

ter, including contracts entered into” for “entering into a contract” and inserted comma after “title”.

Subsec. (c). Pub. L. 104-106, §735(c), redesignated subsec. (e) as (c) and struck out former subsec. (c) which read as follows: “ALLOCATION OF AMOUNTS IN ACCOUNT FOR PROVISION OF MEDICAL CARE BY SERVICE SECRETARIES.—(1) The Secretary of a military department shall, before the beginning of a fiscal year quarter, provide to the Secretary of Defense an estimate of the amounts necessary to pay for charges for benefits under the program for covered beneficiaries under the jurisdiction of the Secretary for that quarter.

“(2) The Secretary of Defense shall, subject to amounts provided in advance in appropriation Acts, make available to each Secretary of a military department the amount from the account that the Secretary of Defense determines is necessary to pay for charges for benefits under the program for covered beneficiaries under the jurisdiction of such Secretary for that quarter.”

Subsec. (d). Pub. L. 104-106, §735(c)(1), struck out subsec. (d) which read as follows: “EXPENDITURE OF AMOUNTS FROM ACCOUNT BY SERVICE SECRETARIES.—The Secretary of a military department shall provide medical and dental care to covered beneficiaries under the jurisdiction of the Secretary for a fiscal year quarter from amounts appropriated to the Secretary and from amounts from the account made available for that quarter to the Secretary by the Secretary of Defense. If the Secretary of a military department exhausts the amounts from the account made available to the Secretary for a fiscal year quarter, the Secretary shall transfer to the account from amounts appropriated to the Secretary an amount sufficient to provide medical and dental care to covered beneficiaries under the jurisdiction of the Secretary for the remainder of the fiscal year quarter.”

Subsec. (e). Pub. L. 104-106, §735(c)(2), redesignated subsec. (e) as (c).

Subsec. (f). Pub. L. 104-106, §735(c)(1), struck out subsec. (f) which read as follows: “DEFINITIONS.—In this section:

“(1) The term ‘account’ means the Military Health Care Account established in subsection (a).

“(2) The term ‘program’ means the Civilian Health and Medical Program of the Uniformed Services.”

#### EFFECTIVE DATE

Section 701(d)(3) of Pub. L. 99-661 provided that: “Section 1100 of such title (as added by subsection (a)(1)) shall take effect on October 1, 1987.”

#### REPORTS TO CONGRESS

Section 701(c)(2) of Pub. L. 99-661 required Secretary to submit to Congress not later than May 1, 1987, a report on plans of Secretary for establishing diagnosis-related groups for inpatient services under section 1100(a) of this title, and not later than May 1, 1988, a report on plans of Secretary for establishing diagnosis-related groups for outpatient services under such section.

### § 1101. Resource allocation methods: capitation or diagnosis-related groups

(a) ESTABLISHMENT OF CAPITATION OR DRG METHOD.—The Secretary of Defense, after consultation with the other administering Secretaries, shall establish by regulation the use of capitation or diagnosis-related groups as the primary criteria for allocation of resources to facilities of the uniformed services.

(b) EXCEPTION FOR MOBILIZATION MISSIONS.—Capitation or diagnosis-related groups shall not be used to allocate resources to the facilities of the uniformed services to the extent that such resources are required by such facilities for mobilization missions.

(c) CONTENT OF REGULATIONS.—Such regulations may establish a system of diagnosis-relat-

ed groups similar to the system established under section 1886(d)(4) of the Social Security Act (42 U.S.C. 1395ww(d)(4)). Such regulations may include the following:

(1) A classification of inpatient treatments by diagnosis-related groups and a similar classification of outpatient treatment.

(2) A methodology for classifying specific treatments within such groups.

(3) An appropriate weighting factor for each such diagnosis-related group which reflects the relative resources used by a facility of a uniformed service with respect to treatments classified within that group compared to treatments classified within other groups.

(4) An appropriate method for calculating or estimating the annual per capita costs of providing comprehensive health care services to members of the uniformed services on active duty and covered beneficiaries.

(Added Pub. L. 99-661, div. A, title VII, §701(a)(1), Nov. 14, 1986, 100 Stat. 3897; amended Pub. L. 100-456, div. A, title XII, §1233(e)(1), Sept. 29, 1988, 102 Stat. 2057; Pub. L. 103-160, div. A, title VII, §714(a), (b)(1), Nov. 30, 1993, 107 Stat. 1690.)

#### AMENDMENTS

1993—Pub. L. 103-160, §714(b)(1), substituted “Resource allocation methods: capitation or diagnosis-related groups” for “Diagnosis-related groups” as section catchline.

Subsec. (a). Pub. L. 103-160, §714(a)(1), substituted “Capitation or DRG Method” for “DRGs” in heading and inserted “capitation or” before “diagnosis-related groups” in text.

Subsec. (b). Pub. L. 103-160, §714(a)(2), substituted “Capitation or diagnosis-related groups” for “Diagnosis-related groups”.

Subsec. (c). Pub. L. 103-160, §714(a)(3), substituted “may” for “shall” in two places in introductory provisions and added par. (4).

1988—Subsec. (c). Pub. L. 100-456 struck out “(1)” before “Such regulations” in introductory provisions.

#### REGULATIONS

Pub. L. 101-189, div. A, title VII, §724, Nov. 29, 1989, 103 Stat. 1478, as amended by Pub. L. 102-190, div. A, title VII, §719, Dec. 5, 1991, 105 Stat. 1404, provided that: “The regulations required by section 1101(a) of title 10, United States Code, to establish the use of diagnosis-related groups as the primary criteria for the allocation of resources to health care facilities of the uniformed services shall be prescribed to take effect not later than October 1, 1993, in the case of outpatient treatments.”

Section 701(d)(4) of Pub. L. 99-661, as amended by Pub. L. 100-180, div. A, title VII, §724, Dec. 4, 1987, 101 Stat. 1116, provided that: “The Secretary of Defense shall prescribe regulations as required by section 1101(a) of such title (as added by subsection (a)(1)) to take effect—

“(A) in the case of inpatient treatments, not later than October 1, 1988; and

“(B) in the case of outpatient treatments, not later than October 1, 1989.”

### § 1102. Confidentiality of medical quality assurance records: qualified immunity for participants

(a) CONFIDENTIALITY OF RECORDS.—Medical quality assurance records created by or for the Department of Defense as part of a medical quality assurance program are confidential and privileged. Such records may not be disclosed to