractor shall submit the payment request using a method mutually agreed to by the contractor, the Contracting Officer and *Contract Resource Management (CRM)* for a commercial interim payment of the Administrative Claim Payments. The payment request should list the number of claims that are being processed for a given day and should be separated by CLIN. This may be done daily or grouped by no more than 5 days of claims. These payments will be made on the day that the administrative claim payments would have normally been paid if TED Records were processing. These payments will be treated as an interim payment and will be offset against the amount actually due, once the TED Record processing system is operating again, until routine schedule of payments is re-established.

2.0. METHOD OF CLAIM COUNT

The administrative claim count for payment purposes is one *administrative fee* payment *per CLIN*, per TED Record *Indicator (TRI)*. *A maximum of three CLINs can be billed per TRI*. The number of *Administrative CLINs* approved for payment is determined with each voucher submission *or resubmission*.

¹ *Administrative CLIN payments on provisionally accepted TED records shall be made only when all TSM 1-283 and 2-108 financial edits are passed.*

3.0. DETERMINING APPLICABLE ADMINISTRATIVE FEE

Payment of *Administrative CLINs* will be made on the basis of the rate in effect for the contract period in which the contractor originally processed the claim. The *Date TED Record Processed to Completion (TSM data elements 1-040 & 2-040)* used on the initial submission of the *TED record* will be used to determine the applicable rate.

4.0. ADMINISTRATIVE CLIN PAYMENT ELIGIBILITY

4.1. Ineligible TED Records

If the TED record submitted is not eligible to receive an Administrative CLIN payment (the contract does not authorize the contractor to claim Administrative CLIN payments on a TED record), the contractor shall submit the TED record to the TRICARE Management Activity (TMA) using a Header Type Indicator of '0' or '5'.

No Administrative CLIN payments can occur on any TED record grouped in a Batch/Voucher with Header Type Indicator of '0' or '5'. Only no-pay and credits can be processed under these header types.

4.2. Eligible Administrative CLIN Records

If the TED record is eligible to receive an Administrative CLIN payment, then the TED record (with the exception of Type of Submission 'C' - complete cancellation to TED record data - and all subsequent provisional adjustments to a cancelled TED record) shall be submitted by the contractor to TMA using a Header Type Indicator of '6' or '9' (even if the TED record has already received an Administrative CLIN payment).

For TED records with a Type of Submission 'C' and all subsequent provisional adjustments to a cancelled TED record, please refer to [paragraph 4.3](#).

4.3. Eligible Administrative CLIN Records That Are Cancelled

For a TED record submitted with a Type of Submission 'C' that would normally be eligible to receive an Administrative CLIN payment but is being cancelled (including any subsequent provisional adjustments to the cancelled TED record) by the contractor, the contractor shall determine if the TED record is still eligible for an Administrative CLIN payment. The following criteria shall be used to determine if a TED record is still eligible for an Administrative CLIN payment.

4.3.1. *A TED record cancelled (including any subsequent provisional adjustment to the cancelled TED record) for any of the following reasons is eligible to retain the Administrative CLIN payment and shall be submitted with Header Type Indicator '6' or '9':*

- Cancellation was at Government direction.*
- Government data error.*
- Stale dated/voided checks.*

- *New initial TED record is required by the Government.*
- *Incorrect DEERS response.*
- *Check is returned in undeliverable mail.*
- *Beneficiary or provider requests stop payment due to non-receipt of check prior to stale date time period.*
- *Beneficiary or provider returns check because payment has been received from other health insurance carrier whose responsibility was previously unknown to contractor.*
- *Provider returns check because beneficiary has erroneously paid the provider and believes that the TRICARE benefit check is a duplicate payment.*
- *Claim processed in good faith by the contractor but later recouped due to additional information received or learned.*
- *Claim processed by multiple contractors resulting in duplicate processing.*
- *NQMC case resolutions resulting in recoupment action.*
- *Program Integrity cases that are recouped retrospectively after investigation.*
- *Provider requested for claims to be reissued to a new provider Tax Identifier.*

4.3.2. *A TED record cancelled (including any subsequent provisional adjustment to the cancelled TED record) for any of the following reasons is not eligible to retain the Administrative CLIN payment and shall be submitted with Header Type Indicator '0' or '5':*

- *Cancellation where a new initial TED record is required to correct a contractor error.*
- *Cancellation due to contractor error or an inability to adjust.*
- *Cancellation of a claim that was not TMA's responsibility, so should not have been paid.*
- *Any other cancellations for a reason not identified in [paragraph 4.3.1](#).*

If the contractor cannot determine the reason for the TED record cancellation, then the TED record submitted is not eligible to retain the Administrative CLIN payment. The cancellation and any subsequent provisional adjustments to the cancelled TED record shall be submitted under Header Type Indicator '0' or '5'.

4.4. Guidelines On Correcting An Administrative CLIN Billing Error Where Payment Has Already Occurred

4.4.1. *An Administrative CLIN claimed on a TED record will be paid if the TED record has been accepted or provisionally accepted by TMA and all 1-283 or 2-108 TED record edits specified in TSM,*

Chapter 2, Section 8.1 have been passed. If the TED record does not meet these two conditions, then the Administrative CLIN will not be paid and the CLIN may be changed by the contractor if required.

4.4.2. *Once the Administrative CLIN has been paid, TED record edits do not allow the Administrative CLIN on a TED record to be changed. In order to correct a paid Administrative CLIN billing error (e.g., payment was made on the initial submission and it was later determined that the wrong Administrative CLIN was billed), the contractor shall submit two adjustments as follows:*

- The first adjustment to the TED record shall result in a recoupment of the original Administrative CLIN payment by TMA. Submitting the TED record adjustment under Header Type '5' for Vouchers or Header Type '0' for batches will cause the Administrative CLIN to be collected back by TMA. Note: The first adjustment of the TED record (described in this paragraph) shall be populated with the Administrative CLIN originally paid so that a credit transaction can be processed.*
- On the second adjustment (after the first Administrative CLIN payment has been recovered), the contractor can change the Administrative CLIN to the correct value and resubmit the TED record to TMA under a Header Type '6' or '9' (Header Types used for requesting an administrative payment). Note: The Administrative CLIN field shall still pass all 1-283 or 2-108 financial edits before it is paid.*

4.4.3. *If the wrong Administrative CLIN has been billed and paid on a fully accepted cancelled or denied TED record, the contractor shall contact TMA CRM directly for instructions on how to correct.*