DEPARTMENT OF THE NAVY
BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-7300

IN REPLY REFER TO
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30 Jul 09

MEMORANDUM FOR COMMANDER, NAVY MEDICINE EAST
COMMANDER, NAVY MEDICINE WEST
COMMANDER, NAVY MEDICINE NATIONAL CAPITAL AREA
COMMANDER, NAVY MEDICINE SUPPORT COMMAND

Subj: NAVY MEDICINE TRICARE OVERSEAS PROGRAM (TOP) HEALTH CARE SERVICES SUPPORT CONTRACT MEMORANDUM OF UNDERSTANDING (MOU) POLICY

Ref: (a) DoD Instruction 4000.19 of 9 Aug 1995
(b) BUMEDINST 7050.1A, Support Agreements, of 11 Sep 2006
(c) TRICARE Operations Manual 6010.56-M, February 1, 2008, Chapter 15, Regional Director/Military Treatment Facility and Contractor Interfaces
(d) TRICARE Operations Manual 6010.56-M, February 1, 2008, Chapter 24, TRICARE Overseas Program
(e) NAVMED Policy 09-004, Access to Care Management Policy for Navy Medicine Military Treatment Facilities, of 12 March 2009
(f) Health Affairs Policy 06-007, TRICARE Policy for Access to Care and Prime Service Area Standards, of 21 February 2006
(g) Health Affairs Memorandum, Access to Private Sector Care by Military Treatment Facility TRICARE Prime Enrollees, of 31 December 2008

Encl: (1) Navy Medicine TRICARE Overseas Program Health Care Services Support Contract Memorandum of Understanding (MOU) Guide

1. This memorandum provides supplemental guidance to references (a) and (b), clarifying the scope of applicability to include MOUs developed to support the implementation of the TRICARE Overseas Program (TOP) contract within Navy Medicine as described in reference (c). This policy and enclosure (1) provides support to Medical Treatment Facility (MTF) Commanders/Commanding Officers as they develop and implement MOUs with the TOP Contractor and TRICARE Area Office (TAO) Director, as described in reference (d).

2. As the fiscal intermediary, the TOP Contractor will provide for those health care services required by the contract and associated TRICARE manuals. The new TOP contract will supplement MTF care through establishment of TRICARE Prime and TRICARE Prime Remote provider networks, providing health care support services and claims processing for TRICARE covered benefits Outside the Continental United States (OCONUS). This includes the U.S. Territories of Puerto Rico, Guam, U.S. Virgin Islands, American Samoa, and Northern Mariana Islands. Although not a current requirement, claims processing for the Supplemental Health Care Program (SHCP) is within the scope of the TOP contract and it is anticipated that the TRICARE policy manuals will be revised to incorporate the management of the SHCP. The contract also covers active duty service member (ADSM) dental care in TRICARE remote

OCONUS locations, excluding the U.S. Territories listed above. While all eligible TRICARE beneficiaries will receive some degree of support under this new contract, health care support services will be designed primarily to support the TOP Prime and TOP Prime Remote beneficiary population, which includes ADSMs and command-sponsored active duty family members (ADFMs).

3. Under this TOP contract, a single contractor will bear responsibility for the coordination and payment of care delivered outside the MTF. This marks a significant departure from how overseas health care has been managed historically, and reduces the autonomy of MTF Commanders/Commanding officers especially as it relates to SHCP funds. The TOP Contractor will build upon existing relationships MTFs have developed with local providers and institutions, and will assume full responsibility for the development and maintenance of host nation provider networks. Additionally, the TOP Contractor will establish and maintain its own provider networks in TRICARE Overseas Prime Remote areas (currently a function of the TRICARE Global Remote Overseas contract).

4. The roles and responsibilities of Bureau of Medicine and Surgery (BUMED) TRICARE Operations, Regional Commanders and the MTFs are described below. However, please note that these roles and responsibilities are constrained by the timelines contained in the TOP contract. The TOP Contractor is bound by contractual requirements to execute MOUs with each MTF at least 60 days prior to health care delivery. Any delays in the review and approval process described below will not be allowed to impede the contractor from meeting its contractual obligations to the TRICARE Management Activity (TMA).

a. BUMED TRICARE Operations (M3/5) will provide policy and oversight to support Regional Commanders and MTF efforts to develop MOUs to support processes that ensure timely access to appropriate care, as described in references (e) through (g). BUMED TRICARE Operations (M3/5) will also maintain a dialogue with TMA to provide Regional Commanders feedback or concerns on issues impacting Navy overseas MTFs and beneficiaries.

b. Regional Commanders will provide ongoing oversight of the MOU development process, both at the time of TOP contract implementation and throughout the contract performance period. Regional Commanders will ensure that MOUs are developed per the policy detailed in reference (a) and guidance contained in this memorandum and enclosure (1). MTF Commanders/Commanding officers will collaborate with the contractor to develop the MOU. Prior to execution, MTF Commanders/Commanding officers will submit the MOU to their appropriate Regional Commander for review. The Regional Commander review process may require up to 30 days to complete. This requirement applies to both the initial MOU and to any future modifications or updates. The authority to approve MOUs is vested in the Regional Commander per references (a) and (b). Regional Commanders will authorize MTF Commanders/Commanding officers in writing to sign MOUs. Approval authority will not be delegated below the Flag/SES level. Following the award of the TOP contract, Regional Commanders will maintain dialogue with their MTFs and BUMED TRICARE Operations (M3/5) regarding the status of MOU development. MTFs will provide BUMED (M82) and

Regional Commanders with a copy of all MOUs upon their execution, and anytime they are modified or updated, throughout the period of performance of the TOP contract.

c. MTF Commanders/Commanding officers will consider the MOU elements at enclosure (1), to prepare for interactions with the TOP Contractor and the TAO, which are scheduled to begin shortly after the award of the TOP contract. Although developed as a guide, enclosure (1) contains specific policy requirements that must be incorporated into the completed MOU. Those specific policy requirements are clearly identified within the guide. A well-developed MOU will assist MTF Commanders'/Commanding officers' efforts to facilitate a smooth transition to the new TOP contract and ensure that MTFs have the support needed to provide TOP Prime beneficiaries with timely access to appropriate care, as described in references (e) through (g). MOUs must address all interface requirements necessary to effectively operate an integrated health care system.

5. Commanders/Commanding officers are reminded of the provision in reference (b) that, "Approval of a support agreement does not constitute approval of additional funding or manpower authorizations. Any and all costs associated with support agreements [which includes MOUs] must be accommodated within the local activity's existing budget. Any increased requirement must be separately addressed through the normal budget or manpower process, or other special programs. Approval of a support agreement does not negate or override other requirements for compliance with statutory, regulatory, or higher authority guidance." Furthermore, all elements of the MOU are to be developed within the limits of the TOP Health Care Services Support Contract. MOUs are subservient to the contract and cannot obligate the contractor beyond the requirements of the contract. Only the TMA TOP Contracting Officer can modify the contract. Any contract changes will be in writing and issued as signed contract modifications.

6. My points of contact for this policy are CDR Tom Whippen, MSC, USN at (202) 762-3146 or e-mail Thomas.Whippen@med.navy.mil and Mr. David Howell at (202) 762-0120 or e-mail David.Howell@med.navy.mil.

A. M. Robinson, Jr.

A. M. ROBINSON, JR.

Copy to:
OTSG, U.S. Army
OTSG, U.S. Air Force
TMA, TRICARE Overseas Program Office